# CAPITAL SIGNALS

CAPITAL MARKETS – ASIA PACIFIC – Q3/2026

RESEARCH

ASIA PACIFIC

# REAL ESTATE CAPITAL MARKETS

Institutional trends across office, living, logistics, hotels, credit & listed markets

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# MACRO & FINANCIAL THEMES

## ENERGY MARKETS AND INFLATION EXPECTATIONS

### POLICY RATES AND ENERGY MARKETS

The APAC macro environment remains mixed, with divergent monetary policy and geopolitical developments continuing to shape market conditions. Australia, Korea and Japan have all raised interest rates in recent months, with further tightening still possible before year end. Meanwhile, attention has shifted to the Middle East, where renewed optimism around a potential peace agreement has eased some of the pressure on energy markets after the sharp rally in July. While oil prices have retraced from recent highs, negotiations remain fragile, leaving energy markets and inflation expectations vulnerable to further swings.

WTI CRUDE SPOT PRICE


**Source:** Savills Research / S&P CapIQ

### INFLATION EXPECTATIONS AND CONSUMER SENTIMENT

Inflation expectations remain a key indicator to watch, especially in Australia where housing costs and recent tax amendments have pushed consumer confidence to near 50-year lows. Softening Asian currencies, especially the JPY and KRW has led to some level of imported inflation, further compounding energy price rises. Conditions remain more stable in Hong Kong and Singapore, but most APAC markets remain exposed to trade flows and primary imports of food and energy.

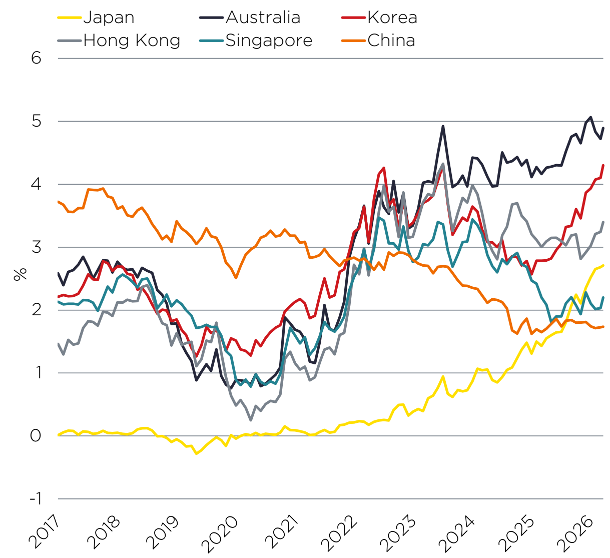
JAPAN 5-YEAR FORWARD CONSUMER PRICE EXPECTATIONS


AUSTRALIAN CONSUMER CONFIDENCE


**Source:** Savills Research / BoJ / Roy Morgan

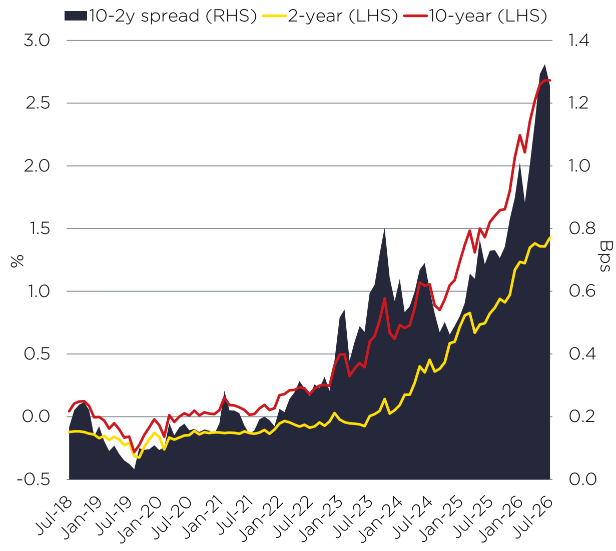
# BENCHMARK YIELDS CORRELATIONS HAVE BROKEN

### 10-YEAR BENCHMARK RATES HAVE DETACHED FROM HISTORICAL NORMS




**Source:** Savills Research / S&P CapIQ

### JAPAN 10-2 YEAR YIELDS AND SPREAD




**Source:** Savills Research / S&P CapIQ

### BENCHMARK RATES DIVERGE

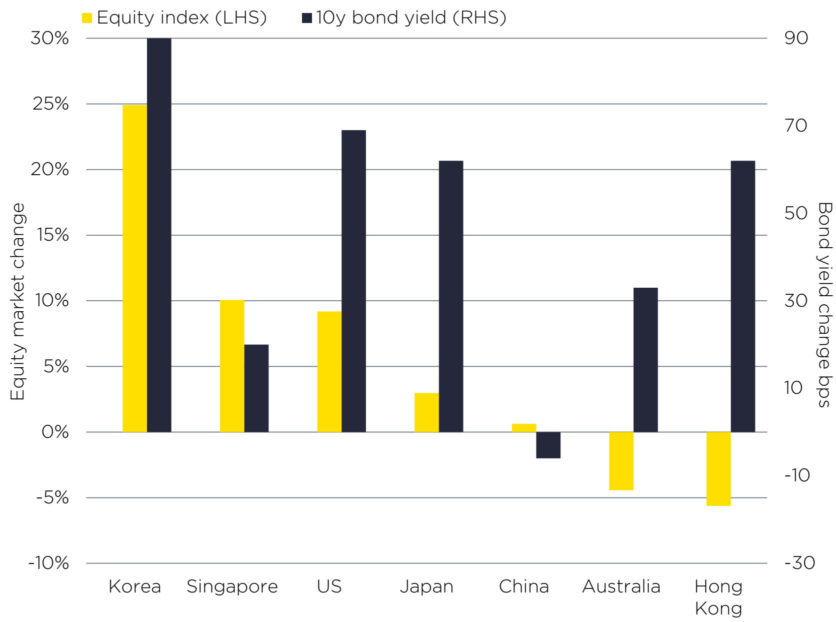
Long-term (10-year) bond yields have fundamentally changed from the pre-rate hike era starting 2022. Historically, Singapore, Hong Kong, Korea and Australia saw 10y yield trade in a tight band. This has broken down, with Singapore (2.2%) yielding a significant discount to Australia (4.9%). The other key trend here has been the inversion of Japan and China. While real estate conditions in China remain challenging, pricing continues to correct and sharper financing conditions could start to draw capital back to the market.

### JAPAN'S YIELD CURVE STEEPNESS

Underlying inflation accelerated in Japan in July, largely owing to energy prices and a weaker yen. The short-end of the curve though remains tight, with policy rates sitting at 1.0%, but likely to rise further. The movement has been at the long end of the curve, with 10 year rates rising to 2.7% and the 30-year yield sitting at 4.0%, its highest since the maturity was first introduced in 1999. The 2-year to 10-year spread is also now 130 bps, its highest in decades.

