

Assetz Property to float \$ 250 million project fund

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Bengaluru: Singapore-headquartered real estate developer Assetz Property is floating a \$250 mn fund to invest across mid income residential projects in India.

"We are reasonably institutionalised and have the capability to provide transparency and higher fee to investors. The fund raising will be completed in the next one year," said a person close to the development.

The proposed fund will be used to buy land parcels to develop 15mn sft of residential projects across Bengaluru apart from venturing into newer geographies like Pune, Chennai and Hyderabad.

The new fund will invest in building properties between Rs 3700 and Rs 5500 per sft with majority of the money earmarked for Bengaluru.

"There are a lot of institutions eyeing Indian realty and looking at various mechanisms to invest," said a person quoted above.

Assetz recently raised Rs 900 crore from financial institutions including Altico Capital, HDFC BankNSE 0.55 % and Aditya Birla Finance to expand its residential portfolio in Bengaluru.

In the last three years, the firm has raised money from investors like Equis Funds Group, Apollo Global Management, JLL Segregated Funds group and Avenue Venture Partners.

Assetz Property segregated its business in India into three verticals to raise funds separately. In August last year, Sydney-headquartered LOGOS Group raised \$400 million and entered into a partnership with Assetz Property to launch its operations in India and raise a new fund. The two partners set up, LOGOS India, a standalone platform to develop assets worth \$1 billion.

Inflows from institutional investors into the Indian real estate peaked at Rs 11,212 crore — highest third-quarter performance in the last 11 years — indicating continued momentum in private equity investment in the sector.

In the first three quarters of 2018, investment volume increased by 9% from a year ago to \$5.6 billion (Rs 37,815 crore), showed data from Cushman & Wakefield.

Link: <https://economictimes.indiatimes.com/industry/indl-goods/svs/construction/assetz-property-to-float-250-million-project-fund/articleshow/66963151.cms>