



FOR IMMEDIATE RELEASE

Embassy Blackstone REIT: *a story of firsts in India*

22nd March 2019, Mumbai: In September 2014, the Securities and Exchange Board of India (SEBI) did a first in the world by notifying two regulations separately for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs). With first InvIT having been listed in 2017, the wait for the first Indian REIT seemed never ending.

Still, it seems good things not only take time but happen with a halo, as it did on 21st March 2019 with the first Indian REIT from Embassy Blackstone being oversubscribed 2.5 times. The Embassy Office Real Estate Investment Trust (Embassy REIT) is a joint venture between the Bengaluru-based property developer and private equity firm Blackstone.

The Embassy REIT further fortifies its position by being Asia's largest REIT by area at around 33 mn sq ft. Through the offering, Embassy REIT mopped a total of INR 4,750 crore (USD 678 mn).

"We are very excited with this over-subscription as it culminates the efforts of our members. As an industry association representing the APAC region, we were able to share the best practices and investments rules around REITs with the Securities and Exchange Board of India (SEBI) to formulate their world-class regulations for REITs and InvITs," said Ms. Sigrid Zialcita, CEO, APREA.

Ms. Zialcita said "APREA helped SEBI connect with the investors before the regulations were notified and for investor outreach thereafter, which helped to alert the international market on Indian REITs."

"We hail the support of the Ministry of Finance and SEBI for recognising the hurdles that were faced by potential REITs and InvITs and for taking active measures to foster it. With Mr. Ananta Barua, Whole-time Member, Securities and Exchange Board of India at the helm, the industry always got a patient hearing and thus, got the best results as you can see with the over-subscription of the Embassy REIT. Mr. Barua always ensured *skin in the game* to protect investors' interests and corporate governance," said Ms. Zialcita.

The industry stalwarts have been upbeat too with Mr S. Srinivasan, Co-Chair APREA India board and Managing Director, Kotak Investment Advisors Ltd. commenting "Congratulations to Embassy REIT as the first REIT IPO in India. The IPO is a great outcome of the relentless efforts of members of APREA in working with the regulators and policy makers to create this new asset class for domestic and global investors."

The International Monetary Fund predicts that India will grow 7.3% in FY19 and 7.4% in FY20 ahead of China. SEBI's creation of a robust REIT framework and the Embassy REIT paves the way for many

international investors to the tremendous opportunities offered by the fastest-growing large economy in the world.

“In the US, REITs invest across 12 real estate property types, including residential, retail, medical facilities, data centers, cell towers, timberland etc. Although nascent, the successful Embassy IPO will help uncover the possibilities of securitization for the Indian government,” said Zialcita.

She further added “From the perspective of long-term patient capital, REITs offer higher income returns than fixed-income investment and are relatively stable through periods of fluctuating economic fundamentals. This will perhaps encourage the Indian insurance companies and pension funds to allocate a greater share to REITs.”

About APREA

APREA is a leading pan Asian trade group that champions the property investment industry across AsiaPac. Our members include prominent pension, insurance and sovereign wealth funds, investment and asset managers, family office platforms, developers and respected service providers.

APREA's focus is cross-border real estate investment across all sectors, styles and all four quadrants. Our goals are to:

- promote real estate as an asset class;
- work with governments to help open-up and expand AsiaPac’s real estate markets;
- assist members connect to cross-border commercial opportunities;
- foster a respected and transparent marketplace; and,
- provide the facts on market trends and performance based on rigorous, independent research.



Please contact:
Ms. Neetu Singh
Country Principal (APREA India)
+91 99875 87550
neetu.singh@aprea.asia