**Savills IM continues its expansion in Asia-Pacific with the launch of Income and Growth Fund**

* **First pan-Asian fund launched by Savills IM with targeted investment volume of EUR 1 billion**
* **Savills IM strengthens its presence in the Australian market with a number of senior appointments and further expands in Japan**
* **The new fund has secured two acquisitions with AUM of EUR 190 million**

**12 May 2021 –** Savills Investment Management (Savills IM*)*, the international real estate investment manager, has launched a pan-Asian income and growth fund following a first close at c. EUR 95 million which is immediately being invested.

The Savills IM Asia-Pacific Income and Growth Fund (APACIG) focuses on core-plus investments and incorporates a defined value-add component, with the potential to offer co-investment opportunities. APACIG targets an IRR in the region of 8-10%, with investments focused on Asia-Pacific’s developed markets and key gateway cities to capitalise on their stability, resilience and liquidity. The fund is available to institutional investors.

The fund targets sector diversity and will include offices, logistics/industrial, retail and residential. The target total investment volume is at approximately EUR 1 billion including a maximum debt ratio of maximum 60% at fund level.

In line with Savills IM’s Responsible Investment Policy, APACIG has sustainable characteristics and will set targets across each of the assets to reduce its environmental impact in areas including energy, water, waste, as well as enhancing social value through occupier and community engagement. It is targeting both buildings which can provide a value add opportunity for improving the sustainability credentials of these assets through retrofitting, and buildings with high sustainability characteristics.

Alongside the launch of APACIG, Savills IM has expanded its presence in the region with several senior appointments in its Sydney office. Greg Lapham has been appointed as head of investment, Australia. Greg, who will manage APACIG and lead the newly appointed four-strong investment team in Sydney, has over 30 years’ experience across real estate investment, financial reporting, corporate finance, consulting and transaction advisory. He has demonstrable local market knowledge having spent the last decade in Hong Kong, recently returning to Australia, and has invested across the breadth of the Asia-Pacific region including in Hong Kong, Japan, Malaysia, Singapore and Thailand. Greg joined Savills IM from BlackRock, where he was a managing director and chief investment officer of the AsiaPac real estate business.

Greg will be supported by investment director Guy Sainsbury, who recently joined Savills IM from Lendlease, where he held various senior development, capital raising and origination roles. The Sydney-based team has also been strengthened with the appointments of Anthony Lupis, investment manager, and Jacob van Egmond as an investment analyst. This follows recent expansion of Savills IM’s established investment team in Japan.

With the new team in place, the APACIG fund has already exchanged its first two acquisitions bringing the firm’s total AUM in Australia to c. EUR 260 million. Most recently, the fund completed the EUR 97.5 million acquisition of 241 O’Riordan Street, an 11-storey office building in the attractive submarket of Mascot, 7km from Sydney CBD and directly opposite the Sydney Domestic Airport terminal. It comprises c. 19,275 sqm lettable area, including retail offering on the ground floor. Tenants include domestic and multinationals with strong covenants, including the New South Wales Government.

As part of the acquisition process the team undertook due diligence on opportunities for upgrading the asset, including health and wellbeing, water efficiency, renewable energy and actions required to maintain the 5.5\* NABERS rating for energy.

This follows the recent closing of the EUR 93.3 million acquisition of Clifford Gardens Shopping Centre, a nine-hectare site located in Toowoomba, Australia’s second largest inland city. The Centre provides convenient access to everyday goods and services with significant opportunities to improve traffic flow and further bolster its non-discretionary tenancy base.

Savills IM manages properties worth circa EUR 1.3 billion in the Asia-Pacific region with local offices in Singapore, Tokyo, Kuala Lumpur (as part of a cooperation agreement with Savills Malaysia) and Sydney.

**Alex Jeffrey, CEO, Savills IM, comments:**

“We have been active in the Asia-Pacific market for a number of years across a variety of different sectors. The combination of the launch of a dedicated pan-Asian strategy and the expansion of our Sydney office represents a step-change in our growth across the region.”

“The newly appointed investment team on the ground in Sydney, working in close partnership with our experienced team across Asia, is perfectly positioned to spearhead our expansion across the region. Their combined experience and expertise will be crucial in maintaining the fund’s deal pipeline and securing attractive investments that also offer co-investment opportunities.”

**Greg Lapham, Head of Investment Australia, Savills IM, says:**

“The Asia-Pacific real estate market offers investors strong economic growth across diverse set of investment opportunities. Due to its transparency, Australia is an important and attractive destination for real estate investments. It will play a prominent role in our continued expansion in the Asia-Pacific region. It’s likely that the next deal will be in Japan where we have a strong investment presence and where we believe growth prospects in certain sectors are also very positive.”

* **Ends** -

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**About Savills Investment Management**

* Savills Investment Management is an international real estate investment manager with offices in Amsterdam, Frankfurt, Hamburg, Katowice, Kuala Lumpur (as part of a cooperation agreement with Savills Malaysia) (London, Luxembourg, Madrid, Milan, Munich, Paris, Singapore, Stockholm, St Helier, Sydney, Tokyo and Warsaw.
* As of 31 December 2020, Savills Investment Management managed total assets of around EUR 21.2 billion.
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