

# FUNDTRACKER TRENDWATCH

## Infrastructure closing times fall

Fundraising periods average less than a year for funds closed in 2015

The number of infrastructure funds opening and closing in 2015 has slowed from the heady previous two years, but those that have been launched are closing faster than ever.

- Fund closing times drop dramatically YTD 2015
- Americas-focused funds close in shortest amount of time
- Energy funds dominate and close in less than 10 months

The average time for infrastructure funds to be in the market from start to finish remained relatively steady in 2013 and 2014, averaging 15.5 months and 15.9 months to close respectively. YTD 2015, however, has seen marketing periods fall to an average 11.4 months. This average is helped by four funds that opened and closed in six months or less, and the fact that only one fund took more than 21 months to close. (An outlier fund was open for 84 months and is not included in the charts below.)

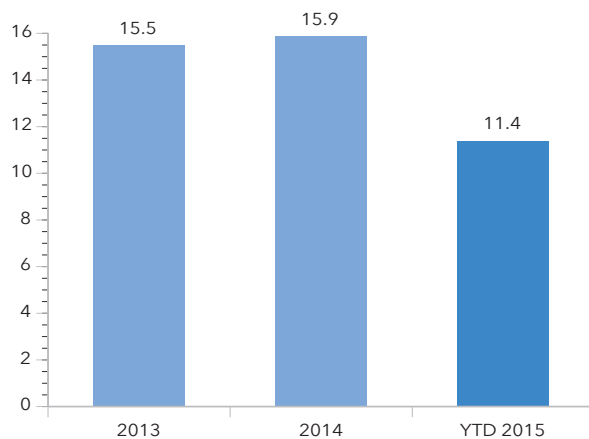
The capital raising periods for Americas-focused and global funds have fallen steadily since 2013. Funds targeting the Americas took more than 16 months to close in 2013. So far this year, they have averaged 9.4 months. Global funds have followed a similar pattern, falling from 17.5 months to 13.3 months since 2013. Asia has

seen a dramatic loss of interest. In 2013, funds took 14.7 months to close. That grew to 18.7 months in 2014. No Asia-focused funds have closed YTD 2015.

Energy funds seem to be closing almost as soon as they open. The two largest funds — EnCap Energy Capital Fund X and Blackstone Energy Partners II — were both focused on energy, and both were oversubscribed and closed in less than six months. The ISQ Global Infrastructure Fund — which is focused on energy, transportation and utilities — took 21 months to close, possibly indicating that investors prefer sector-specific funds to diversified vehicles. The fund was oversubscribed by \$1 billion, however, closing at \$3 billion, so the length of time to close certainly does not indicate a total lack of interest.

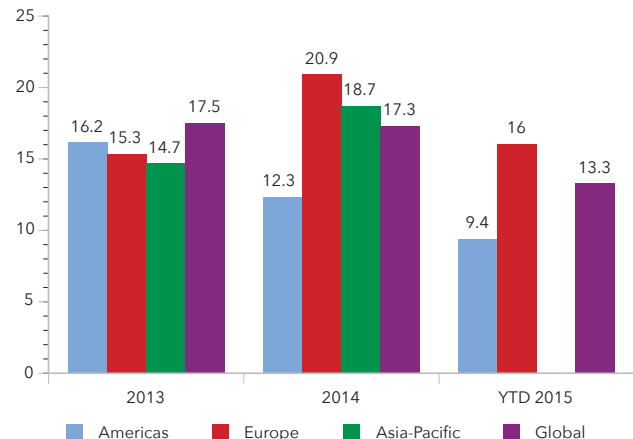
The size of fund does not seem to have as much impact on closing times for infrastructure funds as it does for real estate funds. Infrastructure investments are big and chunky, so it makes sense that the funds need to be big. We consider a real estate fund to be a mega fund if it is \$1 billion or larger. For infrastructure funds, it made more sense to use \$2 billion as the cut off. Infrastructure mega funds have closed faster than non-mega funds in 2013 and 2014, but YTD 2015 the larger funds have taken about 5 months longer.

