



# Ferguson Partners

## GLOBAL QUARTERLY

Q1 2021

### Europe

#### Key Transactions

- Lone Star put the £3 billion sale of Quintain on hold.
- Blackstone is set to acquire a €1.8 billion portfolio of warehouse and logistics assets from Castellum.
- Clarion Partners is selling a portfolio of 31 logistics assets for c. €800 million.
- Partners Group acquired portfolios of Italian residential assets, Polish offices and UK logistics totaling c. €786 million. The firm also sold a 10-storey office property in Frankfurt for €176 million.
- 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.
- BentallGreenOak acquired a portfolio of seven UK logistics assets for €345 million.
- Greystar acquired five UK PBSA developments from KKR for £291 million.
- Savills IM acquired an office in Brussels for €173 million and a Danish supermarket portfolio for €140 million.
- Mileway acquired a portfolio of last-mile logistics assets in the UK and France for £250 million.
- A consortium led by Hong Kong-based Wing Tai Properties bought Athene Place, a 147,000 sq. ft. office in the City of London, for £255 million.
- M&G, RedTree French Real Estate Fund and Eternam acquired a Paris office complex for €235 million.
- Ares acquired two newly-built PBSA assets in Exeter and Cardiff for £157.5 million, in JV with Generation Estates.

#### People Moves

- Martin Samworth joined Ferguson Partners as Senior Advisor.
- Jenny Hammarlund joined Cadillac Fairview as Managing Director, Head of Europe.
- Partners Group appointed Rahul Ghai as Co-Head of European Private Real Estate and Anne-Jan Jaeger as Managing Director.
- JLL appointed Chris Ireland as Chairman, with Stephanie Hyde succeeding him as UK CEO.
- ICG appointed Adam Golebiowski as Managing Director within its European equity team.
- Riccardo Abello joined Eurazeo as Managing Director.
- Aviva Investors appointed Daniel McHugh as CIO for its £47.3 billion real assets portfolio.
- Schroders hired Natalie Howard to lead the launch of a new credit platform.
- PGIM Real Estate appointed Sebastiano Ferrante as Deputy Head of Europe.
- Angelo Gordon restructured its management committee, putting in place a new partnership board headed by co-founder and former CEO Michael Gordon. Adam Schwartz and Josh Baumgarten were appointed co-CEOs.
- BNP Paribas REIM appointed Benoit de la Boulaye as Head of its UK business.
- WP Carey appointed Christopher Merlitz to Managing Director, Head of European Investments.
- Forma Real Estate Funds hired Chris Taylor as UK CEO.
- Dubai-based residential specialist Ellington appointed Simon Townsend as CEO.

#### Industry Trends

- Global real estate is set to attract c. €64.6 billion in investments this year, with European real estate set to gain over half of institutional investors' commitments.
- Starwood raised \$6.5 billion in the first close for its latest global opportunistic fund, with a heavy focus on distressed investments.
- Brookfield Asset Management is set to take the remainder of its publicly owned real estate division private for c. \$5.9 billion.
- Oxford Properties acquired M7 Real Estate.
- EQT acquired Exeter Property Group for c. \$1.9 billion.
- BentallGreenOak moved into the secondaries space with the acquisition of Metropolitan Real Estate from Carlyle.
- The Nordics is proving popular for investors seeking sustainable cash flows and post-pandemic stability.
- The region is also proving popular for new data centers, due to a combination of reliable and sustainable power supply and a cooler climate.
- Life Sciences is proving increasingly popular for institutional investors and debt providers due to steady growth in tenant demand and the sector's resilience to the pandemic.



## Asia Pacific

### Key Transactions

- Blackstone completes \$1.1 billion investment in Guangzhou Logistics Park.
- China's HNA declares bankruptcy, begins restructuring after struggling to pay debts.
- BentallGreenOak acquires the central Tokyo HQ of Japanese entertainment group, Avex, for \$693 million.
- Allianz Fund buys stake in Singapore Tower for \$477 million.
- South Korea's NPS awards \$1 billion global real estate mandate to Russell Investments.
- China Fortune Land defaults on \$813 million debt.
- K.Wah's \$1.55 billion Nanjing mixed-use project leads a development surge in the Yangtze River Delta.
- CK Asset Holdings wins last residential plot on Kai Tak runway with \$1.3 billion bid.
- Brookfield kicks off \$520 million India REIT IPO.
- Warburg Pincus and Hillhouse Capital lead \$700m investment in JD Property.
- Blackstone acquires 8 hotels in Japan from railway operator Kintetsu for \$550 million.
- CapitaLand proposes \$15.9 billion privatization of its development division.
- Embassy Group and Ivanhoe Cambridge launch a \$500m platform for business parks in India.

