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AEW Capital Closes \$1.77 Billion Fund for Opportunistic US Real Estate Deals

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AEW Capital Management has successfully closed its tenth US opportunistic real estate fund, AEW Partners Real Estate Fund X, securing \$1.77 billion in capital commitments. The fund surpassed the amount raised by its predecessor and is set to target a diversified mix of real estate sectors, including senior housing, multifamily, industrial, and retail.

This latest fundraising effort strengthens AEW's position to take advantage of emerging opportunities in what its leadership describes as one of the most dynamic market environments in recent years. The strategy behind AEW Partners X remains consistent with

earlier funds in the series, focusing on flexibility and sector diversification to respond quickly to market dislocations and undervalued assets.

Investor Confidence

AEW Capital Management, a Boston-based real estate investment firm with a global presence, confirmed strong backing from major institutional investors. Among the largest contributions was a \$500 million commitment from the Florida State Board of Administration, which manages state retirement and trust funds. Additional commitments came from the Kansas Public Employees Retirement System with \$60 million and the Ohio Police & Fire Pension Fund, which approved \$75 million.

Tony Crooks, Managing Director and Senior Portfolio Manager for AEW's partners series, emphasized the milestone nature of this fund. "Reaching the tenth vintage in this series marks a significant milestone and reflects our deep experience across multiple market cycles, as well as our track record of navigating both challenges and opportunities," Crooks said. "We're deeply grateful for the continued trust and partnership of our clients, as well as our advisers, has been instrumental to our success."

AEW noted that the seed portfolio for the fund already includes investments across a range of sectors. This approach is designed to provide stability while allowing for targeted, high-return opportunities in asset classes that may be temporarily out of favor or priced below intrinsic value.

Jon Martin, Chief Executive Officer of AEW, commented on the broader platform's momentum. "AEW is continuing to build momentum across our entire diversified platform as opportunities emerge in the market," Martin said. "With this next fund in the partners series, supported by the depth and expertise of our in-house team and the breadth of our long-established sourcing network, we believe we are well-positioned to identify and pursue attractive investment opportunities on behalf of our investors."

The firm's opportunistic strategy reflects a willingness to take on higher risk for the potential of outsized returns, particularly in sectors undergoing structural change or facing short-term disruptions. By maintaining a flexible investment approach, AEW aims to navigate uncertainty and uncover value in areas overlooked by more traditional players.

As the US commercial real estate market continues to experience uneven recovery amid interest rate uncertainty and shifting demand patterns, AEW appears confident that its latest fund is launching at the right moment. With strong institutional backing and a clear strategy, AEW Partners Real Estate Fund X is a significant step in the firm's long-term vision for growth.