Finance

IN BRIEF

New office investment JV
Regeneration specialist U+I has joined forces with real estate investment firm Colony NorthStar to launch a €300m (£260m) joint venture platform to invest in the London, Manchester and Dublin office markets. The partners will each own 50% of the joint venture.

Laxfield increases loan sizes
Laxfield Group, a real estate debt investment manager, has revealed that it is now able to fund individual loans of up to £100m thanks to an increased allocation of capital for its Laxfield National programme. Laxfield National launched more than a year ago with backing from two institutional investors and initially focused on providing loans of up to £30m.

New CFO at JLL UK
James Gregory has joined JLL UK as chief financial officer following Richard Howling's promotion to chief operating officer. Gregory has joined the firm from business processing company Xchanging, which was recently acquired by Computer Sciences Corporation.

BrickVest targets rapid growth in 2017

Crowdfunding platform sets sights on 'underserved' high-net-worth investors

BY TANYA ASHREENA

BrickVest has set an ambitious target of investing £200m in commercial property deals through its online crowdfunding platform in the next nine to 12 months.

Chief executive Emmanuel Lumineau (pictured) told *Property Week* that 2017 would be a transformational year for the platform, which allows investors to invest as little as €1,000 (£870) in commercial properties acquired by its investment partners, which include Thor Equities, M7 Real Estate and Aerium.

BrickVest was looking to close deals totalling £50m over the next two months and £200m in total over the next nine to 12 months, he said.

The firm, which launched a year ago, said it hoped to ramp up its investment through its burgeoning network of investors, which range from wealthy

individuals and family offices to wealth management firms and small institutions.

"We find that high-net-worth individuals and family offices are a highly underserved segment of the market," said Lumineau.

"They have huge sums of savings, but right now are only able to invest in small deals in their local cities, not bigger projects. Our goal is to give them access to the large deals, which only a few clients have access to."

BrickVest was trying to make the investment process easier for investors, he added.

"We are looking at improving transparency for investors by providing them with written information on all deals and looking at regulations that may impact them."

He cited a €50m property in Berlin managed by Aerium that it offered to investors last year.

"As the information was easy to understand and we provided investors with financial models, the deal was oversubscribed," Lumineau said, adding that returns of close to 20% were a further draw.

Earlier this month, BrickVest appointed Jean Romain Lhomme, former head of Colony Capital Europe, to its board.

UK climbs INREV ranking of most preferred European markets

The UK and France leapfrogged Germany to become the joint most preferred European markets for real estate investment in 2017, a major new survey has found.

Despite the uncertainty surrounding Brexit, the UK was the top pick alongside France in INREV's Investment Intentions Survey 2017, with 74% of investors selecting both markets as target countries.

The survey found that investors and fund managers were planning to invest in a broad range of sectors in the UK.

However, the EU referendum result has affected the attractiveness of the London office market, which fell from first place to fourth in a ranking of investors' most preferred sectors in Europe.

"There were obvious questions and concerns raised about certain markets that have historically been seen as bomb-proof, but this simply reflects the healthy ebb and flow in sentiment that comes with sophisticated investment decision-making," said Henri Vuong, INREV's director of research and market information.

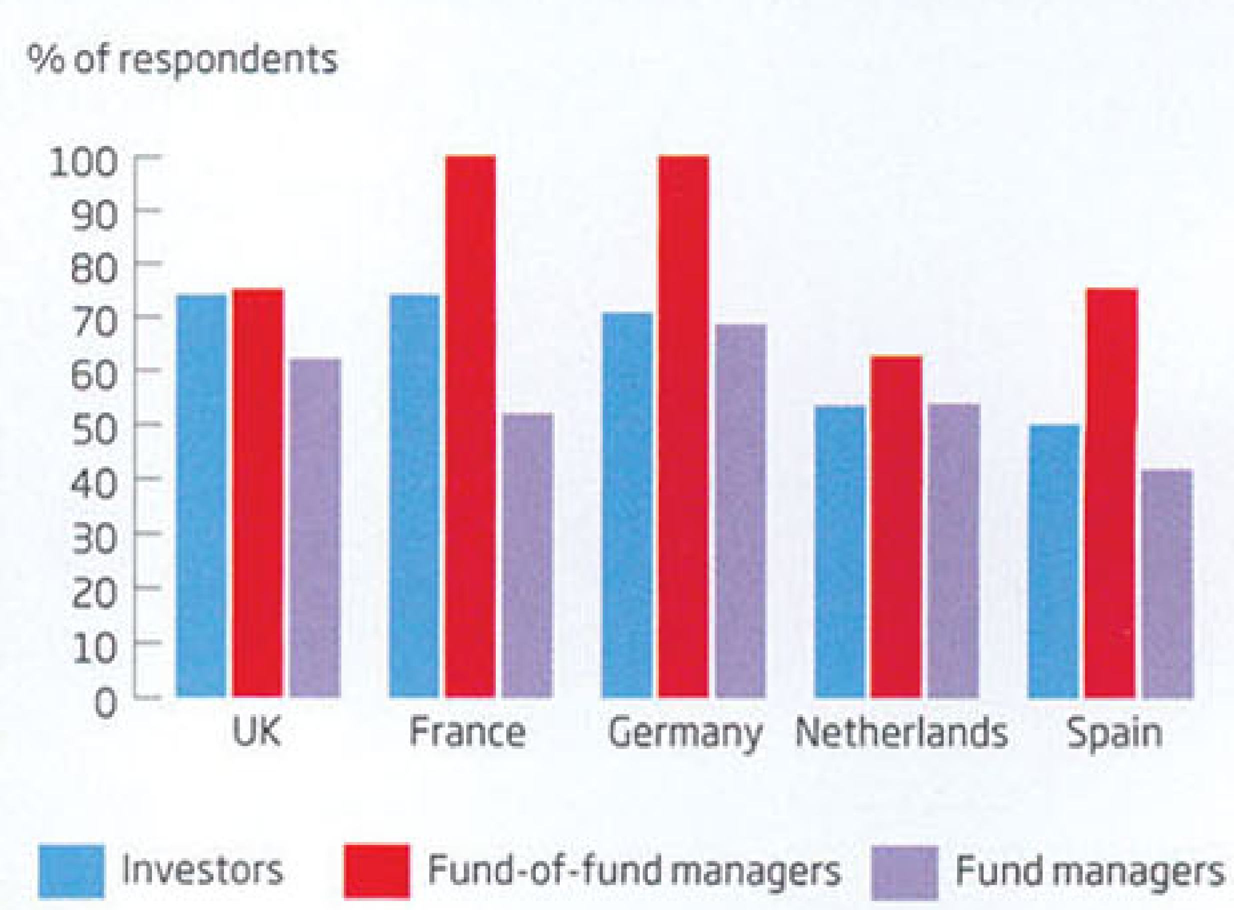
The survey, which was based on the views of 174 investors as well as eight fund-of-fund managers and 108 fund managers, also found that allocations to real estate globally were continuing to increase.

A minimum of €52.6bn (£46bn) of capital is earmarked for investment in global real estate this year, which represents a total average target allocation of 11.5% - up 1.5% on current allocations.

More than half of the investors surveyed said they planned to increase their global real estate allocations over the next two years.

"The rise in capital allocation to real estate investment suggests a robust story for the coming year," said Vuong.

Five most preferred locations for 2017



Source: INREV

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