



# Ferguson Partners

## GLOBAL QUARTERLY

July 2021

### Americas

#### Key Transactions

- Equity Commonwealth to buy industrial REIT Monmouth for \$3.4 billion.
- Ares Management completes acquisition of Black Creek Group.
- Net lease Giant Realty Income to merge with VEREIT, creating a \$50 billion company.
- Shopping center owner Kimco Realty buys rival Weingarten in \$3.87 billion deal.
- Blackstone Real Estate Income Trust Inc. agreed to buy single-family rental company Home Partners of America Inc. in a \$6 billion deal, expected to close in the third quarter.
- The Blackstone Group funds agreed to acquire data center REIT QTS Realty Trust Inc. in a \$10 billion deal.
- Public Storage Acquires ezStorage for \$1.8 billion.
- Boston Properties to launch a \$2 billion office joint venture with two sovereign wealth funds.
- Ivanhoe Cambridge, Mount Auburn form multifamily preferred equity joint venture.
- Jera and Invesco joint venture to acquire \$3 billion in industrial assets.
- Blackstone Real Estate Partners and Starwood Capital Group have completed the previously announced acquisition of Extended Stay America in a transaction valued at approximately \$6 billion.
- Mapletree Industrial Trust invests \$1.3 billion in US data centers.
- Healthcare REIT Welltower Inc. agreed to purchase an 86-property seniors housing portfolio from Holiday Retirement for \$1.58 billion.
- WashREIT sells DC office portfolio to Brookfield Asset Management for \$766 million.
- Starwood Capital Group Management LLC agreed to pay approximately \$1.2 billion for 17 multifamily properties mainly in the Sun Belt.
- Brookfield targets \$17 billion for fourth flagship real estate fund.

#### People Moves

- CBRE's Spencer Levy named Global Chief Client Officer.
- Ares Management has hired Apollo Global Management partner Joel Tomlinson as Managing Director for its Ares Net Lease strategy.
- CalSTRS elevates Chief Operating Officer, Cassandra Linchnock, as its first female Chief Executive Officer.
- John Burkart joins Welltower as Executive Vice President, Chief Operating Officer.
- Michael Makinen joins ShopOne Centers as Chief Operating Officer.
- Richard Gomel joins Two Sigma Real Estate as Managing Director and Chief Investment Officer.
- Mark Hudspeth joined Blackstone as Head of US Capital Markets.
- Katharine Keenan named Chief Executive Officer and Director of Blackstone Mortgage Trust.
- Adam Goodfriend joined private credit manager Metropolitan Partners Group as a Managing Director on the firm's investment team.
- Jay Cornforth joined Bridge Investments as Chief Executive Officer of a new Bridge Logistics Properties unit. Cornforth was joined by Brian Gagne where they are both Co-Chief Investment Officers of the unit.
- Greystone appoints Marc Fox as Chief Financial Officer.
- Ryan Smidt joins Clay Residential as Chief Investment Officer.
- Charlene Jackson, joins Iron Mountain as Global Chief Diversity, Equity and Inclusion Officer.
- Christopher Howard and Nnenna Lynch, Named Director of AvalonBay Communities.

#### Industry Trends & Events

- Value-add dominates North American private real estate fundraising.
- Single-family posts largest rent increase in four years.
- Mega landlords are snapping up Zillow homes before the public can see them.
- Apartment rents reach highest level in two years and have now surpassed where they would have been without the pandemic.
- Suburban offices now outpricing urban locations. More investors are seeking office buildings in secondary markets
- WeWork reports leasing surge of 4.3 million sf in two months.
- Industrial rent expected to grow 6.5% this year. Amazon to occupy 8 out of 10 top industrial projects this year.
- Townsend recommending healthcare and life sciences across clients.
- CLO issuance poised to top annual record.
- Blackstone was the top cross-border buyer during the pandemic.
- Real estate hires seek hybrid work options. Commercial real estate professionals are looking for more flexibility to work from home, at least part-time.



## Europe

### Key Transactions

- Blackstone agreed to buy St. Modwen Properties, a UK property developer focused on logistics and warehousing, for £1.2 billion.
- Starwood Capital provided £720 million of a £1.8 billion loan to fund Blackstone's acquisition of holiday camp operator Butlins.
- Ascendas REIT acquired a portfolio of 11 European data centres for \$674 million.
- JP Morgan AM acquired a €540 million portfolio of logistics assets in the UK, France and Ireland from Mountpark.
- NatWest appointed PwC to sell a £550 million portfolio of distressed loans, secured predominantly against struggling shopping centres in the UK, the first significant sale of distressed UK property loans originated after the 2007/8 GFC.
- Greystar acquired five student accommodation developments in the UK from KKR for £291 million.
- Lone Star acquired a 2,621-bed UK PBSA portfolio for £315 million.
- Colony Capital sold its 74% controlling stake in two Dublin city centre office properties to Blackstone Property Partners for €292 million.
- Tritax EuroBox bought two logistics assets in Germany, totalling 164,800 sq. m., for €291 million.
- Union Investment acquired 435 apartments and a health centre being developed in Dublin for €200 million.
- Terra Firma acquired Kier Living for £110 million.
- WP Carey completed a €102 million sale-and-leaseback of a 424,800 sq. ft. French hypermarket portfolio.

