

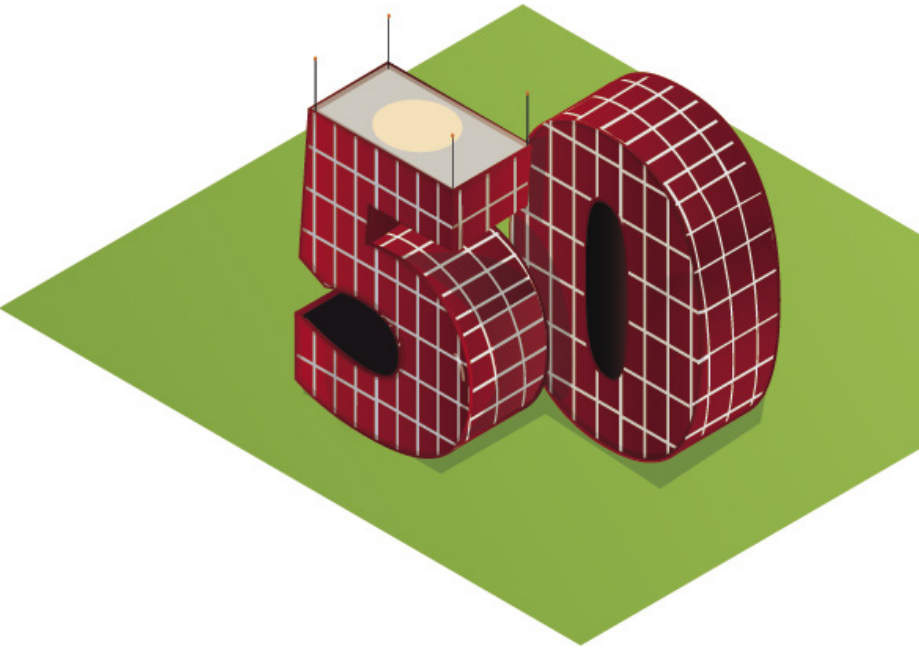
# PERE

## Debt

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# The Real Estate Debt



*PERE's latest ranking of the largest real estate debt fund managers*

## Definitions

### Private real estate debt

For the purposes of the RED 50, this is equity capital raised for a dedicated program of issuing debt for property deals. The capital is raised primarily in blind-pool limited partnerships. These investment programs are further distinguished in that they do not pursue ownership of the assets, but rather the financing of them.

### Capital raised

This means capital definitively committed to a private real estate direct investment program. In the case of a fundraising, it means the fund has had a final or official interim close after January 1, 2015. We may count the full amount of a fund if it has a close after this date. And we may count the full amount of an interim close (a real one, not a 'soft-circle') that has occurred recently, even if no official announcement has been made. We also count capital raised through co-investment vehicles.

2020 rank	Change since 2019	Manager
1	★	AXA Investment Managers - Real Assets
2	▼	Blackstone
3	▲	PGIM Real Estate
4	★	Cerberus Capital Management
5	▼	Intermediate Capital Group
6	▼	AllianceBernstein
7	▼	M&G Investments
8	▼	Goldman Sachs Merchant Banking Division
9	▲	Bridge Investment Group
10	★	ACORE Capital
11	▼	PCCP
12	★	Mack Group
13	▼	Oaktree Capital Management
14	▼	LaSalle Investment Management
15	▲	BentallGreenOak
16	▲	Torchlight Investors
17	▲	Kayne Anderson Capital Advisors
18	▼	Brookfield Asset Management
19	▲	KKR
20	▼	DRC Capital
21	★	Aberdeen Standard Investments
22	▼	CAERUS Debt Investments
23	▲	DWS
24	◁▷	Rialto Capital Management
25	▼	Prime Finance Advisor
26	▼	Nuveen Real Estate
27	▼	BlackRock
28	▲	Mesa West Capital
29	▲	Walton Street Capital
30	▼	Cheyne Capital Management
31	▲	Qualitas
32	◁▷	Square Mile Capital
33	▼	Madison Realty Capital
34	★	MaxCap Investment Management
35	▼	Vårde Partners
36	▲	CBRE Global Investors
37	★	Invesco Real Estate
38	▲	JCR Capital Investment Corporation
39	▼	Tyrus Capital
40	▼	SCOR Investment Partners
41	▼	Ares Management Corporation
42	▼	Colony Capital
43	★	Barings
44	▼	AgFe
45	▼	Atalaya Capital Management
46	★	LCN Capital Partners
47	▼	Brunswick Real Estate Capital
48	★	Octopus Real Estate
49	★	Amundi Group
50	▼	Pacific Investment Management Co.

