

GLOBAL QUARTERLY

SEPTEMBER 2024

NORTH AMERICA

KEY TRANSACTIONS

- Alterra raises nearly \$1 billion for IOS buys.
- Blackstone strikes \$1.6 billion student housing deal with KKR.
- Blackstone Real Estate announced that it has agreed to sell Turtle Bay Resort in Hawaii to an undisclosed buyer for \$725 million.
- CoStar to acquire proptech company Matterport in \$1.6 billion deal.
- Bank of America acquires \$2.9 billion multifamily portfolio with 2,000 assets from Washington Federal Bank.
- Lendlease sells a \$480 million US military housing business to Omaha Beach Investment.
- Blackstone buys \$1 billion mortgage portfolio from Germany's PBB.
- Saks Fifth Avenue parent HBC to acquire Neiman Marcus group in \$2.65 billion deal.
- Blackrock buys Preqin for \$3.2 billion in private data push.
- Amazon is fulfilling its promise to invest billions in Virginia data centers, acquiring a massive property in Manassas for \$218 million to support further development.

PEOPLE MOVES

- Donald Quintin named CEO and global president of Lone Star.
- Caltech CIO Scott Richland will step down in December.
- Louis Demetro joined Third Street Partners, a New York-based executive recruiting firm, as a principal and head of their U.S. alternative asset management practice.
- Blue Owl appoints Jesse Horn as Head of Real Estate Finance and CIO.
- Manulife appoints Shannon Stotts as Chief Credit Officer and Head of Asset Management.
- Mike Donovan is retiring as Notre Dame's CIO after 27 years. Tim Dolezal will be his successor.
- Invesque appoints Adlai Chester as CEO and Director and appoints Quinn Haselhorst as CFO.
- Pegasus Residential appoints Jackie Ware as Chief Executive Officer.
- Concord Summit Capital appoints Manny A. Brown as Chief Operating Officer and Partner.
- Scott Chan Named CalSTRS' New CIO.
- Brixmor Property Group appoints James M. Taylor as Chief Executive Officer.
- Swift Creek Partners appoints Scott Fitzgerald as Chief Executive Officer.
- NYU Taps Michelle Knudsen as Next CIO.
- Acadia Healthcare appoints Nasser Khan as Chief Operating Officer.
- Nuveen Names William Huffman New CEO.

INDUSTRY TRENDS & EVENTS

- Manhattan apartment rents dip in sign market is stabilizing; costs on new leases fell 1.8% from a year earlier in March.
- South Florida office rents continue to rise despite leasing activity slowing compared to last year across the region.
- San Francisco office market shows first signs of recovery, with demand at its highest since the pandemic, though a supply-demand balance remains years away.
- Tertiary apartment markets set to outperform coastal markets over the next five years according to a new report from Markerr.
- Investors reach record high in home purchases as fewer non-investors drive up their share.
- NYC apartment rents increased seven times faster than wages last year.
- Data centers projected to consume over 6% of all U.S. electricity by 2028.
- Data centers have become a crucial part of commercial real estate, with demand projected to double by 2030.
- Fully remote companies have higher turnover rates, while most companies have maintained a real estate footprint.
- Home affordability in the US sinks to lowest point since 2007.
- Rents soar 20% in largest U.S. data center markets.
- U.S. economy grew at a 2.8% pace in the second quarter, much more than expected.
- Americans are moving to Texas: nine of the ten fastest-growing U.S. cities are there.
- U.S. office sales rose 22% in the first half of 2024, but delayed monetary easing continued to drive distress.

