

NEWS RELEASE



Benett Theseira
Managing Director and
Head of Asia Pacific,
PGIM Real Estate

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PGIM Real Estate expands rental housing portfolio in Asia Pacific

HONG KONG, 18 Sept. 2023 – PGIM Real Estate has expanded its rental housing portfolio in Asia Pacific through strategic acquisitions and development of a series of properties in Australia, Mainland China and Hong Kong, reinforcing its commitment to the underdeveloped institutional rental housing sector across the region.

Benett Theseira, head of Asia Pacific, PGIM Real Estate commented, “Shifting demographic trends and worsening homeownership affordability are driving demand for rental housing across major cities. The living sector in Asia Pacific is significantly undersupplied, presenting strong growth potential for investors. The institutional residential market, which offers high-quality, professionally managed housing units, is in a nascent stage in the region outside of Japan.”

While PGIM Real Estate has a significant multifamily portfolio in Japan, its latest rental housing investments in Australia, mainland China and Hong Kong, acquired on behalf of PGIM Real Estate’s value-add, core and core-plus strategies in Asia Pacific, mark its strategic expansion into alternative markets with strong local demand for this emerging asset class.

Brisbane and Sydney, Australia

PGIM Real Estate has formed a joint venture with an integrated property developer in Australia to develop a portfolio of residential properties for rent in major cities, aiming to deliver much-needed stock into a hugely undersupplied market in Australia.


The JV has acquired two seed assets. The first asset is at 458 Wickham Street in Fortitude Valley, Brisbane, while the second is located at 7 Macquarie Street in Parramatta, Sydney. Both sites were selected on account of their status as key employment, residential and entertainment hubs that are well located relative to public transport. The design of the properties will be the first-of-their-kind residential-for-rent communities, each comprising approximately 300 smaller-scale apartments, offering high levels of amenity and community but also affordability. The JV aims to develop further projects of similar size, with a portfolio target of 1,250 to 1,500 apartments at completion.

Shanghai, China

PGIM Real Estate has entered into a JV with a leading rental apartment operator in China to acquire a 19-storey purpose-built apartment building in Shanghai. The property comprises over 500 apartments and provides common areas and facilities, including a gymnasium and residents’ lounge.

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Sitting on top of the Metro Line, the apartment building is within Baoshan Powerlong City, a buzzing commercial hub with a regional shopping mall, office blocks and hotels. Its location and high-quality fittings and furnishings are expected to meet the long-stay living needs of young professionals.

Hong Kong, China

The transactions follow PGIM Real Estate's acquisition of two hotels in Hong Kong in 2022 and successful completion of the assets' conversion into modern co-living apartments this year.

Weave Studios – Kowloon West has been converted to 435 fully furnished studio apartments over 29 floors. Located near the Olympic MTR Station, the property launched operations in May and offers 15,000 sq. ft. of open area with shared amenities, including a theatre, open kitchen and dining space, collaborative workspaces as well as a lounge, gymnasium, yoga room and outdoor terrace.

Dash Living on Hollywood is a 22-storey former hotel building on 263 Hollywood Road, Central, just a stone's throw away from the CBD and Soho entertainment district. Through an extensive refurbishment program, the property is being transformed into a modern co-living facility with 148 rooms as well as common areas and community facilities for the tenants.

“Institutional investors like us can play a pivotal role in fostering the growth of this sector by providing an attractive and affordable housing solution for young professionals and other renters in the region. Despite the challenging market conditions, we believe the rental housing sector will benefit from favourable demographics and strong rental demand growth. We expect the sector to provide the sustainable income and return that investors are seeking in a volatile, inflationary environment,” **Theseira** added.

PGIM Real Estate is the US\$210 billion real estate investment and financing business of PGIM, the US\$1.27 trillion global investment management business of Prudential Financial, Inc.

ABOUT PGIM REAL ESTATE

With US\$210 billion in gross assets under management and administration (US\$133 billion net),¹ PGIM Real Estate provides investors and borrowers access to a range of real estate equity, real estate debt, agriculture, and impact solutions across the risk-return spectrum. PGIM Real Estate is a business of PGIM, the global asset management business of Prudential Financial, Inc. ([NYSE: PRU](https://www.nyse.com/quote/nyse:pru)). PGIM Real Estate's risk management approach, execution capabilities and industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing,² and the local experience of professionals in 35 cities globally. Through its investment, financing, asset management, and talent management approach, PGIM Real Estate engages in practices that strive to ignite positive environmental and social impact, while pursuing activities that seek to strengthen communities around the world. For more information visit pgimrealestate.com.

¹ As of 30 June 2023, net AUM is US\$133 billion and AUA is US\$49 billion.

² Includes legacy lending through PGIM's parent company, PFI.

ABOUT PGIM

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