# FINANCIAL MARKET PERFORMANCES

### EQUITY/BOND MARKET MOVES SINCE FEB-28TH

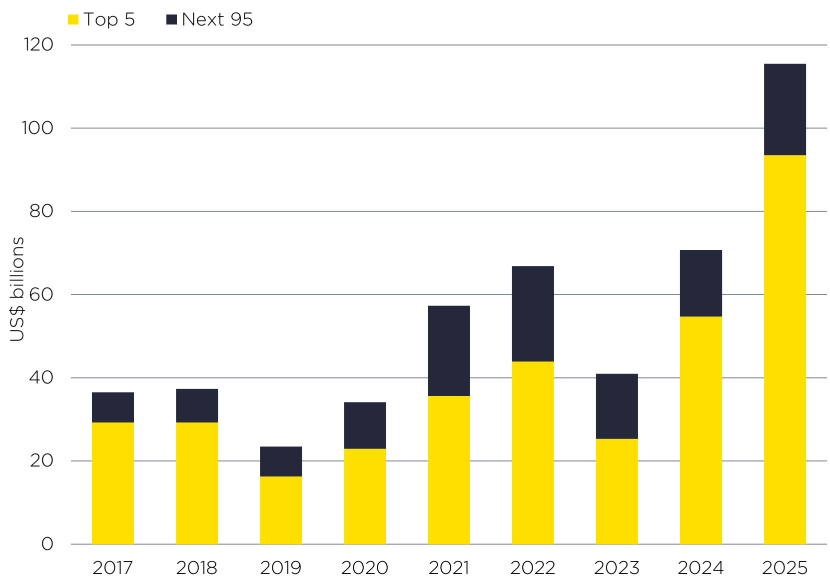



**Source:** Savills Research / S&P CapIQ

### EQUITY/BOND MARKET CORRELATION

Equity market performances across the region have been resilient in the face of geopolitical uncertainty and seem to be pricing markets while looking through some of the near-term risks. Despite elevated inflation expectation, the AI super cycle has further supported equity market gains, particularly in Korea. Bond markets have been less forgiving, with longer duration price declines (and therefore yield rises) since the onset of the Middle East conflict. It's unlikely that rising bond yields can continue to accompanied by rising equities over the long-run, particularly with equity market PE ratios looking stretched in some geographies.

### APAC SEMICONDUCTOR COMPANIES - NET INCOME




**Source:** Savills Research / S&P CapIQ

### SEMICONDUCTOR SUPER CYCLE

The semiconductor super cycle continues to be a major driver of Asia Pacific equity markets, particularly in Taiwan, South Korea, and Japan, where AI related demand has lifted chip makers and their supply chains. The impact is also flowing through to commercial real estate, with semiconductor investment supporting demand for industrial space, R&D facilities, offices, and data centres. As companies continue to expand capacity, the sector is becoming an increasingly important source of occupier demand and investment activity across the region.

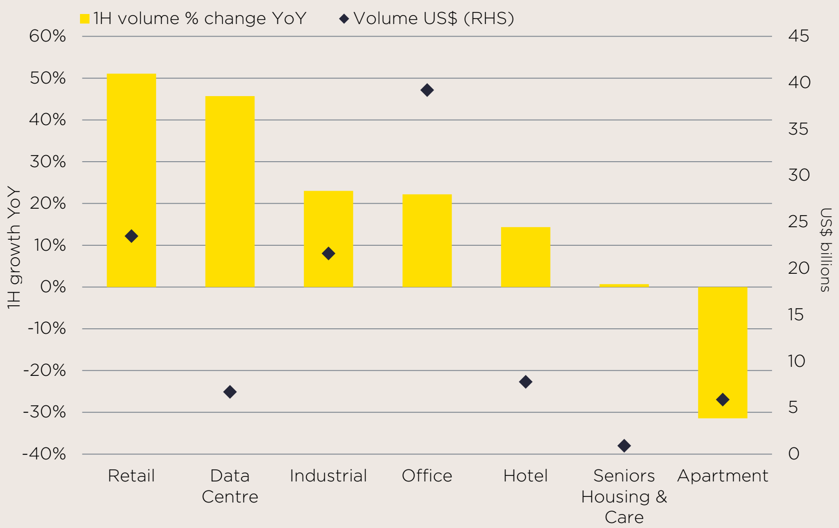
# CAPITAL TRENDS

## TRADITIONAL SECTORS BACK IN VOGUE

### TRADING ACTIVITY

The recovery in investment activity remains on track, with 1H/2026 volumes up 22% YoY. All traditional asset classes have seen strong gains over the year, with retail (+51%) leading the way, while office (+22%) and industrial (+21%) further supporting the region. BTR/multifamily markets have taken a breather (-31%), largely due to a softer outcome in Japan. The near-term outlook is hard to call in the current geopolitical environment, but the pipeline of assets in the market should maintain a growth trend through year-end.

#### 1H/2026 YOY CHANGE BY SECTOR

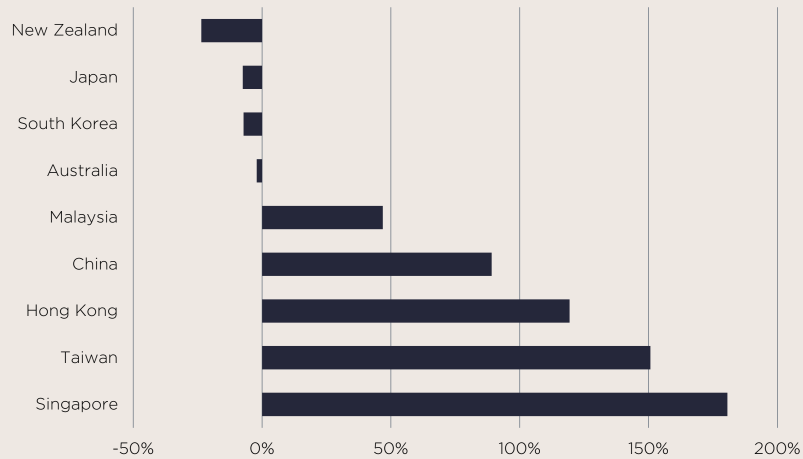



**Source:** Savills Research / MSCI RCA

### GEOGRAPHIC DIVIDE

At a country level, performances were more mixed. Some of the smaller markets like Singapore and Taiwan were the key outperformers, driven by a smaller number of large deals. Elsewhere, Korea, Japan and Australia all experienced a slight decline in activity, while Mainland China and Hong Kong both experienced strong growth, albeit off a low base relative to historical levels.

