

February 09, 2021

Asia Pacific

Key Transactions

- Alibaba took a controlling stake in China's largest hypermarket operator, Sun Art Retail, for \$3.6bn.
- WeWork sells majority control of its China division to private equity firm, Trustbridge Partners.
- Singapore's Suntec REIT acquires half-stake in two assets in London from CPPIB for \$560m.
- Blackstone acquired 70% stake in Guangzhou Logistics Park, for \$1.1bn.
- Gaw and SchroderPamfleet consortium backed by Manulife buys CityPlaza One in HK for HK\$8.85bn.
- India's Embassy REIT to buy Embassy TechVillage Business Park, from Blackstone JV, for \$1.3bn.
- CIC, China's SWF, takes a 50% stake in Sydney's Grosvenor Place office tower for \$674.
- China Logistics and RRJ aim to sell their combined 50% stake in China Logistics Property Holdings for \$1bn.
- Hiranandani Group to invest US\$1.1bn over 3 years to develop DCs and industrial parks across India.
- JP Morgan and Stockland, join forces to buy up to A\$1bn of industrial assets in Australia.
- NPS and Hines announce a \$1.5bn JV to invest in global build-to-core-real estate projects.

People Moves

- Martin Samworth, CBRE's Chair of Advisory Services, APAC & EMEA, retired at the end of 2020 – and joined Ferguson Partners!
- Ferguson Partners expanded our management consulting business line into Asia hiring Ben Brandon-King based in Singapore.
- LaSalle's Asia CEO (and Ferguson Partners placement), Mark Gabbay was promoted to Global CEO. Keith Fuji assumes the Asia CEO role.
- Continuing the Ferguson Partners theme; our previous colleague Tim Kessler becomes Global COO of LaSalle.
- LIM's Claire Tang, and Nick Okumura, become CO-CIOs for APAC.
- Nicholas Johnson, former Head of East Asia, IBD, JP Morgan, joined GLP as Managing Director.
- Rita Chan joined JP Morgan from Goldman to head Asia (ex-Japan) Real Estate Investment Banking.
- Yukihiro Ogasawara is named as Managing Director & Chairman, Japan, for Colliers International.
- Shusaku Watanabe relocates from Singapore to become Head of Japan, Real Estate, for Nuveen.

- Ed Sheremeta re-joins DLA Piper in Hong Kong, as a senior RE Partner, in the firm's APAC RE practice.
- Anthea Lee is promoted to CEO, Keppel DC REIT.
- Tarun Gupta, is named CEO of Stockland.
- Paul Weightman retires as CEO of Cromwell Property. Michael Wilde, appointed acting CEO.

Industry Trends

- BentallGreenOak to invest up to \$10bn in Japan over the next 2-3 years.
- South Korea's NPS and APG form a long-term real assets investment partnership.
- Singapore will be Asia's most active cross-border investor in 2021, according to Knight Frank, with Australia and UK being key target markets.
- Q3 saw \$35bn committed to direct transactions in Asia, a QoQ rebound of 35% (Source: JLL).
- DHL Express to invest \$816m to build new facilities in Australia, Japan, Hong Kong and S. Korea.
- CapitaLand to grow China exposure to S\$5bn.
- Evergrande Property Services plans to raise up to \$3bn through a Hong Kong listed IPO.
- ESR launched Kendall Square REIT in Korea.
- Charter Hall raised A\$2.6bn during the pandemic for its industrial fund.
- APAC real estate investment to bounce back 15-20% in 2021 according to JLL.
- Keppel Capital target Vietnam fund of US\$600m.
- DLF, India's largest listed developer, diversifies into residential markets in Mumbai and Chennai.
- AustralianSuper reduces the value of its A\$30bn unlisted real asset portfolio by 7.5%.
- Blackstone resumes plan to exit their A\$3bn logistics portfolio in Australia.

