

Setter

The 25 Most Sought-After Managers

Real Estate - Q4 2020

First in the Secondary Market.

Introduction

The 'Most Sought-After Manager Rankings' are published by Setter on a quarterly and semi-annual basis to capture the ebb and flow of secondary demand across various fund strategies and geographies.

The rankings are largely based on the Setter Liquidity Rating, which assigns funds a rating of Excellent, Very Good, Good or Unrated depending on the number of secondary buyers that want to buy and/or have recently priced a given fund. Please see Definitions at the end of this report for more details.

The number of interested buyers for a given fund are determined by Setter's team of professionals who passionately track the ever changing shortlists and demand of over 1800 secondary buyers both directly and via SecondaryLink.com, where buyers can enter their shortlists and connect with agents and access deals through the Deal Section.

From a primary perspective, the 'Most Sought-After Manager Rankings' provide a unique perspective as strong secondary market demand suggests a fund manager is popular among LPs and low secondary market demand may signal diminishing market sentiment and additional future liquidity risk.

We hope you enjoy!

The 25 Most Sought-After Managers on the Secondary Market

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Rank	Prior Rank	Fund Family	Setter Liquidity Rating	Prime Buyers	First Vintage	Funds in Fund Family	Latest Closed funds	Currency	Fund Size	Vintage
1	—	Blackstone Real Estate Partners (BREP)	Very Good	34	1994	16	Blackstone Real Estate Partners VIII Blackstone Real Estate Partners IX	USD USD	15,800 20,500	2015 2019
2	▲	Blackstone Real Estate Partners Europe (BREP Europe)	Very Good	28	2001	6	Blackstone Real Estate Partners Europe V Blackstone Real Estate Partners Europe VI	EUR USD	7,800 10,639	2016 2019
3	▲	Carlyle Realty Partners	Very Good	24	1997	13	Carlyle Realty Partners VII Carlyle Realty Partners VIII	USD USD	4,200 5,500	2014 2017
4	▼	Lone Star Funds	Good	33	1996	12	Lone Star Fund X Lone Star Fund XI	USD USD	5,600 8,000	2016 2018
5	▼	Patron Capital	Good	22	1999	8	Patron Capital Fund IV Patron Capital V	EUR EUR	1,111 881	2012 2015
6	—	Starwood Capital Group	Good	17	1992	25	Starwood Global Opportunity Fund XI Starwood Opportunity Zone Partners I-A	USD USD	7,600 304	2017 2019
7	▲	CIM Group - Real Estate funds	Good	16	2000	9	CIM Fund VIII CIM Fund IX	USD USD	2,431 883	2013 2017
8	▲	Rockpoint Real Estate Fund	Good	15	2003	10	Rockpoint Core Plus Real Estate Fund Rockpoint Real Estate Fund V	USD USD	960 3,282	2014 2015
10	▲	Carmel Partners	Good	15	2003	7	Carmel Partners Investment Fund VI Carmel Partners Investment Fund VII	USD USD	1,025 1,281	2016 2018
10	—	Colony Investors (real estate)	Good	15	1992	20	Colony American Homes Holdings Colony American Homes Holdings III	USD USD	894 894	2012 2013
11	▼	Walton Street Real Estate Funds	Good	14	1996	13	Walton Street Real Estate Fund VIII Walton Street Real Estate Debt Fund II	USD USD	1,313 1,520	2017 2018
12	▲	Exeter Property Group	Good	14	2007	10	Exeter Core Industrial Club Fund III Exeter Industrial Value Fund V	USD USD	1,300 1,953	2019 2019
13	▲	Orion European Real Estate Funds	Good	14	2001	6	Orion European Real Estate IV Orion European Real Estate Fund V	EUR EUR	1,300 1,500	2013 2016
14	▲	Harrison Street Real Estate Capital	Good	14	2006	18	Harrison Street European Property Partners Fund II Harrison Street Real Estate Partners VII	USD USD	560 1,300	2017 2019