Average time to close — infrastructure funds (months)



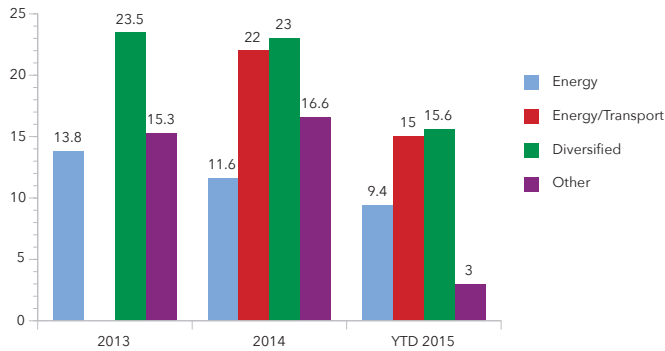
Source: IREI FundTracker

Average time to close per region (months)



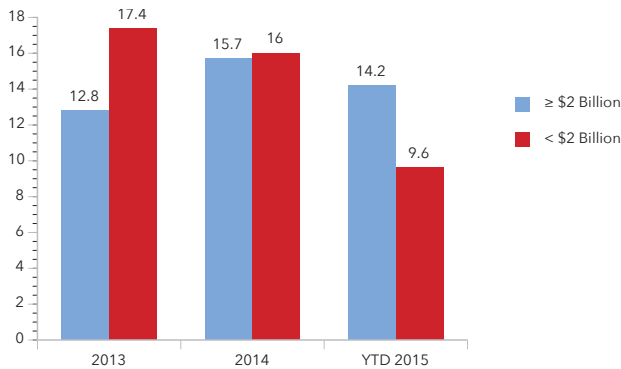
Source: IREI FundTracker

## Average time to close by sector (months)



Source: IREI FundTracker

## Average time to close by size (months)



Source: IREI FundTracker

## Funds closed in less than 12 months (YTD 2015)

Fund Manager	Fund Name	Months Open
iCON Infrastructure	iCON Infrastructure Partners III	3
ARC Financial Corp.	ARC Energy Fund 8	3
EnCap Investments	EnCap Energy Capital Fund X	5
Old Ironsides Energy	Old Ironsides Energy Fund II	6
The Blackstone Group	Blackstone Energy Partners II	7
Five Point Capital	Five Point Capital Midstream Fund I and II (The Fund)	8
PetroCap	PetroCap Partners II	9
Fengate Capital Management	KB Fengate North America Infrastructure Fund	11

Source: IREI FundTracker

## from the IREI NEWS CLOUD

- Indian private equity unit to launch \$500 million infrastructure fund.
  - KKR closed its KKR Global Infrastructure Investors II, raising \$3.1 billion in equity commitments.
  - Copenhagen Infrastructure Partners has held a €2 billion (\$2.21 billion) final close for its new investment fund, Copenhagen Infrastructure II K/S.
  - A new \$500 million National Water Infrastructure Fund would be created as part of the Abbott Government's long-awaited agriculture white paper.
  - The Contra Costa County (Calif.) Employees' Retirement Association has committed \$75 million to Angelo Gordon Energy Credit Opportunities Fund.
  - The Texas County & District Retirement System has committed \$50 million to Ridgewood Energy Oil & Gas Fund III.
  - The Ontario government is investing more than \$78 million in northwestern highways.
  - The Clean Energy Finance Corporation and the direct infrastructure division Colonial First State Global Asset Management will establish Australia's first unlisted clean energy direct infrastructure fund.
- To view the latest real estate, infrastructure and real assets headlines, go to the [IREI NewsCloud](http://IREI NewsCloud).

Information in this report has been drawn from IREI's proprietary FundTracker database. Online subscriptions are available. Click [here](#) for more information.

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