

GLOBAL QUARTERLY

FEBRUARY 2023

NORTH AMERICA

KEY TRANSACTIONS

- Brookfield and Cameco to buy nuclear power firm Westinghouse in \$7.9 billion deal driven by energy security and decarbonization trends.
- The University of California is investing \$4 billion into Blackstone Real Estate Income Trust (BREIT).
- Hines and USAA break ground on \$4 billion riverwalk in San Diego's Mission Valley neighborhood.
- California Public Employees' Retirement System places nearly \$2 billion in real estate funds across Blackstone Mileway Logistics, CalEast Solstice, Institutional Logistics Partners, and TechCore.
- Ares Management Corp. has closed its 10th value-add U.S. real estate fund at \$1.8 billion.
- Teachers' Retirement System of the State of Illinois has approved three new commitments worth \$800 million in total within its real assets portfolio.
- The sale of Pangea Properties' Chicago portfolio for \$600 million to Emerald Empire was one of the biggest multifamily deals in the city's history and one of the largest Fannie Mae Structured Adjustable-Rate Mortgage loans of 2022.
- Philadelphia-based Campus Apartments and Clarion Partners are selling a portfolio of five student housing campuses valued at an estimated \$550 million.
- Partners Group to invest up to \$400 million acquiring majority stake in Sunsure Energy.
- Bell Partners Inc. has expanded its imprint in four different markets with \$313 million portfolio acquisition.
- Newly created partnership between Maya Capital and Artemis Real Estate acquires 96,693sqft storage facility for \$300 million.
- Simon Property Group Inc. completed the acquisition of a 50% interest in Jamestown LP, a global real estate investment and management firm.
- Blackstone to buy TD Warehouse Portfolio in a bet on demand for warehouse space.
- Nuveen buys 47,751 acres of timberland assets in Washington and Oregon from Green Cow.
- Artemis Real Estate Partners, in a joint venture with Rendina Healthcare Real Estate and CalSTRS, has acquired a 12-building, 352,981-square-foot medical office portfolio.
- WeWork is exiting 40 underperforming locations and reducing its headquarters.

PEOPLE MOVES

- Priscilla Almodovar was appointed CEO of Fannie Mae and the first woman to lead the agency.
- Private markets manager, Adams Street Partners, named Brijesh Jeevarathnam as partner and Global Head of Fund Investments.
- Denis Hickey, head of Lendlease's American office, departed; Claire Johnston promoted to CEO of Americas.
- Paul J. Nassar of Intercontinental Real Estate has been promoted to President.
- Albacore hired Sean Golden as a Managing Director and Deputy Portfolio Manager—a new position within the firm.
- DWS Group appointed Dirk Goergen to lead as Americas CEO to replace Mark Cullen, who has stepped down.
- Michael A.B. Orr joined Xponance Alts Solutions as Managing Director and CIO.
- GoldenTree Asset Management promoted Kathy Sutherland as the firm's first CEO.
- 10X Capital named Russell Read CIO.
- Marlene Puffer succeeded Sandra Lau as CIO of AIMCo effective Jan 30.
- BNP Paribas Asset Management named David Bouchoucha Head of Private Assets, leading a new, \$31.6 billion business unit.
- Benjamin Cotton replaced Jim Grossman as Pennsylvania Public School Employees' Retirement System's next CIO.
- Emily Weiner succeeded Nick Loilis as CIO of TIAA's \$297 billion general account.

INDUSTRY TRENDS & EVENTS

- Global RE DEI Survey 2022 results: Women and POC representation increases year-over-year in all regions.
- Global alternatives market projected to double in size by 2027.
- Many office tenants are downsizing or getting rid of their offices with the reality of a hybrid or fully remote workforce.
- Majority of corporate CRE pros predict at least 20% office demand drop; possible recession dampens outlook for office sector.
- Almost all multifamily developers now experiencing construction delays.
- As some states escalate resistance, ESG backlash may come at a cost to investors.
- For renters, affordability and inflation issues are forcing landlords to ease off rent increases.
- Commercial/multifamily lending expected to fall in 2022 due to economic uncertainty.
- As mortgage rates continue to increase, so does demand for rentals.
- In 2022, US closed \$72 billion in warehouse sales.
- While domestic tourism has rebounded, international tourism is still down 66% from pre-pandemic levels as foreign retailers lag behind.
- In 2023, funding and investment will shy away from the office market and toward alternative opportunities, such as asset and portfolio management, distressed assets and housing alternatives.