GLOBAL QUARTERLY

EUROPE

KEY TRANSACTIONS

- Hammerson has sold its interest in Value Retail to L Catterton for an enterprise value of £1.5 billion, generating cash proceeds of approximately £600 million.
- SFPI and Ethias acquired a portfolio of 23 office buildings from the European Commission in Brussels for €920 million.
- Blackstone acquired a loan portfolio of office, residential, and hotel properties from Pbb Deutsche Pfandbriefbank in the US and UK for €900 million.
- Ares Management's Alternative Credit unit led an £895 million preferred equity commitment in Quintain.
- EQT has acquired European cold storage owner-operator Constellation Cold Logistics for an undisclosed amount.
- COIMA acquired a portfolio of prime office buildings across multiple cities in Italy, including Milan and Rome, from Intesa Sanpaolo for €500 million. The business also acquired the Sapphire portfolio, which includes 45,000 m² of office buildings in Rome, from Zurich and Morgan Stanley for over €200 million.
- Ares Real Estate acquired the AccorInvest portfolio of 18 hotel properties with 3,028 rooms across the UK from Landsec for £400 million.
- Norges Bank Investment Management acquired a 50% stake in Meadowhall, a retail and leisure mall in Sheffield, from British Land for £360 million.
- BentallGreenOak increased its equity stake in Bulk Infrastructure's data centres in the Nordics for €350 million.
- Segro has completed the sale of a portfolio of four Italian logistics warehouses, two in Milan and two in Rome, for €327 million to an unnamed buyer.
- Global Technical Realty acquired the International Trading Estate in Hayes, West London, from Royal London Asset Management for £315 million.
- MEAG acquired 36,000 m² of residential flats (544 rental units) in Berlin from Trei Real Estate for €300 million.
- Stoneweg has acquired Cromwell Property Group's €3.9 billion European fund management platform and associated co-investments. As part of the €280 million deal, Stoneweg will acquire a 100% interest in Cromwell Europe Limited, a 27.8% unitholding in CEREIT, a 100% interest in the Singapore-based manager of CEREIT, and a 50% interest in the Cromwell Urban Italy Logistics Fund.
- Star Capital Finance acquired a Polish retail portfolio of six shopping centres from Cromwell Property Group for €285 million.
- Klepierre acquired the Roma Est retail mall in Rome from GIC for €225 million.

PEOPLE MOVES

- Jessica Hardman, formerly UK CEO of DWS, has co-founded a new investment management business, Aboria Capital, with UK developer Downing.
- Carlo Matta has joined Nido, CPPIB's European student accommodation platform, as its new CEO to grow the business across the Netherlands, Germany, and Italy.
- Workspace has appointed Lawrence Hutchings as its CEO-Designate.
- DWS has promoted Ulrich von Creyzt to the position of Chief Investment Officer Real Estate for Europe.
- Jesse Freitag-Akselrod has joined COIMA as Chief Performance Officer and Deputy Head of Asset Management.
- Aware Super, the Australian superannuation fund, has appointed Mathieu Elshout as the head of its UK and European property team.
- Quetta Data Centers, the data center investment arm of Azora Group, has named former KPMG executive David Hurtado as its Managing Director.
- Cain International has hired Oliver Cummings as Managing Director, Head of PBSA, Europe to lead its European PBSA equity strategy.
- Barings has hired Rupert Gill, the former head of European Real Estate Debt at BlackRock, to head up Portfolio Management for European Real Estate Debt.
- Redevco has appointed Veronica Gallo-Alvarez as Head of Investment Management to bolster its management team.
- STAM Europe has grown its management team with the internal appointment of Samantha Sudre Roux as Deputy CEO.
- Marco Fok has joined Oaktree-backed Pure Data Centres as Senior Director of Investment and Portfolio Management.
- Nadia Eichelberger has been appointed Global Head of Real Estate Office and Industrial within Commerz Real's €11 billion office and industrial business.
- M7 has appointed two Independent Non-Executive Directors: Sylvain Fortier, who has joined as Chair of the Board; and Melinda Knatchbull, who has joined as Chair of Audit, Risk, and Compliance Committee.
- Anna Kavanagh has been appointed as the ULI Europe Chair.

