Asia Pacific Cross-Border Capital Flows

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Welcome to Asia, home to half of the world

There are more people living inside this circle than outside of it.
Capital from Asia Pacific to US

- Global macro trends driving cross border real estate deals
- Rise in Asian capital continues its cross border push
- Who are the major investors and why are they investing in the US?
- What kinds of returns and investment criteria are these groups looking for?
- What investment strategies
- What’s next?
US still the world’s biggest economy
Nominal GDP in USD

Source: Oxford Economics, August 2015
Where are the world’s fastest growing large cities?
Top 30 Cities by Absolute GDP Growth (PPP), 2010-2020

Source: JLL, 2013
Asia Pacific investors – more capital to US than Europe

Purchaser flows – last 18 months

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>$0.5</td>
</tr>
<tr>
<td>South Korea</td>
<td>$3.1</td>
</tr>
<tr>
<td>China</td>
<td>$7.4</td>
</tr>
<tr>
<td>Taiwan</td>
<td>$2.8</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>$4.1</td>
</tr>
<tr>
<td>Singapore</td>
<td>$5.9</td>
</tr>
<tr>
<td>Australia</td>
<td>$1.1</td>
</tr>
<tr>
<td>US</td>
<td>$12.2</td>
</tr>
<tr>
<td>Europe</td>
<td>$8.7</td>
</tr>
<tr>
<td>Japan</td>
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Source: JLL, RCA August 2015
Investor spectrum

State owned enterprises/govt linked companies

Formal state owned, Sovereign Wealth Funds

Public & private insurance companies

Public & private pension funds

Developers, Private equity

HNW, Private investors
Investor strategies

- **State owned enterprises/govt linked companies**
  - Logistics Centers

- **Formal state owned, Sovereign Wealth Funds**
  - BG Group Place
    - Houston

- **Public & private insurance companies**
  - Waldorf Astoria
    - New York

- **Public & private pension funds**

- **Developers, Private equity**
  - Columbia Center
    - Seattle

- **HNW, Private investors**
  - General Motors Building
    - New York

- **Zhang Xin (SOHO China)**
Investor spectrum

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HNW, Private investors
What’s Next in the Global Investable Universe?

$4.7 trillion in 1985

$38.4 trillion in 2020

Source: CBRE Global Investors

Increasing share of investible universe in AP
Contacts

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