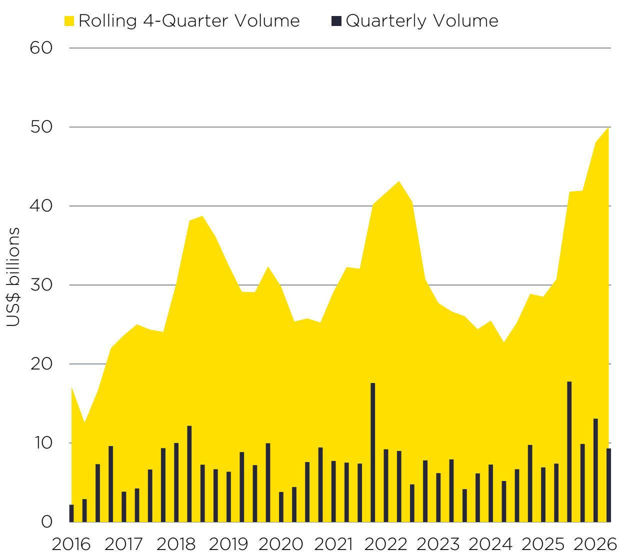
#### 1H/2026 VOLUMES BY COUNTRY




**Source:** Savills Research / MSCI RCA

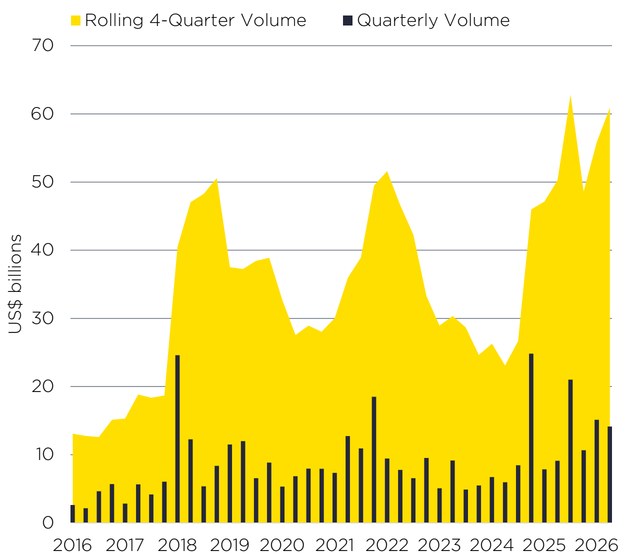
# TRANSACTION STRUCTURES ARE SHIFTING

**APAC PARTIAL STAKE ACQUISITIONS**




**Source:** Savills Research / MSCI RCA

**APAC JV DEALS**




**Source:** Savills Research / MSCI RCA

## PARTIAL STAKE ACQUISITIONS

Partial stake deals have grown to record highs, partly attributable to some of the increase in partner buyouts, where existing JV partners take differing views on market outlooks and have differentiated liquidity/asset recycling requirements. Some of this deal flow is also likely a form of quasi secondaries deal, where managers have replaced capital partners while maintaining control of the underlying assets. There have also been a number of portfolio deals where existing partners have reduced their stake but have retained a minority position.

## JV DEALS

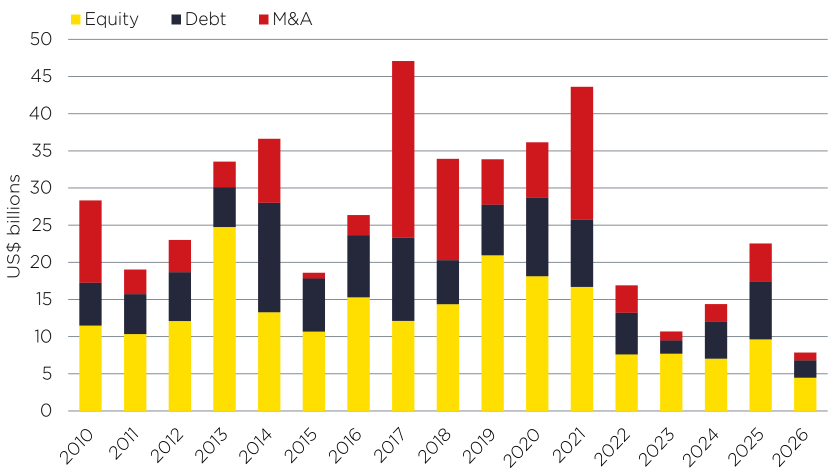
JV activity has also been a prominent theme over the past two years. To some extent, fund raising has been shifting away from pooled private vehicles, towards more targeted clubs/JV platforms. This is particularly noticeable in large scale living sector developments in Australia, portfolio transactions backed by insurance capital in China, buyouts of corporate held real estate in Japan, and regionwide data centre platform acquisitions. Capital allocators have been building their co-investment stakes to get exposure to high conviction themes, lower fee loads and improved portfolio customisation.

# CAPITAL RAISING STRUCTURES ARE SHIFTING

### LISTED REITS

Listed REITs have remained relatively quiet over the past few years, and discounted prices have limited their ability to raise fresh equity. Interest rates have also reduced their ability to source yield accretive acquisitions, so they have been net sellers of real estate over the past three years. But unit prices have started to recover, and some M&A activity has also led to consolidation. There is also a large IPO pipeline building, particularly in Singapore, China and India.

**APAC LISTED REIT CAPITAL RAISING**

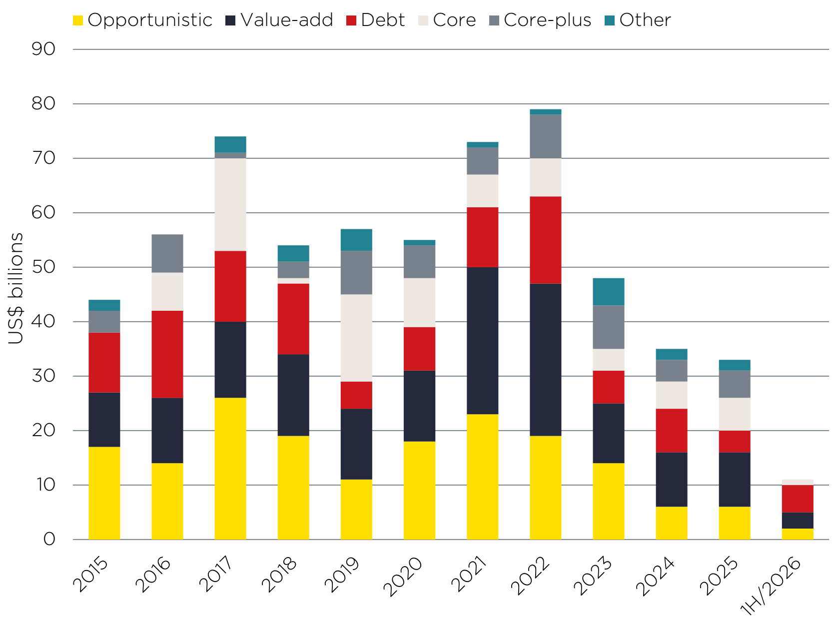



**Source:** Savills Research / S&P CapIQ

### PRIVATE EQUITY AND LP ALLOCATIONS

Private fund raising for pooled vehicles remains muted, but there is a growing pool of funds in the market currently raising so we expect an uptick in these volumes in 2H. As mentioned earlier, there has been shift in capital raising towards JV, club deals. This is being led primarily by GPs with pipeline projects on more targeted strategies. LPs though continue their flight towards operational alpha, sector specialisation, and to some extent liquidity. With some pension/ SWF capital shifting towards the Total Portfolio Approach (TPA), exit visibility and cross asset correlation are more in focus.

