REAL ESTATE INC.

Jon Bell covers commercial real estate

JBELL@BIZJOURNALS.COM @PBJREALESTATE

Hillsboro projects the latest to attract foreign

New hotel projects showcase surge of global capital flooding into Portland-area real estate

The former owner of The Janey apartments in the Pearl District has seen it. So has AEW Capital Management, a Los Angeles real estate investor that sold the Museum Place apartments in Portland last year.

Alexander Aginsky

Now Alexander Aginsky is seeing it in an even bigger way, too: foreign investment pouring into Portland.

Aginsky is managing director for Aginsky Capital, a small investment advisory firm that helps foreign capital find its way into U.S. markets. In the past few years, Aginsky said, more and more of that kind of capital has landed in Portland.

"Absolutely. There's been a lot of excitement in Portland in general," he said. "One hundred percent of our capital comes from overseas, and every year for the past three or four years that's been doubling."

Most of Aginsky's work focuses on ultra high-net worth individuals and some institutions in places like Russia, China and India, and most of his firm's projects involve acquiring and managing commercial real estate projects. His latest project to bring foreign dollars to the metro region, however, is branching out into the development realm.

Aginsky has partnered with Washington developer Dean Kirkland on two hotel projects in Hillsboro. Funded largely by Aginsky's investment partners in Russia, the two hotels will each be branded as Staybridge Inn Suites. They will be located near the Intel headquarters and will include 80 rooms each. According to Aginsky, the hotels have been appraised at $18 million apiece.

"That's before occupation though," he said. "We expect them to be worth more than that."

The first of the two hotels is set to break ground in about a month. The second one will likely be ready for groundbreaking in June. Both will take about a year to complete.

The new hotels are just the latest in a growing line of projects and purchases that have attracted foreign money to the metro region – a trend that's not likely to dry up anytime soon if the market keeps on its current path.

FUNDED BY THE WORLD

Here are three examples of even more overseas money that's made its way here in the past year.

The Janey

What: 112-unit Pearl District apartments

Buyer: Mapletree Group, a Singapore real estate investment firm

When: Dec. 2015

Price: $45 million

The Museum Place Apartments

What: 140-unit apartment complex

Buyer: A division of the Switzerland-based Zurich Insurance Group

When: July 2015

Price: $59.5 million

Hyatt House Hotel

What: A six-story hotel in the RiverPlace neighborhood

When: Broke ground Feb. 2015

Investors: At least 30 Chinese backers through the EB-5 Investor Green Card Program

Foreign investment: An estimated $15 million