

India Fund Soliciting US Equity

An investment bank in India is courting U.S. investors for a \$300 million opportunity fund that will buy properties in its home country.

IL&FS Group, which is based in Mumbai (Bombay), has tapped placement agent **Presidio Partners** of San Francisco to market Infrastructure Leasing & Financial Services Real Estate Fund 1 to investors in the U.S., as well as in Europe and Asia.

The fund will seek a 25% internal rate of return by investing in office, retail and residential properties throughout India.

Other vehicles are also aiming to take advantage of India's broad economic expansion. Fund operators interested in the market include **West University Capital** of Houston and **India Real Estate Opportunities** of New York. **Blackstone Group** of New York is looking at opportunities there as well.

IL&FS' new vehicle will be managed by vice chairman **Shahzaad Dalal** and managing director **Archana Hingorani**. It will charge a 2% management fee and 20% of carried interest. The fund is anticipated to have an eight-year investment term, including a two-year commitment period. It will use up to 65% leverage, creating buying power of \$857 million. ♦

