

No stopping largest investment firms

Top 20 investment managers control most of world's AUM

The amount of real estate assets under management continues to increase year-over-year, as reported by the 199 firms in the *Global Investment Managers 2017* survey, which is conducted annually by Property Funds Research and Institutional Real Estate, Inc. According to this survey, the total real estate AUM grew by 16 percent in 2014, and then by 12 percent the following year. 2016's total increased another 7 percent to bring the total amount of AUM to more than \$3 trillion from the 2015 total of \$2.8 trillion.

The Blackstone Group and Brookfield Asset Management (BAM) continue their rivalry for top dog, with Blackstone (\$166.2 billion) coming out on

top this year. Two other firms control more than \$100 billion — BAM (\$148.0) and PGIM (\$124.7). Between them, the three mega-investment firms control 15 percent of the total industry AUM.

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 \$1.1 trillion of assets,

or 37 percent of the total. The top 15 control \$1.4 trillion, or 45 percent, and the top 20 control \$1.62 trillion, or about 54 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.

These numbers continue to confirm that the industry favors the strong. Last year, the top 10 managers controlled 33 percent of the total, compared to this year's 37 percent. And the top 20 controlled 53 percent versus this year's 54 percent. The big are getting bigger.

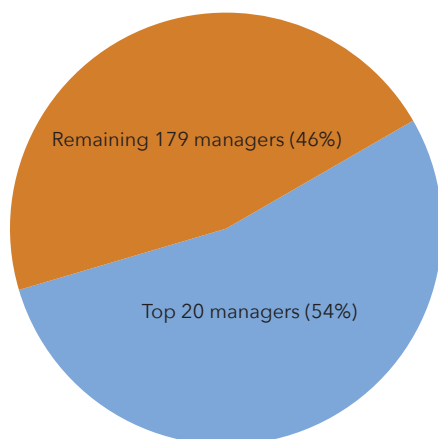
The top 10 overall rankings have remained relatively stable for the past couple of years, with all of this year's top 10 also making a top 10 appearance last year. Most of the firms in the overall top 10 also hold that position on the list of top 10 managers based on North America assets.

Another stat that reflects the growth of the industry and its players: In 2010, a total of six real estate investment managers topped \$50 billion in AUM; at year-end 2016, that total had ballooned to 18.

Regionally, 50 percent of the AUM is housed in North America, with an additional 33 percent in Europe.

- Top 10 managers control more than one-third of total AUM
- North American firms hold most of top spots
- Total AUM grew 7 percent since last year

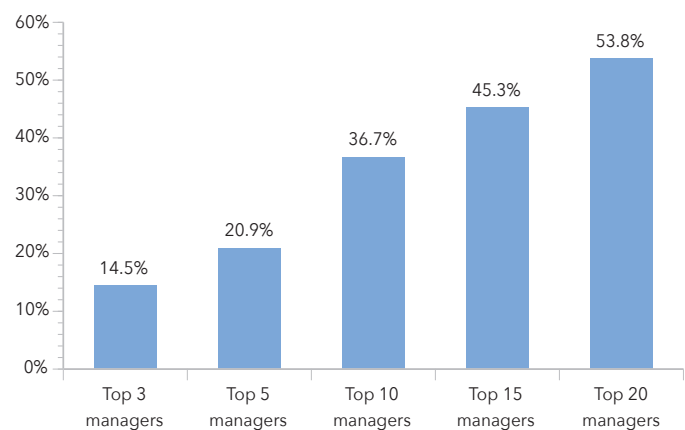
Percent of total AUM held by top 20 managers



Source: IREI FundTracker

as of Dec. 31, 2016

Percent of total AUM held by top managers



Source: IREI FundTracker

as of Dec. 31, 2016

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

Rank	Investment Manager	North America	Total
1	PGIM	100,534.00	124,700.00
2	Brookfield Asset Management	93,800.00	148,028.00
3	MetLife Investment Management	81,267.00	90,044.00
4	Hines	73,170.00	95,456.00
5	J.P. Morgan Asset Management	72,434.00	79,939.00

Source: IREI FundTracker

as of Dec. 31, 2016

Top managers based on Europe AUM (\$M)

Rank	Investment Manager	Europe	Total
1	Swiss Life Asset Managers	70,924.07	70,924.07
2	AXA Investment Managers – Real Assets	65,108.17	69,916.87
3	Credit Suisse Real Estate Investment Management	46,579.00	51,252.00
4	Aviva Investors	44,763.06	46,157.82
5	CBRE Global Investors	41,400.00	86,600.00

Source: IREI FundTracker

as of Dec. 31, 2016

Top managers based on Asia AUM (\$M)

Rank	Investment Manager	Asia	Total
1	LaSalle Investment Management	16,474.00	53,013.00
2	UBS Global Asset Management	13,491.27	77,906.60
3	CBRE Global Investors	10,200.00	86,600.00
4	Gaw Capital Partners	8,688.30	12,663.40
5	Prologis	7,832.40	38,871.30

Source: IREI FundTracker

as of Dec. 31, 2016

from the IREI NEWSCLOUD

- [Octopus Healthcare](#) has completed an initial fundraise of £82 million (\$107 million) for its Octopus Healthcare Fund (formally known as MedicX Healthfund I) following its conversion to a perpetual life vehicles.
- The \$3.9 billion [Kern County \(Calif.\) Employees' Retirement Association](#) has committed \$50 million to Brookfield Real Estate Finance Fund V, a value-added fund that will invest in debt secured by U.S. properties.
- [TPG Capital](#) has plans to raise \$3 billion for TPG Real Estate Partners III, a fund focused on opportunistic real estate investments in the United States and Europe.
- [Vert Asset Management](#) has launched the Vert Global Sustainable Real Estate Fund, an open-end mutual fund that seeks to achieve long-term capital appreciation by investing across the globe in publicly listed REITs using evidence-based environmental, social and governance (ESG) metrics.
- Denmark's [PFA Pension](#), [LOGOS](#) and [Canada's Ivanhoe Cambridge](#) have partnered together to create an \$850 million vehicle to invest in Chinese logistics facilities.
- [Saudi Crown Prince Mohammed bin Salman](#) announced plans to build a new city on the Red Sea coast. The 10,230-square-mile project will be backed by more than \$500 billion from the Saudi government, its sovereign wealth fund, and local and international investors

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