

BY JEFFREY WEINSTEIN | JANUARY 29, 2024



GOCO's Glen Ivy Hot Springs in southern California

Exclusive: Wellness firm plans expansion with Singapore fund

GOCO Hospitality signs big deal with Temasek fund to take advantage of the growth opportunities in the health and wellness space.

Bangkok-based spa and wellness firm GOCO Hospitality has inked an “high eight figure” deal with Singapore PE firm Temasek and its \$49 billion Fullerton Fund Management to explore acquisition and joint ownership of new hospitality assets.

GOCO Hospitality Founder and CEO Ingo Schweder exclusively told Hotel Investment Today that the new partners will soon announce two resort acquisitions in key travel destinations within Southeast Asia. The first high-end wellness retreat deal in Asia Pacific will be announced on February 9 with an asset that has 80 rooms, 18 pool villas, 30 rooms with direct pool access, four F&B outlets, 5,000 sq meters of indoor wellness facilities with additional outdoor settings. The second deal is set to be announced toward the end of March, according to Schweder.

Schweder added that the partnership also intends to purchase additional assets and is already negotiating in Switzerland, Saudi Arabia, India and two other locations in Thailand. “In addition, we already have a REIT license on the Bangkok stock exchange and will utilize this to place assets we manage on the exchange,” Schweder added.



GOCO Hospitality Founder and CEO Ingo Schweder

GOCO acquisition targets include a wide range of value-creation strategies, including financially distressed properties, value-added renovations, rebranding, and wellness-focused repositioning. GOCO expects to deploy the capital over the next 18 to 24 months in strategic new assets in the Asia Pacific region.

GOCO already owns the 80-room Glen Ivy Hot Springs in Temescal Valley, California, and since

2015 invested more than \$30 million in the property to re-conceptualize and upgrade the resort. “We feel that our brand presence across various wellness real estate and wellness resort segments will ensure a wider presence in the marketplace and position us well for the future,” Schweder added.

GOCO has several different income streams with approximately 30% coming from Glen Ivy; 30% from other spa and wellness management deals; and 30% plus from its global wellness consulting practice with Horwath. It also owns a “large chunk” in Spa Cycle & Space Yoga in Beijing, Shanghai, and Taipei with Jack Ma as the lead investor.

Since its inception in 2008, GOCO has conceptualized more than 220 health, fitness, and sustainable wellness projects as well as earlier managed spa and wellness properties, including SHA Wellness Clinic in Spain amongst several others.

High-end positioning

Schweder said he feels privileged that The Fullerton Fund has after an 18-month due diligence and search to fund the right partner identified GOCO as its long-term partner, marking its entry into the branded destination wellness resort segment.

He added that GOCO will operate and market its new wellness-driven assets as destination wellness resorts not unlike Chiva Som, Miraval, Lanserhof, etc. The first two deals to be announced are on Triple A locations, one has a 165-meter ocean frontage, the other one is created around a famed river frontage, according to Schweder. “With Nicholas Clayton having joined our team in 2022 as president (former Capella, Jumeirah and Viceroy CEO) and others are about to join we’ve bigger plans for a larger roll out in the destination wellness resort segment,” Schweder added.

He said that since the end of the pandemic in 2021, GOCO has recorded record years. “COVID has brought the understanding that wellness-related services are part of everybody’s lifestyle... Thus, the opportunity to grow big in this sector is substantial,” Schweder added.



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Ingo Schweder

The latest report by the Global Wellness Institute said the wellness economy reached \$5.61 trillion in 2022 and is projected to reach \$8.47 trillion in 2027 with a projected average annual growth rate of 17.4% for the wellness real estate sector between 2022 and 2027.