Europe

Key Transactions

- Oxford Properties acquired M7 Real Estate with plans to more than double M7's AUM in the next five years.
- EQT acquired Exeter Property Group for c. \$1.9 billion.
- Aberdeen Standard Investments is set to acquire a 60% interest in logistics real estate fund manager Tritax.
- Lone Star put the £3 billion sale of Quintain on hold.
- Blackstone acquired a €1.83 billion last-mile logistics portfolio from Castellum.
- Heimstaden bought €1.63 billion of residential assets from Niam.
- AXA IMRA acquired Kadans, a real estate developer specializing in life sciences, for €500 million.
- Partners Group acquired portfolios of Italian residential assets, Polish offices and UK logistics totaling c. €786 million.
- Commerz Real sold a Frankfurt office campus to Arminius for over €500 million.
- Balder acquired a €490 million commercial and residential property portfolio in Sweden from Masmastaren.
- British Land sold €450 million of West End London offices to Allianz.
- Two JVs between VGP and Allianz Real Estate acquired a portfolio of 19 logistics assets across Europe for a total of €424 million.

People Moves

- Unibail-Rodamco-Westfield appointed Jean-Marie Tritant as Group Chief Executive Officer and Chairman of the Management Board, and Fabrice Mouchel replaced Jaap Tonckens as CFO.
- Commerz Real hired Gabriele Volz as CEO.
- Rene Parmantier was appointed CEO of Corestate. The originally designated CEO Klaus Schmitt will not take office.
- Jean-Marc Coly will step down as CEO of Amundi Real Estate, with Marc Bertrand taking over the role.
- Graeme McArthur is set to join Crestbridge as CEO.
- Susie McCabe and Joan Jove were appointed Co-CEOs at McArthurGlen, with previous incumbent Julia Calabrese taking on the role of Vice Chairman.
- 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 Baumagrtzen were appointed Co-CEOs.
- Aviva Investors appointed Mark Versey as CEO.
- Mayfair Capital's James Thornton is set to step down from his role as Chief Executive Officer.
- Ronen Journo joined Hines as Senior Managing Director and European Head of Operations.
- JLL promoted Andy Poppink to CEO of EMEA markets.

Industry Trends

- The European Central Bank plans to create a pan-European asset management company to handle the potential \$1.4 trillion of pandemic-related NPLs.
- Brookfield Asset Management is set to take the remainder of its publicly owned real estate division private for c. \$5.9 billion.
- Meyer Bergman, rebranded as MARK, plans to launch several country-level residential platforms and expand into life sciences and data centres.
- With government bonds offering low, and in some cases even negative yields, private real estate debt is likely to produce attractive risk-adjusted returns.
- Longer-term trends mean that student housing and hotels at the prime end of the spectrum remain favourable for senior lenders.
- Repurposing of retail assets is expected to increase this year as investors seek to create a new purpose for underutilised space.
- Responsible investing is moving away from being an additional, complimentary strategy and is becoming integrated within traditional investment analysis and management.
- Starwood raised \$6.5 billion in the first close for its latest global opportunistic fund, with a heavy focus on distressed investments.
- Morgan Stanley IM raised over \$2 billion for its latest open-ended global opportunity fund.
- Patron Capital closed its most recent real estate fund, Patron Capital VI, with \$1 billion of committed capital. Blackstone's latest global real estate debt fund, BREDS IV, held its final close with \$8 billion of capital commitments.