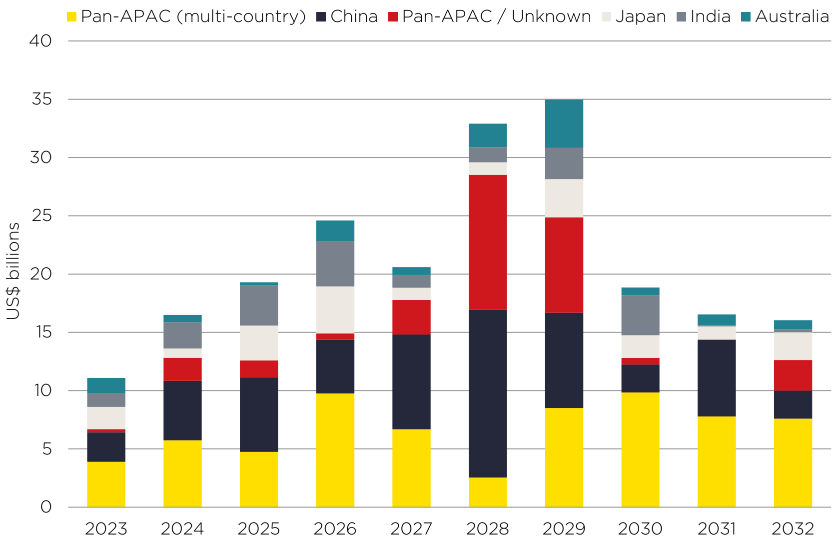
**PERE CAPITAL RAISING – APAC INCLUDES GLOBAL FUNDS WITH APAC ALLOCATION**




**Source:** Savills Research / PERE

# PRIVATE FUNDS SEEKING AN EXIT STRATEGY, PORTFOLIO REBALANCING TO TAKE EFFECT

**APAC FUND MATURITY WALL BY TARGET COUNTRY – EQUITY COMPONENT**

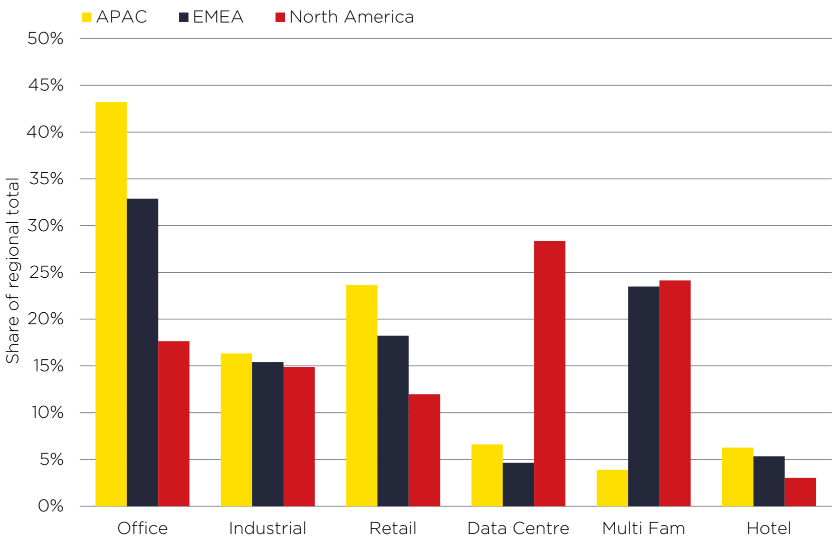



**Source:** Savills Research / PERE

## PE FUND MATURITIES

The maturity wall of private funds focussed on APAC is building towards a peak in 2029. We estimate there is around US$265 billion of assets that will need to be disposed off by 2031, plus a further US$45 billion of assets sitting in funds currently in extension periods. A large component of this remains concentrated in Mainland China, where liquidity conditions remain challenging. But the market will likely bottom out by 2030, and LPs are more motivated to exit positions. We've noticed early signs of more disposals from private funds, who have become net sellers so far in 2026.

**SECTOR SHARE OF OWNED CRE BY REGION (TOP 500 INVESTORS)**




**Source:** Savills Research / MSCI RCA

## PORTFOLIO REBALANCING TO ACCELERATE IN APAC

Major investors across APAC are likely to step up portfolio rotation into newer asset classes. Many remain overweight office and retail, but increasing allocations to data centres and living sectors should encourage greater asset recycling and bring more traditional assets to market. The transition will be gradual, however, as much of the capital entering these sectors is directed towards development rather than stabilised acquisitions. This will further support trading activity in the region.

# FINANCING CONDITIONS

### BENCHMARK RATES SHIFTING HIGHER IN SOME MARKETS

Yield curves have steepened across some markets in the region, putting upward pressure on funding costs. There has been a notable shift in some markets towards using variable rate debt, as fixing costs are tightening spreads in places like Tokyo.

### DEBT TO CAP RATE COSTS

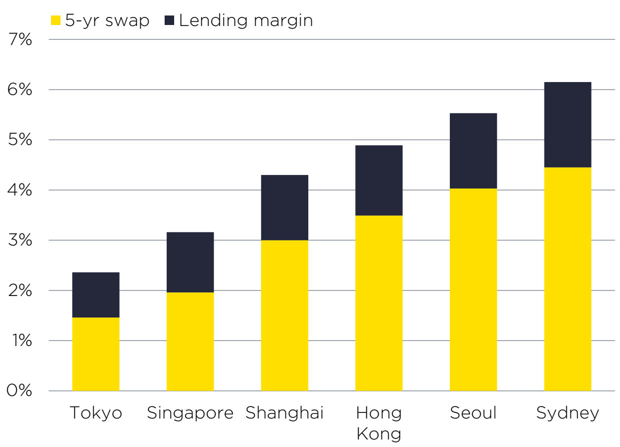
Shanghai, Singapore and Tokyo retain positive spreads to their cost of debt, but these spreads have tightened in Tokyo over recent quarters. The benefits of utilising leverage are limited and in some cases, dilutive. Hong Kong retains the largest negative spread, with Sydney and Seoul typically seeing a drag on cash yields from senior debt.

### CASH YIELDS AND ICR COVERAGE

Cash-on-cash yield spreads across the region remain across a wide spectrum but have diverged further over recent years. Shanghai retains top spot, but operating fundamentals are softer than elsewhere. Hong Kong sits at the other end of the spectrum, but there are very few deals being done at prevailing core cap rates as much of the activity is in the distressed or asset conversion space.

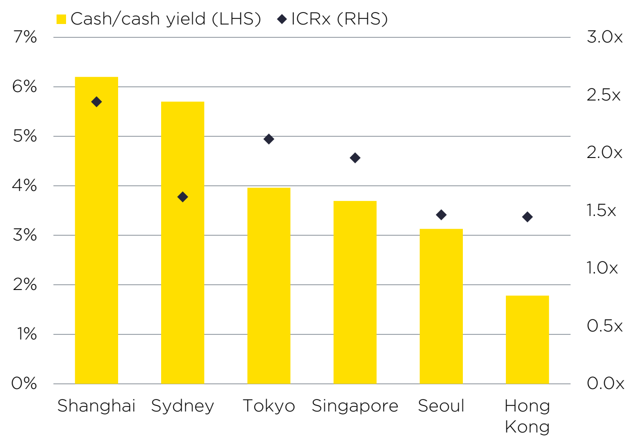
Typical interest coverage ratios are also quite tight in some markets, as debt cost pressure remains a drag on core investment strategies. Tokyo, Singapore and Shanghai though retain larger buffers than other markets, and these ICRs tend to look better on variable rate debt metrics rather than fixed costs.