INDUSTRY TRENDS & EVENTS

- In H1 2024, the investment volume in European real estate was projected to exceed €74 billion.
- In Q2 2024, the European real estate market saw a stabilization in yield corrections after an extended period of decline. Yields remained stable across 70% of property segments, marking the highest level of stability since mid-2022.
- Chancerygate and Hines have formed a new strategic JV to develop multi-let urban logistics schemes across the UK. The JV, funded by Hines European Real Estate Partners III (HEREP) with over £1.3 billion of equity commitments, aims to capitalize on the growing demand for urban logistics.
- The Crown Estate, Oxford Science Enterprises and Pioneer Group have created an exclusive long-term life sciences mandate to invest up to £1.5 billion in the UK's science, technology, and innovation sectors.
- M&G Real Estate has brought US private equity firm TPG into the capital stack of its £500 million-plus UK industrial portfolio, Project King. TPG has taken a 50% stake in the 50-plus asset portfolio of small unit industrial and last-mile assets.
- Ares Management, CDPQ, and Schroders Capital have finalized an agreement to invest €750 million in the expansion of Vantage Data Centers across the EMEA region. Ares and CDPQ are each contributing up to €300 million, while Schroders Capital is providing up to €150 million.
- Patron Capital closed its €860 million Patron Capital, LP VII, targeting distressed and undervalued property investments across Western Europe with an expected IRR of 17-20%.
- Vantage Data Centers has launched a £600 million data centre securitisation, marking the first of its kind in Europe. The transaction, led by Barclays and supported by Sumitomo Mitsui Banking Corporation Nikko Capital Markets, will be used to refinance £480 million of debt for two facilities in Wales.
- Stoneshield Capital closed its €750 million fund, Southern European Real Estate III, focusing on opportunistic investments across real estate, corporate platforms, NPLs, and data centers in Southern Europe.
- Revetas Capital raised €860 million across three mandates, with backing from Korean investors for its CEE real estate investments.
- Greykite raised \$350 million (€326 million) for its debut fund, targeting demographically driven sectors such as residential, student housing, and industrial.
- Nuveen Real Estate European Value-Add Fund: Nuveen Real Estate extended its fundraising target throughout 2024 after closing on €350 million in March for its pan-European value-add strategy.
- Assura launched a healthcare property fund targeting £250 million, with the majority of commitments already secured from USS.
- Redevco raised SEK 2.4 billion (€207 million) for its flagship value-add fund, targeting sub-markets with strong growth potential and ESG alignment.
- Former Cromwell executives Mark McLaughlin, Rob Cotterell, Wouter Zwetsloot, and Martin Hanratty have teamed up to establish the partner-owned MC Property, a pan-European real estate investment firm targeting industrial, office and infrastructure sectors.

GLOBAL QUARTERLY

ASIA PACIFIC

PEOPLE MOVES

- DWS has named Matthias Naumann as CIO APAC Real Estate.
- ESR Group has promoted Philip Pearce to group deputy CEO, reporting to Stuart Gibson and Jeffrey Shen.
- Barry Bra key joins Link REIT as Non-Executive Director
- Mark Harrison joins GPT as Chief Investment Officer from Blackstone.
- Bain Capital has hired Michael Hui as Partner and Head of China Special Situations and Real Estate, based in Shanghai.
- Warburg Pincus has promoted Jeffrey Perlman to CEO, succeeding Chip Kaye who will shift to a Co-Chairman role alongside Timothy Geithner.
- Jon Tanaka will lead Hines' Asia Pacific real estate services business as current Asia Head, Ray Lawler will lead activity in the Americas. Saiko Ishii will become Country Head Co-lead of Japan, Hines.
- Stonepeak has appointed Yuichi Jimbo as Chairman of Japan to execute on strategies in Japan and APAC.
- Ares Management named Masahiko Oshima, a former executive of SMBC, as Partner and Chairman of Japan to lead the firm's operations in Japan.
- ORIX J-REIT appointed Ikuya Onda as Executive Officer, Vice President and Chief Financial Officer.
- Dexus has appointed Nik Kemp, formerly the Global Head of Real Assets at AustralianSuper and a non-executive director on the boards of Sydney Airport and WestConnex, to the newly created role of Executive General Manager, Growth Markets.
- Deborah Coakley has stepped down as Chief Executive, Funds Management at Dexus and will join QIC as its Head of Real Estate in October replacing Michael O'Brien.
- Bob Johnston, formerly CEO of GPT and Managing Director of Frasers Property Australia, will join the Stockland Board in October 2024.
- Stephen Mccann has retired from the Scentre Group Board and commenced as Group CEO and Managing Director of The Star Entertainment Group.

