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EXIT YIELDS IRR OF 20%

ASK Property Fund Exits Shriram Prop's Bengaluru Project

Sobia Khan

Bengaluru: ASK Property Fund, the real estate private equity arm of Blackstone-backed ASK Asset & Wealth Management Group, has divested its investment in a 49-acre plotted development project with Shriram Properties.

The domestic alternative investment fund had invested ₹85 crore in Shriram Pristine Estates in Bengaluru, from ASK Real Estate Special Opportunities Fund IV (RESOF IV) in 2022. The exit from the investment yielded an internal rate of return (IRR) of 20% and an investment multiple of 1.24x on their quasi-equity investment in less than 18 months.

"This investment is a classic example of an opportunity arising from industry consolidation, as robust sales ensured a successful exit for us," said Lakshmi pathi Chockalingam, managing partner-south, ASK Property Fund. "This is part of our platform agreement with Shriram Properties and we intend to actively participate in their expansion and

growth in the near future."

Shriram Pristine is a plotted development project in Doddaballapur, a prominent suburb in north Bengaluru with a saleable area of 0.8 million sq ft. The development was acquired from IIFL in December 2022. It marked the company's initial acquisition under the co-investment platform established with the ASK Property Fund. Separately, it also acquired 100% development rights in a residential project in Chennai with a total saleable area of 1.9 million sq ft.



"The mid-segment real estate market has demonstrated strong resilience and rapid growth in recent years, creating significant opportunities for major brands," said Murali Malayappan, chairman & managing director of Shriram Properties. "To support this vigorous growth, we are aiming to increase the addition of new projects in key markets such as Bengaluru, Chennai and Pune. Our goal is to more than double our inventory of new projects in the coming quarters."