



AEW Partners Real Estate Fund IX, L.P.  
A NORTH AMERICA REAL ESTATE FUND

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**24-16 QUEENS PLAZA SOUTH**  
Long Island City, NY

# AEW Attendees

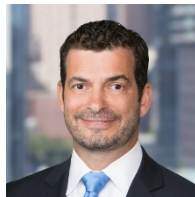


## MARC DAVIDSON

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*Head of AEW Partners Funds*

Mr. Davidson is a Managing Director at AEW and Head of the AEW Partners Funds, a series of opportunistic (real estate) private equity funds sponsored by AEW. In this capacity he is responsible for overseeing the Fund's resources, strategic direction, investment strategy and portfolio management. Mr. Davidson joined AEW in 1995, became Portfolio Manager for the AEW Partners Funds in 1999 and was appointed head of the AEW Partners Group in 2004. Mr. Davidson is also a member of AEW's Management Committee, Investment Committee and Risk Management Committee. He has over 38 years of experience in real estate portfolio and asset management, investment acquisition and structuring, property management and development, including extensive experience working with national developers and large institutional property owners. Prior to joining AEW, Mr. Davidson worked at Coopers & Lybrand as a Senior Manager in the Real Estate and Reorganization Groups, where his areas of expertise included financial analysis and planning, forecasting, development of internal management controls, deal structuring, and investment analysis. Prior to that he served as a commercial real estate controller at several real estate development and management companies, including Winthrop Management, The Linpro Company and Charter Development Company. Mr. Davidson is a graduate of Bentley College (B.S.).

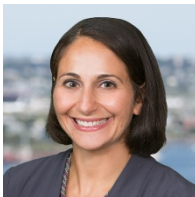


## ANTHONY CROOKS, CFA®

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*Senior Portfolio Manager*

Mr. Crooks is a Director at AEW and Senior Portfolio Manager for the AEW Partners Funds. In his role as Senior Portfolio Manager, he is responsible for overseeing the Fund's operations and strategic direction. Prior to assuming his role as Senior Portfolio Manager, Mr. Crooks was an Investment Manager for the fund series, with responsibility for investment origination and asset management, and he has been a member of the AEW Partners Funds since 2000. Mr. Crooks is a member of AEW's Investment Committee and Risk Management Committee. During his tenure at AEW, Mr. Crooks has been involved in acquisitions, dispositions, financing, asset management and portfolio management for a wide variety of commercial real estate product types across North America. Prior to joining AEW in 2000, Mr. Crooks served as an Equity Analyst with Thomson Financial. He currently is a member of the American Senior Housing Association (ASHA) and Urban Land Institute (ULI). He is a graduate of Northeastern University (B.S.B.A.) and a CFA charterholder.



## EMILY MARGOLIS

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*Director, AEW Investor Relations*

Ms. Margolis is a Director in AEW's Investor Relations Group with responsibility for marketing AEW's investment services and for developing and maintaining client and consultant relationships. Ms. Margolis joined AEW in 2013 from Colony Realty Partners (CRP), where she worked with current and prospective investors on all aspects of capital sourcing, marketing and investor relations. Prior to that, she was the Director of Research for Lincoln Property Company in Boston and also worked in the research department of Cushman and Wakefield. Ms. Margolis earned her B.A. from Bates College and a Master of Real Estate Development from the Massachusetts Institute of Technology.

# AEW Partners Fund Series



## STRONG SPONSORSHIP

The Partners investment team utilizes the organizational support across the AEW global platform



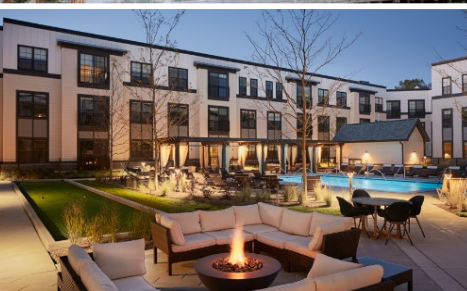
## PROVEN TRACK RECORD

Over 30-year track record of profitable fund-level returns across multiple market cycles



## DISCIPLINED INVESTMENT STRATEGY

Investment process seeks to mitigate risk while producing opportunistic returns



## SEASONED LEADERSHIP

Senior team averages over 20 years of real estate experience and 15 years with AEW