### People Moves

- Hines hires Chiang Ling Ng as CIO leading the firm's APAC investment management business.
- Tishman Speyer promotes Wilson Chen to CEO of China business.
- Grosvenor hires Kozo Hiratani from Mitsui Fudosan to be President of their Japan business.
- JLL appoints Ken Sakuramoto as Head of Equity Advisory for Japan. He joins from Eastdil Secured.
- Greenberg Traurig, LLP, adds Mori Inada, from Morrison & Foerster, to their Asia real estate team.
- Paul Barr leaves GIC to join Pantheon as Partner, Global Infrastructure and Real Asset team, London.
- Radha Dhir is announced as the CEO of JLL India, succeeding Ramesh Nair.
- Heitman's APAC head, Skip Schwartz moves to US. Brad Fu and Yu Choi appointed as co-Directors Asia.
- M&G Real Estate promotes Lai Jing Dong to CIO and interim CEO for Asia, including Australia.
- Nuveen promotes Louise Kavanagh to CIO and Fund Management Head for APAC.
- Lendlease Asia CEO, Tony Lombardo to succeed Steve McCann as group CEO effective 31 May 2021.
- Hines hires Harry Lee, as Director in Seoul. He was previously Head of Transactions at DWS Korea.
- John Longo becomes Head of Property at Cbus, having previously been with AustralianSuper.
- KKR hires Tom Lee as Head of Australia and New Zealand real estate. He joins from LOGOS.

### Industry Trends

- Data centers & logistics to attract greater asset allocation in Asia, especially Australia, Japan & Korea.
- Cold storage to shine in the long run as investors hunt for alternatives in the APAC property market.
- Australian residential prices tipped to see continued growth in 2021.
- Global investors being drawn to private credit investments in China and India.
- Sydney and Singapore rank third and fifth in the top 10 data center markets.
- PGIM Real Estate invests in APAC PropTech Firm Taronga (Australia).
- Tech firms set to lease 20% of APAC office space as Mainland giants expand.
- 21% of AXA IM's real estate investment activity took place in Asia in 2020, led by investments in Japan.
- Gaw Capital Partners holds first close on its PropTech fund.
- Korea's National Pension service commits \$500m to Blackstone's new life science real estate fund.
- The PropTech industry in India attracted over \$551 million in 2020, surpassing the \$549 million of 2019.
- Blackstone puts in a \$6.2 billion offer to acquire Australian casino group, Crown Resorts.



## Americas

### Key Transactions

- Google to spend \$7 billion on data centers and office space in 2021.
- Extended Stay America Inc. and ESH Hospitality Inc. agreed to be acquired by a 50/50 joint venture between Blackstone Real Estate Partners and Starwood Capital Group for about \$6 billion.
- Front Yard Residential Corp. has been taken private as the \$2.5 billion acquisition by Pretium and Ares Management Corp.
- Blackstone continues to focus on single-family homes with \$1.6 billion acquisition of InteriorLogic.
- Allianz expands its US residential footprint with investment in the single-family rental sector.
- CBRE acquires 35% stake in flexible workspace firm Industrious.
- VICI Properties and Apollo Funds Ink \$6.25 billion deal to acquire Las Vegas Sands' Venetian Resort and Sands Expo Center.
- Slate enters U.S. real estate debt market with \$2.3 billion Annaly deal.
- Ares moves into secondaries with \$1 billion takeover of Landmark Partners.
- GIC invests in \$1.2 billion US retail joint venture with RPT Realty, Monarch Alternative Capital, and Zimmer Partners.
- Digital Colony raised more than \$4.1 billion at the first close of its second fund focused on global communications infrastructure investments.

### People Moves

- Marriott International appoints Anthony Capuano as new CEO And Stephanie Linnartz as President.
- Mack-Cali Realty names Mahbod Nia as new CEO.
- Knotel Taps Former WeWork executive Michael Gross as new CEO.
- Sunrise Senior Living appoints Jack Callison as CEO.
- Steve Purpura joins Beacon Capital as President of Beacon Capital Life Science.
- Seritage Growth Properties appoints Andrea Olshan as Chief Executive Officer and President.
- Sara Queen to join MetLife Investment Management as Head of Real Estate Equity Group.
- Eric Plesman named Head of Global Real Estate for HOOPP.
- Carlyle Group Inc. has hired Roger Cozzi as Managing Director, Head of Real Estate Credit.
- ACORE Capital appoints Michael Romo as Senior Managing Director and Co-Head of Capital Raising.
- PS Business Parks has named Dan Chandler as President and CEO.
- TPG RE Finance CEO Greta Guggenheim stepping down.
- LaSalle expands ESG platform with the hire of David Evos as Global Head of ESG and Elena Alschuler as Vice President of Sustainability in the Americas.

### Industry Trends

- The biggest funds raised in 2020 have \$24 billion to spend on post-pandemic real estate.
- Commercial real estate CLOs backed by bridge loans written prior to the coronavirus crisis are holding up remarkably well as investors clamor for CRE CLO deals.
- The global student housing sector is expected to emerge as a major area of investment for fund managers and institutional investors who are looking for the richer yields that niche asset classes can offer.
- Data center REITs yielded 17.2% in returns, beating the robust industrial asset class.
- Lenders compete to finance life science real estate.
- When it comes to technology, returning office tenants will ask for more than ever.
- Blackstone bets on infrastructure, economic rebound as earnings jump.
- Multifamily construction still suffering from scarcity, delays in obtaining materials.
- The Ontario Teachers' Pension Plan committed to reaching net-zero emissions across its investment portfolio within three decades.
- The \$283 billion California State Employees Retirement System (CalSTRS) has approved a new, multi-billion-dollar sustainable private market portfolio that will invest in real estate with a focus on affordable housing opportunities.