The Top 25

Rank	Prior Rank	Fund Family	Setter Liquidity Rating	Prime Buyers	First Vintage	Funds in Fund Family	Latest Closed funds	Currency	Fund Size	Vintage
15	▼ 12	GI Partners	Good	14	1998	10	GI Partners IV GI Partners Fund V	USD USD	2,000 2,756	2013 2017
16	▼ 11	Carlyle Europe Realty Funds	Good	13	2002	5	Carlyle Europe Real Estate Partners III Carlyle Europe Realty Fund I	EUR EUR	2,230 540	2007 2018
17	▲ 21	Crow Holdings	Good	13	1998	11	Crow Holdings Self-Storage Fund Crow Holdings Realty Partners VIII	USD USD	234 1,336	2017 2017
18	▲ >25	Och-Ziff Real Estate Advisors	Good	13	2006	4	Och-Ziff Real Estate Fund II Och-Ziff Real Estate Fund III	USD USD	840 1,500	2010 2014
20	▼ 16	MSREF (Morgan Stanley Real Estate)	Good	12	1991	25	North Haven Real Estate Fund VIII Global North Haven Real Estate Fund IX Global	USD USD	1,700 2,730	2013 2017
20	▲ >25	Oaktree Real Estate Opportunities (OCM Real Estate)	Good	12	1996	15	Oaktree Real Estate Opportunities Fund VI Oaktree Real Estate Opportunities Fund VII	USD USD	2,677 2,920	2012 2014
21	▼ 7	Beacon Capital	Good	12	1998	9	Beacon Capital Strategic Partners VII Beacon Capital Strategic Partners VIII	USD USD	1,082 1,584	2014 2017
22	▼ 18	Gateway Capital Real Estate Fund (Gaw Capital)	Good	11	2005	8	Gateway Real Estate Fund V Gateway Real Estate Fund VI	USD USD	1,300 2,200	2016 2018
23	▲ >25	Tristan Capital Partners	Good	11	2004	6	Tristan European Property Investors Special Opportunities IV European Property Investors Special Opportunities 5	EUR EUR	1,500 1,700	2014 2018
24	▼ 17	Tishman Speyer Europe	Good	10	2003	4	Tishman Speyer European Real Estate Venture VII Tishman Speyer European Real Estate Venture VIII	EUR EUR	484 750	2015 2018
25	▲ >25	Blackstone Real Estate Partners Asia (BREP Asia)	Good	10	2013	2	Blackstone Real Estate Partners Asia Blackstone Real Estate Partners Asia II	USD USD	5,000 7,100	2013 2017

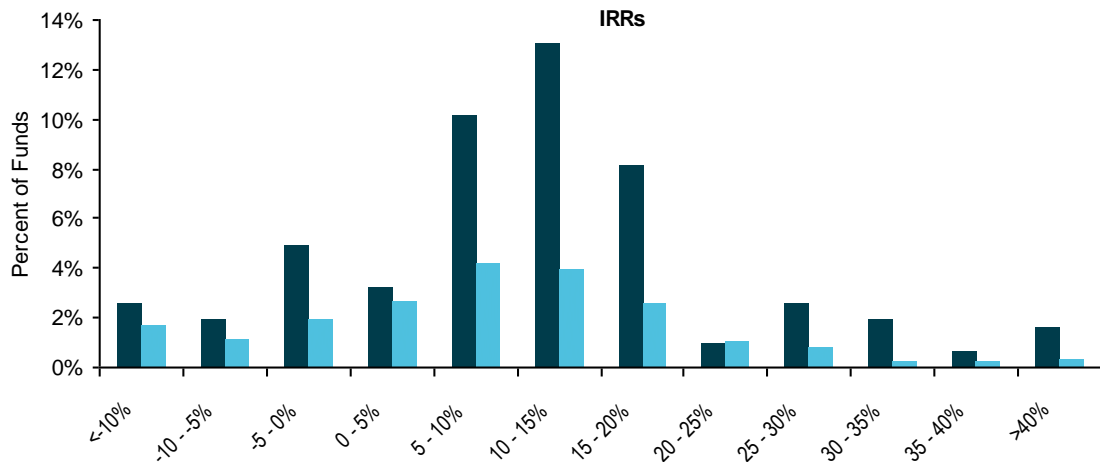
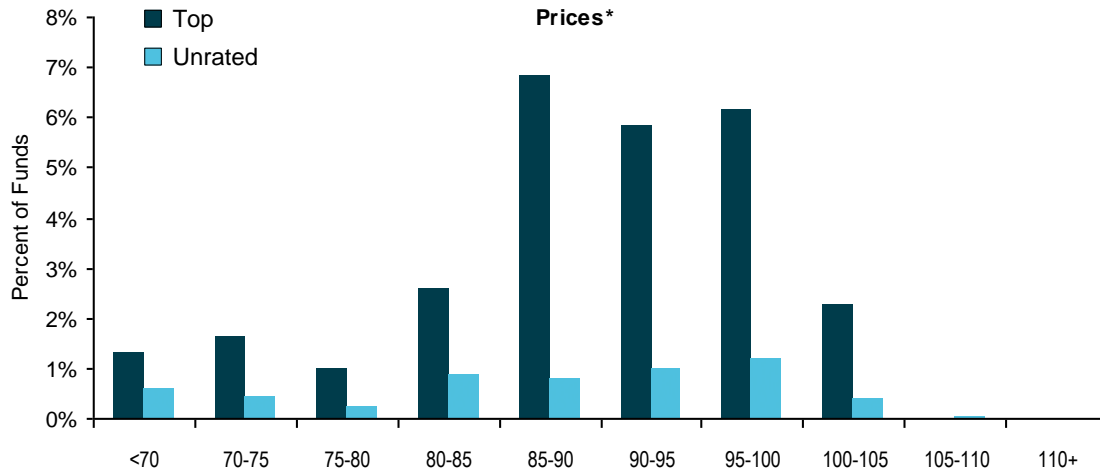
▲ ▼ — Indicate whether the manager has moved up, down or stayed the same rank relative to their rankings on 10/31/19*.