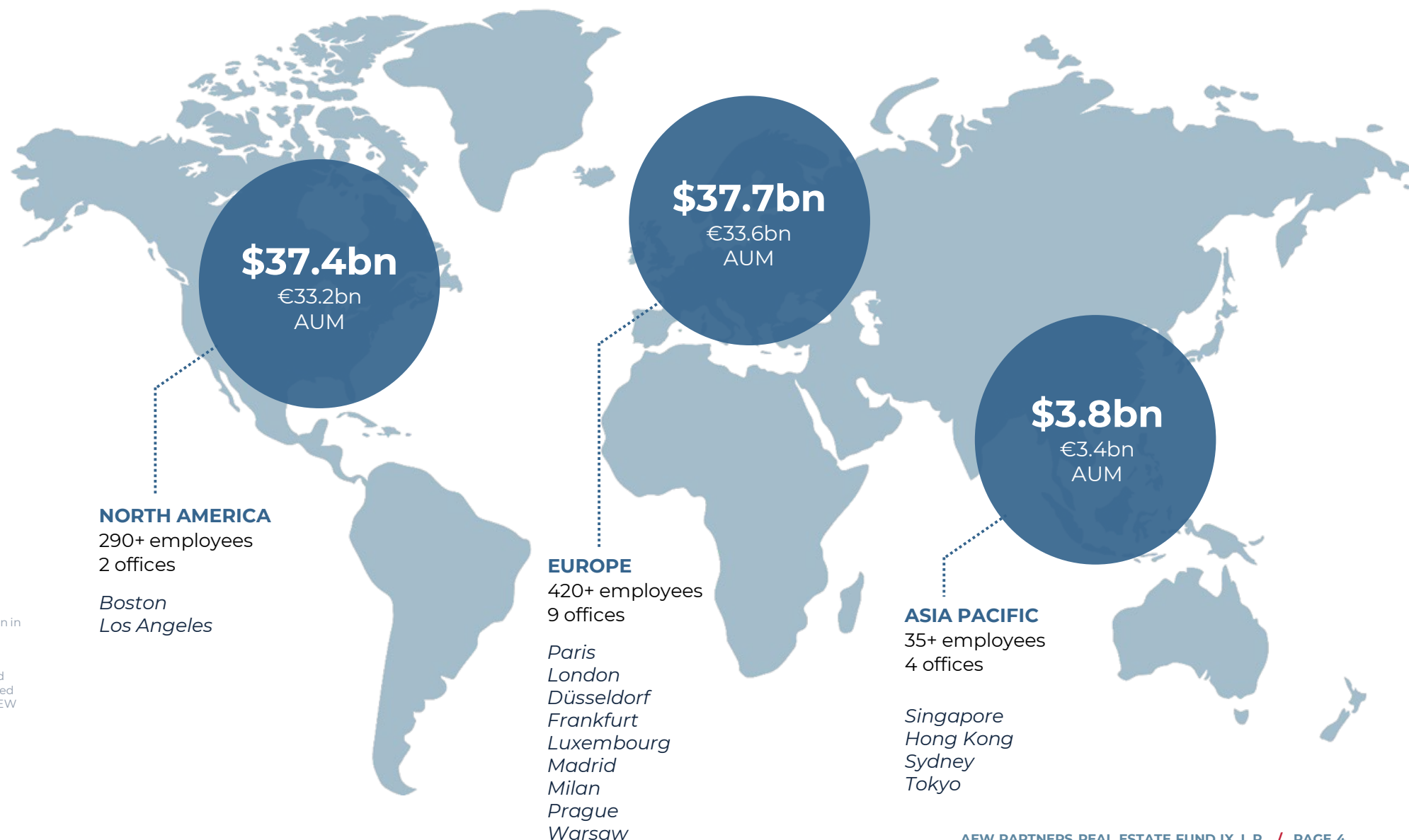
## GLOBAL OVERVIEW

# About AEW

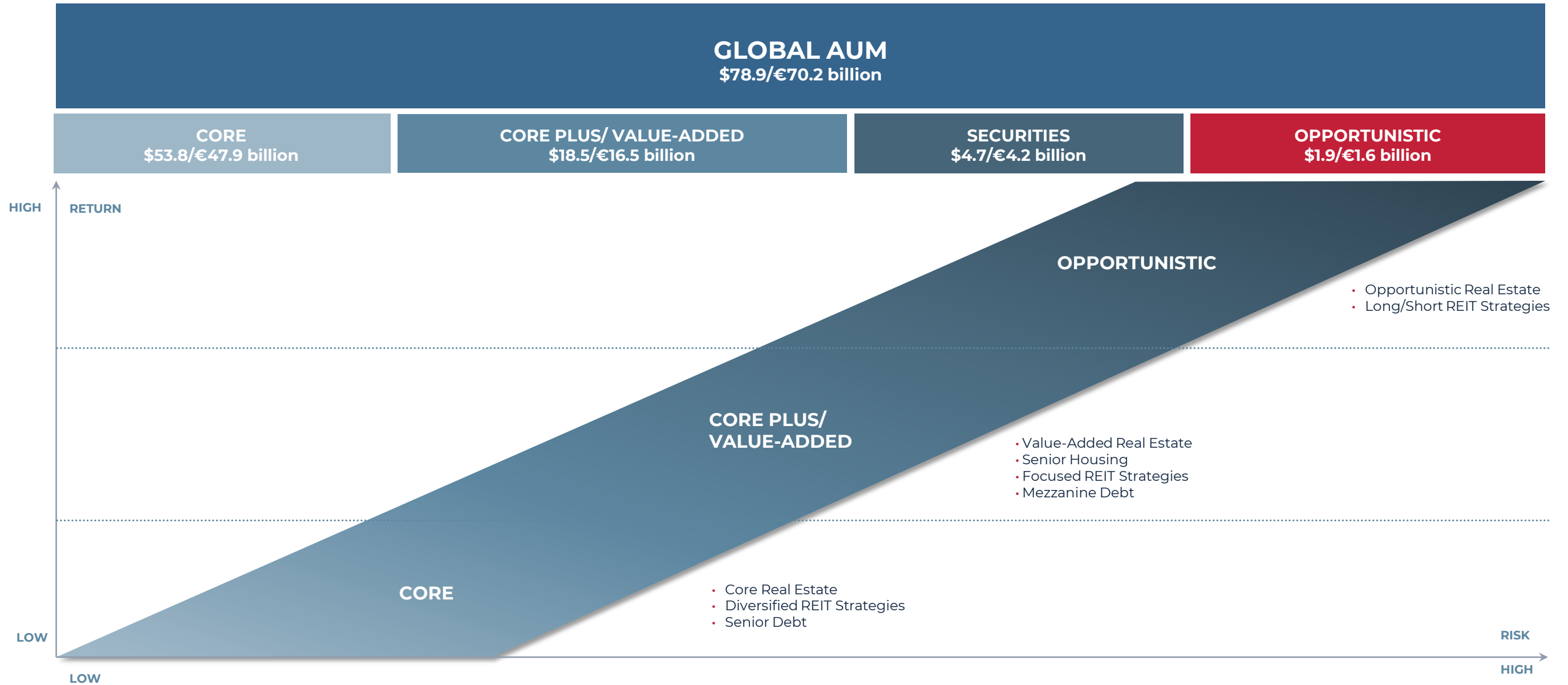
- Over 35 years of real estate investment experience and exclusively focused on real estate
- Among the largest real estate investment managers in the world
- Over 750 employees in 15 offices
- AEW Capital Management, L.P. is a registered investment advisor and regulated by the SEC
- Our mission is to be our clients' most trusted and effective advisor
- Broad experience across all property types and geographic regions

