

Canada Pension Plan Investment Board and Longfor Group Holdings Limited Form New Cooperation to Invest in Rental Housing Programs in China

TORONTO, ON, CANADA (July 11, 2018): [Canada Pension Plan Investment Board](#) (CPPIB) and Longfor Group Holdings Limited (Longfor Group) are expanding their relationship to launch a new investment cooperation that will focus on rental housing programs in China with an initial targeted investment of approximately US\$817 million.

The new cooperation will invest in China across Tier I and core Tier II cities via developments, acquisition and master-lease of commercial assets to be converted into rental housing.

“Demand for modern, quality rental housing amongst young professionals and new graduates in China is growing rapidly, and through this collaboration, we are pleased to have the opportunity to participate in this fast-growing sector of Chinese real estate and to further diversify our investments in the market,” says Jimmy Phua, Managing Director, Head of Real Estate Investments Asia, “We look forward to extending our partnership with a well-established and experienced operator like Longfor Group, particularly as we embark on our first dedicated rental housing investment in China.”

CPPIB and Longfor Group launched their collaboration in 2014 and have built a portfolio of Paradise Walk branded retail assets beginning with their first investment in a mixed-use real estate project in Suzhou and extended that co-operation with further investments in Chongqing, Shanghai and Chengdu. Longfor Group is a well-established residential and retail mall developer and operator in China, and has built strong brands and experienced management teams. As in the previous investments, Pinnacle Real Estate Capital Partners assisted on the cooperation’s establishment and will act as the asset manager for this investment.

“Our cooperation with CPPIB continues to go from strength to strength, following on from our successful investments in retail malls and mixed use sites in Suzhou, Chongqing, Chengdu and Shanghai,” says Zhao Yi, Executive Director and Chief Financial Officer of Longfor Group. “The strategic cooperation in long-term apartments shows CPPIB’s recognition of Longfor Group’s development and operation capabilities. With the precise positioning, brand reputation and efficient operation, we have made a strong start in the area of long-term rental apartments and expect to gain a strong foothold in this new, policy-supporting market. We are very pleased to share this great opportunity with our long-term partners.”

About Canada Pension Plan Investment Board

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 20 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, São Paulo and Sydney, CPPIB is governed and managed independently of the Canada Pension Plan and at arm’s length from governments. At March 31, 2018, the CPP Fund totalled C\$356.1 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#) or [Twitter](#).

About Longfor Group Holdings Limited

Longfor Properties is a premier property developer engaged in businesses namely property development, commercial operation, property services, and long-term rental apartments. With its business spanning 40 cities throughout China currently, Longfor Properties provides a wide range of products like high-quality residential projects, Paradise Walk shopping malls, long-term rental apartments Champion Apartments and other commercial properties. Going forward, Longfor Properties will focus on the concept of Space as a Service (SaaS) and adhere to its vision of becoming the most respected and reliable national market leader in China's property market. Longfor Properties will continue to provide its customers with quality products and services, influencing customers' behaviour and become an outstanding company while creating opportunities.

For more information, please visit www.longfor.com.

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