★ New entry ▲ Riser ▼ Faller ◁▷ No change

Headquarters	Capital raised (\$m)
Paris	19,467.05
New York	8,506.00
Madison	5,768.27
New York	5,748.85
London	5,162.30
New York	5,050.00
London	4,794.86
New York	4,706.36
Salt Lake City	4,181.00
San Francisco	4,056.45
Los Angeles	4,043.30
New York	3,863.00
Los Angeles	3,685.00
Chicago	3,624.74
New York	3,410.33
New York	3,042.50
Los Angeles	2,970.00
Toronto	2,949.00
New York	2,887.00
London	2,875.27
Aberdeen	2,851.45
Dusseldorf	2,693.40
Frankfurt	2,569.14
Miami	2,542.00
New York	2,498.38
London	2,435.35
New York	2,428.67
Los Angeles	2,263.00
Chicago	2,173.15
London	2,123.00
Melbourne	2,099.78
New York	2,022.00
New York	1,931.00
Melbourne	1,829.83
Minneapolis	1,786.02
London	1,763.95
New York	1,713.00
Denver	1,678.20
London	1,513.63
Paris	1,493.97
Los Angeles	1,482.50
Los Angeles	1,446.89
Charlotte	1,430.46
London	1,427.79
New York	1,425.00
New York	1,371.11
Stockholm	1,334.43
London	1,318.34
Paris	1,260.87
Newport Beach	1,249.00

**What counts?**

**Structures**

- Limited partnerships
- Co-investment/sidecar vehicles
- Seed capital or manager commitment

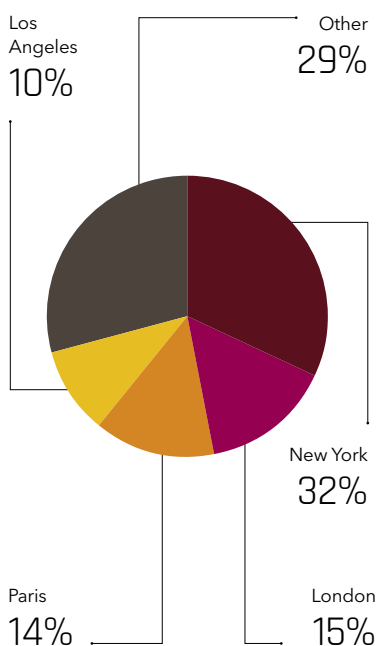
**Strategies**

- Debt issuing funds

**What does not count?**

- Expected capital commitments
- Open-end funds subject to conditions on tab 6
- Public funds
- Funds of funds
- Non-discretionary vehicles
- Secondaries vehicles
- Real estate equity funds (core, core plus, value-add, opportunistic)
- Private equity
- Infrastructure
- Hedge funds
- Capital raised from affiliated entities
- Capital raised on a deal-by-deal basis
- Private real estate funds for which purchasing debt is part of the strategy

**New York remains the leading debt fundraising center (proportion of RED 50 total capital raised)**



Source: PERE

**\$156.9bn**

Total capital raised

**\$3.1bn**

Average capital raised

**62.4%**

Capital raised by North America-based firms

**14**

Number of places climbed by Mesa West Capital, up from 42 to 28. No firm to appear in both editions of the RED 50 climbed more places

Headquartered in: ■ Asia-Pacific ■ Europe ■ North America

## 9 Bridge Investment Group

Capital raised: **\$4.2bn**  
Head office: **Salt Lake City**

Bridge Investment Group rises to the top 10 thanks to an additional \$950 million of debt capital raised. Bridge Debt Strategies Fund III held a final close in December 2019 at \$1.63 billion - \$130 million above target. The fund is investing in office, healthcare, multifamily and residential in the US.