Gross asset value as of June 30, 2020. Total AEW AUM of \$78.9 billion includes \$37 billion in assets managed by AEW SA and its affiliates and \$442 million in advisory/subadvisory, wrap and other accounts for which AEW Capital Management provides only a model portfolio. Staff and offices include AEW Capital Management and AEW SA. AEW includes (i) AEW Capital Management, L.P. in North America and its wholly owned subsidiaries, AEW Global Advisors (Europe) Ltd., AEW Asia Pte. Ltd. and AEW Asia Limited and (ii) affiliated company AEW SA and its subsidiaries. AEW Capital Management is AEW SA's sister company and is commonly owned by Natixis Investment Managers.

**\$78.9/€70.2** billion in direct and listed assets under management in North America, Europe and Asia Pacific



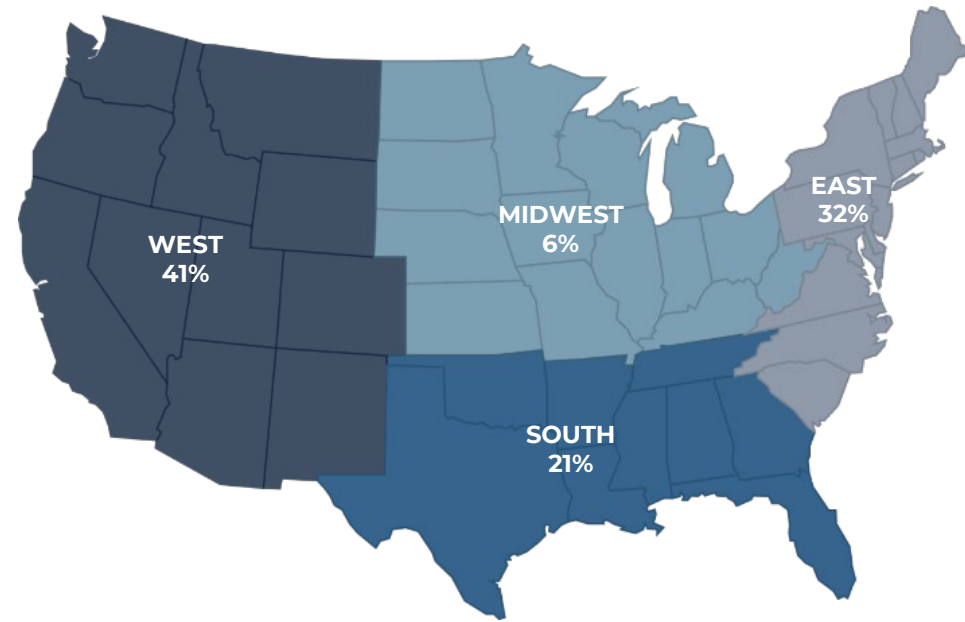
# Broad Investment Platform



# Extensive Experience Across All Property Types and Regions

**\$34.3 BILLION**<sup>1</sup>

of property investments in major metropolitan cities across all primary property types in North America



CORE  
**\$20.2 Billion**

VALUE-ADD  
**\$12.5 Billion**

OPPORTUNISTIC  
**\$1.6 Billion**

OFFICE



**19.4  
MM SQ FT**

*\$8.9 Billion*

INDUSTRIAL



**47.2  
MM SQ FT**

*\$5.6 Billion*

RETAIL



**11.9  
MM SQ FT**

*\$5.1 Billion*

MULTIFAMILY



**25,293  
UNITS**

*\$8.1 Billion*

SENIOR HOUSING



**8,568  
UNITS**

*\$2.8 Billion*

**Section II** AEW Partners Real Estate Fund IX, L.P.

# AEW Partners Real Estate Fund IX, LP

- ✓ Continuation of AEW's long-standing, opportunistic real estate fund series
- ✓ \$750 million target equity capitalization
- ✓ Target net IRR of 14% with focus on capital appreciation
- ✓ Investment process seeks to mitigate risk through moderate leverage and an income component
- ✓ Team has generated strong risk adjusted returns across multiple business cycles over the last two decades
- ✓ Sourcing capabilities with joint venture and lender relationships have led to a consistent pipeline of investment opportunities
- ✓ Key investment team personally co-invests in the Fund/s, providing strong GP/LP alignment
- ✓ Long history of exploiting opportunities and harvesting gains across broad array of investment types, economic environments and market conditions



## OBJECTIVES & APPROACH

Seek To:

**1 IDENTIFY**  
emerging trends

**2 DEVELOP**  
investment strategies

**3 ANTICIPATE**  
Impact on real estate and capital markets

**4 EXECUTE**  
strategies through active management

**5 HARVEST**  
gains and return capital to clients



There can be no assurances that the Fund will achieve its objectives. Past performance is not indicative of future results. Please refer to the explanation of target returns in the additional notes section of the Appendix. Net returns reflect total fees and expenses charged to the Partnership. Individual investor IRRs may vary due to differences in fee structures for small and large investors.



