

## Phoenix hits \$750m hard cap for Fund V

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*The Hong Kong-based private equity real estate firm has eased past its original \$600m target in a further sign of institutional investor support for opportunistic real estate strategies in Asia.*

Phoenix Property Investors has become the latest Asian private equity real estate firm to be oversubscribed for its latest fund.

The Hong Kong-based firm founded in 2002 by Samuel Chu and Benjamin Lee has raised \$750 million for its fifth opportunity fund, Phoenix Asia Real Estate Investments V. The total is comfortably more than its original \$600 million target and also is the highest amount it has raised since its inception.

The haul met Phoenix' hard cap and it is understood the firm could have raised a meaningfully higher sum. It is also thought that it had been asked whether it would consider removing its traditional 2 percent GP co-investment in order to accommodate further investors, but it declined to do so.

Phoenix has joined a growing list of Asian private equity real estate firms to find themselves oversubscribed in a strong indication that institutional investors are once again backing opportunistic fund strategies following a couple of years of caution. Other managers to have hit or exceeded their hard caps in 2014 include Gaw Capital, Secured Capital, Alpha Investment Partners and Mapletree Investments.

Phoenix, which would not comment on its capital raising, was supported in its effort by placement group Monument Group. The firm raised its capital from more than 20 investors, many of which were returning investors from the firm's prior funds. Investors included public and corporate pension funds, foundations, state endowments, state investment funds and high net worth families. Investors came from Europe, the US and the Middle East.

The 60-staff firm's strategy for the fund is to invest its resources in redevelopment and added-value situations in China, Hong Kong and Taiwan principally. Phoenix has a presence in Japan also but that market is not expected to figure prominently for this fund. The firm is aiming to deliver a 20 percent IRR and

a 2x equity multiple to investors in its fund. Thus far, it has made one investment.