



Real Estate Investment Times

[China Life recapitalises ElmTree portfolio for \\$950 million](#)

By Andrew Theo

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China Life has financed ElmTree's Net Lease portfolio to the tune of \$950 million.

In a partnership structured as a joint venture, US private equity firm ElmTree Funds will continue to manage its 48 single-tenant properties, which span more than 5.5 million square feet across 20 states.

In addition, the financing includes the acquisition of two properties from ElmTree's Net Lease Fund II.

Most of the assets were constructed as build-to-suit and primarily lie in secondary and tertiary markets with positive economic and demographic fundamentals.

The latest investment continues the trend of Chinese capital moving into the US, following China Life's purchase of a \$2 billion stake in Starwood Capital Hotels in October 2016.

Jim Koman, managing principal at ElmTree Funds, said: "We are honoured to form this strategic joint venture with China Life, who recognises the inherent value in the high quality portfolio that we have assembled and shares our bullish outlook on the net lease sector."

He added: "This transaction gives China Life immediate scale and diversification in the US market. We look forward to a highly productive, long-term relationship with China Life as we explore additional opportunities to invest together."

ElmTree Funds was advised by Hodes Weill Securities.