# AEW Partners Track Record

## FUND RETURNS

SINCE 1988

Cumulative Projected

1.6x Net Equity Multiple<sup>2</sup>

### INVESTING ACROSS MULTIPLE MARKET CYCLES ACHIEVING POSITIVE RETURNS

AEW PARTNERS FUNDS	AEW PIV	AEW PV	AEW PVI	AEW PVII	AEW PVIII
INVESTMENT PERIOD <sup>1</sup>	2000-2004	2004-2008	2008-2013	2013-2016	2016-2020
CAPITAL RAISED	\$360 M	\$686 M	\$424 M	\$565 M	\$615 M
DISTRIBUTIONS-TO-DATE	\$655 M	\$677 M	\$812 M	\$566 M	\$160 M
PERCENT OF CAPITAL RETURNED	182%	110%	211%	110%	37%
ACTUAL/PROJECTED NET IRR <sup>2</sup>	25%	2.0%	16%	13-14%	15%-16%
ACTUAL/PROJECTED MULTIPLE (NET) <sup>3</sup>	1.7x	1.1x	1.9x	1.4x-1.5x	1.6x – 1.7x
AVERAGE LEVERAGE RATIO	50%	67%	37%	56%	55%

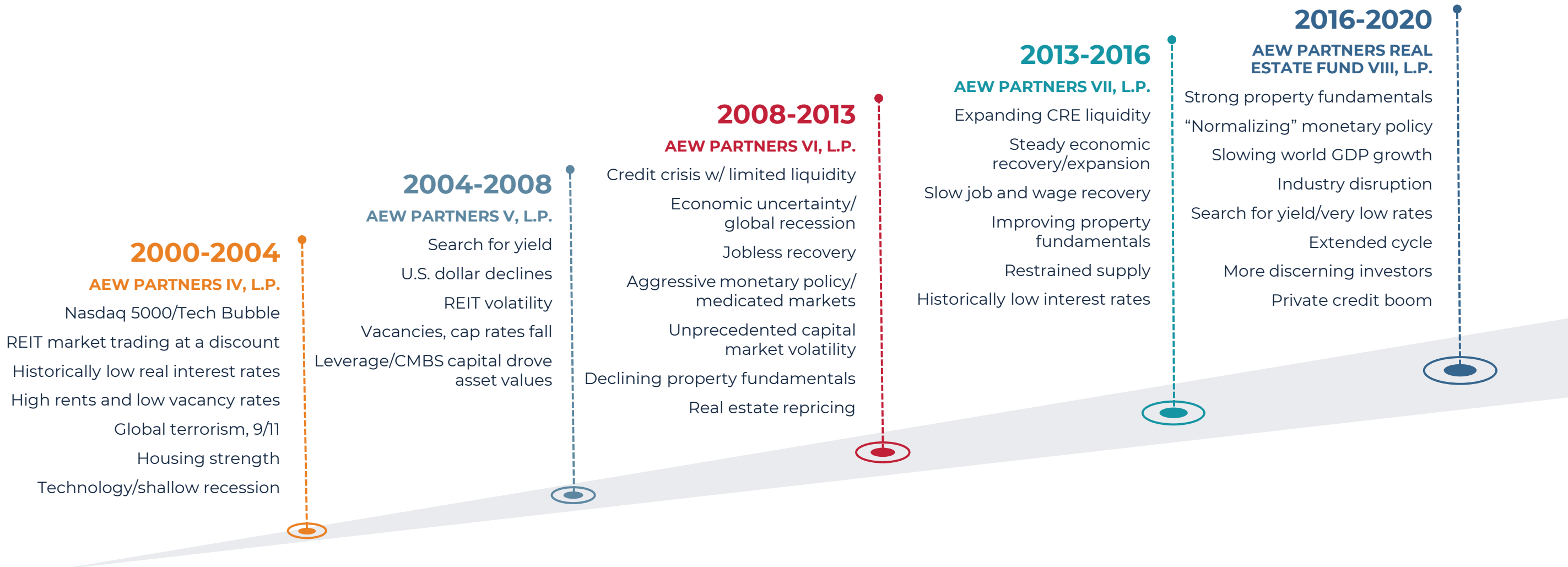
All information as of June 30, 2020 unless otherwise indicated. A full list of composite performance for all funds is available upon request. There can be no assurances that the strategy will achieve its objectives. Nothing contained herein shall constitute an offer to sell or solicitation of an offer to buy. Past performance is no guarantee of future results.

<sup>1</sup> Investment period for each fund is shown ending with the year of the final investment for that fund. The final closing for PVI was extended by GP/LP approval from original period of 2009 to 2010, and no investments were made by that fund until 2010.

<sup>2</sup> Returns for AEW Partners IV, AEW Partners V and AEW Partners VI are actual leveraged fund-level returns; returns for AEW Partners VII are since inception projected returns and are leveraged fund-level returns; and returns for AEW Partners VIII are projected returns for the fund which is 85% invested and allocated. Returns are calculated using actual cash flows to the Partnership through June 30, 2020, and for unrealized investments, a projection of future cash flows. In making these estimates, AEW utilizes multiple assumptions including, but not limited to, those affecting rental rates, occupancy levels, operating expenses, timing of asset sales. Gross returns are before investment management fees, partnership expenses and incentive management allocation and include fund-level financing. Net returns reflect total fees and expenses charged to the Partnership. Individual investor IRRs may vary due to differences in fee structures for small and large investor.

<sup>3</sup> Multiples for AEW Partners IV, AEW Partners V and AEW Partners VI are presented as of June 30, 2020. Multiples for AEW Partners VII and AEW Partners VIII are projected multiples as of June 30, 2020. Multiples are determined by actual and projected cash flow from fund investments divided by total capital invested. Cash flow projections have been determined by AEW solely for the purposes of this Fund Overview and do not necessarily reflect amounts that ultimately will be received.

