

# Press release

## AXA Investment Managers - Real Assets completes c.¥20 Billion (€165 million) acquisition of multi-generational and multi-sector residential tower in Nagoya, Japan

AXA Investment Managers - Real Assets ("AXA IM - Real Assets"), a global leader in real asset investments and the leading<sup>(1)</sup> real estate portfolio and asset manager in Europe, announces that it has completed, on behalf of clients, the c.¥20 billion (€165 million) acquisition of a highly innovative residential tower at 4-60-5 Hiraikecho in Nagoya, Japan's third largest city.

The newly built Grade A residential tower has been designed to satisfy the multi-generational demand for residential space inside Japan's highly dense city centre locations, driven by continued urbanisation. The new concept offers accommodation targeting primarily young professionals and families, through 430 residential units and 130 co-living units, as well as a range of later life options through 66 units comprising a mix of pure residential for the elderly together with care or nursing service options for those residents that require them.

The building also caters for the next generation of residents through a nursery school and boasts a wide range of additional amenities including a gym, a convenience store and other retail shops, as well as 274 parking spaces for residents. Each of the co-living units has its own ensuite bathroom, while residents will have access to dedicated common spaces with a kitchen, library, theatre, outdoor terrace, living area and dining facilities.

The building is within walking distance of Nagoya's central business district in a newly redeveloped area, Sasashima Live 24, which is home to a variety of entities including businesses, a TV station, a retail complex, a university and local administration offices. The building also benefits from its easy access to strong local transport infrastructure with Sasashima Live Station only a three minute walk away and just to the south of Nagoya Station. Nagoya Station is the city's largest station, connecting to nine different lines including Shinkansen bullet train, with high-speed trains to Osaka (50 minutes) and Tokyo (100 minutes).

The Nagoya residential market is characterised by a shortage of affordable residential stock for rent that's suitable for families, while demand is likely to continue to rise in line with robust economic growth and infrastructure investment. This acquisition is AXA IM - Real Asset's fourth residential investment in Nagoya city and 12th in Japan, where it has invested more than ¥16 billion (c. €133 million) in residential assets on behalf of clients<sup>(2)</sup>.

The acquisition forms part of AXA IM - Real Assets' wider long term strategy on behalf of clients to invest into residential asset classes which it believes are supported by strong demographic drivers, and adds to its c. €20 billion portfolio of residential assets under management spread across 15 countries<sup>(3)</sup>.

**Laurent Jacquemin, Head of Asia-Pacific at AXA IM - Real Assets, commented:** "Through this transaction we have been able to acquire a highly unique asset that, while primarily focused on multi-family also brings in other forms of residential accommodation, including co-living and senior housing, which appeal across generations, as well as a nursery school. The concept not only helps to alleviate the acute supply demand disparity for high quality accommodation in the area, but also affords residents the health benefits that being part of a multigeneration community can bring, especially in relation to addressing the loneliness that younger and older generations, particularly those that are single, often experience when living in

a big city. We will look for further opportunities to invest in assets of this nature, through acquisition or development, both elsewhere in Asia Pacific and more globally.

“Residential asset classes have proven to be highly defensive, both historically and so far in the current Covid-19 crisis, while this transaction proved particularly attractive given the city’s continued investment in improving local infrastructure coupled with its growing population, both of which underpin the potential for us to generate stable income.”

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1 Source: INREV/ANREV Fund Manager Survey – May 2019 – in terms of assets under management

2 Source: AXA IM - Real Assets’ unaudited data as of 31 March 2020

3 Source: AXA IM - Real Assets’ unaudited data as of 31 March 2020

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## About AXA Investment Managers

AXA Investment Managers (AXA IM) is an active, long-term, global, multi-asset investor. We work with clients today to provide the solutions they need to help build a better tomorrow for their investments, while creating a positive change for the world in which we all live. With approximately €804 billion in assets under management as at end of March 2020<sup>(1)</sup>, AXA IM employs over 2,360 employees around the world and operates out of 28 offices across 20 countries. AXA IM is part of the AXA Group, a world leader in financial protection and wealth management.

1 Source: AXA IM - Real Assets’ unaudited data. All figures as of March 2020.

## About AXA IM - Real Assets

AXA IM - Real Assets is part of AXA IM Alts, one of the global leaders in alternative investments with €146 billion of assets under management as of end of March 2020<sup>(1)</sup>, across real estate, infrastructure, private debt, structured finance and hedge funds. AXA IM Alts employs over 700 people located in 15 offices around the world and serve the needs of more than 300 clients from Europe, North America, Asia Pacific and Middle East. We are a global leader in real assets investment with €100 bn of assets under management, the number one property portfolio and asset manager in Europe<sup>(2)</sup>, and one of the largest worldwide.

1 Source: AXA IM - Real Assets’ unaudited data. All figures as of March 2020.

2 Source: INREV Fund Manager Survey – May 2019 in terms of assets under management

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