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Harrison Street fund exceeds \$750m goal

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Harrison Street Real Estate Capital has announced its final close for its fifth opportunistic fund, Harrison Street Real Estate Partners V, exceeding its \$750 million original equity target and reaching its \$850 million hard cap goal.

Fund V will invest in student housing, senior housing, medical office/healthcare properties and self-storage properties largely on a single-asset acquisition or development basis.

In addition, the firm simultaneously raised a \$160 million Fund V Co-Investment vehicle, bringing the total capital raised for the opportunistic strategy to more than \$1.0 billion. It has a \$3.5 billion in purchasing power for real estate in the education, healthcare and storage sectors.

From first close to final close, the firm raised this amount in three months.

Investor interest in these sectors has continued to rise given the lack of cyclical inherent in needs-based, demographically driven real estate, which offers more consistent cash flow regardless of macro conditions, according to Harrison Street. However, investors continue to find it difficult to access these sectors given the fragmentation of the market.

Harrison Street Real Estate Partners IV closed in July 2013 at its hard cap of \$750 million. The firm has realized 198 properties totaling approximately \$2.5 billion in cost, including recent realizations from the fund. And Harrison Street Real Estate Partners III closed in 2011 with \$595 million, exceeding its original equity goal of \$500 million.

Since inception, the firm has invested in more than 430 properties in 40 states, which equates to approximately \$9.0 billion in cost.

In 2014, Harrison Street across both its opportunity funds and its open-end core fund acquired or developed approximately \$3 billion in real estate across the education, healthcare and storage segments of the market. Additionally, the firm disposed of more than \$1 billion in real estate, returning significant capital back to its limited partners.

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