### People Moves

- Blackstone appointed Steve Plavin as Senior Managing Director overseeing BREDS in Europe, replacing Michael Zerda.
- Commerz Real appointed Henning Koch as CEO.
- Jenny Hammarlund joined Cadillac Fairview as Managing Director, Head of Europe.
- Julian Allen was appointed Head of Real Estate Investment Banking across EMEA for CBRE.
- ICG appointed Adam Golebiowski as Managing Director and Luca Lelli as Principal, within its European equity team.
- Riccardo Abello joined Eurazeo as Managing Director.
- Michael Zerda joined LaSalle IM as Head of Debt and Special Situations.
- Maarten van der Spek joined BNP Paribas REIM as Global Head of Strategy.
- Amal Del Monaco joined Patrizia as European Head of Asset Management and chair of its country heads.
- Hammerson hired Raja Himanshu as Chief Financial Officer, and Harry Badham as Chief Development and Asset Repositioning Officer.

### Industry Trends & Events

- Vonovia is set to take over its closest German rival Deutsche Wohnen for c. \$22 billion with hopes it will defuse tensions over tenant rights and affordable housing in Germany.
- BentallGreenOak raised €869 million for its second European lending strategy and €695 million for a European core-plus logistics fund.
- Knight Frank launched a new Capital Advisory arm focused on Europe, bringing together a recently formed equity advisory team with the firm's existing debt advisory unit.
- Atrium European Real Estate raised €350 million via a hybrid green bond issue to help fund the company's move into residential assets.
- Alternative lenders are dominating the financing of repurposing properties from troubled sub-sectors, such as town-centre retail and secondary offices, into in-demand uses, such as housing and logistics, with traditional lenders less willing to underwrite the potential hurdles and risks.



## Asia Pacific

### Key Transactions

- ESR acquires Distribution Centre in Osaka for a planned \$2.5bn multi-phase data center project.
- ESR and GIC teamed up to buy Blackstone's A\$3.8bn Milestone Logistics in Australia.
- Centuria is buying Primewest Group for A\$598.8m to create a \$15.5bn property fund platform.
- JD Logistics raise over \$3bn for its Hong Kong IPO.
- JLL property management business in China to sell for \$500m attracting interest from local developers.
- Blackstone buys Warburg's Embassy Industrial Parks India JV.
- PGIM partnered with Manulife to buy a 90% interest in a 20-asset portfolio from Blackstone for A\$850m.
- Dexis is taking over APN Property Group for A\$320.
- Frasers and Winten Property kick off construction of A\$750m Macquarie Exchange precinct in Sydney.
- Mapletree Industrial Trust acquires 29 data centre assets across 18 US states for \$1.3bn.
- ADIA sells China mall portfolio to Brookfield for \$1.4bn.
- Blackstone to acquire IDG (International Data Group) from China Oceanwide for \$1.3bn.
- Blackstone acquires developer Soho China in \$3bn deal.
- CapitalLand sells stakes in \$7.2bn China Raffles City portfolio to Ping An.
- Advertising giant Dentsu received a \$2.7bn offer to buy its corporate HQ building in Tokyo.

### People Moves

- Lendlease promotes Justin Gabbani to Asia CEO, Deborah Yates as Chief People Officer, Frank Krile, Group Chief Risk Officer and Simon Dixon CFO.
- Craig Beattie appointed CFO at Hongkong Land.
- Jie Wei resigns from HSBC to re-join GS.
- GLP hires former Blackstone executive, Tim Wang.
- Frasers Hospitality Trust names Eu Chin Fen as CEO.
- Bank of America appoints Winnie Ng Co-Head of APAC real estate.
- Guy Bradley named as Swire Pacific Chairman succeeding Merlin Swire. Tim Blackburn named CEO of Swire Properties.
- Daisuke Noguchi was appointed as Head of Acquisitions for Japan of Allianz Real Estate.
- Brian Shuptrine became Managing Director, Real Estate across APAC of Turner & Townsend.
- Dean Kwon joins Allianz Real Estate Asia as CFO.
- James Patterson joins KF as CEO Australia.
- Jan Low was named as Head of Acquisitions, Asia, for M&G Real Estate.
- LOGOS hires Bart Coenraads Group Head of Funds.
- GLP hires Miao Song as Global Chief Information Officer to manage all technology, data and digital.
- Hines hires Alysia Reilly as Head of Logistics and Sam Bisla as Head of Living Australia. Kian Fong Lim as MD in Singapore.

### Industry Trends & Events

- Blackstone targets life sciences, technology and content creation industries as future tenants.
- Investors APAC policy change to create opportunities for the multi-family sector.
- APAC data centre demand to double to 5,880 MW over next 5 years (Knight Frank).
- APAC logistics expenditure to continue growing as e-commerce boom to benefit all logistic players.
- Hongkongers moving to the UK may sell \$19bn worth of residential real estate in 2021.
- Mapletree is exploring a \$1bn student Housing REIT IPO in Singapore.
- Microsoft to invest \$1bn in Malaysian data centres.
- Allianz plans private credit expansion in India with investment in Kotak's real estate debt platform.
- India cold chain logistics is expected to grow at over 20% annually according to JLL.
- GIC will open an office in Sydney in 2022.
- Canadian investors are increasing their investments in Korea's property market.
- A parking spot on Hong Kong's Peak sells for a record \$1.3m.