### CORE OFFICE - SENIOR LOAN COSTS (5-YEAR FIXED)



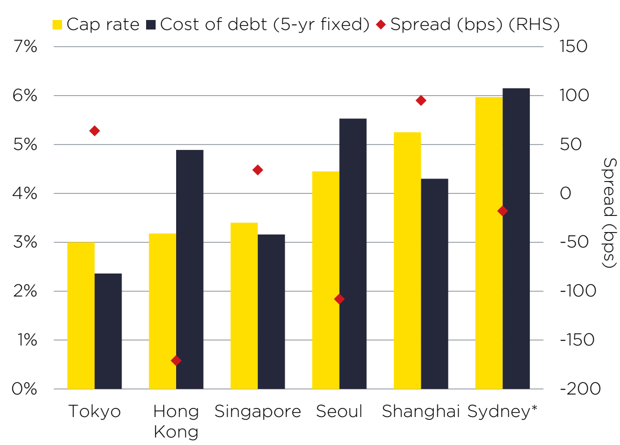

**Source:** Savills Research / S&P capIQ

### CASH/CASH YIELD & ICR MULTIPLES



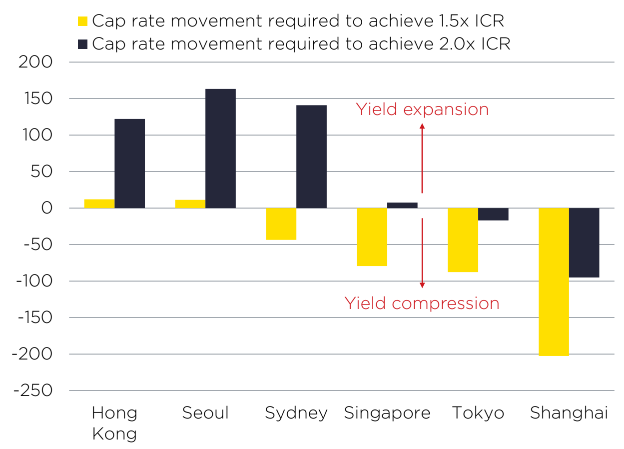

**Source:** Savills Research / S&P capIQ

### OFFICE CAP RATE TO SENIOR COST OF DEBT




**Source:** Savills Research / S&P capIQ

### YIELD MOVEMENT REQUIRED TO MEET ICR* HURDLE



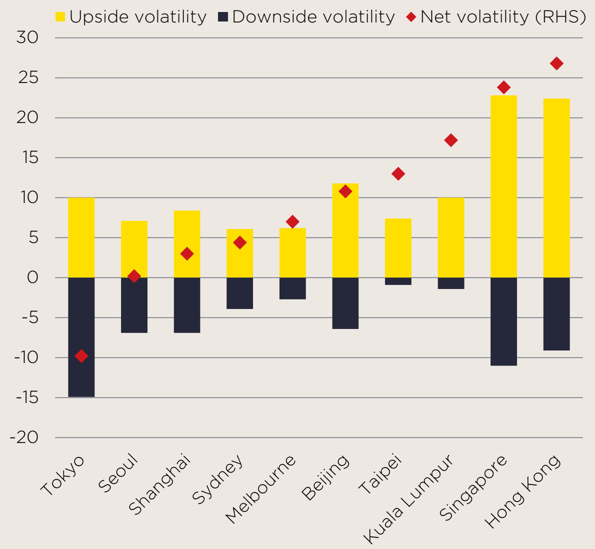

**Source:** Savills Research / S&P capIQ

* Method: Set the ICR at required rate (e.g. 1.5x), then derive the yield needed to meet that based on typical LTV ratios and debt costs. Then derive the difference to current cap rates.

# THEMATIC STRATEGY

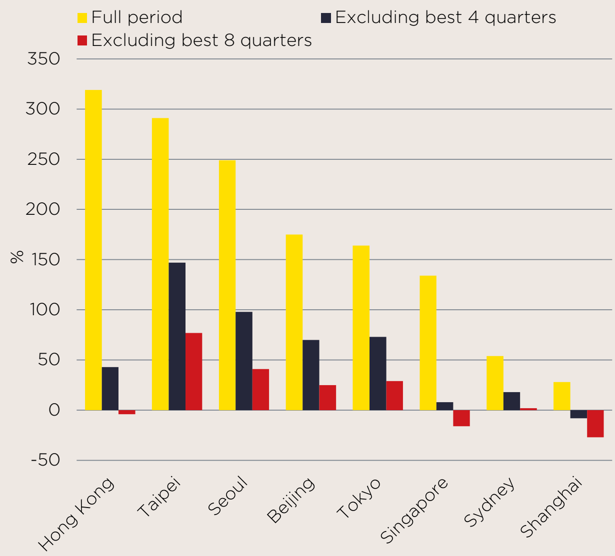
## MEASURING VOLATILITY THROUGH THE CYCLE

### HISTORICAL VOLATILITY OF OFFICE VALUES




**Source:** Savills Research

### CAPITAL VALUE GROWTH ADJUSTED FOR MISSED QUARTERS




**Source:** Savills Research

### LONG-RUN VOLATILITY TRENDS

Using data going back to 2003, markets have varied significantly regarding their overall volatility (measured as standard deviation of values). Hong Kong has been historically the most volatile market, but much of the volatility has actually occurred in up cycles, rather than downturns. The current correction reflects that, with consistent value declines over the past seven years. Singapore though, which has been volatile historically, is now far more stable than the chart suggests, as the URA have implemented new policies to reduce volatility and stabilise the market. So with Hong Kong nearing the mature end of its correction, the turning point shifts into focus for those looking to capture the upswing.

### MISSING THE TURNING POINTS

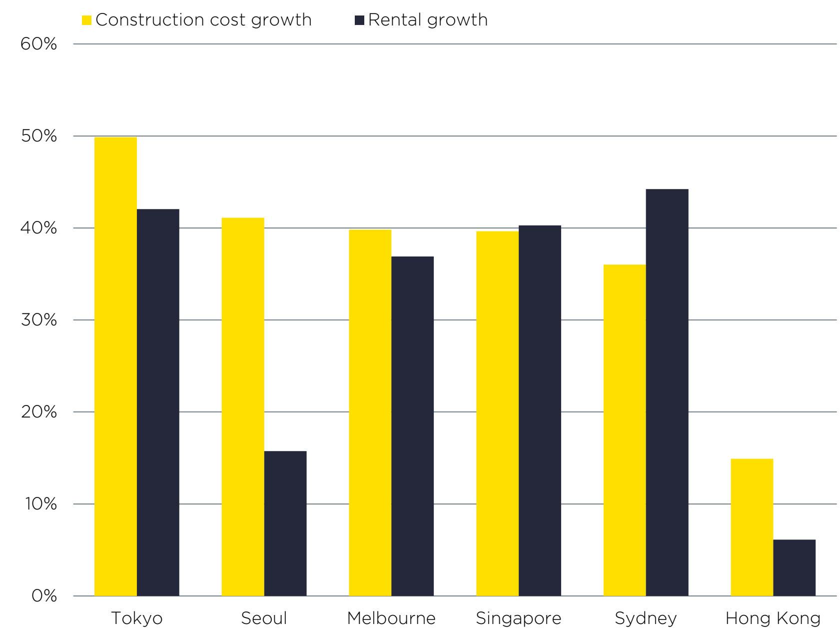
Despite Hong Kong having experienced a long-term value correction, overall office values have grown by more than any other market since the end of 2003. The starting point here is important, as Hong Kong was coming out of a correction in the wake of the SARS pandemic. Nevertheless, its upside volatility is evident here. Because while office values are up 319% since 2003, if you had missed out on the best four quarters of value growth, you would only have seen 43% growth over the 23 years period. Furthermore, the four best quarters of returns in Hong Kong have all come within 18 months of the turning point in the cycle. This means that capturing the upswing in Hong Kong can pay strong dividends. We believe Hong Kong is now at the mature end of its repricing cycle.