GLOBAL QUARTERLY

EUROPE

KEY TRANSACTIONS

- Greystar and GIC have acquired Student Roost for a reported £3.3 billion.
- Brookfield has won a total of 97% of Befimmo's shares after acquiring a further 12% of the Belgian REIT as part of a €1.35 billion takeover bid.
- Godwin Developments has created a JV with an unidentified institutional investor to build a £1 billion BTR portfolio.
- Aeon Investments has completed a UK real estate CLO after agreeing three loan agreements valued at €900 million.
- AD Ports Group has purchased Noatum Logistics for €660 million.
- Blackstone has acquired a portfolio of 47 properties in Sweden, mainly comprising logistics assets, for €490 million.
- A group of investors led by the family office Infarr has acquired three segments of Berlin's Quartier Heidestrasse development for €488 million.
- Lazari Investments has acquired the Fenwick department store on New Bond Street for £430 million.
- UBP has acquired two office assets let to the Belgian ministry of foreign affairs for c. €350-400 million.
- The Paval Brothers have acquired seven office buildings in Bucharest for €370 million.
- King Street Capital and Arrow Global Group have agreed to invest c. €300 million in Campo Novo, a new Lisbon neighbourhood devised by Norfin.
- KPA Pension, the Swedish pension fund for local government employees, has bought a hotel and office building in Stockholm for €280 million.
- ICG Real Estate has purchased seven distribution assets for €255 million in a sale and leaseback deal.
- Heimstaden has acquired a German residential portfolio for €243 million.
- Wirtgen Invest has acquired the freehold of 50 Finsbury Square for €218 million.

PEOPLE MOVES

- LaSalle IM has promoted Samer Honein to Global Head of Investor Relations.
- Heimstaden has promoted Helge Krogsbøl to CEO.
- Mileway has promoted Thomas ten Bokum to Chief Real Estate Officer.
- Constanter Investment Office has hired Chris West as Head of Real Assets.
- Hines has appointed Marc Sampietro to lead aparto, its student accommodation business with operations in Spain, Italy, UK, and Ireland.
- Redevco has promoted Chris Fleetwood to Head of Global Asset Management and Development Management.
- Kadens Capital has hired Nikhil Gupta as CFOO.
- Gustav Segerberg has been internally appointed to EQT Exeter's ExCo.
- Delin Property has hired Raffi Killian as Head of Investments.
- Olivier De Bisscop has joined Befimmo as Chief Portfolio Officer.
- Savills Capital Advisors has recruited Irina Stoichkova as Director within its Capital Advisors team.
- Laura Jockers has joined M&G Real Estate as Head of ESG.
- Nicholas Schiloff has joined Fabrix as CIO.
- Lara Young has joined Cromwell Group as Head of ESG.
- Paref has appointed Alexandre de Vaivre as Managing Director, Head of Capital Markets.

INDUSTRY TRENDS & EVENTS

- Partners Group is launching a dedicated Private Wealth unit to manage €37 billion of capital from private investors.
- Data published by INREV suggests that there are now 98 private real estate debt funds in Europe.
- According to a report by Knight Frank, investors plan to commit €151 billion in additional capital to Europe's living sector over the next five years.
- MSCI announced that the volume of European Commercial Real Estate deals fell by 37% in the third quarter of 2022 compared to Q3 2021.
- In the Nordics, the transaction volume of €49 billion in 2022 made it the second-best year ever for the region following 2021's record of €71 billion.
- According to Savills, the European logistics market will remain strong despite the current dislocation due to high occupier demand and low vacancy rates.
- In the first three quarters of 2022, Italy saw a record-breaking €9.1 billion invested in commercial real estate.
- Henderson Park is preparing to acquire a majority stake in GBI Holding.
- TPG Real Estate has closed its most recent opportunity real estate equity fund, TPG Real Estate Partners IV (TREP IV), at €6.9 billion.
- Investment in Spanish real estate reached €4.8 billion in Q3, according to BNP Paribas.
- Patrizia's PanEuropean Property Limited Partnership has hit €1 billion GAV.
- At the final close of its CIO II fund, Castllake has raised €798 million in capital commitments.
- Arminius has launched a fund targeting the acquisition of up to €1 billion of German offices with the potential for ESG-related upgrades.
- Q3 investment volumes remained positive in Germany, France, Italy, and Spain, according to Colliers.
- According to Cushman & Wakefield, Grade A office in London is at its lowest availability level since Q4 2010.

