

## Infrastructure fundraising times jump

Average fund took nearly 20 percent longer to close in 2016 than 2015

The average time for infrastructure private equity funds to be on offer from start to finish has steadily fallen since 2012, reaching a low of 15.4 months in 2015. That year, the trimmed mean, which drops the top and bottom 5 percent, was even lower at 13.8 months, with the median coming in at a remarkable 11.0 months. In the years to come, however, we might very well look back on 2015 as the benchmark to compare all other years to, as 2016 tells a very different story.

Infrastructure funds reaching a final close in 2016 had been fundraising for an average of 18.2 months. That falls to 17.6 months when using a trimmed mean, while the median falls a

bit further to 16.5 months. Funds closing in 2016 took longer to close than any year since 2012, when it took an average of 18.8 months to close. The extension of average fundraising time likely reflects the difficulty managers face in finding appropriate deals. Investors see no reason to commit additional capital when current allocations have not yet been called.

The four fastest-closing 2016 funds were all European, led by the \$3.8 billion Antin Infrastructure Partners III, which opened and closed in one month. Paradoxically, the fund in the market the longest — 52 months — was also European.

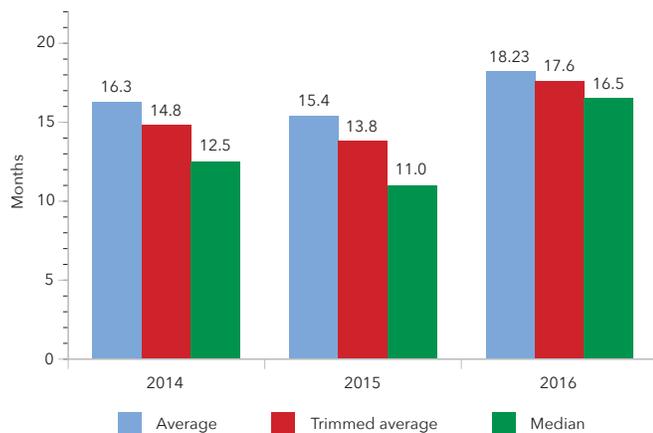
Asia Pacific funds closed in the shortest amount of time, averaging 12.5 months. However, there were only two funds from this region, so the average does not tell us as much as knowing that one fund took eight months while the other took 17 months to close. European funds that held final closings last year averaged 15.9 months in the market. Global funds averaged 19.0 months, while North American funds were in the market 22.7 months.

Mega-funds closing in 2016 and raising \$2 billion or more — 10 funds — reached a final close in 15.2 months, on average, while those raising less than \$2 billion averaged 19.8 months to close. 2014 also saw mega-funds closing faster than non-mega-funds, but 2015 found mega-funds taking nearly 4.5 months longer to close than non-mega-funds.

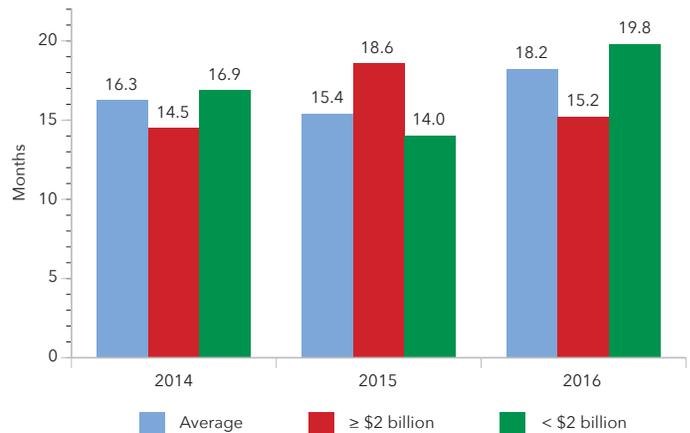
Debt funds are gaining traction, but they are still taking longer to close than equity funds. On average, debt funds were in the market for 20.3 months compared to equity funds at 17.9 months.

- Average fundraising closing times have risen to 18.2 months
- European funds closed faster than others
- Mega-funds close in 15.2 months, on average

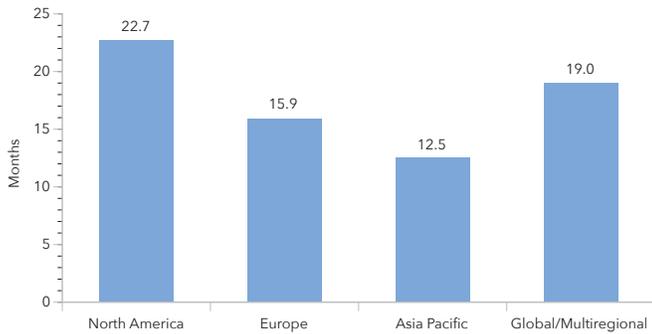
Average time in the market for closed funds



Average time in the market for closed funds by size



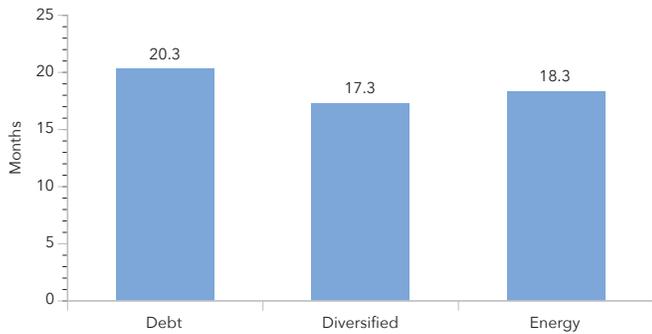
### Average time in market by region



Source: IREI FundTracker

Funds closed Jan. 1 – Dec. 31, 2016

### Average time in market by property focus



Source: IREI FundTracker

Funds closed Jan. 1 – Dec. 31, 2016

### Average time in market: debt vs. equity



Source: IREI FundTracker

Funds closed Jan. 1 – Dec. 31, 2016

Information in this report has been drawn from IREI's proprietary FundTracker database. Online subscriptions are available. Click [here](#) for more information.

## FUNDTRACKER TRENDWATCH

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- ▶ [BP Plc](#) is weighing plans to update as many as 200 of its U.S. wind turbines with newer, higher-capacity equipment, a move that would represent the company's biggest investment in renewable energy since its last wind farm came online in 2012.
- ▶ A Brazilian federal judge granted an injunction against the \$5.2 billion acquisition of Nova Transportadora do Sudeste by a consortium led by [Brookfield Asset Management](#) on grounds that the sale wasn't sufficiently publicized to foster competition.
- ▶ The first-ever competitive auction in the [wind energy sector](#) in India has received an overwhelming response from project developers, with the tender being oversubscribed 2.6 times.
- ▶ The state of [California](#) put forth its initial list of priority infrastructure projects – which total \$100 billion worth of investment and encompasses road, levee, bridge, port, train and public transit projects – to the National Governor's Association for consideration by the federal government.
- ▶ Pueblo, Colo., and Moab, Utah, became the 22nd and 23rd cities in the U.S. to commit to a transition to 100 percent [renewable energy](#).

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