Americas

Key Transactions

- RealPage to be acquired by Thoma Bravo for \$10.2 billion.
- Americold Realty Trust agreed to buy temperature-controlled warehouse company Agro Merchants Group LLC in a \$1.74 billion deal from an investor group led by funds managed by Oaktree Capital Management LP.
- American Tower buys InSite Wireless for \$3.5 billion.
- Blackstone completes \$14.6 billion recapitalization of BioMed Realty. This transaction is part of a new long-term, perpetual capital, core+ return strategy managed by Blackstone.
- Blackstone buys 2.3 million square foot lab office building portfolio from Brookfield for \$3.35 billion.
- Ventas US real estate fund buys \$1 billion life science portfolio.
- Real estate fintech CoreLogic receives multiple potential bids at more than \$80 a share.
- CoStar acquires real estate data company Emporis in a strategy to take the platform global.
- Blackstone Real Estate Income Trust to Acquire Simply Self Storage for Approximately \$1.2 billion.
- KKR nears \$800 million warehouse deal, with a portfolio of approximately 100 properties.
- Crow Holdings forms strategic joint venture with Allianz through the sale of a 49% stake in 19-Property, 6.1 million square foot US industrial portfolio.
- SL Green Realty Corp. sells Manhattan office for \$952 million.
- Simon Property and Brookfield Asset Management Inc. completed their acquisition of substantially all the retail and operating assets of apparel and homewares retailer J. C. Penney Co. Inc., which now has access to approximately \$1.5 billion.
- UBS's Trumbull fund to divest over \$4 billion by 2022.

People Moves

- Vance Maddocks, CBRE Global Investors' president of Americas real estate, stepped down from his role at the end of the year. Robert Perry, a Principal and Executive Managing Director at CBRE Global Investors who also leads the firm's Strategic Partners fund series, will succeed Maddocks.
- Blackstone has hired Eric Duchon, LaSalle Investment Management's top ESG executive, as its first Global Head of Real Estate ESG.
- Strategic Value Partners names Sujan Patel as its first Head of Real Estate.
- Shankh Mitra succeeds Thomas DeRosa as Chief Executive Officer at Welltower Inc. Mitra formerly served as the company's Chief Investment Officer and Vice Chairman; he joined the firm in 2016 and was widely viewed as the heir apparent.

- Alisa Mall left Carnegie Corp. to join the private sector. She has joined Foresite Capital as a Managing Director where she will run corporate development, long-term capital formation, investor relations, and engagement on environmental, social, and governance matters.
- Macky Tall was named Co-Chairman of The Carlyle Group's Infrastructure Group.
- Chairman of Brookfield Property Partners LP and Brookfield Property REIT Inc., Ric Clark, partnered with Philip Waterman of Waterman Interests LLC to create WatermanClark, a new real estate investment and operating company that will be focused on commercial real estate.
- Colony Credit Real Estate hired George Kok as Chief Credit Officer. He joined from Morgan Stanley, where he had been on the commercial MBS banking team since 2015 as a Managing Director.
- Morgan Stanley IM Head of Global Listed Real Assets, Ted Bigman, to retire after 25 years – Ted Bigman.

Industry Trends

- Dallas-Fort Worth dethrones Manhattan as nation's top CRE investment market, new report says
- More companies are starting to consider remote work as a more permanent option due to the Covid-19 pandemic. Twitter and Square are letting employees work from home "forever," while Microsoft said workers will have more flexibility to work from home. Facebook CEO Mark Zuckerberg predicted that 50% of employees will be working remotely within the next decade. Dropbox announced that will stop asking employees to come into its offices and instead make remote work the standard practice, even after the coronavirus pandemic ends.
- Single-family rental homes gain as people flee cities.
- JLL has formed a capital-markets unit focused on single-family rental properties, positioning itself to capitalize on increasing interest in the niche asset class among institutional investors.
- Most investors now believe ESG has a positive impact on returns.
- Nuveen sees impact investing rising in importance.
- Real estate giant Hines launched Willowick Residential, a multifamily property management arm that will oversee the company's growing portfolio of apartment projects across the US.
- Commercial real estate investment deal volume in the U.S. dropped 57% year over year during the third quarter to \$68.4 billion, according to a report by Real Capital Analytics. The slump, induced by the economic uncertainty caused by the coronavirus pandemic, affected the hotel sector the most, with transaction volume sliding 82% year over year to \$1.9 billion.
- Elevated industrial development will continue post-COVID-19.
- Office leasing activity rebounds at year's end.