Bridge's debt team was established by James Chung, who is partner and CIO of Bridge Debt Strategies Fund Manager. The team invests in commercial real estate-backed fixed income, focusing on underserved debt markets such as Freddie Mac K-Series B-pieces and first mortgage lending on value-add opportunities in multifamily, office and senior housing assets.

## 10 ACORE Capital

Capital raised: **\$4.1bn**  
Head office: **San Francisco**

A new entrant to the RED 50, ACORE Capital debuts within the top 10 with more than \$4 billion of capital raised since January 1, 2015 for debt issuance. The firm launched ACORE CRE Debt Holdings last year and held a final close for ACORE Credit IV, its first real estate debt fund. The latter's fund size is \$556 million, with around \$2 billion in separate account mandates.

ACORE was founded by head of originations Warren de Haan, head of credit Chris Tokarski, and co-heads of capital markets and operations Boyd Fellows and Stew Ward.

## 11 PCCP

Capital raised: **\$4bn**  
Head office: **Los Angeles**

PCCP has been providing commercial real estate debt and equity capital solutions in the US since 1998, raising, investing or managing over \$21.8 billion of institutional capital. Although it has slipped out of the RED 50 top 10, it raised over \$4 billion since 2015.

Led by founders Aaron Giovara, Donald Kuemmler and Bill Lindsay, it originates senior and mezzanine loans secured by commercial real estate, loans on properties that are being repositioned, construction loans, loans on vacant buildings, and loans for discounted payoffs and discounted note acquisitions. It typically invests between \$20 million and \$300 million across US office, industrial, multifamily, retail, hospitality, residential and land.

## 12 Mack Group

Capital raised: **\$3.9bn**  
Head office: **New York**

Founded in 2013 by Stephen Mack and William Richard, Mack Real Estate Group provides real estate investment management services through multiple entities and business lines, with commercial real estate lending and debt investments forming a key component. Its alternative lending platform, Mack Real Estate Credit Strategies, was established in 2014, as elevated US commercial real estate prices made equity investments more challenging.

Last year, Mack Real Estate Credit Strategies launched MREF TT Co-Invest, with \$65 million from Teacher Retirement System of Texas. In 2018, it launched the \$225 million Mack Real Estate Finance fund, which is currently investing in the US.

## 13 Oaktree Capital Management

Capital raised: **\$3.7bn**  
Head office: **Los Angeles**

Oaktree Capital Management added real estate debt as a standalone strategy to invest capital in performing real estate debt on a global basis in 2010. A decade on, the team focuses on a broad range of transactions in the commercial and residential sectors, investing in both private loans and traded securities.

The firm launched Oaktree Real Estate Debt Fund III in December 2019. The fund is a follow-up commercial real estate debt investment fund, following on the heels of Fund II, which closed in 2018 on more than \$2 billion. The firm's real estate debt strategy is led by John Brady and Justin Guichard.

## 14 LaSalle Investment Management

Capital raised: **\$3.6bn**  
Head office: **Chicago**

A top 10 firm last time out, LaSalle Investment Management dips to 14th but has only raised \$85 million less than it had for the 2019 RED 50. The firm has been investing in real estate debt and equity in the UK and Germany since 2009 through its closed-end LaSalle Real Estate Debt & Special Situations Fund series.

LaSalle launched LaSalle Real Estate Debt Strategies IV in October 2019 with a target size of €1 billion. It also held a final close - £54 million above target - on £804 million (\$994.4 million; €916 million) for LaSalle Real Estate Debt Strategies III in November 2017.