KEY TRANSACTIONS & INDUSTRY TRENDS

- Goldman Sachs has raised a \$7 billion global real estate credit fund with APAC as one of the target geographies.
- TPG is raising \$2.5 billion for a pair of Angelo Gordon co-branded real estate vehicles targeting APAC.
- PAG has closed \$550 million on its first renewable energy fund focusing on investing in Asia.
- Lendlease and Warburg Pincus have formed a 50:50 life science JV to invest across Australia, Japan, and Singapore.
- Mubadala Investment Company has made its first renewable energy investment in Japan to PAG's Asia Pacific renewable energy platform, which primarily focuses on supplying solar power to corporations across Japan.
- PAG closed its first-ever renewable fund with \$550 million in committed capital.
- Brookfield India REIT is acquiring a 50% interest in four commercial properties in Delhi and Gurugram from Bharti Enterprises for INR 60bn.
- Lendlease announced withdrawal from non-Australia development assets and will sell its overseas business to focus on the domestic Australian market and international investments platform.
- Stockland and Invesco Real Estate have set up an open-ended strategic partnership to develop land lease community assets in Australia.
- Cromwell Property Group is selling its European fund management platform and interests, including Cromwell European REIT, to Swiss investment management firm Stoneweg for €280 million.
- BioMed Realty has secured a \$683 million mortgage through Japanese banking firm Sumitomo Mitsui Banking Corporation for the upcoming 16-storey lab under construction in MA, US.
- Goldman Sachs Asset Management has achieved a \$3.4 billion final close of its third real estate secondaries fund.
- Macquarie Asset Management has raised \$1.9 billion in equity commitments for its global opportunistic property fund.
- Actis has launched an Asia Data Centre platform with approximately 200 MW projects across Taiwan, Malaysia, and South Korea.
- Stonepeak-backed Digital Edge and renewable energy developer Peak Energy have formed a partnership to invest in renewable energy projects in Asia Pacific over a three-year period.
- KKR and Singtel have agreed to invest up to \$2.2 billion for up to an 18.3% combined stake in STT GDC. KKR is making the investment from its Asia Pacific Infrastructure Investors II Fund, which closed on \$6.4 billion earlier this year.
- Hongkong Land and luxury retail tenants to invest more than \$1 billion in LANDMARK, Hong Kong.
- NTT Data is going to form Japan's first data centre-focused REIT next year, aiming for an initial AUM of \$625.2 million.
- Fosun's Shanghai Yuyuan Tourist Mart is going to sell Hoshino Resorts Tomamu Hokkaido Ski Resort in Japan for at least \$236 million.
- CPPIB, Blackstone, BlackRock's GIP, and a partnership of IFM Investors and Digital Bridge have tabled non-binding indicative offers for AirTrunk.
- Macquarie is going to acquire its first data centre in Korea, valued at \$722.4 million.
- KKR and Weave Living are going to acquire a second rental residential asset in Seoul.
- PAG is acquiring Mapletree Pan Asia Commercial Trust's flagship office building in downtown Singapore for S\$775 million, one of Singapore's largest office transactions in two years.
- Green Fort Capital and Gaw Capital have formed a JV to acquire and develop an A\$800 million pipeline of land lease communities through Green Fort's operating company Liven Communities.
- LOGOS Co-Founder Stephen Hawkins is selling his stake in LOGOS to its parent group ESR.
- Macquarie Asset Management is spinning off its \$12 billion core and core-plus real estate strategy into a new independent investment manager called Manova Partners.
- Alibaba will cease operations of its data centres in Australia and India, with plans to shift its investment to facilities in Southeast Asia and Mexico.
- Google is investing in New Green Power, a Taipei-based solar developer owned by a BlackRock-managed fund, as part of a partnership with BlackRock's Climate Infrastructure business that will help Google's data centre campus in Taiwan and advance its goal of reaching net-zero emissions by 2030.
- Hines has partnered with Mitsubishi Estate and Mitsui & Co to acquire a Singapore logistics asset from British American Tobacco.
- Stonepeak has agreed to acquire all outstanding common shares of Arvida Group, a major New Zealand retirement and aged care provider, for approximately \$1.25 billion in cash.
- Goldman Sachs Asset Management has acquired seven last-mile logistics assets in Australia for around A\$200 million.
- PGIM Real Estate and Elanor Investors Group have formed a JV to acquire a 19-hectare last-mile logistics site in Melbourne with a majority equity commitment from PGIM.
- The Qantas Super Trustee Board has agreed to merge Qantas Super with Australian Retirement Trust, transferring over 26,000 members and approximately A\$9 billion in funds to ART, which manages nearly A\$300 billion.
- Mapletree Investment is opening an office in Abu Dhabi and has rehired Khairul Abdullah to lead its foray into the Middle East.