The rankings are based on the Setter Liquidity Ratings which rates fund families as Excellent, Very Good, Good and Unrated depending on how sought after and saleable they are on the secondary market. The Ratings are in large part determined by the collective shortlists of the 1800+ buyers Setter Capital covers, which are conveyed directly or via SecondaryLink. See the last page for more details and limitations of the Setter Liquidity Rating.

How do the Most Sought-After Funds Compare to Less Saleable Funds?

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Below is a comparison between the funds of the Most Sought-After managers (which are listed on the previous pages) and funds of Unrated managers.



Noteable Differences

With respect to buyer demand, there are significantly more Prime Buyers* for the Most Sought-After Managers than for the managers with a Setter Liquidity Rating of Unrated:

- Avg. Number of Prime Buyers TOP 25: 16
- Avg. Number of Prime Buyers Unrated: 1

Accordingly, the funds of Most Sought-After Managers price better than funds of Unrated managers:

- Avg. Price TOP 25: 88.41% of NAV
- Avg. Price Unrated: 86.78% of NAV

Not surprisingly, the Most Sought-After Managers' funds have performed better than those of Unrated managers:

- Avg. IRR TOP 25: 8.41%
- Avg. IRR Unrated: 7.99%

The Most Sought-After Managers also tend to have raised the most capital - on average they have raised more funds and larger funds than Unrated managers:

- Avg. Fund Size TOP 25: 569M
- Avg. Fund Size Unrated: 454M
- Avg. Number of Funds Raised TOP 25: 11
- Avg. Number of Funds in Raised Unrated: 4

* Please see the last page for definitions and report limitations. This report should not be relied upon to make investment decisions. Pricing is subject to selection bias (e.g. it is more difficult to get pricing for Unrated funds, resulting in lower priced funds being underrepresented).

Definitions

Exposure: NAV + Undrawn

Prime Buyers are buyers that are existing investors in the fund family, have it on their shortlist or have recently priced it. Other buyers, who have a general interest in buying this type of fund but not the fund specifically (“General Buyers”), are not included in the number of indicated prime buyers

The Setter Liquidity Rating (SLR) is a subjective measure of the relative liquidity of non-redeemable alternative investment funds and is not a measure of the investment merits or quality of a fund. The SLR and number of Prime Buyers are determined by Setter Capital and rely in part on subjective assessments of: the seriousness, capacity and number of interested buyers for a fund; and the ease of transfer. The SLR and number of Prime Buyers should not be relied upon to make any investment decision or to predict the future liquidity of a fund. Also, the SLR is not intended as a measure or indicator of the liquidity of a fund's underlying portfolio holdings. The SLR applies to an entire series of funds, or 'fund family', and individual funds within a fund family may be more or less illiquid than the SLR indicates. For instance, lightly funded funds or very old funds are often less liquid than funds that are greater than 30% funded or less than seven years old. Also, smaller interests and very large interests have fewer buyers with less liquidity. The liquidity of a fund and the SLR can change at any time, as demand for a fund family changes or transfer becomes more or less restrictive or Setter Capital re-evaluates or gains new insight into a fund's relative liquidity. See the article 'Setter Capital Liquidity Rating' for more details. The SLR is not provided as a service and Setter Capital, SecondaryLink and DiligenceLink therefore assume no responsibility for any losses alleged to be the result of the use of the SLR or for any purported reliance upon the rating. The SLR may be flawed and Setter Capital welcomes suggestions to improve its usefulness.

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About Setter

Established in 2006, Setter Capital is a leading independent advisory firm specializing in providing liquidity solutions for fund managers and institutional investors in the secondary market for alternative investments. We serve a diverse institutional client base including some of the world's largest pensions, endowments, investment consultants and fund managers. To date, Setter Capital has completed over 500 transactions, representing more than \$30 billion in liquidity across venture capital, private equity, infrastructure, real estate, real asset, and hedge fund investments.

Setter Capital's mission is to make the secondary market more transparent and efficient for all market participants. To this end, Setter provides the market with complimentary secondary market research and analytical tools such as:

[The Setter Liquidity Rating™](#)

A unique rating system that allows buyers, sellers and creditors to assess the relative liquidity of over 7000 different fund families.

[The Setter Volume Report™ and the Setter Price Report™](#)

Two semi-annual reports that provide the most comprehensive and accurate assessments of the secondary market. Data is based on pricing of over 2000 funds and a survey of the most active secondary buyers globally.

[SecondaryLink.com™](#)

A professional network where over 6000 institutional LPs and GPs connect on primary due diligence and the secondary market.

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