

# Preqin Research Report

## Real Estate Fundraising Update

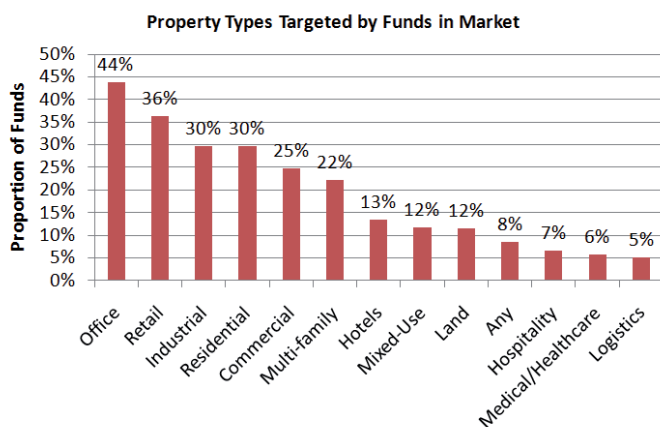
**Fig. 1: Funds on the Road**

	US	Europe	ROW	Total
Number of Funds	204	99	79	382
Aggregate Target Size (\$bn)	81	41	32	154
Average Target Size (\$mn)	411	443	454	428

There are currently 382 private equity real estate funds in market targeting aggregate commitments of \$154 billion. 204 have a primary focus on North America and are seeking \$81 billion, 99 Europe-focused vehicles are seeking \$41 billion, and 79 Asia and Rest of World funds are seeking \$32 billion in aggregate commitments. Asia and Rest of World-focused funds have the largest average target size, with such targeting an average of \$454 million. Europe-focused funds have an average target size of \$443 million and the average North American fund is targeting \$411 million.

Fig. 2 shows the property types that are targeted by funds in market. 44% of funds on the road will invest in

**Fig. 2: Property Types Targeted by Funds In Market**



**Fig 3: 10 Largest Real Estate Distressed and Debt Funds on the Road**

Fund	Manager	Target Size (mn)	Strategy
Real Estate Turnaround Investment Program	Brookfield Asset Management	5,500 USD	Debt, Distressed & Opportunistic
Lone Star Fund VII	Lone Star Funds	4,000 USD	Debt & Distressed
Lone Star Real Estate Fund II	Lone Star Funds	4,000 USD	Debt, Distressed & Opportunistic
Carlyle Realty Partners VI	Carlyle Group	3,000 USD	Debt & Opportunistic
Fortress Credit Opportunities Fund II	Fortress Investment Group	2,000 USD	Debt & Distressed
TA Realty Associates IX	TA Associates Realty	1,850 USD	Core-Plus, Debt, Distressed & Value Added
Starwood Global Opportunity Fund VIII	Starwood Capital Group	1,500 USD	Distressed and Opportunistic
Starwood Capital Hospitality Fund II	Starwood Capital Group	1,250 USD	Distressed & Opportunistic
Aetos Capital Asia IV	Aetos Capital	1,000 USD	Debt, Distressed & Opportunistic
AREA Real Estate Opportunity Fund VI	AREA Property Partners	1,000 USD	Debt & Opportunistic

office properties. Retail assets are targeted by 36% of funds, while industrial and residential assets are each targeted by 30% of funds. Outside the main property types, 13% of funds target hotels, 12% mixed use and 12% land. 8% will invest in any property type.

The largest funds in market targeting distressed or debt investments are shown in Fig. 3. Brookfield Asset Management's Real Estate Turnaround Investment Program has a \$5.5 billion target and invests in equity and debt in undervalued real estate companies or real estate portfolios globally. Lone Star Funds is marketing two funds with fundraising targets of \$4 billion. Lone

Star Fund VII targets distressed residential mortgages and defaulting corporate bonds and loans, while Lone Star Real Estate Fund II targets investments in a broad range of financial and other investment assets in commercial real estate. Carlyle Group is seeking \$3 billion for Carlyle Realty Partners VI and Fortress Investment Group is targeting \$2 billion for Fortress Credit Opportunities Fund II.



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