

# FUNDTRACKER TRENDWATCH

January 21, 2020

## Q4/19 first look

### 2019 ends on a low

First quarter 2019 ended on the highest of highs, with records being set due to the closing of multiple mega-funds. In fact, 2019 became known as another year of the mega-fund, a name in a series of years tracing back to its high-volume start in 2013. While the record first-quarter volume had market watchers anticipating a possible 12-month record total, fundraising fizzled during the ensuing months. Due to investors tightening their purse strings, preliminary numbers show that the total fundraising volume for 2019 was \$119.22 billion, approximately \$15.7 billion short of the record setting \$134.9 billion set in 2008.

Despite mega-funds driving the capital-raising volume at the beginning of the year, it looks like the mega-fund trends may be starting to dissipate.

Preliminary numbers show only three mega-funds closed in fourth quarter 2019, continuing the slowdown trends we saw starting in 2018.

In addition, preliminary numbers show that only 19 funds closed during the last three months of the year, raising approximately \$13.56 billion, the lowest number of funds closed since fourth quarter 2010 (nine funds) and the lowest quarterly fundraising volume since first quarter 2013 (\$8.1 billion).

Keep an eye out for the release of final numbers at the beginning of February. They are sure to shed more light on fundraising volume and trends. While you wait, to take a look at past FundTracker data, go to [www.irei.com/fundtracker](http://www.irei.com/fundtracker).

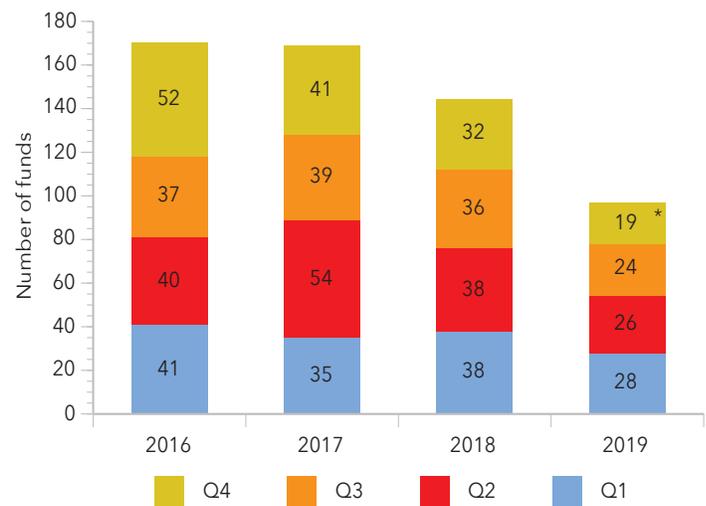
— Denise DeChaine

#### 10 largest private equity real estate funds closed in 2019

| Fund Name                                     | Size (\$B) |
|---|------------|
| Blackstone Real Estate Partners IX            | \$20.50    |
| Brookfield Strategic Real Estate Partners III | \$15.00    |
| Lone Star Fund XI                             | \$8.20     |
| Lone Star Real Estate Fund VI                 | \$4.70     |
| TPG Real Estate Partners III                  | \$3.70     |
| TCI Real Estate Partners III                  | \$3.70     |
| AG Realty Value Fund X                        | \$2.75     |
| Gateway Real Estate Fund VI                   | \$2.20     |
| Henderson Park Real Estate Fund               | \$2.20     |
| Greystar Equity Partners X                    | \$2.00     |

Source: Institutional Real Estate FundTracker

#### Number of funds holding final close by quarter



Source: IREI FundTracker; \*Preliminary numbers as of Jan. 10, 2020

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

For IREI FundTracker database subscription information, please contact Karen Palma, [k.palma@irei.com](mailto:k.palma@irei.com), +1 925-244-0500, ext. 136

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