

BIZ-FUNDING-ASSETZPROPERTY

Assetz Property Group to raise up to \$250 mn in Q1 FY21

Mumbai, Jul 1 Singapore-headquartered property developer, Assetz Property Group plans to raise up to USD 250 million by the first quarter of next fiscal with a focus on mid-segment residential portfolio, a top company official said.

Last year, Assetz had raised Rs 900 crore from financial institutions including Altico Capital, HDFC Bank and Aditya Birla Finance to expand its residential portfolio in Bengaluru.

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

"The company is also exploring emerging asset classes like co-living spaces, data centres and proptech, although it is still in the phase of identifying the right business model and partnerships," Assetz Property's CEO and Co-Founder Ben Salmon told over an email interaction.

"After establishing ourselves as a leading player in Bengaluru with a portfolio of large-scale, mixed-use residential townships, luxury apartment developments and eco- designed row houses, our next stage of growth will be through an equity venture focused on mid-segment residential for sale to scale the platform. We are targeting a USD 200-250 million capital raise by first quarter next year," he said.

Salmon further said the company is well placed to take advantage of the stress being witnessed in the debt market.

"As we consolidate our position in the market, we will continue to focus on Bengaluru, which accounts for 18-20 per cent of the residential absorption in India every year," he said.

Assetz Property currently has a portfolio of 12 million sq ft, which is already funded and tied-up and has identified another 5 million sqft of projects, which are under various stages of acquisition.

"In the next two years, our residential portfolio will increase to 17 million sqft," he said.

"We will continue to partner with high quality institutional capital in select sectors while expanding and improving our delivery quality within our core sectors of residential, including a focused programme of specific built co-living, and warehousing," Salmon said.

He said the company has also embarked on the warehousing expansion plans across five key markets with a development pipeline of over 10 million sqft.

In August 2017, Sydney-headquartered LOGOS Group raised USD 400 million and entered into a partnership with Assetz 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 USD 1 billion.

After establishing our warehousing business in India with Logos, we have completed two transactions with one each in Tamil Nadu and the NCR region, with over 2 million sqft of operating assets, and a considerable development pipeline. Our near term transactions will be focused in cities like Bengaluru and Mumbai, he added. PSK AP AP

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