

## Real Estate Boom Echoes On in 2019

**Fundraising surpasses \$150bn for the first time, as AUM closes in on \$1tn**

In recent years the private equity real estate industry has grown rapidly. As of June 2019 (the latest available data), assets under management stand at \$992bn, on track to cross the \$1tn threshold by the end of the year. If it continues on this trajectory, the asset class is on course to hit \$1.2tn in AUM by 2023, as predicted in Preqin’s 2018 [Future of Alternatives](#) report. Fundraising in 2019 has reached record heights, beating 2018’s record as fund managers secured \$151bn through 295 funds closed. On the deals side, the total number of private equity real estate (PERE) deals was 4.7% lower than in 2018, but included some of the largest deals ever recorded.

**For more information, see the [2020 Preqin Global Real Estate Report](#) sample pages here:**

**<https://docs.preqin.com/samples/2020-Preqin-Global-Real-Estate-Report-Sample-Pages.pdf>**

**If you would like a complimentary press copy of the report, please contact us at [press@preqin.com](mailto:press@preqin.com).**

**Ashish Chauhan, Executive Editor – 2020 Preqin Global Real Estate Report:**

*“Real estate had a fruitful year in 2019. Looking at the level of assets under management reached in 2019, we would expect the asset class to reach \$1tn this year. Fund managers were able to secure the highest amount of capital ever seen and this boom looks set to continue in 2020. With this in mind, fund managers will have to keep exploring new sectors and regions to meet investors’ expectations. ESG has become a key consideration and investors are increasingly integrating it in their portfolios.”*

### Key Real Estate Facts:

- **Real estate AUM reached \$992bn as of June 2019.** This is an increase of 33% from the \$744bn in AUM seen at the end of 2014, and puts the industry on track to reach \$1tn as of the end of 2019.
- **Real estate funds raised \$151bn in 2019 and closed 295 funds.** This beats 2018’s record of \$148bn secured from 486 funds closed.
- The boom in fundraising is expected to continue, as **83% of investors surveyed plan to maintain or increase their allocation to real estate in 2020.**
- **There were 9,328 PERE deals completed in 2019, with an aggregate value of \$410bn.** This is slightly lower than in 2018, when 9,795 deals were made with a value of \$457bn.
- **Thirty-one percent of investors in the asset class have an active ESG policy in place** and a further 13% of real estate investors plan to implement an ESG policy over the next 12 months.

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