
[Triangle Real Estate India Fund Eyeing \\$50M From Anchor Investors \(PRIVATE EQUITY\)](#)

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Plans to raise a total of \$200m for its second retail-centric realty fund; seeks controlling stake in projects.

[Triangle Real Estate India Fund LLC](#) (TREF), which plans to raise its second retail-centric real estate fund of \$200 million, will start the fundraising programme in July this year.

According to Deep Kantawala, group CFO at the ICS Group, advisors to TREF, “We are planning to raise close to 25 per cent of the corpus or \$50 million from our anchor investor/s in the next three-four months and then in July, we will launch our fundraising programme in a fully phased manner.”

It is looking at a timeline of 12 months for the fund’s first close.

TREF is promoted by the Old Mutual Investment Group Property Investment (OMIGPI) of South Africa and ICS Realty of India. Its second fund will invest in greenfield projects with retail being the key driver of the development. The projects will be mixed-use developments with retail areas surrounded by residential and commercial office space.

In 2008, TREF invested the entire corpus of its first fund in Prozone Enterprises Ltd (a subsidiary of Provogue India Ltd) for retail-centric mixed-use development. In this deal, it acquired 27 per cent stake in four projects for \$115 million. But this time around, TREF is seeking full controlling stake in all its investments and therefore, will develop and manage entire projects.

“We are now looking at more products for India and raising this fund for the same where we will hold full controlling stake in the projects,” said Kantawala. “We have also grown as a fund and we will fine-tune our product offering this time. We will enter the projects from the land acquisition stage and see them through to the end. It is an FDI-compliant fund and we will conceive the projects and develop the assets,” he added.

The fund will also look at joint development with local developers on project-to-project basis. It plans to invest approximately \$30-40 million in each project which is inclusive of the land acquisition price. It will also develop four or five large schemes under this fund, which will have a development component of 1.5- 2 million sq. ft. each. TREF II has not been registered yet but Old Mutual may invest in the same.

The fund is a close-ended one with a lifeline of 8-10 years and looking at returns of over 25 per cent. It will invest in top four-six cities including Mumbai, Delhi-NCR, Bangalore, Pune and Hyderabad.

ICS Realty has three different business verticals in joint ventures or on its own including a property

management company called Pioneer Property Management, which will manage the projects, an architecture design firm called Bentel Associates, which has designed malls like Oberoi Mall in Goregaon, and a car parking solutions biz. Banking on its ancillary businesses, it plans to develop the properties.