

Infrastructure fundraising decline levels off

Capital raised eases as 2020 grinds on

According to IREI's FundTracker database, infrastructure fundraising in third quarter 2020 was on par with second quarter, with seven funds raising nearly \$16 billion.

In second quarter, eight funds raised more than \$13 billion. This comes after more than \$80 billion was raised by 22 funds in fourth quarter 2019 and first quarter 2020 combined.

The average fund size closed in third quarter was nearly \$2.3 billion compared with an average fund size closed in second quarter of \$1.7 billion.

This compares with an average fund size closed of \$2.8 billion

in first quarter and \$5.1 billion in fourth quarter 2019.

During the quarter, Blackstone's secondary and fund solutions business Strategic Partners completed a final close for its Strategic Partners Infrastructure III with \$3.75 billion in capital commitments. An equity fundraising target was not disclosed.

Blackstone also announced during the quarter it would acquire a \$1 billion infrastructure portfolio from the Alaska Permanent Fund. According to Setter Capital, an advisory firm that specializes in secondary transactions, the transaction was the largest secondary deal involving infrastructure assets through June.

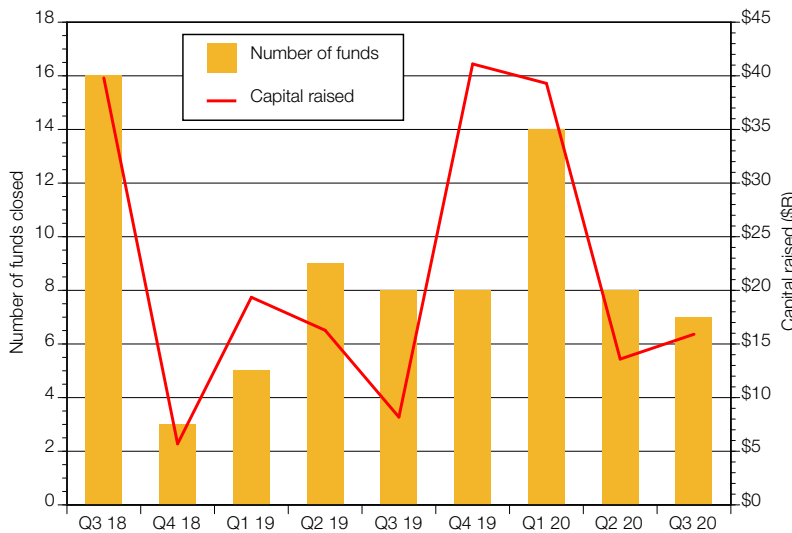
GCM Grosvenor, meanwhile, completed a final close for its Labor Impact Fund with \$893 million in capital commitments. GCM Grosvenor said the fundraise was at the high end of its targeted range. GCM Grosvenor's Labor Impact Fund originates and executes infrastructure projects that leverage the inclusion of union labor as a contributing factor to enabling attractive risk-adjusted returns, according to the firm.

GI Partners also completed a final closing during the third quarter. The San Francisco-based private equity firm closed its inaugural Data Infrastructure Fund with \$1.8 billion in capital commitments. The fund was oversubscribed and surpassed its initial equity commitments target of \$1.25 billion. The GI Data Infrastructure Fund will invest across four data infrastructure subsectors — data centers, data transport, wireless access and tech-enabled infrastructure — primarily in North America. ❖

Drew Campbell is senior editor of *Institutional Investing in Infrastructure*.

- Nearly \$16 billion raised in Q3/20
- 7 funds closed during Q3/20
- Average fund size inches up to \$2.3 billion

Fundraising Trends, Q3/18-Q3/20



Source: IREI FundTracker

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

For IREI FundTracker database subscription information, please contact Karen Palma, k.palma@irei.com, +1 925-255-0500, ext-136

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