

FUNDTRACKER TRENDWATCH

Big is amazingly good

Top 20 investment managers control most of the AUM

The amount of capital flowing to the asset class has continued to increase year-over-year, as reflected by the growth in aggregate total assets under management as reported by the 208 firms in the *Global Investment Managers 2015* survey, which is conducted annually by Property Funds Research and Institutional Real Estate, Inc. Last year's survey saw the 2013 total grow by 10 percent over that of 2012, and the total has risen an additional 16 percent this year, growing from the 2013 total of \$2.14 trillion to \$2.48 trillion in 2014

The Blackstone Group and Brookfield Asset Management continue their rivalry for top spot. In the 2012 survey, Brookfield held the No. 1 position. Last year, Blackstone moved ahead. And this year, Brookfield again moved into first place. The two behemoths both have more than \$120 billion under management, so a billion here or there is probably statistically insignificant. BAM increased AUM by 16 percent, moving from \$107.9 billion in 2013 to \$125.6 billion in

2014; Blackstone saw a 12 percent increase in AUM, going from \$108.2 billion in 2013 to \$121.0 billion in 2014. Blackstone's early 2015 fundraising has included more than \$15 billion raised for one fund alone. Looks like these two will continue to overshadow other managers in the industry.

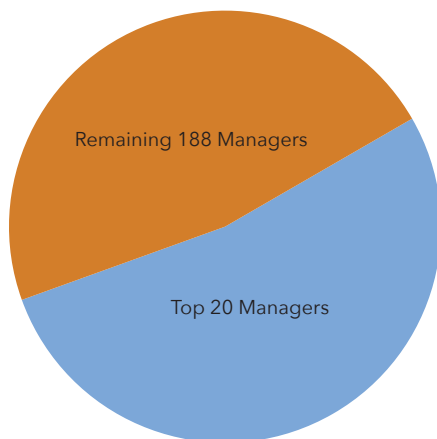
Similar to years past, the survey shows a strong concentration of assets held by the industry's largest firms. The top 10 firms in the survey collectively manage \$822.5 billion of assets, or 33 percent of the total. The top 15 control 44 percent, and the top 20 control about 53 percent of aggregate assets under management. In other words, less than 10 percent of the total investment managers control more than 50 percent of the assets, and less than 5 percent control a third of the AUM. The top three firms in the rankings — BAM, Blackstone and CBRE Global Investors — account for nearly 14 percent of the total AUM.

The top 10 overall rankings have remained relatively stable for the past couple of years, with every single one of these top 10 firms having increased its AUM in 2014. Most of the firms in the overall top 10 also hold that position on the list of top 10 managers based on North America assets.

- Top 10 managers control nearly one-third of total AUM
- North American firms hold most of top spots
- Top 10 firms all grew even larger in 2014

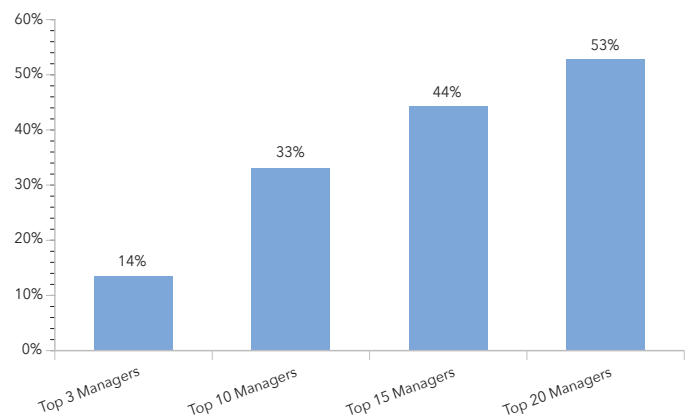
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Percent of total AUM held by top 20 managers



Source: IREI FundTracker

Percent of total AUM held by top managers



Source: IREI FundTracker

Top managers based on North America AUM (\$M)

Rank	Investment Manager	North America	Total
1	Brookfield Asset Management	109,392.00	125,626.00
2	The Blackstone Group	76,175.00	120,978.00
3	Hines	61,335.00	84,930.00
4	MetLife Investment Advisors	58,001.00	64,522.00
5	TH Real Estate	56,134.00	82,303.00

Source: IREI FundTracker

Top managers based on Europe AUM (\$M)

Rank	Investment Manager	Europe	Total
1	AXA Real Estate	62,969.56	66,309.56
2	Credit Suisse AG	50,105.00	55,077.00
3	CBRE Global Investors	45,100.00	90,600.00
4	The Blackstone Group	36,637.00	120,978.00
5	Deka Immobilien Investment/WestInvest	35,492.66	38,090.31

Source: IREI FundTracker

Top managers based on Asia AUM (\$M)

Rank	Investment Manager	Asia	Total
1	UBS Global Asset Management	9,274.00	64,412.00
2	Global Logistic Properties	9,200.00	20,000.00
3	CBRE Global Investors	8,500.00	90,600.00
4	LaSalle Investment Management	8,428.00	55,346.00
5	The Blackstone Group	7,521.00	120,978.00

Source: IREI FundTracker

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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from the IREI NEWS CLOUD

- [Northam Realty Advisors](#) has held a final close of C\$375 million (\$284.7 million) for Northam Canadian Commercial Property Fund II.
- [PCCP](#) has held a final closing of its latest debt fund, PCCP Credit VI, which closed with approximately \$910 million.
- The [Teacher Retirement System of Texas](#) is opening its first international office in London.
- [Holyoke \(Mass.\) Retirement System](#) is seeking real estate managers to run \$9 million for core real estate in an open-end fund and \$10 million for value-add real estate in a closed-end fund.
- [TriGate Capital](#) is in talks with current investors to gauge interest in launching its third value-added fund, TriGate Property Partners III.
- India's realty firm [DLE](#) has entered into a joint venture with Singapore GIC, which will invest \$300 million in two projects located in Central Delhi.
- The [Merced County \(Calif.\) Employees' Retirement System](#) has plans to commit between \$10 million and \$13 million to a value-added real estate fund.
- The \$191.4 billion [California State Teachers' Retirement System](#) has committed a total of \$850 million to three real estate funds.

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