

**HD Cushman & Wakefield Releases Report on APAC Hospitality Investments**

**WC** 546 words

**PD** 26 August 2014

**SN** Travel & Leisure Close-Up

**SC** TRALEI

**LA** English

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Cushman & Wakefield, in their latest report on the **hotel** markets across 17 gateway cities and prime destinations in Asia and Australia, reported that hospitality investment market in the Asia Pacific reached a record high **transaction** volume of US\$12.83 billion in 2013, the highest in the last 5 years and over 30 percent higher than 2012.

According to Cushman & Wakefield, there had been a substantial weight of capital invested in the core markets with mainland **China** accounting for US\$2.636 billion or 20.5 percent of the total investment volume, Singapore the second largest market at US\$2.634 billion, followed by Japan at US\$2.610 billion and Australia at US\$2.271 billion. **Hotel** investments were also more widespread across the region in 2013, where emerging and non-core markets like Cambodia, Macau, Maldives saw some assets changing hands.

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Akshay Kulkarni, Regional Director of Cushman & Wakefield's Hospitality Services for South Asia and Southeast Asia said: "Hospitality investment volume in 2013 more than doubled since 2008 and can be attributed to the excess liquidity, the low borrowing costs and the region's favorable tourism growth and outlook."

The cities included in the report are Singapore, **Hong Kong**, Tokyo, Bali, Seoul, Mumbai, National Capital Region (India), Bangkok, Shanghai, Jakarta, Kuala Lumpur, Beijing, Ho Chi Minh City, Sydney, Melbourne, Perth and Brisbane.

The **company** noted that, in the first half of 2014, total investment volume of hospitality assets reached US\$5.203 billion, which is 9.5 percent higher compared to the same period last year. While the core markets of Japan, Singapore, mainland **China** and Australia are still the most traded ones and constitute about 68.8 percent of the investment volume, other emerging markets such as Philippines, Malaysia, Sri Lanka and Indonesia have experienced higher investment quantum compared to the same period last year. For 2014, Cushman & Wakefield expects the hospitality investment market to moderate, and likely to close at US\$9.0 to US\$10.5 billion.

Kulkarni added, "We expect the balance of 2014 to equal or come close last year's level in terms of **transactional** activity. Japan has already seen significant investment volume and will undoubtedly improve further and lead the pack, due to strong corporate demand and greater investor optimism arising from Abe's economic reforms. Lower **hotel transaction** volume is expected for Singapore this year compared to last year, at least in the organized institutional side. However with the change in norms on the shop houses those that have approved **hotel** licenses will see high guest demand.

Mainland **China** in the first half of this year has seen investments of over US\$1.5 billion. This obviously shows significant confidence in the markets and their potential, and also indicative of the fact that assets may be trading at below par and there is an eventual upside. However given the current trading performances in the key **Chinese** markets and also the relative slowdown of the economy the forecast in terms of investments is that these volumes will taper.

Cushman & Wakefield is a privately-held **commercial** real **estate** services **firm**.

More information and complete details:

[cushmanwakefield.com](http://cushmanwakefield.com)

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