

PERE 50

PERE's ranking of the 50 largest private equity real estate firms in the world



Methodology

The PERE 50 measures equity raised between January 1, 2009 and the end of March 2014 for direct real estate investment through closed-ended, commingled real estate funds and co-investment vehicles that sit alongside those funds. The vehicles must give the GP discretion over the capital, meaning club funds, separate accounts and joint ventures are excluded from the ranking. Also excluded are funds with strategies other than value-added and opportunistic, such as core and core-plus, as well as those not focused on direct real estate, like fund of funds and debt funds, and funds where the primary strategy is not real estate-focused, such as general private equity.

3 Starwood Capital Group \$8.661 billion

HQ: Greenwich, Connecticut / **Founded:** 1991

With competition from the largest fundraise of the year by Lone Star Funds, Starwood Capital Group took a slight dip in the rankings this year, falling one spot from its second place finish in last year's PERE 50. However, this change in the ranking by no means signals a slowdown in fundraising at the Greenwich, Connecticut-based real estate investment firm.



Blue Back Square in Connecticut:
a Fund IX purchase

Starwood's most recent fund, Starwood Distressed Opportunity Fund IX, was the catalyst that shot the firm up *PERE*'s ranking last year. In April 2013, the firm held a final close on \$4.2 billion in equity commitments for the vehicle, making it the largest fund that Starwood has raised to date. The global fund, which was launched in August 2011, originally was targeting between \$2 billion and \$3 billion.

Fund IX's focus is on buying distressed debt, value-added and income properties, corporate opportunities, select hotels that have been under-managed and residential land in the US and Europe. Among its many acquisitions last year – according to Real Capital Analytics, the firm has invested \$7.6 billion over the past five quarters, third most among the PERE 50 – was the \$105 million purchase of Blue Back Square, a mixed-use property in West Hartford, Connecticut.