



Injaz Mena announces new Asian property fund

Middle East investors are being given an opportunity to invest in commercial real estate in Singapore, Malaysia and Thailand through a new Asian equity fund launched today.

The fund has been launched by Injaz Mena Investment Company PSC in association with Singapore-based fund manager, AsiaEquity Partners Pte Ltd.



Announcing the Injaz AsiaEquity Property Fund 1 at a press conference in Abu Dhabi, Injaz Mena CEO Mr Ahmed Bin Ali Al Dhahry said the US\$100 million limited partnership fund would target high yield real estate opportunities in major cities across Asia.

'Much of the overhang in commercial properties in markets like Hong Kong and Singapore has been absorbed and the ensuing demand for space in these two leading Asian economies has spilled over into other regional markets like Kuala Lumpur and Bangkok,' Mr Al Dhahry said. 'Similarly, the key cities of China like Shanghai and Beijing have had buoyant growth in capital and rental values despite a high level of construction activities.'

It is expected that the demand for commercial properties will persist across the region and spill over effects into provincial cities in China could also be anticipated.

The first project to be financed through the fund, a prime commercial property redevelopment right in the very heart of Singapore's financial centre, just five minutes from the legendary Raffles Place, has already been signed up. Negotiations are currently taking place over another opportunity in Kuala Lumpur and other acquisitions elsewhere in the region are pending.

'The redevelopment at 60 Robinson Place, Singapore, offers an expected annualised internal rate of return (IRR) in excess of 35 per cent, thanks to an increasing demand for high quality office accommodation across Singapore's financial district and elsewhere in Asia,' Injaz Mena Director-

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Injaz Mena Investment Co. PSC



General, Shariq Azhar said, adding that 'a double-digit return for the total fund has effectively been locked in already through the post-redevelopment sale of the property to a major institution.'

Mr Azhar added that the proposed redevelopment in Singapore was near an earlier project carried out by AsiaEquity Partners Pte Ltd which yielded a 120 per cent return to investors. The Robinson Rd development will see the amount of rentable space almost doubled and, because it is largely only an internal refit within the existing envelope, the project is expected to be completed within a relatively short timeframe, allowing investors to take advantage of the high rental and capital values for offices.

AsiaEquity Partners Pte Ltd has contributed US\$10 million to the fund and a US\$90 million tranche is now being syndicated to its co-investors by Injaz Mena. The fund has a minimum subscription level of US\$500,000 and a projected annualised IRR in excess of 25 per cent annually with a minimum annual cash dividend of five per cent. The fund has an expected life of up to five years.