GLOBAL QUARTERLY

ASIA PACIFIC

KEY TRANSACTIONS

- Blackstone raised over \$8 billion for Blackstone Real Estate Asia III.
- GPIF hired LaSalle Investment Management for core real estate fund-of-fund strategy.
- Keppel-backed Pierfront Capital achieved \$700 million final closing for its 2nd private credit fund.
- APG and CapitaLand committed \$810 million to take over and expand self-storage operator, Extra Space Asia.
- Qualitas has raised A\$1.2 billion for its latest construction debt fund after securing A\$440 million from an Asian institutional investor.
- ESR launched A\$1 billion ESR Australia Development Partnership II, partnering with GIC.
- Ivanhoé Cambridge invests in student housing via Scape Australia.
- Barings expanded its APAC RE debt business with A\$600 million earmarked for Australian development opportunities.
- Blackstone launched its first data centre platform in Asia, Lumina CloudInfra, with 2 projects in India.
- SC Capital sets up \$2 billion Asia data centre investment strategy with commitment from ADIA.
- GLP's closed China Income Fund VII at \$1.05 billion and VII at \$743 million; and reached first closing of \$1.2 billion for China Value-Add IV.
- Gaw Capital purchased 7 Japanese logistics assets from Blackstone for around \$576.6 million (¥80 billion).
- HESTA, UniSuper and ISPT plan to develop a A\$600 million health hub in Sydney.
- PAG hit a \$2.6 billion hard cap for PAG Loan Fund V, making it one of the largest private debt funds in Asia to date.
- Andrew Forrest bought Partners Group's CWP Renewables for A\$4 billion.

PEOPLE MOVES

- Manulife US Real Estate Investment Trust promoted Caroline Fong to Deputy CEO and Steven Blewitt as Interim Chairman of the Board.
- Campbell Hanan will replace Susan Lloyd-Hurwitz as CEO of Mirvac.
- LaSalle Investment Management hired Matthew Yao from PGIM to run a new China RMB Fund.
- CapitaLand Development hired Keppel's COO, Ben Lee as CEO and Head of China Operations.
- PAG hired Manwin Sidhu from GIC as Managing Director, Real Assets Group, based in Singapore.
- Investa hired Adam Crowe as Chief Investment Officer.
- Scott Mosely joined Mirvac as Head of Funds Management.
- Lendlease named Ben James as Group Executive, Investments, Global Investments team.
- DWS promoted Steven Kim to Head of Real Estate Asset Management, APAC.
- CapitaLand promoted Andrew Lim from CFO to COO effective Jan 1st, and Paul Tham stepped into the CFO role.
- CapitaLand named Janine Gui as Chief M&A Officer and Kng Hwee Tin, as Chief Risk Officer, both effective 1 Jan.
- Standard Chartered promoted Shelly Boland from APAC Head of Property to Global Head in Singapore.
- Yang Yu of Chelsfield Asia, joined CSI Properties in Hong Kong as CEO.
- Takashi Ueda to replace Masanobu Komoda as Mitsui Fudosan's next President & CEO in April 2023.
- Susan Lloyd-Hurwitz will lead the government's interim National Housing Supply and Affordability Council.
- Vicinity's Chief Development Officer, Carolyn Viney resigned.

INDUSTRY TRENDS & EVENTS

- Confidence in the hotel and hospitality market in APAC continues to grow according to CBRE.
- Keppel Infrastructure partners with Greenko to explore green ammonia and renewable energy opportunities.
- Hong Kong home prices could nosedive 30% through 2023 as increasing interest rates continue, state Goldman Sachs.
- Blackstone mega-REIT with Indian partner Panchshil Realty and Salarpuria Sattva aims to raise around \$900 million through public issue.
- India's private equity investment in real estate jumped 40% to \$2.8 billion between April and September due to inflow of foreign funds.
- Australian government turn to super funds to support a A\$10 billion affordable housing scheme.
- Hong Kong office market declines in November as vacancy reaches 12% report JLL.
- New government initiatives and renewable targets in Japan, may attract more LP attention to the sector.
- India data centre market to double capacity by 2025 reports Colliers.
- APAC investment in London's office sector stands at £4.8 billion, 43% of the total investment volumes as of Dec 2022.