# ASSET CONVERSION FUNDAMENTALS

## GROUND UP VS CONVERSION STRATEGIES

Ground up development remains challenging in some markets, following a multi-year escalation in construction costs and a simultaneous period of cap rate expansion. Feasibility has been stretched, leaving supply pipelines thin by historical standards. But this asset dislocation has created opportunities for conversion strategies across the region, particularly targeted towards the living sectors where rental growth has remained firm. These opportunities are typically being found within mid-scale hotels, and to a lesser extent B-grade offices. Hong Kong and Australia in particular are seeing a wave of hotel (and sometimes office) conversions to student housing and coliving, while Korean officetel assets have been a key target for BTR/coliving conversions.

**RESIDENTIAL CONSTRUCTION COSTS VS RENTAL GROWTH, 2019–2025**

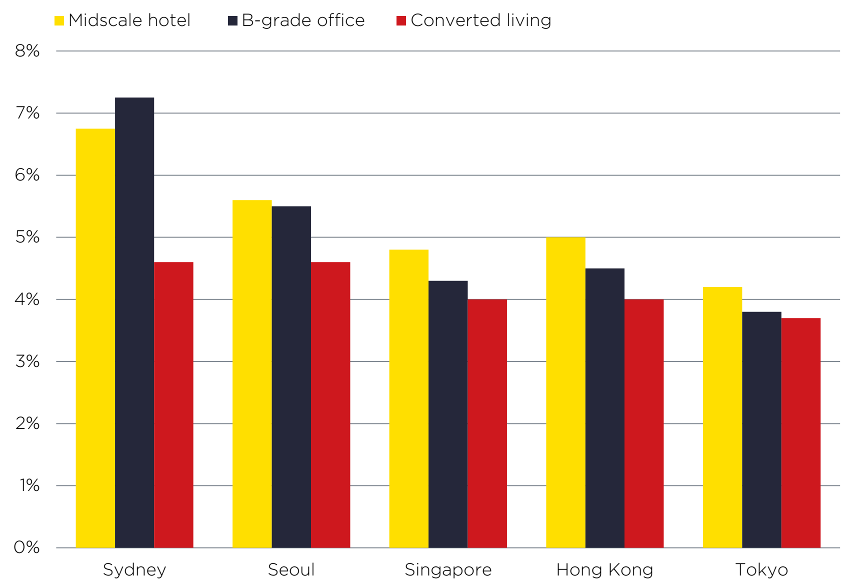



**Source:** Savills Research / T&T

## CONVERSION ECONOMICS

These strategies are further supported by conversion costs relative to ground up development, improving NOI trends in the living sectors, and importantly, the relative pricing of the converted assets. Cap rates in living sectors tend to sit at a meaningful discount to midscale hotels and B-grade office assets, particularly in Australia, Korea and Hong Kong. Tokyo and Singapore are markets where this strategy is more difficult to execute, primarily due to the strong performances of the office and hotel sectors, as well as tighter yield spreads between the sectors.

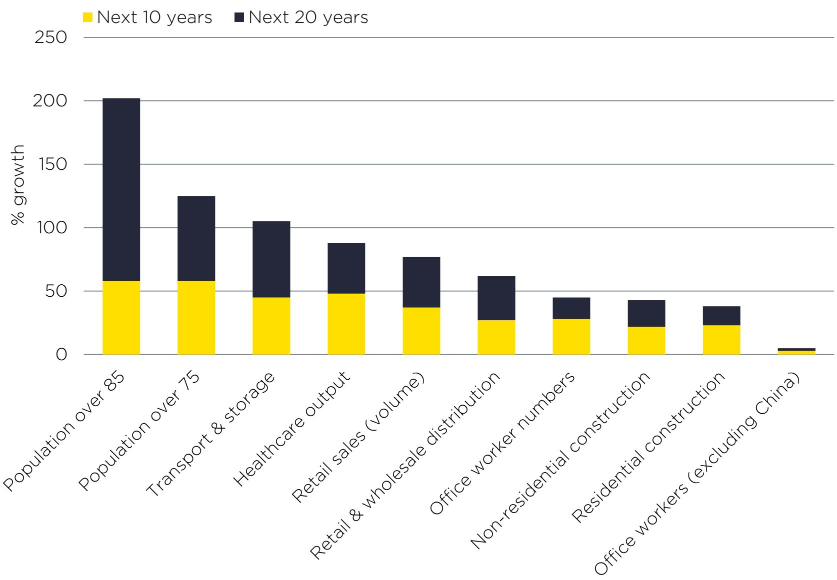
**RELATIVE YIELDS BY SECTOR**




**Source:** Savills Research

# DEMAND AROUND AGEING SECTORS IS LOCKED IN

KEY DEMAND DRIVER GROWTH – CORE APAC MARKETS

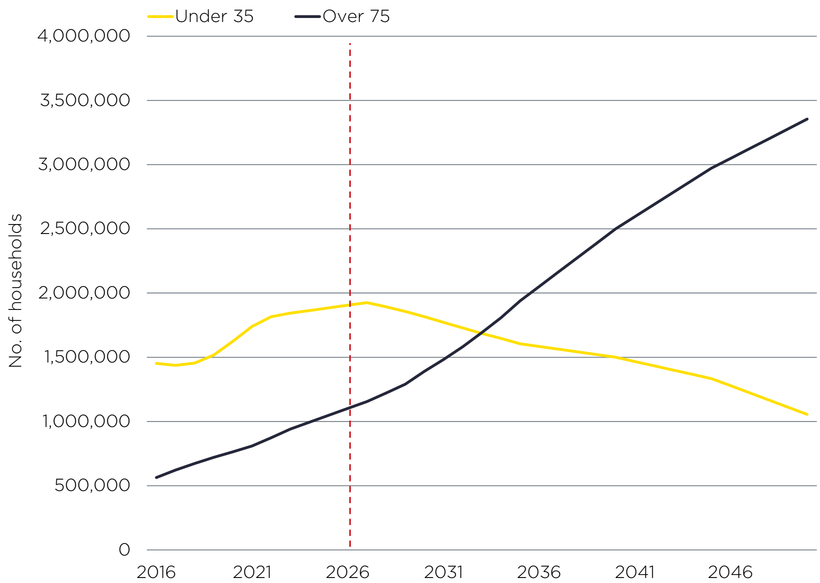



**Source:** Savills Research / Oxford Economics / FocusEconomics

## AGEING ALIGNED SECTORS HAVE THE FASTEST DEMAND GROWTH IN THE REGION

The ageing trend has been well documented, the concentration and speed of ageing across the region varies significantly. Japan is often used as a benchmark for ageing, but the speed of ageing has slowed significantly as the country has already reached a mature stage of its demographic cycle. By comparison, Korea, China, Hong Kong and Singapore are the fastest ageing societies across APAC and also have underdeveloped real estate aligned sectors to cater to this ageing trend. Relative to other sectors too, when looking at ageing across core APAC markets, the growth outperforms all other key sector demand drivers over the coming 10- and 20-year periods.

