

Press Release

## **Gaw Capital Partners Acquires Vietnam Real Estate Portfolio**

### ***Gaw Capital Partners has acquired an existing portfolio of real estate projects in Hanoi, Ho Chi Minh City and Danang***

**June 1, 2015** – Gaw Capital Partners, the Hong Kong–based real estate private equity firm, announced that a new fund it manages has bought an existing portfolio of real estate projects in Vietnam from Indochina Land Holdings 2 Ltd.

The portfolio was purchased for US\$106 million and is comprised of four of the remaining projects originally held under Indochina Land Holdings 2 Ltd. The properties are located across the country including Indochina Plaza in Hanoi, Hyatt Regency Danang and two additional land development projects in Danang and Ho Chi Minh City.

The transaction was completed via a specially created fund (GAW NP CAPITAL VIETNAM FUND 1, L.P.) for which Gaw Capital Partners successfully raised to complete the purchase and to deploy additional equity for development projects. NP Capital, based in Ho Chi Minh City, is the local joint venture partner in the fund. The founder of NP Capital is the senior vice president of Tien Phuoc Group. Tien Phuoc is highly regarded as a reputable real estate developer and investor in Vietnam, and has successfully established strategic partnerships with Keppel Land and Ascendas previously. Indochina Land, an affiliate of the seller, will be retained by the fund for a transition period in order to facilitate some project development and operation work.

This purchase marks a significant move by Gaw Capital Partners to increase its presence in Vietnam. Gaw Capital Partners has invested in a mixed-used development project, Empire City, in Ho Chi Minh through Gateway Real Estate Fund III. However, this new transaction represents the debut of Gaw Capital Partners' fund management services in the Vietnam market.

“We are delighted to have completed the acquisition of a portfolio of high quality assets, and look forward to working with the capable and professional team at Indochina during the transition period.” said Kenny Gaw, Managing Principal and President at Gaw Capital Partners. “Not only do the properties within the portfolio provide an attractive initial yield but it also shows our confidence in the fast growing Vietnamese market. In joining hands with an experienced local partner like NP Capital we are able to bring their expertise and resources along with our creativity and vision to the projects.”

Christina Gaw, Managing Principal and Head of Capital Markets at Gaw Capital Partners expresses her appreciation for all the support from the limited partners in



this new fund in order to complete the transaction and their confidence in the firm's ability to manage the fund.

Felix Lai, Investment Director of Gaw Capital Partners, said, "This is a ground-breaking transaction that involves multiple asset classes in different cities and an innovative capital structure – the first time for the Vietnam market. We are grateful to have the close cooperation and support of our investors, our local partner and the seller to complete it successfully."

Vo Sy Nhan, Founder and CEO of NP Capital, said, "We are happy to partner with Gaw Capital Partners and together form Gaw NP Capital. We are confident that it will set a new benchmark of developing and managing property projects successfully in Vietnam and showcase our strong synergy between global expertise with extensive local knowledge and market know-how. Ultimately, this partnership will tap into tremendous real estate opportunities through the vast network of NP Capital in Vietnam and leverage on Gaw Capital's experience and reputation in the private equity market."

The Vietnam market has been recovering rapidly and riding on the wave of increased foreign direct investment and industrialization, Vietnam has become the largest exporter to the U.S. among ASEAN countries. With its strategic location, young population and lower costs than China, Vietnam has attracted many factories originally based in China to relocate.

As the world's 13th largest country by population, Vietnam has been identified by UBS in 2015 as "potentially one of the most exciting markets in Asia", due to its potential to become the largest beneficiary of the Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP). Goldman Sachs has also identified Vietnam as one of the "N-11 economies", the next 11 economies to grow the fastest after the BRICs. Vietnam's economy is set to be of a size comparable to that of Singapore, Ireland and Norway in 2050. Recently, Bloomberg also stated that Ho Chi Minh City is ranked 4<sup>th</sup> among the fastest growing Cities in Asia during 2015-2019 according to Oxford Economics Report.

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### **About Gaw Capital Partners**

Gaw Capital Partners is a uniquely positioned private equity fund management company that focuses in real estate markets in greater China and other high barrier-to-entry markets globally.

Specializing in adding strategic value to under-utilized real estate through redesign and repositioning, the firm's investments span the entire spectrum of real estate sectors, including residential development, commercial offices, retail malls, serviced apartments, and hotels.

Gaw Capital Partners runs an integrated business model with its own in-house asset



management operating platforms in retail, hospitality and property development, and affiliates with Downtown Properties to bring in asset management capacity in the US.

Gaw Capital Partners has raised four real estate funds targeting the Greater China and Asia Pacific region since 2005, while Gaw Capital Partners USA is providing services for separate account direct investment and fund management in the US and UK markets.

Gaw Capital Partners has raised equity of USD\$ 4.26 billion since 2005 and currently commands assets of USD\$ 9.16 billion under management as of first quarter of 2015.

For more details, please view: [www.gawcapital.com](http://www.gawcapital.com)

**For enquiries, please contact:**

**GAW Capital**

Sylvia Lee (Sylvialee@gawcapital.com)

**Weber Shandwick**

Tom Howard/ Yvonne Fang

Tel: 86-10-8569-9979/9851

Email: [thoward@webershandwick.com](mailto:thoward@webershandwick.com)/[yfang@webershandwick.com](mailto:yfang@webershandwick.com)