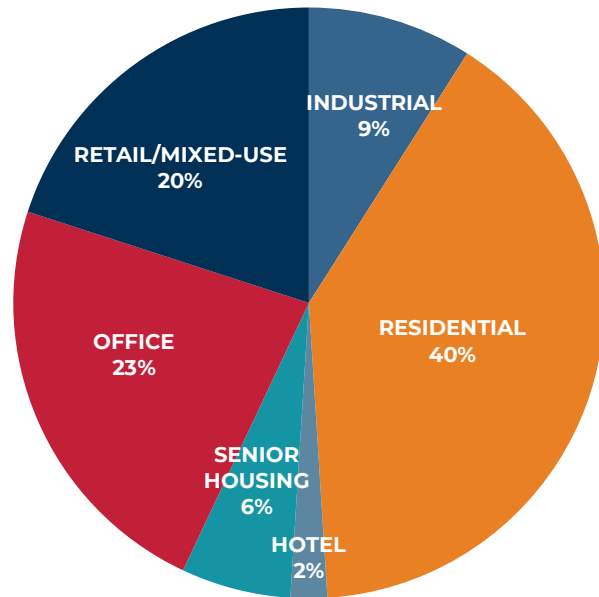
# Opportunistic Investing Across Multiple Market Cycles<sup>1</sup>



<sup>1</sup>Investment period for each fund is shown ending with the year of the final investment for that fund. The final closing for PVI was extended by GP/LP approval from original period of 2009 to 2010, and no investments were made by that fund until 2010. A full list of composite performance for all funds is available upon request. There can be no assurances that the strategy will achieve its objectives. Nothing contained herein shall constitute an offer to sell or solicitation of an offer to buy. Past performance is no guarantee of future results.

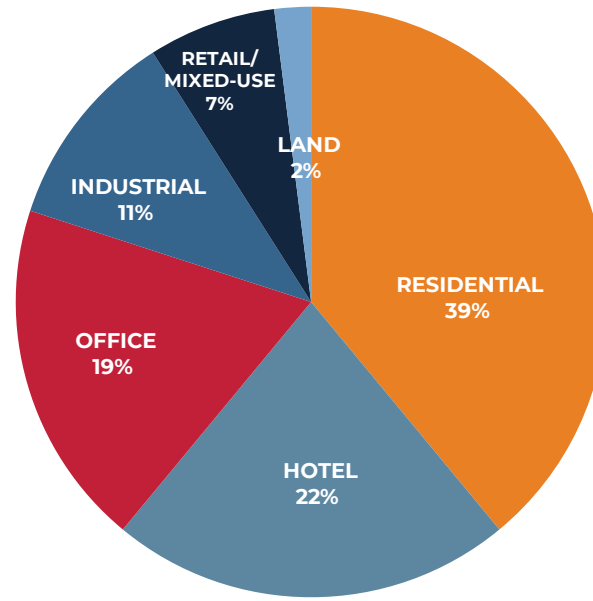
# Tactical Portfolio Construction<sup>1</sup>

**PARTNERS IV**  
INVESTMENT PERIOD 2000-2004



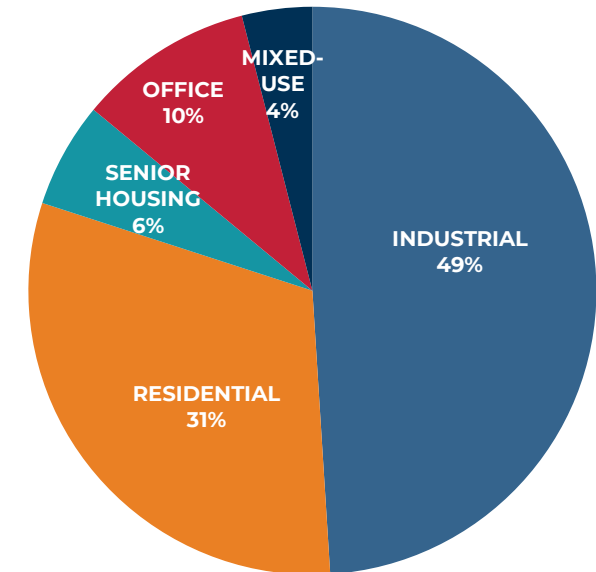
- Portfolio construction began in 2000, paused in 2001
- Initial investments sourced from nervous investors (mostly foreign) and other ownership groups exiting the market
- Early post 9/11 investments recapitalized partnerships lacking capital needed to complete business plan
- Late 2002/2003 investments in markets and property types that benefitted early from recovery
- Nearly all investments in gateway markets traditionally sought after by institutional investors
- Strong sell discipline, with average hold period of less than 3.5 years

**PARTNERS VI**  
INVESTMENT PERIOD 2008-2013<sup>1</sup>



- 70% of assets acquired from lenders
- High-quality assets with broken capital structures
- Assets acquired in core institutional markets
- Fund utilized low leverage to mitigate false start economic recovery
- Sold assets early to mitigate uncertain economic environment

