

FUNDTRACKER TRENDWATCH

No stopping largest investment firms

Top 20 investment managers control most of world's AUM

The amount of capital flowing to the real estate asset class has continued to increase year-over-year, as reported by the 194 firms in the *Global Investment Managers 2016* survey, which is conducted annually by Property Funds Research and Institutional Real Estate, Inc. Last year's survey saw the 2014 total grow by 16 percent over that of 2013, and the total has risen an additional 12 percent by year-end 2015, growing to nearly \$2.8 trillion.

The Blackstone Group and Brookfield Asset Management (BAM) continue their rivalry for top dog, with BAM (\$149.8 billion) coming out on top this year. The Blackstone Group comes in a close second with \$147.6 billion AUM. The two behemoths each control more than \$145 billion, so a billion here or there is probably statistically insignificant. BAM increased AUM by 19 percent during the past year; Blackstone saw a 22 percent increase in AUM. Between them, the two mega-investment firms control more than 10 percent of the total industry assets under management.

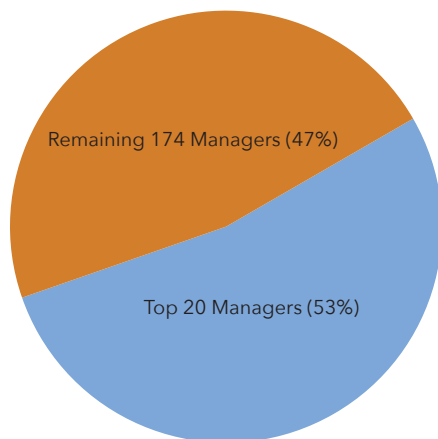
Similar to years past, the survey shows a strong concentration of assets held by the industry's largest firms. The top 10 firms in the survey collectively manage \$925,047 billion of assets, or 33 percent of the total. The top 15 control \$1.23 trillion, or 43 percent, and the top 20 control \$1.48 trillion, or about 53 percent of aggregate assets under management. In other words, approximately 10 percent of the investment managers surveyed control more than 50 percent of the assets. The top three firms in the rankings — BAM, Blackstone and TH Real Estate — account for nearly 14 percent of the total assets under management.

The top 10 overall rankings have remained relatively stable for the past couple of years. The top eight firms are particularly stable, while those in the 9th, 10th and slightly lower positions show more movement. 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.

Another perspective that reflects the growth of the industry and its players: In 2010, only five short years ago, a total of six real estate investment managers topped \$50 billion in AUM; at year-end 2015, that total had ballooned to 17.

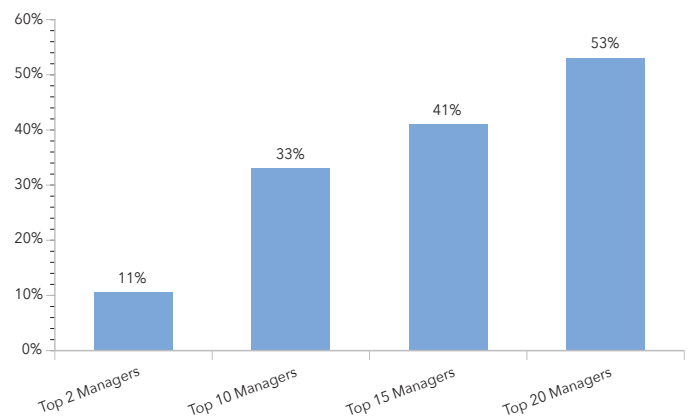
- Top 10 managers control one-third of total AUM
- North American firms hold most of top spots
- Top firms all grew even larger in 2015

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	111,500.00	149,759.00
2	MetLife Investment Management	74,234.00	82,579.00
3	Hines	67,762.00	89,140.00
4	TH Real Estate	62,085.00	91,714.00
5	Principal Real Estate Investors	59,827.38	63,300.83

Source: IREI FundTracker

Top managers based on Europe AUM (\$M)

Rank	Investment Manager	Europe	Total
1	Swiss Life Asset Managers	67,589.79	67,589.79
2	AXA Investment Managers – Real Assets	64,277.67	68,354.79
3	Aviva Investors	47,944.05	49,681.70
4	Credit Suisse Real Estate Investment Management	45,716.00	49,742.00
5	CBRE Global Investors	45,400.00	89,800.00

Source: IREI FundTracker

Top managers based on Asia AUM (\$M)

Rank	Investment Manager	Asia	Total
1	LaSalle Investment Management	16,024.00	53,660.21
2	Kenedix	13,667.91	13,667.91
3	UBS Asset Management, Global Real Estate	12,835.84	67,259.28
4	Global Logistic Properties	8,087.00	20,755.49
5	CBRE Global Investors	7,400.00	82,639.11

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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- The [Carlyle Group](#) has launched a new closed-end opportunistic real estate fund, Carlyle Realty Partners VIII, to invest in U.S. office, multifamily, retail and senior housing properties.
- [Partners Group](#) has launched a new fund focused on real estate secondaries, Partners Group Real Estate Secondary 2017.
- Singapore-based [CapitaLand Ltd.](#) has raised \$1.5 billion for its third private investment vehicle, Raffles City China Investment Partners III, marking the largest private capital raise CapitaLand has originated.
- [Townsend Holdings](#), a private investment firm and registered investment adviser, is launching a \$1 billion interval fund called NorthStar/Townsend Institutional Real Estate Fund Inc., that will enable shareholders to invest indirectly in institutional-quality real estate and real estate-related investments with institutional investors.
- [Corestate Capital Holding S.A.](#) and its partner, Germany-based pension fund Bayerische Versorgungskammer, have launched the special fund BVK-Residential Europe-Immobilienfonds Corestate with a targeted volume of approximately €500 million (\$544 million) to invest in micro apartments, especially student housing properties in European university towns that have continued to display solid economic fundamentals, with a special focus on Germany and Austria.

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