

## Edelweiss group launches a completion financing platform for housing projects

### Partners with Meritz, South Korean Financial Group for first fund targeted at US \$ 425 million

**November 12, 2019:** The Edelweiss group today announced a partnership between Edelweiss Alternative Asset Advisors (EAAA) and leading South Korean Financial services conglomerate Meritz Financial Group, to launch the first fund of the financing platform, set up by Edelweiss. The platform will house funds that will buyout existing residential real estate loans and provide requisite completion financing to good quality, commercially viable projects. The funds within the platform will be managed by Edelweiss's Alternative Asset Management business.

The first fund of this platform is targeted to be of US \$ 425 million. The platform is targeting to raise \$ 1 billion, primarily from similar International Institutional investors, over the next 12 months.

Listed in the Forbes top Global 2000, 2019 list, the Seoul headquartered conglomerate, Meritz Financial Group, has been a pioneer in real estate investing in Korea. It is renowned for its understanding and proven expertise in real estate investment, both in Korea and globally. This particular transaction marks their first investment in the Indian residential real estate sector.

EAAA, India's largest alternative asset management platform at US \$3.6 billion, is a specialist in providing high quality credit/yield based investment opportunities and strategies to international institutional investors as well as domestic investors and UHNI families. India is increasingly being seen as an attractive market for credit, especially in areas of Performing Credit, Distressed Credit and Real Estate credit.

This fund will combine the expertise of international investors like Meritz with the robust Edelweiss real estate practice, that has a strong credit investment track record, as well as proven on ground monitoring, project management & completion capabilities. Edelweiss has successfully turned around several projects across major metros, ensuring project completion.

One of the key objectives of the platform is to identify and invest in commercially viable, good quality projects and help them with financing and project management skills necessary for successful completion and delivery of homes. This will unlock value for both home buyers and lenders and is expected to create a virtuous cycle in the real estate sector, which is the second largest employer in India. The resultant boost to real estate dependent industries like steel, cement, iron as well as allied ancillaries, including small scale industries is expected.

The partnership between Meritz and EAAA, is aligned with the government's intent to support the residential real estate sector in India, with the recently announced INR 25,000 crore allocation to Alternative Investment Funds for last mile financing for middle income and affordable housing projects. Newly released data from property consultants JLL indicates a 59% increase in residential housing sales in the last 9 months of 2019, over that of 2017, pointing to an uptick in housing demand, a trend that is expected to continue with benign interest rates.

Press Release: Edelweiss group partners with Meritz  
November 12, 2019

While Mumbai saw sales increase by 23% in the first three quarters of 2019, over the same period in 2016, Pune and Hyderabad witnessed an 8.3% and 74% jump in sales, respectively.

**Edelweiss group, Chairman & CEO Mr Rashesh Shah said,** “We are confident that this platform will expedite the delivery of finished homes to the Indian market, by channelling patient capital to sound projects. A thriving real estate sector is important for the economic well-being of India, especially for the jobs it can directly generate, and for the many small businesses that thrive alongside it. We are excited that in a small way, Edelweiss will be able to aid in its revival, by helping good projects get timely access to global expertise and financing.”

**Meritz Securities Managing Director, Mr Alex Choi stated,** “We are enthusiastic about our partnership with Edelweiss, because of their strong governance track record, proven expertise in real estate financing, backed by strong operating and project management capabilities.”

For Edelweiss, this partnership with Meritz is the first with an Asian Institutional investor. In recent months, apart from attracting marquee investors in its private credit funds, Edelweiss has also partnered with large global institutional investors like CDPQ, one of Canada’s largest pension funds in its credit business, US based Kora management in its Investment Advisory business, and Arthur J Gallagher in its Insurance Advisory business.

#### About Edelweiss group

The Edelweiss group is one of India's leading diversified financial services companies, providing a broad range of financial products and services to a substantial and diversified client base, that includes corporations, institutions and individuals. Edelweiss' products and services span multiple asset classes and consumer segments, across domestic and global geographies. Its businesses are broadly divided into Credit Business (Retail Credit comprises of Retail Mortgages, SME and Business Loans; Corporate Credit), Advisory Business (Wealth Management & Capital Markets, Asset Management, Asset Reconstruction) and Insurance (Life and General Insurance). Edelweiss Group has a pan India presence with a global footprint extending across geographies, with offices in New York, Mauritius, Dubai, Singapore, Hong Kong and UK.

#### About Meritz Group

Meritz Financial Group is a South Korea-based asset management company. The group is ranked amongst the top 1400 companies in the Global Forbes List and has presence across Securities, Fire & Marine Insurance and the Asset Management industry within financial services. Through its subsidiaries such as Meritz Fire & Marine Insurance CO, it is engaged in the property and casualty insurance business. Its other subsidiaries are engaged in the securities brokerage business and finance investment business, provision of integrated computer system services and credit finance services.

**Edelweiss Social media handle:**  @EdelweissFin |  [Linkedin.com/company/edelweissfin](https://www.linkedin.com/company/edelweissfin)



[edelweissfinancialservicesltd](https://www.facebook.com/edelweissfinancialservicesltd) - #Edelweiss #Meritz #partnership

#### For more details please contact:

##### Divya Malik Lahiri

Head Public Relations,  
Corporate Communications  
Edelweiss group  
Tel: +91 22 4342 8530  
E-mail: [Divya.Lahiri@edelweissfin.com](mailto:Divya.Lahiri@edelweissfin.com)

##### Revathi Pandit

Vice President  
Corporate Communications  
Edelweiss group  
Tel: +91 22 4063 5433  
E-mail: [Revathi.pandit@edelweissfin.com](mailto:Revathi.pandit@edelweissfin.com)