

The largest manager exceeds US\$200 billion of assets under management

- Total real estate AUM grew by 12.0%, from US\$2.8 trillion in 2017 to US\$3.2 trillion in 2018
- For the first time in the survey's history the largest manager breached the US\$200 billion mark
- The top five managers represent more than a quarter of total real estate AUM

Total real estate assets under management (AUM) increased by 12.0%, from US\$2.8 trillion in 2017 to US\$3.2 trillion in 2018. This increase was supported by growth in AUM of the largest managers with the top five managers comprising more than quarter of total real estate AUM.

The average AUM across all managers was US\$18.4 billion for 2018, above the previous year's average of US\$17.6 billion.

For the first time in the survey's history, the US\$200 billion mark was breached. This was achieved by the largest manager, Blackstone, with total real estate AUM of US\$230.6 billion. The three largest managers, Blackstone, Brookfield and PGIM extended their lead ahead of other managers by quite some margin.

The 10 largest managers represent 40.1% of the overall AUM which is on par with levels observed in previous years. The degree of concentration among managers varies across the investment strategies.

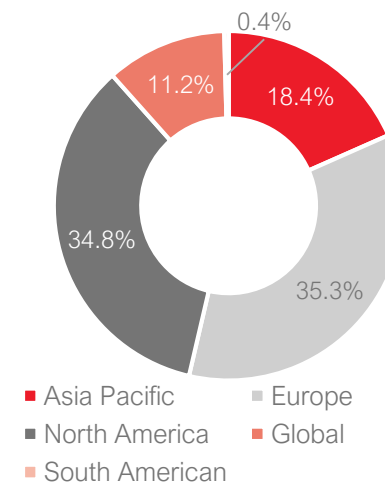
For Asia Pacific strategies the largest manager is much larger than the rest, while for European and North American strategies the leading players are bunched much more closely together.

Consolidation in the industry continues with around one in five managers involved in M&A activities in the last ten years.

Total real estate AUM varies across regional strategies. European and North American strategies represent similar proportions of the overall real estate AUM, at 35.3% and 34.8% respectively.

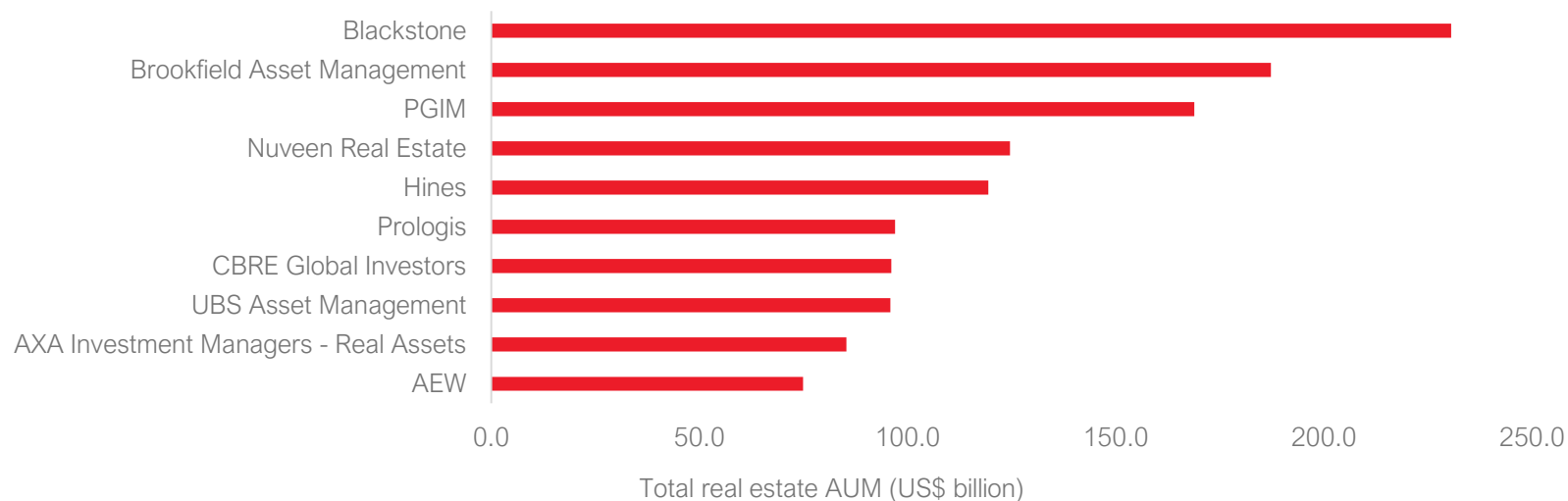
Meanwhile Asia Pacific strategies represent 18.4% of total real estate assets under management, and global strategies comprise 11.2% of the total real estate AUM.

Figure 1: Total real estate assets under management by regional strategy



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Figure 2: Top 10 fund managers by total real estate AUM



With US\$230.6 billion of real estate AUM, The Blackstone Group tops the overall list. Their total real estate AUM increased by 19.0% from US\$193.8 billion previously. Brookfield Asset Management posted total real estate AUM of US\$187.3 billion, a surge of 20.5% from the previous year, securing them second place. In third position was PGIM with US\$168.9 billion of real estate AUM. Nuveen Real Estate and Hines conclude the quintet of managers with US\$124.6 billion and US\$119.4 billion of real estate AUM respectively.

PGIM topped the list for North American strategies with AUM of US\$143.9 billion, which is considerably larger than the US\$110.4 billion recorded by Brookfield Asset Management. For both these strategies, at least US\$30 billion is needed to make it to the top 10. In Asia Pacific, CapitaLand Limited ranked first with US\$55.9 billion while The Blackstone Group earned its top place among global strategy managers with US\$109.4 billion, far ahead of Brookfield Asset Management with US\$58.9 billion.

Non-listed real estate represents a significant portion of total real estate assets under management. Of the US\$3.2 trillion total AUM, non-listed accounts for 84.0% or US\$2.7 trillion with funds comprising almost half, 46.5% of the total real estate AUM. Meanwhile listed and other real estate represent 10.9% and 5.1% respectively.