**PARTNERS VIII**  
INVESTMENT PERIOD 2016-2020



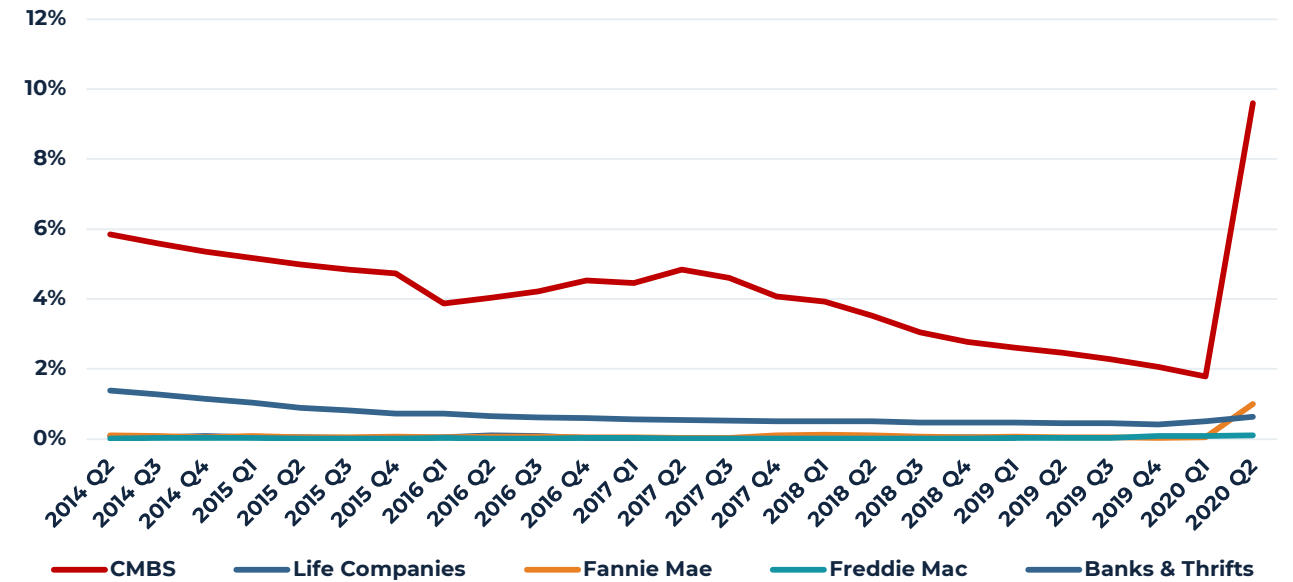
- High-quality assets – increased liquidity
- Early profitable sales to mitigate changing economic environment
- Fund concentrated in sectors projected to perform better in changing economic environment
- Attractive development yields in Multifamily, Industrial and Senior Housing
- Generally avoided High Cap Ex assets, focused on cash flow not NOI

# Real Estate Capital Markets

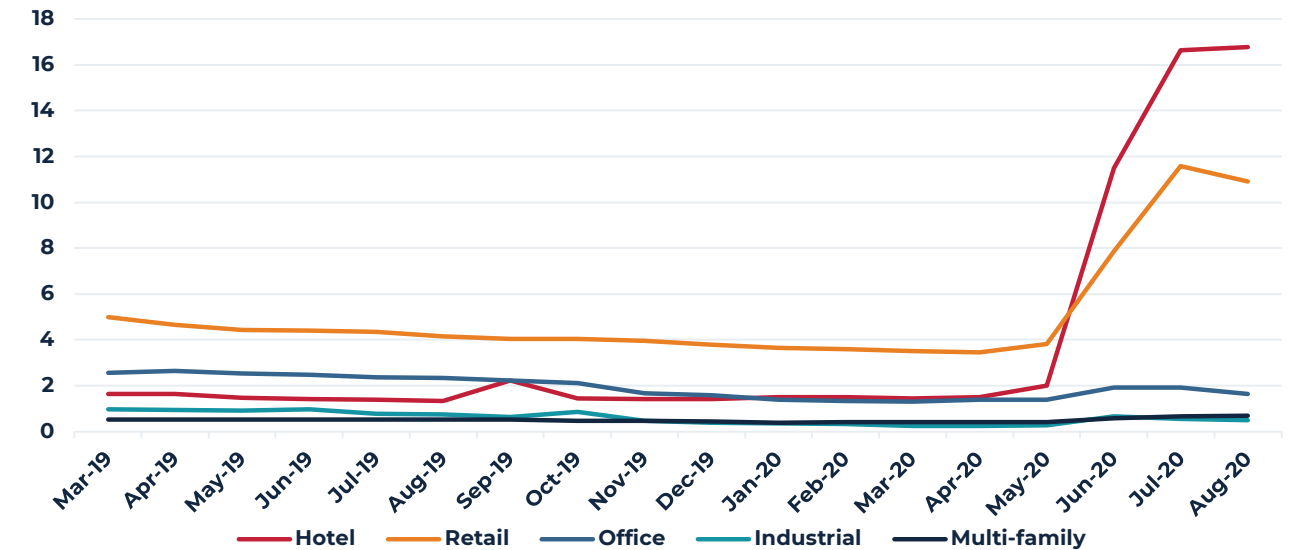
## Capital markets in the “Forbearance Period”?

- Transaction volumes significantly curtailed but for leased industrial, most housing related real estate, life science and strong credit long term lease office (<\$100m)
- All in financing spreads compressing for asset types with durable, under-writable cash flow (see first bullet)
- Bid-ask gap as wide as ever on most Commercial Real Estate (CRE)
- Almost no capital (debt or equity) for transitional assets
- Little to no conviction on underwriting assumptions in dislocated sectors (rental rates, absorption, capex)

DELINQUENCY RATE BY ORIGINATOR



CMBS DELINQUENCY RATES BY PROPERTY TYPE (%)



Sources: Mortgage Bankers Association, Fitch

# Opportunity Set – Barbell Approach



## Capitalizing on market dislocations

Leveraged lenders, debt funds, hotels, retail, transitional assets, office with vacancy environment



## Targeting properties, through debt or equity

History of buying properties through purchasing debt as well as asset repricing approach in this environment

## Providing rescue capital to borrowers and under-capitalized owners



- Upcoming debt maturities with tightening credit conditions and today's underwriting assumptions
- Borrowers not able to execute their business plans because of changing economic conditions

## Focus on assets with attractive yield and growth potential with durable income streams



- Still attractive development yield spreads in a few CRE sectors with less capital pursuing development
- Today's "core" product definition evolving to include sectors that can produce durable income streams
  - Durable income perceived in single family rental, industrial, long leased credit office, life science and anything Amazon-leased

# Investment Backdrop

Seek to anticipate and take advantage of secular shifts and adjust to cyclical change

