

SC Capital Partners, ADIA and Goldman Sachs Asset Management acquire 27-hotel portfolio in Japan

SINGAPORE / TOKYO, [19 July 2023] – Singapore-headquartered private equity real estate firm SC Capital Partners Pte Ltd (SCCP) has formed a consortium with a wholly-owned subsidiary of the Abu Dhabi Investment Authority (ADIA) and Goldman Sachs Asset Management, which has acquired a portfolio of 27 resort hotels in Japan from Daiwa House Industry, a Japan-based home construction and real estate development company.

The hotels are located in major tourist destinations across Japan, capturing both domestic and inbound demand. The investment strategy will focus on increasing top-line revenue, rebranding initiatives, improving distribution channels, and refurbishment works.

The portfolio was acquired for approximately US\$900 million and includes a total of 7,124 rooms. Japan Hotel REIT Advisors Co., Ltd. (JHRA), a company that is majority-owned by the SCCP Group and a specialist in local hotel asset management and operations in Japan, will play an integral role in capturing the recovery and maximizing the further growth of the portfolio.

Suchad Chiaranussati, Chairman and Founder of SC Capital Partners Group commented, “This is a rare opportunity to acquire one of the largest and most prominent hotel portfolios in Japan. The extensive platform and network we have built in Japan over the last 13 years, particularly in the hospitality space, puts us in a unique position to capitalise on the long-term relative value of this highly sought after sector.

We are also delighted to expand and deepen our relationship with ADIA, following the launch of a data centre investment programme last year, and commence on a promising venture with Goldman Sachs, one of the leading financial institutions globally.”

Mohamed Al Qubaisi, Executive Director of the Real Estate Department at the Abu Dhabi Investment Authority, said: “Japan’s real estate sector continues to deliver superior returns, and the country’s hotel market is well positioned for growth from the rebound of travel. This acquisition presented a unique opportunity to access a large, leisure-oriented hotel portfolio alongside SC Capital, a pan-Asia partner across multiple real estate asset classes, and Goldman Sachs Asset Management. The portfolio will benefit from increased domestic and international tourism, as well as JHRA’s strong asset management capabilities.”

Takashi Murata, Global Co-Head of Goldman Sachs Asset Management Real Estate commented, “Having invested in Japan since 1998, we are excited to partner with SC Capital Partners and ADIA to invest in one of the largest hotel platforms in Japan. As we continue to see strong recovery in the Japanese hospitality sector, we are confident these high-quality assets located in top tourist destinations throughout Japan are well-situated to benefit from the rebound. Additionally, by implementing our strategy, we believe the platform will be positioned to attract further demand and generate differentiated returns.”

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About SC Capital Partners:

Established in 2004, SC Capital Partners (“SCCP”) Pte. Ltd. is an employee-owned, Asia Pacific real estate investment manager headquartered in Singapore.

The firm has a 19-year track record across Asia Pacific and has a diverse pool of over 60 institutional investors globally. With presence in eight different locations in the region (Singapore (HQ), Australia, China, Hong Kong, Japan, South Korea, Thailand and Vietnam), SCCP’s competitive advantage stems from being firmly embedded in local knowledge, cultures and jurisdictions, giving us the resources and networks necessary to execute successfully in the region.

Since 2004, SCCP has raised five commingled opportunistic funds in the Real Estate Capital Asia Partners (RECAP) series. The firm also manages a core-plus fund (SCORE+) and offers tailored solutions to investors.

SC Capital Partners Pte. Ltd. holds a Capital Markets Services license issued by the Monetary Authority of Singapore to carry out the regulated activity of fund management as a licensed accredited/institutional investor fund management company.

The SCCP Group* also includes the managers of two listed REITs, Japan Hotel REIT (www.jhrth.co.jp/en/), the largest hospitality REIT in Japan and TPRIME (<http://en.tprimereit.com/>), a commercial REIT in Thailand.

To view the latest SC Capital Partners news visit www.sccpasia.com

**Comprising SC Capital Partners Pte. Ltd. and affiliated entities (under the ownership and control of Suchad Chiaranussati either singly and/or together with his partners)*

About ADIA:

Established in 1976, the Abu Dhabi Investment Authority (ADIA) is a globally-diversified investment institution that prudently invests funds on behalf of the Government of Abu Dhabi through a strategy focused on long-term value creation.

For more information: <https://www.adia.ae>

About Goldman Sachs Asset Management:

Bringing together traditional and alternative investments, Goldman Sachs Asset Management provides clients around the world with a dedicated partnership and focus on long-term performance. As the primary investing area within Goldman Sachs (NYSE: GS), we deliver investment and advisory services for the world’s leading institutions, financial advisors and individuals, drawing from our deeply connected global network and tailored expert insights, across every region and market—overseeing more than \$2.6 trillion in assets under supervision worldwide as of March 31, 2023. Driven by a passion for our clients’ performance, we seek to build long-term relationships based on conviction, sustainable outcomes, and shared success over time.

For more information: <https://www.gsam.com/content/gsam/us/en/institutions/strategies/explore-by-asset-class/alternatives.html>

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