

# PERE

## Annual Review

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# 2019

## PERE AWARDS

The logo for PERE Awards 2019 features a vertical red bar to the left of the word "PERE" in a large, bold, black sans-serif font. Below "PERE" is the text "Awards 2019" in a smaller, black sans-serif font.

# PERE

Awards 2019

Institutional Investor of  
the Year: North America

## **Allianz Real Estate**

Allianz Real Estate deployed \$3 billion in equity and financing capital throughout the US alone. Its largest transaction took place in New York's newest submarket: Hudson Yards. For \$384 million, the company secured a 49 percent stake in an office condo that spans more than half of 30 Hudson Yards, the tallest building in the new neighborhood on Manhattan's West Side. The acquisition follows a similar investment it made into 10 Hudson Yards in 2016.

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# PERE

Awards 2019

Institutional Investor of  
the Year: Asia

## Allianz Real Estate

Allianz Real Estate is an obvious winner in this category. The firm is aggressively ramping up its capabilities in Asia by writing a few large-ticket transactions, most of which represent the firm's strategy of buying core income producing assets for long-term hold, including its purchase of a \$1.2 billion Blackstone multifamily portfolio.

## KEYNOTE INTERVIEW

## New strategies drive global growth

*François Trausch, CEO of Allianz Real Estate, Institutional Investor of the Year for both North America and Asia, reflects on his firm's successes*

**Q What have been the key events for your firm over the past 12 months?**

We continue to add new strategies to our investment approach. Globally, this covers new geographies and new sectors and sub-sectors.

This diversification is also evident within the regions for which we won the Institutional Investor of the Year awards: Asia-Pacific and North America. Alongside our core office investments in gateway cities, we have invested in logistics, increased our exposure to value-add, and broadened our footprint in, for example, student accommodation.

Key deals in the US include the stake in 30 Hudson Yards office building in New York, build-to-core logistics with LPC and build-to-core multifamily with Lennar. In Asia-Pacific, headline investments include major office deals in Singapore (DUO Towers), Beijing (Ronsin Technology Center) and India (Waverock), the huge Sakura residential portfolio in Japan, and student accommodation in Australia with Scape.

**Q What has the operating environment been like in that time?**

In the North American market, we have a positive, long-term strategic outlook on multifamily residential and logistics. With 30 Hudson Yards, the investment offered a unique cashflow profile with high cash-on-cash and is a repeat deal with Related Companies.



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ALLIANZ REAL ESTATE

Our diversification strategy with regards to Asia has enabled us to deliver strong growth. Our confidence in the fundamentals there – rapid urbanization, the rising affluence of the middle class, increasing sophistication in the real estate investment markets – underpins Allianz's strategy to allocate 50-60 percent of its real estate investments in the region to fast-growing markets such as China and India.

*“Competition in the market is fiercer than ever”*

**Q What key challenges did you have to overcome?**

Competition in the market is fiercer than ever as investors continue to focus on real estate as an alternative investment. On one or two of the deals, particularly the build-to-core logistics in the US, the team had to really sell the risk profile of the deal to key internal stakeholders: ie, the initial return on cost versus usual net initial yield on income-producing deals. In Asia, we have had to build the necessary infrastructure to match our ambition and the speed of our portfolio growth.

**Q What or who is mainly responsible for your success?**

Our two regional CEOs – Christoph Donner in the US and Rushabh Desai in Asia – take the headlines in the media when they deliver such tremendous deals. But, equally, they both lead outstanding teams in their regions. Furthermore, Allianz Real Estate is a truly global business; our teams of experts worldwide are complemented by a number of centralised functions operating out of locations in Germany and France.

The €1.1 billion Sakura deal in Japan, for example, with 82 residential assets distributed across four major cities, relied on some heavy lifting from our teams in Europe, particularly in Stuttgart and Munich. There are also numerous examples of colleagues relocating to Asia and the US for several months to lend their expertise to the regional teams. Real estate is and always will be a people business. ■



# 2019 GLOBAL PERE AWARDS REAL ESTATE CAPITAL AWARDS 2019 & PRIVATE DEBT INVESTOR AWARDS 2019 ALLIANZ REAL ESTATE

INSTITUTIONAL INVESTOR OF THE YEAR: **ASIA**  
INSTITUTIONAL INVESTOR OF THE YEAR: **NORTH AMERICA**  
INSURANCE COMPANY LENDER OF THE YEAR: **EUROPE**  
ALTERNATIVE LENDER OF THE YEAR: **GERMANY**  
REAL ESTATE DEBT MANAGER OF THE YEAR: **EUROPE**



We are proud to have been recognized by PERE, Real Estate Capital and Private Debt Investor for our performance throughout 2019 in both equity investments and commercial real estate financing. It is unique for an organization to offer such dual capabilities, and we would like to thank those who nominated us, those who voted for us, our clients and our global network of business partners for their strong support, and our international team of real estate experts for their hard work and dedication.

Allianz Real Estate is one of the world's largest investors in real estate. We develop and execute worldwide tailored portfolio and investment strategies in global gateway cities on behalf of a range of liability driven investors, including Allianz companies, creating value for clients through direct as well as indirect investments and real estate loans.

## Key facts & figures

**€73.6bn** assets under management

**21** offices around the world

**500+** real estate professionals