GREATER SEOUL HOUSEHOLDS BY AGE, 2016–2050




**Source:** Savills Research / KOSIS

## KOREAN LIVING SECTOR DEMAND TO SHIFT TOWARDS THE AGED SEGMENT

Much of the focus around Korean living sectors has been targeted at the growth in younger renting households. But the number of households headed by those under the age of 35 is expected to peak in 2027, before commencing a gradual decline thereafter. The surging growth in Greater Seoul will now be carried by the older cohorts, in particular households headed by those aged over 75. It is expected that by 2050, households headed by 75+ year olds will be more than the sum total of households headed by those aged below 50. This should start to generate more activity in sectors associated with ageing, be it aged care, life science or healthcare assets.

# DATA CENTRE SCALE AND EXIT STRATEGIES

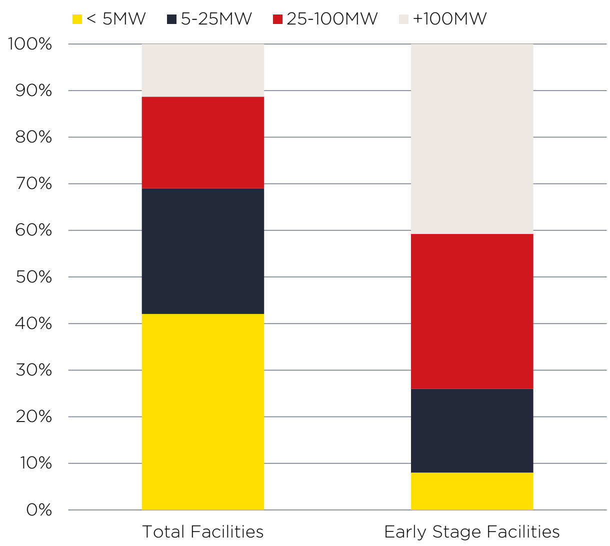
## DATA CENTRE SCALE KEEPS INCREASING

APAC's data centre pipeline continues to outpace its installed base. Operational capacity reached 16.1GW in Q2/2026, while a further 25.5GW is planned or under development, including 3.6GW under construction. Southeast Asia accounts for almost half of active development, with demand continuing to absorb new supply as occupancy approaches 90%. The next wave of projects is also much larger, with campuses above 100MW increasingly replacing the smaller facilities that dominate today's operational stock.

## CAPITAL IS FLOWING INTO PLATFORMS

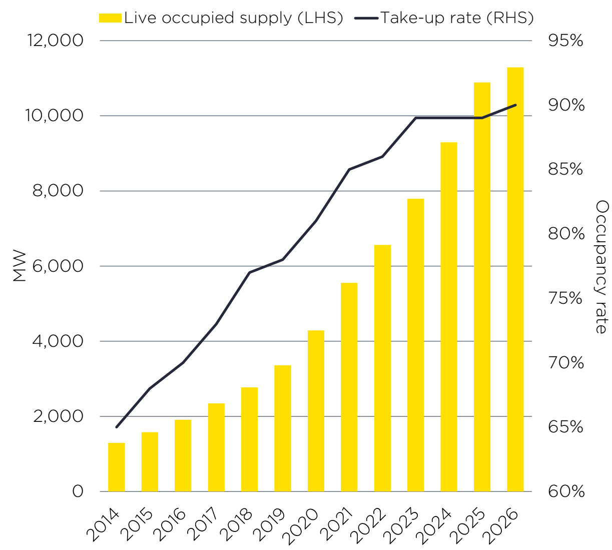
Investment activity continues to favour platforms over individual assets. Limited transaction evidence, a small buyer pool, and the complexity of operating data centres have pushed investors towards corporate acquisitions, joint ventures, and forward funding rather than single asset deals. Large transactions such as AirTrunk and STT GDC highlight this trend, while direct asset sales remain uncommon. As more projects stabilise and financing markets mature, single asset liquidity should improve, but platforms are likely to remain the primary route for institutional capital.

### APAC DATA CENTRE EVOLUTION




**Source:** Savills Research / DC Byte

### DATA CENTRE OCCUPANCY RATE AND SUPPLY




**Source:** Savills Research / DC Byte

# KEY TRANSACTIONS
## TRADITIONAL SECTORS

**Notable transactions this quarter**
The quarter's defining deals, with the detail behind each.

### K TWIN TOWER | 19 Junghak-Dong, Seoul, South Korea

| Price (US$/LCY) | US$674mn/KRW1.05tn |
|---|---|
| Avg price (US$ per sq m) | US$8,083 per sq m |
| Avg price per local convention LCY | KRW41.3 mn per pyeong |
| Cap rate | - |
| Sector | Office (CBD) |
| Land size (Sq m) | 6,720 |
| Building area (Sq m) | 83,897 |
| Implied FARx (NLA) | 12.5 |
| Freehold/leasehold | Freehold |
| Stake sold % | 100 |
| Buyer | IGIS |
| Buyer type | Investment manager |
| Seller | Samsung SRA/KB Securities/ Teachers Pension |
| Seller type | Investment manager/Finance/Pension |
| Transaction date | July 2026 |

***Notes***
IGIS owns the adjacent twin towers (Twin Tree Tower), creating clustered ownership in a prime district. Reports are they plan to rebrand both assets under a single identity, upgrade retail mix towards F&B/ healthcare. This reflects a trend of investors looking to create operating districts across the region, similar to Mitsubishi Estate in Marunouchi Tokyo, and Hong Kong Land's recent activity in Singapore's Marina Bay Financial district.

### PARAGON MALL | 290 Orchard Road, Singapore

| Price (US$/LCY) | US$3,008mn/S$3,890mn |
|---|---|
| Avg price (US$ per sq m) | US$45,822 per sq m |
| Avg price per local convention LCY | S$5,500 per sq ft |
| Cap rate | 3.9% (in place) |
| Sector | Retail (Shopping mall) |
| Land size (Sq m) | 16,644 |
| Building area (Sq m) | 65,652 |
| Implied FARx (NLA) | 3.9 |
| Freehold/Leasehold | Freehold |
| Stake sold % | 100 |
| Buyer | CapitaLand Integrated Commercial Trust |
| Buyer type | REIT |
| Seller | Temasek, Mapletree Investments |
| Seller type | SWF/Investment manager |
| Transaction date | July 2026 |

***Notes***
A rare freehold site in Singapore, Paragon is prime retail and healthcare asset along Orchard Road. CICT is reshaping its portfolio, having acquired the asset while disposing of it's core office asset Asia Square Tower 2 within quick succession. The acquisition will be partly funded from the Asia Square sale, with a further S$600 million private placement taking place, and additional senior debt to fund the balance.