## DISRUPTION

Behavioral shifts by tenants and consumers are testing existing norms and accelerating the pace of change and heightened uncertainty of new normal. A critical mass of technological advancements is altering the business landscape, distribution methods, consumer patterns and travel dynamics forcing rapid changes to real estate and locational value

## CAPITAL MARKET DISLOCATIONS

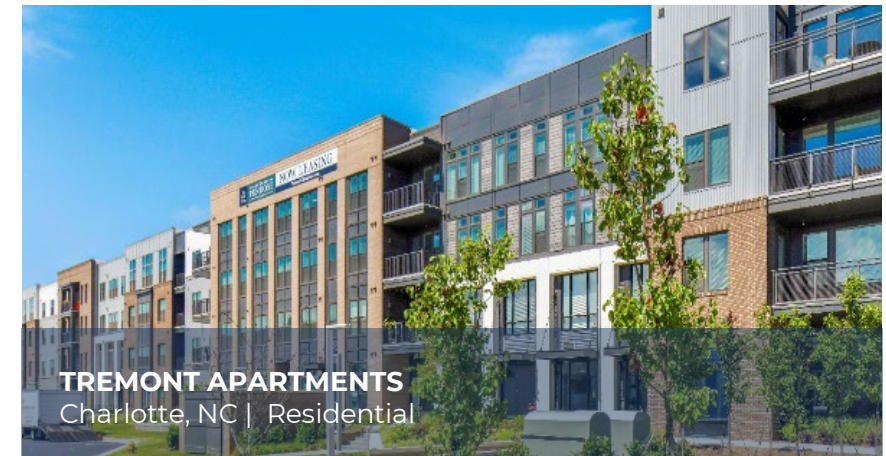
Price discovery challenged where there is an inability to underwrite cash flow with conviction. Fiscal and economic stimulus extending period of forbearance delaying shift of assets with challenged capital structures to new ownership. Overly broad reaction to temporary versus structural demand shifts creating mispriced opportunities

## SHIFTING LOCATIONAL DYNAMICS (Location Migration)

Health/safety, e-commerce, affordability, taxes, shared-economy and live/work dynamics are all changing location premiums. Tenant and resident priorities are shifting with respect to density, amenities, transportation and live/work dynamic affecting locations decisions

## DEMOGRAPHICS

Millennials, boomers and seniors are the largest and fastest growing age cohorts – their needs/wants and timing are creating winners and losers with regard to markets, locations, and product types (including rent versus own)



**AEW PARTNERS FUND TEAM**

# Cycle-Tested and Experienced Team

**\$7.5 Billion**

OF REAL ESTATE ACQUISITIONS BY THE SENIOR TEAM

- 21 professionals exclusively dedicated to the Partners Funds in Boston and Los Angeles
- \$15 million co-investment provides alignment of interests<sup>1</sup>
- Senior team members average over 20 years of real estate experience

**HEAD OF PARTNERS FUNDS**



**Marc Davidson**  
MANAGING DIRECTOR  
HEAD OF PARTNERS FUNDS

**PORTFOLIO MANAGEMENT**



**Anthony Crooks**  
SENIOR PORTFOLIO MANAGER

**AEW RESEARCH**



**Michael Acton**  
MANAGING DIRECTOR  
Head of Research




**Richard Brace**  
DIRECTOR - RESEARCH

**INVESTMENTS | WEST COAST**



**Jonathan Watson**  
PORTFOLIO MANAGER - WEST COAST

**FUND ACCOUNTING**



**Allison Corter**  
HEAD OF FUND OPERATIONS

**INVESTMENTS | EAST COAST**



**Steven Sechko**  
PORTFOLIO MANAGER - EAST COAST



**David Chun**  
DIRECTOR - WEST COAST INVESTMENTS




**Paul Ketterer**  
DIRECTOR - EAST COAST INVESTMENTS




**Kyle Seminar**  
VICE PRESIDENT




**Stephen Winsor**  
VICE PRESIDENT



**Amy Allen**  
VICE PRESIDENT



**Ali John Mehdian**  
VICE PRESIDENT



**Jason Sarno**  
VICE PRESIDENT

**THE AEW PLATFORM**

**AEW RESEARCH**

**ACCOUNTING/REPORTING**  
Susan Cahill  
40+ Professionals

**INSURANCE RISK MANAGEMENT**  
Claire Skinner  
4 Professionals

**LEGAL/COMPLIANCE**  
James Finnegan  
6 Professionals

**ARCHITECTURE/ENGINEERING**  
Anne Peck  
4 Professionals

**CAPITAL MARKETS**  
Kevin Stotts  
4 Professionals



All information as of June 30, 2020.

<sup>1</sup> \$15 million, not to exceed 3% of total equity capitalization

**MELLODY FARM APARTMENTS**  
Vernon Hills, Illinois





# **Section III** Appendix

*Fund Terms*

# Key Fund Terms

<b>TARGETED RETURN</b>	14% net
<b>TARGET SIZE</b>	\$750 million
<b>MINIMUM INVESTMENT</b>	\$10 million
<b>TERM</b>	Investment period – three years; Partnership term – eight years <sup>1</sup>
<b>GENERAL PARTNER CO-INVESTMENT</b>	\$15 million, not to exceed 3% of total equity capitalization
<b>LEVERAGE</b>	Not to exceed 66.67% of gross asset value in aggregate at Fund level
<b>INVESTOR GOVERNANCE</b>	Advisory Board representation for investors over \$25 million
<b>DISTRIBUTIONS</b>	<p>First, all Partners receive a pro rata return of capital invested, plus a 9% cumulative annual return</p> <p>Thereafter, cash available for distribution to LPs will be distributed</p> <p>(i) 50% to LPs and 50% to the GP until GP has received 20% of the cumulative LP cash distributions in excess of invested capital; then</p> <p>(ii) 80% to LPs and 20% to GP</p>
<b>ADVISOR COMPENSATION</b>	<p>Management Fee: 125 bps on committed capital; 100 bps for LPs with capital commitments of \$50 million and above</p> <p>Acquisition Fee: None</p> <p>Disposition Fee: None</p> <p>Other Fees: None</p>

