

# Project Graceland



Project Graceland involved the acquisition of a distressed asset at below market value and the repositioning of an underperforming 3-star hotel into a vibrant mixed use asset. The project was successfully exited within 12 months ahead of underwriting.

**January 2016**

Acquisition date

**Shanghai**

Location

**Hotel**

Sector

**c.16,000 sqm**

GFA

### **Transaction background**

- Prime location: The property is located in one of Shanghai's prime CBDs and benefited from a direct subway connection.
- Off-market deal: Proprietary deal sourcing through InfraRed NF's extensive network at a discount to replacement cost.

### **Investment rationale**

- Excellent location: The property is located in the heart of Shanghai where new land supply is very limited, in an improving micro-location in the process of being gentrified through the development of luxury apartments and amenities.
- Value-add potential: The property has a direct subway connection and panoramic corner-site retail frontage which was not being fully utilised.

### **Value-addition**

- Change of use: Value-add plan to reposition the distressed, underperforming 3-star hotel into a service apartment led, mixed use asset.
- Opportunistic exit: Early exit achieved in less than a year.