Cover story

Fundraising flux reshuffles PERE's manager rankings

Outsized equity targets, and more time spent trying to reach them, contributed to a shakeup in the top echelons of PERE's annual rankings. By Greg Dool

The topmost tier of the PERE 100 looks different this year, as lengthening fundraising timelines and larger capital hauls yielded divergent outcomes among private real estate's largest asset managers.

Capital-raising powerhouses Blackstone and Brookfield Asset Management maintained their top positions, but the rest of the top 10 saw significant reshuffling, with multiple firms making big jumps while others dropped down or out of the top tier.

"We showed last year that we were able to transact in all three regions – the US, Europe and Asia – in a difficult transaction environment," says Chris Lee, president of global real estate at New York-based KKR, which rose to fourth in this year's PERE 100 ranking – its highest result to date – from 12th place in the 2024 roster. "It showed that when people are investing [with us], they're investing behind a track record, but also with a team and our ability to theme develop, source interesting dealflow and execute on that dealflow. I think that was a differentiator for us."

Also making a significant jump was Washington, DC-based Carlyle Group, which re-entered the top 10 this year after launching its 10th real estate opportunity fund in January 2024. A final close of Carlyle Realty Partners X, for which the manager has a hard-cap of $10 billion in commitments, is expected later in 2025.

Miami-based Starwood Capital Group also returned to the top 10 for the first time since 2023, rising to sixth after increasing its aggregate fundraising total by approximately $5 billion compared with last year.

David Murren, Starwood's managing director of global capital raising and investor relations, says the firm has differentiated itself and its funds thanks to its "flexible investment strategy," its scale and its experience across multiple cycles, all of which enable the firm to quickly shift strategies across asset classes, geographies or risk profiles in a volatile environment.

After steadily climbing the ranking for years, BGO moved one spot to third for the first time, thanks in part to the close of its largest-ever European property fund on $2.2 billion in September.

"Performance drives our ability to raise capital. It is the number one, two and three pieces of the equation," says BGO chief executive John Carrafiell, adding that institutional investors are also increasingly conscious of their managers' consistency in generating returns and ability to manage risk after multiple difficult years for the asset class.

"I think LPs are getting questioned: Make the argument for real estate. So I think it's really important to demonstrate that you have exceptional risk management," he says.

A longer, lumpier road

After Blackstone and Brookfield, every other firm in the top 10 moved up or down at least one place – notable given the ranking is based on trailing five-year fundraising totals. This degree of turnover at the top of the PERE 100 is a relatively recent phenomenon. Five years ago, in the 2020 ranking, only two new managers entered or re-entered the top 10, the same amount as in 2019. Rarely has that number exceeded three. This year, four managers ascended or returned to that top echelon. Last year, five did.

Within the top five, BGO and KKR's ascent came at the expense of TPG Angelo Gordon, which slipped from third on last year's list to fifth this year. Within last year's top 10, GLP Capital Partners, Ares Management and ESR Group also fell at least one spot. These results illustrate how the current fundraising environment is contributing to year-to-year swings in the ranking.

While TPG closed its fourth flagship AG Europe Realty fund in May on $2.27 billion in capital commitments, *PERE* data shows that nearly 75 percent of that capital haul was reported across two closes in the first half of 2025, meaning a fraction of the fund's total capital haul made it into the counting period for this ranking, which ended December 31, 2024.

But that is not merely a quirk driven by the PERE 100 methodology – it reflects a changed climate for fund managers and the uneven results it can create in quarter-to-quarter and year-to-year fundraising figures.

Even in a slower period for private real estate allocations, the biggest managers have mostly continued to raise larger funds. Many are just taking longer to do it. The average real estate fund that closed in 2024 spent 22 months on the road, *PERE* data shows, more than double the average of 10.8 months recorded in 2019. Those timelines have steadily increased every year since.

This new reality in which managers can often spend upwards of two years raising capital for their flagship vehicles, coupled with a relative rise in co-investment and private wealth capital, means fundraising totals are increasingly skewed toward the tail end of a vehicle's time in the market.

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> **BGO**

These increased timelines are generally not the result of returning institutional investors taking longer to commit to a new vintage, according to BGO's Carrafiell. It is new investors, he says, that increasingly want a fund to be partially deployed before they jump in.

"Your re-up investors can come in quickly. The timeline for them generally hasn't changed," Carrafiell says. "But if you're bringing in new investors to your firm or to a region, they will take longer to underwrite. And often they'll want to see that you've deployed some of the first capital and be able to touch and feel those investments to do due diligence.

"In my view, that is the reason managers who are raising larger funds are also seeing an extended timeframe."

While the volatility in the ranking is most immediately apparent at the top of the list, several firms further down the list saw dramatic swings in their totals. New York-based Sculptor Capital Management rose 16 spots to 61st after raising $3 billion for its fifth flagship real estate fund, which is expected to see a final close this year.

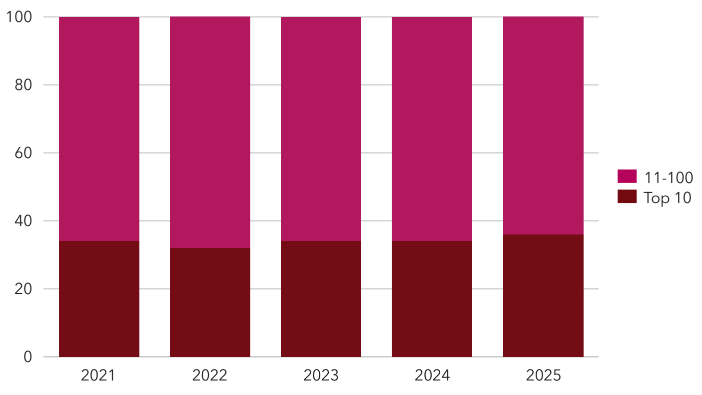
And Sacramento-based Griffin Capital Partners, which spent more than two years in the market with its Qualified Opportunity Zone Fund III, surged 61 spots to 109th on the PERE 200 after closing the vehicle on $586 million in March 2024 then raising another $94 million for its successor Fund IV before year-end, per *PERE* data.