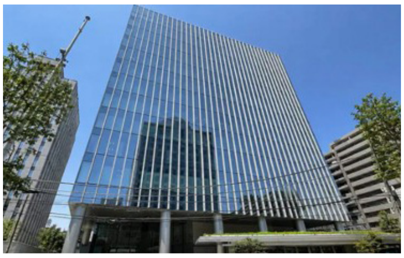
**WESTFIELD MARION** | 297 Diagonal Road, Adelaide, Australia


***Notes***
Westfield Marion is the largest shopping centre in South Australia. JY Group undertook a partner buyout of a 50% stake; consideration US$481 million against US$962 million asset value. This follows a trend of growing partnership buyouts across other core markets. This also follows a series of asset divestment by Cuscaden Peak (Temasek/Mapletree), including Paragon and Clementi Mall.

| Price (US$/LCY) | US$481mn (US$962mn for 100%)/ A$686mn (A$1,372mn for 100%) |
|---|---|
| Avg price (US$ per sq m) | US$6,936 per sq m |
| Avg price per local convention LCY | A$9,895 per sq m |
| Cap rate | 6.5% (in place) |
| Sector | Retail (Mall - super regional) |
| Land size (Sq m) | 228,373 |
| Building area (Sq m) | 138,713 |
| Implied FARx (NLA) | 0.6 |
| Freehold/leasehold | Freehold |
| Stake sold % | 50 |
| Buyer | The JY Group |
| Buyer type | Private investor |
| Seller | Temasek, Mapletree Investments |
| Seller type | State investor/Investment manager |
| Transaction date | June 2026 |

**EBISU FIRST SQUARE** | 1-18-14 Ebisu, Tokyo, Japan

| Price (US$/LCY) | US$300mn/JPY48,740mn |
|---|---|
| Avg price (US$ per sq m) | US$29,723 per sq m |
| Avg price per local convention LCY | JPY15.9mn per tsubo |
| Cap rate | - |
| Sector | Office (CBD) |
| Land size (Sq m) | 2,617 |
| Building area (Sq m) | 10,093 |
| Implied FARx (NLA) | 3.9 |
| Freehold/Leasehold | Freehold |
| Stake sold % | 100 |
| Buyer | Alyssa Partners |
| Buyer type | Investment manager |
| Seller | Tozai Asset Management, Mitsui & Co |
| Seller type | Investment manager/Trading house |
| Transaction date | May 2026 |



***Notes***
Ebisu first square marks the second major office transaction in this precinct in recent times, along with Yebisu Garden Place. This is also the first major office acquisition by Alyssa since 2021, building on their large multifamily/hotel holdings. Alyssa's capital partner is reported to be an offshore real estate investor. This is the third time the asset has traded since 2021.

# KEY TRANSACTIONS

## ALTERNATIVES

### COLT DCS KEIHANNA DATA CENTRE | 1-6 Hikaridai, Seika-cho, Kyoto, Japan

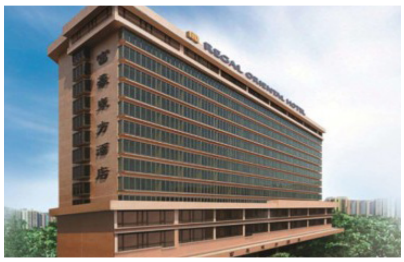
| | |
|---|---|
| **Price (US$/LCY)** | **US$992mn/JPY55,918mn** |
| **Avg price (US$ per sq m; per MW)** | US$24,075 per sq m; US$21.6mn per MW |
| **Avg price per local conversion LCY** | US$79,593 per tsubo |
| **Cap rate** | 4.3% (next-year income) |
| **Sector** | Data Centre (Wholesale Colocation) |
| **Land size (Sq m/MW)** | 16,390 sq m/45.9MW |
| **Building area (Sq m)** | 41,197 |
| **Implied FARx** | 2.5 |
| **Freehold/leasehold** | Freehold |
| **Stake sold %** | 100 |
| **Buyer** | Mitsui & Co, CapitaLand Ascendas REIT, Sumitomo Mitsui Trust Bank |
| **Buyer type** | Trading house/REIT/trust bank |
| **Seller** | Colt Data Centre Services, CPP Investment Board, Fidelity Investments |
| **Seller type** | DC operator/Pension/ Investment manager |
| **Transaction date** | May 2026 |

***Notes***

Colt's data centre development backed by CPPIB commenced in 2021, paving the way for the new data centre cluster in the Keihanna Science City. Nearby DC include projects from Stack/ESR, NTT and Kagoya. This hyperscale facility was fully leased to Microsoft, with 45.9MW of total IT power, 40.5MW live (88% built out). Colt DCS remains the operators.

### REGAL ORIENTAL HOTEL | 30-38 Sa Po Road, Kowloon, Hong Kong

| | |
|---|---|
| **Price (US$/LCY)** | **US$194mn/HK$1,518mn** |
| **Avg price (US$ per sq m; per key)** | US$9,100 per sq m; US$392,029 per key |
| **Avg price per local conversion LCY** | US$845 per sq ft |
| **Cap rate** | - |
| **Sector** | Hotel (Full Service) |
| **Land size (Sq m)** | 1,797 |
| **Building area (Sq m)** | 21,280 |
| **Implied FARx** | 11.8 |
| **Freehold/leasehold** | Leasehold |
| **Stake sold %** | 100 |
| **Buyer** | Centaline Group |
| **Buyer type** | Corporate (Real Estate Agency) |
| **Seller** | Regal Hotels International Holdings |
| **Seller type** | Hotel owner/Operator |
| **Transaction date** | April 2026 |



***Notes***

Centaline acquired the asset for conversion to student housing and will operate the asset under its CampusOne brand. The 494 key hotel will be converted, reportedly with the intention to create 1,568 student beds. This deal joins a broader wave of hotel-to-living sector conversions across Hong Kong—like Hotel Cozi Oasis and Austin Avenue Hotel—driven by the city's student housing shortage.

## NORTH POINT TERRACE | 1 North Point Terrace, North Point, Hong Kong

***Notes***

Chinachem acquired an existing residential project for a full demolition and redevelopment project. This is a play on the HK island, as opposed to acquiring greenfield sites. This reflects confidence in the recovering Hong Kong residential markets, which have growth by near 10% YoY after a prolonged correction.

| Price (US$/LCY) | US$242mn/HK$1,900mn |
|---|---|
| Avg price (US$ per sq m; per unit) | US$17,774 per sq m; US$1.44mn per unit |
| Avg price per local conversion LCY | US$1,651 per sq ft |
| Cap rate | - |
| Sector | Residential (Mid/high-rise) |
| Land size (Sq m) | 2,101 |
| Building area (Sq m) | 13,639 |
| Implied FARx | 6.5 |
| Freehold/leasehold | Leasehold |
| Stake sold % | 100 |
| Buyer | Chinachem Group |
| Buyer type | Developer |
| Seller | St. Louis Land Investment |
| Transaction date | June 2026 |

## 21-53 HODDLE STREET | 21-53 Hoddle Street, Collingwood, Melbourne, Australia

| Price (US$/LCY) | US$226mn/A$315mn |
|---|---|
| Avg price (US$ per unit) | US$566,430 per unit |
| Avg price per local conversion LCY | A$788,000 per unit |
| Cap rate | - |
| Sector | Build-to rent (Development) |
| Land size (Sq m) | 5,390 |
| No. of units | 407 |
| Implied FARx | - |
| Freehold/Leasehold | Freehold |
| Stake sold % | 100 |
| Buyer | Warburg Pincus,<br>Kio Investment Management |
| Buyer type | Private equity / Investment manager |
| Seller | UEM Sunrise |
| Seller type | Developer |
| Transaction Date | June 2026 |

***Notes***

Kio Investment Management, backed by Warburg Pincus, has agreed to become the capital partner for the project, replacing Greystar, which had previously been linked to the development. UEM Sunrise will remain the developer, while Kio will own and operate the completed asset, with completion expected in 2027.

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