

NEWS RELEASE

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*– Andrew Macland,
Head of UK Business and
European Debt,
PGIM Real Estate*

PGIM Real Estate raises more than £1b for European private real estate debt fund

LONDON, Apr. 27, 2017 – PGIM Real Estate has completed a capital raise exceeding £1 billion for PRECap VI (Pramerica Real Estate Capital VI), surpassing its fundraising target. PRECap VI is the largest fund in a series dedicated to investing in private real estate debt in Europe.

PGIM Real Estate is the real estate investment business of **PGIM**, the global investment management business of Prudential Financial, Inc. (**NYSE: PRU**). With more than \$1 trillion assets under management, PGIM is a top 10 global money manager and is the largest worldwide institutional real estate manager* with \$154 billion net assets under management in debt, equity and securities as of December 31, 2016.

PGIM Real Estate raised more than 80 percent of the capital for PRECap VI during the nine months following the U.K.’s European Union referendum. Investors in the closed-end discretionary fund include prominent public and private pension funds, sovereign wealth funds, and insurance companies from the Americas, Europe, the Middle East and Asia Pacific. Investors were attracted to the fund’s income-driven real estate debt strategy, which targets double-digit returns, while providing downside protection.

“We are delighted with the strength of investor participation, particularly after the Brexit vote,” said Andrew Radkiewicz, global head of debt strategies for PGIM Real Estate. “We saw a fundamental increase in commitments from institutional investors’ real estate, private credit and alternative fixed income allocations, due to the sustainable risk adjusted returns offered by this asset class.”

PRECap VI will follow a strategy consistent with its five predecessor European debt strategies. The fund will provide alternative finance across the capital stack, in the form of whole loans, mezzanine and preferred equity, targeting predictable income returns combined with capital upside through profit participation. It will consider investments ranging from about £10 million to over £100 million, working with experienced real estate sponsors across western Europe in specialized sectors for which PRECap’s funding structures work particularly well. Examples include real estate that requires development finance funding, repositioning or other value-add initiatives.

[Learn more about PGIM Real Estate:](#)
www.pgimrealestate.com



“The demand for alternative funding sources continues to grow,” explained Andrew Macland, head of PGIM Real Estate’s U.K. business and European Debt. “The scale of our capital raise provides much needed liquidity in a financing market that is increasingly restricted by regulatory and structural change. As a funding partner, we offer certainty and continuity to investors, developers and operators of real estate in Europe in this changing environment.”

In 2009, PGIM Real Estate was a first mover to identify private real estate debt as an alternative investment opportunity. Since 2010, and testament to its fully integrated private equity and debt platform in Europe, PGIM Real Estate has raised and deployed more than £2 billion in European private real estate debt over 60 transactions throughout Western Europe, assisting owners and operators to finance real estate with an underlying asset value of more than £10 billion.

About PGIM Real Estate

PGIM Real Estate is the real estate investment business of PGIM, Inc., the global investment management businesses of Prudential Financial, Inc. (“PFI”) (NYSE: PRU). Redefining the real estate investing landscape since 1970, PGIM Real Estate has professionals in 18 cities in the Americas, Europe and Asia Pacific with deep local knowledge and expertise, and gross assets under management of \$66.0 billion (\$47.6 billion net) as of Dec. 31, 2016. PGIM Real Estate’s tenured team offers to its global client base a broad range of real estate investment vehicles that span the risk-return spectrum across core, core plus, value-add, debt, securities, and specialized investment strategies. For more information, visit www.pgimrealestate.com.

About PGIM

With 14 consecutive years of positive third-party institutional net flows, PGIM, the global asset management businesses of PFI (NYSE: PRU), ranks among the top 10 largest asset managers in the world with more than \$1 trillion in assets under management as of Mar. 31, 2017. PGIM’s businesses offer a range of investment solutions for retail and institutional investors around the world across a broad range of asset classes, including fundamental equity, quantitative equity, public fixed income, private fixed income, real estate and commercial mortgages. Its businesses have offices in 16 countries across five continents.

PFI’s additional businesses offer a variety of products and services, including life insurance, annuities and retirement-related services. For more information about PGIM, please visit <http://www.pgim.com>. For more information about PFI, please visit www.news.prudential.com.



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