<sup>1</sup>Each, from final close  
 There can be no assurances that the strategy will achieve its objectives. Nothing contained herein shall constitute an offer to sell or solicitation of an offer to buy an interest in the Fund. Any such offer will be made only to qualified investors pursuant to a private placement memorandum. There can be no assurances that the Fund will achieve its objectives.  
 Target yields and returns ("Targets") Targets are based on a variety of factors and assumptions and involve significant elements of subjective judgment and analysis. You should understand that these targets provide insight into the level of risk that the Firm is likely to seek with respect to the Product. As such, the Targets should be viewed as a measure of the relative risk of the Product, with higher Targets reflecting greater risk. They are not intended to be promissory in nature. Targets are estimates based on a variety assumptions, which may include but are not limited to, our assumptions about: current and future asset yields for such investments and projected cash flows related thereto, current and future market and economic conditions, prevailing and future interest rates, including the cost of use of leverage, where applicable, historical and future credit performance for such investments, and other factors outside of the Firm's control. Targets are inherently subject to uncertainties and are based upon assumptions which may prove to be invalid and may change without notice. Other foreseeable events, which were not taken into account, may occur. You should not rely upon the Targets in making an investment decision. Although the Firm believes that there is a sound basis for the Targets presented, no representations are made as to the accuracy of such Targets, and there can be no assurance that such Targets will be realized or achieved. Additional information concerning the assumptions used in connection with the Targets is available on request.

# Additional Notes

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**AEW Capital Management, L.P.** is an investment adviser registered with the U.S. Securities and Exchange Commission.

**AEW SA:** AEW SA is AEW Capital Management's sister company and is commonly owned by Natixis Investment Managers. AEW SA, together with its subsidiary NAMI (Natixis Asset Management Immobilier), is a European real estate investment manager with headquarter offices in Paris and London. Jeffrey D. Furber, AEW's Chief Executive, also services as Chairman of the Board of Directors of AEW SA and is a member of the Investment Committee for each of the private equity funds sponsored by AEW SA.

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**Natixis Investment Managers:** Natixis Investment Managers is an international asset management group based in Paris, France, that is principally owned by Natixis, a French investment banking and financial services firm. Natixis is principally owned by BPCE, France's second largest banking group.

**Past Performance:** The performance data quoted represents past performance. Past performance is not an indication of future performance, provides no guarantee for the future, and is not constant over time. The value of your investment may fluctuate and your investment may be worth more or less than its original cost when redeemed. Current performance may be lower or higher than the performance data quoted. Performance returns may increase or decrease as a result of currency fluctuations.

**Index Performance:** Indices are unmanaged and investors cannot actually make investments in an index. The index performance shown does not reflect the deduction of management fees or other expenses, which would reduce an index's performance returns.

**Investment Process:** The current investment themes and the research and investment process presented in this material represent the views of the portfolio manager at the time this material was completed and are subject to change without notice.

**Portfolio Holdings:** The portfolio holdings, characteristics, weightings, and allocations presented in this material represent the portfolio at the time this material was completed and are subject to change without notice.

**Information Only:** This material is for information purposes only. It does not constitute an offer or a recommendation to purchase or sell shares in any security. Investors should consider the investment objectives, risks and expenses of any strategy or product carefully before investing. The information presented in this material has been prepared internally and/or obtained from sources which AEW believes to be reliable, however AEW does not guarantee the accuracy, adequacy, or completeness of such information.

# Additional Notes (continued)

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**Prospective Non-U.S. Investors:** Prospective non-U.S. investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business before considering an investment. It is the responsibility of any investor to satisfy itself as to the full observance of the laws of any relevant territory outside the United States in connection with such investment, including the procurement of any required governmental or other consents and the observation of any other applicable formalities. This does not constitute an offer to or solicitation of anyone in any jurisdiction in which such an offer or solicitation is not authorized.

**Risks:** Investments in real estate and real estate related entities are subject to various risks, including fluctuating property values, changes in interest rates, property taxes and mortgage-related risks. International investing involves certain risks, such as currency exchange rate fluctuations, political or regulatory developments, economic instability and lack of information transparency. Investment in fewer issuers or concentrating investments by region or sector involves more risk than a fund that invests more broadly. For additional risk factors, please see the private placement memorandum.

**Target Returns:** Target yields and returns ("Targets") Targets are based on a variety of factors and assumptions and involve significant elements of subjective judgment and analysis. You should understand that these targets provide insight into the level of risk that the Firm is likely to seek with respect to the Product. As such, the Targets should be viewed as a measure of the relative risk of the Product, with higher Targets reflecting greater risk. They are not intended to be promissory in nature. Targets are estimates based on a variety assumptions, which may include but are not limited to, our assumptions about: current and future asset yields for such investments and projected cash flows related thereto, current and future market and economic conditions, prevailing and future interest rates, including the cost of use of leverage, where applicable, historical and future credit performance for such investments, and other factors outside of the Firm's control. Targets are inherently subject to uncertainties and are based upon assumptions which may prove to be invalid and may change without notice. Other foreseeable events, which were not taken into account, may occur. You should not rely upon the Targets in making an investment decision. Although the Firm believes that there is a sound basis for the Targets presented, no representations are made as to the accuracy of such Targets, and there can be no assurance that such Targets will be realized or achieved. Additional information concerning the assumptions used in connection with the Targets is available on request.



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