

Fundraising sees shadow of years past

Early numbers are in for real estate investment funds closing in first quarter 2020 (\$18.76 billion) — and although similar to the numbers posted in first quarter 2017 (\$18.78 billion), the number of funds are down to 22 funds closed in first quarter 2020, compared with 35 funds in the first three months of 2017.

- \$18.76 billion raised by 22 funds in the first quarter
- Global and Asia-focused funds lead geographically
- Six of the 22 funds raised \$1 billion or more

There is no comparing fundraising totals to first quarter 2019 when two mega-funds raised a combined total of \$32.3 billion, accounting for 67 percent of the fundraising total.

More fund closings could be reported when final numbers are released; these are only preliminary numbers. Many funds were closing when the beginning of the COVID-19 pandemic was just reaching the U.S. The pandemic doesn't seem to have skewed the numbers too much, but we'll really see when second quarter 2020 numbers start to compile. Looking

back over the last three years, from the time the preliminary data was released to the time first quarter numbers were confirmed and released, the fundraising total rose by an average of \$5.5 billion.

Looking at preliminary data for the geographic regions, the U.S. is leading in fundraising totals, but the global and Asia-focused funds are leading in largest funds closed.

In fact, preliminary numbers show the two largest funds to close in first quarter 2020 are Andersson Real Estate Investment Management's Ariem Fund IV, an Asia-focused fund raising \$2.75 billion, and DRA Advisors' DRA Growth & Income Fund X, a global focused fund, raising \$2.5 billion.

Six of the 22 funds closing in first quarter 2020 raised \$1 billion or more. In aggregate, these funds raised approximately \$11.1 billion, accounting for 59 percent of the overall total. This compares with the first quarter 2019, when seven of the 21 funds raised more than \$1 billion and accounted for \$41.1 billion, or 85 percent of the overall total. Going back even further, this compares with first quarter 2018, when six of the 35 funds raised more than \$1 billion and accounted for \$23.4 billion, or 76 percent of the total.

As mentioned before, first quarter 2020 may be showing signs of the inevitable downturn after a decade-long bull market, or it could be the calm before the temporary storm caused by COVID-19.

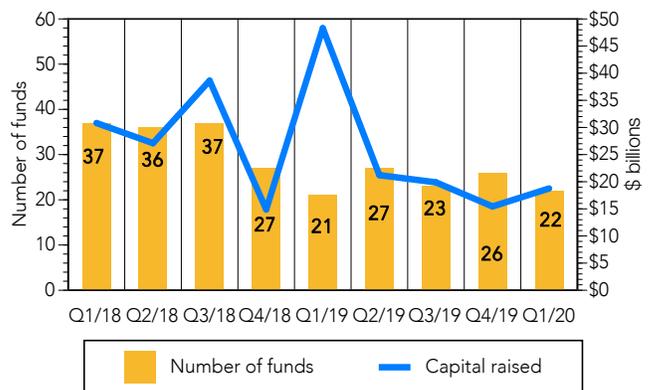
— Denise DeChaine

Largest funds closed Q1/2020

Fund Name	Total Raised	Region
Andersson Real Estate Investment Management Ariem Funds IV	\$2.75 billion	Asia
DRA Growth & Income Fund X	\$2.5 billion	Global
PGIM Real Estate Senior Housing Partnership Fund VI	\$1.9 billion	United States
Westbrook Real Estate Fund XI	\$1.5 billion	United States
PAG Asia Secured Capital Real Estate Partners VII	\$1.2 billion	Global
Time Equities TEI Diversified Income & Opportunity Fund IV	\$1.2 billion	United States

Sources: FundTracker, first quarter preliminary data

Fundraising trends, Q1/18–Q1/20



Note: Preliminary Q1/20 data; 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.

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

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