

# Ares Management Raises Over \$3.3 Billion of U.S. Opportunistic Real Estate Capital

Sep 16, 2024 6:30 AM

*AREOF IV Marks Largest Ares Real Estate Closed-End Fundraise in Firm's History to Capitalize on Significant Investment Opportunities in Dislocated Market*

NEW YORK--(BUSINESS WIRE)-- Ares Management Corporation (NYSE: ARES) ("Ares"), a leading global alternative investment manager, announced today the final closing of Ares U.S. Real Estate Opportunity Fund IV, L.P. ("AREOF IV" or the "Fund"). Ares raised over \$3.3 billion to invest in opportunistic real estate in the U.S. through equity commitments to the Fund and related transaction vehicles. This marks the largest Ares Real Estate closed-end fundraise to date and is a significant increase from the \$2.2 billion of commitments raised for the predecessor fund and related transaction vehicles.

The Fund, in combination with capital raised for the most recent vintage of Ares' European opportunistic real estate strategy, positions Ares with \$5.5 billion of aggregate opportunistic capital aimed to capitalize on attractive new investment opportunities in the U.S. and Europe.

Consistent with its predecessors, AROEF IV focuses on acquiring real estate assets out of distressed ownership structures and special situations, enhancing and repositioning undermanaged assets, and pursuing risk-mitigated development and redevelopment in desirable submarkets.

"As capital markets stabilize, we are observing significant opportunities for AROEF IV," said David Roth, Partner and Co-Head of Ares U.S. Real Estate. "We believe the mounting need for capital infusions to bridge gaps created by the deleveraging that has occurred over the past two years has yielded an attractive investible universe of high-quality real estate in desirable markets."

"Meaningful enhancements to strengthen our origination and execution capabilities, particularly within the sectors and markets that we find most attractive, have enabled us to deploy a significant portion of the Fund in recent investments," said Andrew Holm and Jay Glaubach, Partners and Co-Heads of Ares U.S. Real Estate Investments. "We look forward to building on this progress while seeking to generate compelling risk-adjusted returns for our investors."

AREOF IV's current portfolio includes the recent acquisition and redevelopment of the Hyatt Regency Orlando for \$1.07 billion, marking one of the largest hotel transactions of 2024 to date. In July 2023, the Fund also provided preferred equity for the conversion of 55 Broad Street in New York City's Financial District, one of the largest office-to-residential conversions in New York City history.

The Fund attracted commitments from a diverse set of new and incumbent investors across the Americas, the Middle East, Asia and Europe representing a broad array of institutions, including sovereign wealth funds, public pensions, corporate pensions, insurance companies, endowments, family offices and private banks.

Ares Real Estate oversees approximately \$52 billion of assets under management and has more than 270 investment professionals across seventeen local offices in key markets in the U.S. and Europe as of June 30, 2024. The team leverages the power of Ares' platform and its vertically integrated

operating capabilities to execute equity and debt strategies that pursue investments across markets, capital structures and property types covering the breadth of the risk-return spectrum.

### **About Ares Management Corporation**

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager offering clients complementary primary and secondary investment solutions across the credit, real estate, private equity and infrastructure asset classes. We seek to provide flexible capital to support businesses and create value for our stakeholders and within our communities. By collaborating across our investment groups, we aim to generate consistent and attractive investment returns throughout market cycles. As of June 30, 2024, Ares Management Corporation's global platform had over \$447 billion of assets under management with more than 2,950 employees operating across North America, Europe, Asia Pacific and the Middle East. For more information, please visit [www.aresmgmt.com](http://www.aresmgmt.com).

View source version on [businesswire.com](https://www.businesswire.com/news/home/20240913180027/en/): <https://www.businesswire.com/news/home/20240913180027/en/>

**Media:**

Brennan O'Toole  
[email protected]

Source: Ares Management Corporation