In aggregate, the PERE 100 managers raised $641.4 billion in the five years ending December 31, 2024 – down 8.3 percent from $699.7 billion in last year's ranking. That is no surprise, given 2024 was the slowest year for overall private real estate fundraising in more than a decade. The aggregate amount raised by the top 10, meanwhile, was comparatively flat, down just 1.7 percent from last year's total.

"There is a continued preference for larger managers" among institutional investors, says Jarrett Vitulli, senior managing director at New York-based advisory firm Evercore. "That has been a longer-term trend, but it certainly feels more pronounced over the last three to five years."

And although Brookfield's aggregate figure declined from last year after some earlier-vintage funds slipped outside the reporting period, its hold on second place is unlikely to be challenged soon. The manager raised a further $5.9 billion in the "final institutional close" of its flagship fifth flagship real estate fund in the first quarter, CEO Bruce Flatt wrote in a May letter

The top 10 managers on the PERE 100 were responsible for 36% of aggregate capital raised by the ranking, the highest share in five years (%)



Source: PERE

Cover story

Among the top 10 managers on the PERE 100, only Blackstone and Brookfield retained the same positions over the past four annual rankings

Rank	2025	2024	2023	2022
1	Blackstone	Blackstone	Blackstone	Blackstone
2	Brookfield Asset Management	Brookfield Asset Management	Brookfield Asset Management	Brookfield Asset Management
3	BGO	TPG	Starwood Capital Group	Starwood Capital Group
4	KKR	BGO	GLP Capital Partners	ESR
5	TPG	GLP Capital Partners	BGO	GLP Capital Partners
6	Starwood Capital Group	Cerberus Capital Management	Ares Management	Carlyle Group
7	Carlyle Group	Blue Owl Capital	KKR	BGO
8	GLP Capital Partners	Ares Management	ESR	AEW
9	Ares Management	Hines	Cerberus Capital Management	Cerberus Capital Management
10	EQT	ESR	EQT	Ares Management

to shareholders, suggesting more capital is to come for the strategy through private wealth channels.

Blackstone, as ever, remains the dominant capital raiser in the sector, bolstering its totals with its $3.5 billion take-private of Toronto-based manager Tricon Residential, which was 48th on last year's PERE 100.

Strength in stability

Fourth-ranked KKR, a private equity giant famed for its leveraged buyouts, launched a dedicated real state strategy only 13 years ago. But having now closed three US real estate equity funds, Lee says the manager has built a significant track record in both fundraising and realizations.

"I think that resonates a lot," he says. "The other thing that resonates is how long your team has been together. We've been working together since, in some cases, the first deal in the first fund. That consistency matters."

In a tough market, BGO has increasingly focused on customized solutions for its institutional clients, such as co-investments to fit their allocation strategies, rather than asking them to tailor allocations to specific funds.

"For a sizable commitment, we're willing to have that discussion to provide that solution for an investor," says Carrafiell. "We're broad enough and sizable enough that we can talk about a solution that helps get their portfolio where they want it to be. I think that's a real shift over the last year or two. We're having more of those dialogues than we've ever had in the past."

The big get bigger

Another shift that has shaken up the PERE 100 in the last several years has been a string of mergers between some of the sector's largest asset managers – a trend which has shown no sign of stopping in 2025. One due to alter the top of the list is Ares Management's acquisition of Singapore-based logistics and data center specialist GLP Capital Partners' non-China business.

The two firms were kept separate on this year's ranking since the deal closed after the end of the counting period. But the managers ranked eighth and ninth can be expected to propel up the top 10 as a combined entity on next year's list. The M&A deal has boosted Ares' real assets platform to over $124 billion in AUM, according to its first-quarter earnings report. That is up from $75 billion at the end of 2024, before the GLP deal closed, for a quarter-to-quarter increase of 65 percent.

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> **KKR**

"The integration with GCP International is going very well, and we are just beginning to execute on the many synergy opportunities that we identified," said Ares chief executive Michael Arougheti on the May 5 earnings call, noting that the manager had already held a first close on $1.5 billion for GLP's inaugural Japanese data center development fund.

Apollo Global Management fell out of the PERE 100 and into the PERE 200 this year after its last vintage of real estate funds fell mostly outside the trailing five-year period. But the alternative assets giant is poised to make a major comeback on next year's list after it closes its $1.5 billion acquisition of 16th-ranked Bridge Investment Group.

Rounding out the PERE 100 at number 100 is North Carolina-based Barings, up from 107th last year. But Barings, too, is set to greatly expand its real estate fundraising capabilities after striking a deal in February to swallow up 35th-ranked firm, Maryland-based Artemis Real Estate Partners.

As managers continue to set more ambitious fundraising targets, timelines continue to stretch and M&A-driven consolidation marches on, next year's ranking is likely to see similar movement even among the industry's largest firms. In a gloomy period for fundraising, the PERE 100 remains as competitive as ever. ■