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### **Guidance Logistics Fund Prepares to Complete Two Closures at 400 Million Dollars**

GCC investors are eyeing high growth Asean markets

Dubai - Guidance Investments, the investment management and capital markets arm of Guidance Financial Group, has confirmed that it is expecting a closure of 150-200 million dollars with its Fund focused on the logistics and industrial sectors, this year.

The Fund completed its first closure in Q4 2015 at USD 100 million, putting the fund in a strong position to hit its next target closure of USD 150 - 200 million in 2016 and an additional offering of USD 200 million in 2017.

The Fund focuses on logistics and industrial real estate in Malaysia, Singapore, Thailand and Indonesia. The structure of the Fund is designed to offer investors a stable stream of returns realized from annual rental income, in addition to benefiting from the increasing value of the properties over time and general economic growth in the these markets.

The fund's investors in the first round included government-related institutions in South East Asia and the Gulf Region.

Guidance announced that GCC investors were interested in stable returns from investment funds.

Guidance has launched nine Shariah-compliant international investment funds in the fields of private equity, real estate, and fixed income, working independently and in partnership with leading international strategic partners. This latest and unique fund creates a specific platform for leveraging the company's deep logistics real estate experience specifically in the Asean markets.

### **Caution**

Dr. Hasnita Hashim, Chief Executive Officer of Guidance Investments, said "With a global market impacted by geopolitical tensions, a slowdown in emerging markets, rising interest rates and a declining oil market, investors are taking a more cautious approach towards the investment choices they make. While most investors are shying away from high-risk funds, we have witnessed an increased demand from investors to proceed with opportunities that offer lower yield but secure more consistent, stable returns."

Guidance Investments also announced the closing of an additional four key properties in strategic locations in Malaysia, Indonesia and Thailand with a total net area covered by these four facilities of approximately 100,000 square meters, with an investment of USD 50 million. The projected average of the 7-year fund yield is expected to be 6% to 7%.

### **Performance**

Commenting on the growth markets of where the Fund is focusing, Pius Ho, Managing Director of the Real Estate Investment Program at Guidance Investments said: "We are highly optimistic about the performance of these South East Asian markets as key growth markets. These markets are characterized by several elements that contribute to their attractiveness – a young and urban population, industrialization growth, and growth in middle-income retail markets."

He added: "To date, we have closed a total of 4 properties and have invested 70% of our first phase callable capital of the fund which is a significant milestone. We have unrivalled expertise in real estate, fund management and deal sourcing in the logistics and Industrial sector in this region which will allow the fund to reach its growth targets."

Guidance Investments, through Capital Guidance, has over 25 years of investment and fund management experience, across five real estate operating platforms with a total of USD 5 billion investments in 110 properties in North America, the Middle East, North African and Asia.

As Guidance creates products that meet the Shariah-compliant needs of regional investors, the company has been actively meeting the increased demand for Islamic Finance solutions for investors in the GCC region.