



## **Gaw Capital eyes the robust long stay rental market in China**

**September 18, 2017, Shanghai** - Real estate private equity firm Gaw Capital Partners announced that a fund under its management has invested in Harbour Apartments, a network of co-living spaces for young tenants in China's first-tier cities.

The platform, founded in 2015, has invested in 40 compounds in 7 first-tier and prospective first-tier cities in China (Shanghai, Beijing, Shenzhen, Guangzhou, Hangzhou, Nanjing and Hong Kong), and seeks to fulfil an increasing demand for quality and affordable rental housing within China's first-tier cities among fresh graduates and young white collar millennials. The platform has a target to open and manage 80,000 units by 2019.

The apartment units, which can be rented from RMB 3,000 to RMB 20,000 a month, come fully furnished in different sizes and layouts with trendy designs, often in city centers, and are surrounded by spacious common areas that cater to young tenants' increasing demand for spaces to socialize. Harbour Apartments also makes use of online and offline events and apps to promote a sense of community among tenants.

This latest investment follows efforts by the Chinese government to boost the supply of rental housing and issue cooling measures as long-term solutions to resolve the overheating real estate market, which has been characterized by surging rents and a shortage of public rental housing.

Anticipating the direction of the government's new policies to increase supply for rented accommodation, Gaw Capital sought suitable opportunities to invest in this area.

The deal marks Gaw Capital's second private equity type of investment in China following its first investment in nakedHub, one of the leading co-working space operators in greater China and Asia Pacific.

Humbert Pang, Managing Principal and Head of China for Gaw Capital Partners, said, "China's robust new economy has created unique opportunities for us. Millennials and the middle-class in China tend to be tech savvy, more sociable and are looking for a sense of belonging and adventure in big cities, which has made co-living spaces an ideal form of accommodation in the era of the 'sharing' economy. In addition to the traditional brick-and-mortar real estate investments, Gaw Capital is also embracing new opportunities in this new economic environment by not only providing capital, but also our in-depth expertise in management and global outreach to help tomorrow's entrepreneurs to grow and thrive."



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## **About Gaw Capital Partners**

Gaw Capital Partners is a uniquely positioned private equity fund management company that focuses on 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, Gaw Capital runs an integrated business model with own in-house asset management operating platforms in retail, hospitality and property development. The firm's investments span the entire spectrum of real estate sectors, including residential development, offices, retail malls, hospitality and logistics warehouses.

Gaw Capital has raised five commingled funds targeting the Greater China and Asia Pacific region since 2005. The firm also manages opportunistic funds in Vietnam and the US along with a Pan Asia hospitality fund. Additionally, it also provides services for separate account direct investments globally.

Gaw Capital has raised equity of USD\$ 8.6 billion since 2005 and commands assets of USD\$ 12.8 billion under management as of Q1 2017.

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