

Ares Management Closes Ninth Value-Add U.S. Real Estate Fund at Approximately \$1.04 Billion

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LOS ANGELES--(BUSINESS WIRE)-- Ares Management Corporation (NYSE:ARES) announced today the final closing of Ares U.S. Real Estate Fund IX (“U.S. Fund IX” or the “Fund”), which primarily targets investments in multifamily, industrial, and office properties located across the United States, at approximately \$1.04 billion. This fundraise represents a significant increase from U.S. Fund IX’s predecessor fund, Ares U.S. Real Estate Fund VIII, which closed at \$825 million in December 2014. Through U.S. Fund IX, the team is continuing its value-add investing strategy of acquiring and improving institutional quality assets through renovation and repositioning initiatives in order to generate attractive returns and high current income.

As a reflection of its strong track record of navigating through past cycles, U.S. Fund IX received strong support from longstanding existing investors as well as from new entrants. The group of global investors included pension funds, insurance companies, sovereign wealth funds, endowments, non-profits, foundations, financial institutions, including a private banking platform and an asset manager, and family offices. The Fund had significant participation from existing investors, and returning U.S. Fund VIII investors who increased their commitments did so by an average of 65%. The Fund also brought in 15 new investors, including 13 that were new to the Ares platform. In addition, as a reflection of the growth in Ares’ global fundraising capabilities, investors outside of the U.S. accounted for more than 50% of the total.

The Fund is approximately 50% committed with 12 investments across a diverse portfolio of properties representing more than 4,300 multifamily units and 15.7 million square feet of industrial and office space.

“It is very gratifying to receive the strong support from our long-term investors and to attract many new investors to our expanding real estate platform,” said Steven Wolf, Partner and Chief Investment Officer for U.S. Equity in the Ares Real Estate Group. “This increased successor fund underscores the cycle-tested and consistently strong performance of the Ares Real Estate Group’s strategies.”

“We are excited about the composition of the fund’s portfolio, with 50% of the capital invested or committed and an excellent pipeline of compelling new investment opportunities,” said Howard Huang, Partner in the Ares Real Estate Group. “We remain committed to deploying our investors’ capital in a disciplined manner as we leverage the advantages of the Ares platform to find off-market value opportunities across our national footprint in the U.S.”

The Ares Real Estate Group manages comprehensive public and private equity and debt strategies, with approximately \$10.6 billion of assets under management as of September 30, 2018. With its experienced team, along with its expansive network of relationships, the Real Estate Group capitalizes on opportunities across both real estate equity and debt investing strategies. The Ares Real Estate Group has 76 dedicated investment professionals, led by 14 Partners who have an average of 23 years of experience.

About Ares Management Corporation

Ares Management Corporation is a publicly traded, leading global alternative asset manager with approximately \$125 billion of assets under management as of September 30, 2018 and 18 offices in the United States, Europe, Asia and Australia. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its three distinct but complementary investment groups in Credit, Private Equity and Real Estate is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole.

Forward-Looking Statements

Statements included herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, which relate to future events or our future performance or financial condition. These statements are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in Ares’ filings with the Securities and Exchange Commission. Ares Management Corporation undertakes no duty to update any forward-looking statements made herein.

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