

Business Standard

11th June 2014

http://www.business-standard.com/article/companies/marvel-realtors-to-raise-rs-500-cr-from-pe-players-114061100827_1.html

Marvel Realtors to raise Rs 500 cr from PE players

It has already got external funding to the tune of over Rs 1,100 cr for its ongoing projects

On the back of a booming real estate market in Pune, real estate developers Marvel Realtors is all set to raise about Rs 500 crore from private equity players during this financial year.

Marvel Realtors has already got external funding to the tune of over Rs 1,100 crore for its ongoing projects. With the new fund raising efforts its total external investment will touch Rs 1,600 crore.

“Real estate market in Pune has witnessed rapid growth in terms of residential properties owing to developing infrastructure, employment opportunities, and urban lifestyle. We are developing homes ranging from Rs 70 lakh to Rs 20 crore in Pune. Overall, luxury housing in Pune contributes around 8 per cent of total market which is better than the other cities of India. The private equity players who invested in our projects have got good returns,” said Vishwajeet Jhavar, founder and CEO, Marvel Realtors.

The company is among the few companies that has managed to returns to its investors. Over the last two years Marvel has managed to give full or in some cases partial exit to several of its investors like HDFC Asset Management Company, JM Financial, and US based hedge fund Och Ziff. Others such as hedge fund player Capital First, ICICI Prudential, India Reit (Ajay Piramal Group), and Pracore continue to be invested in the company.

Earlier this year, Och Ziff that had invested Rs 77 crore in 2008 in Marvel’s Zephyr, a luxury residential project in Pune, exited from the same at Rs 250 crore. Och Ziff continues to be an investor in the firms commercial project Edge, where has made investments worth Rs 160 crore in 2009.

The company claims that HDFC Asset Management made three times on equity when it exited from Marvel Omega in 2012. It had invested Rs 55 crore.

Despite not so good exits at project level in the real estate sector Marvel has managed to get PE investments. In 2014, Capital First has invested Rs 130 crore in Marvel’s Edge, a commercial space project.

Marvel Realtors has developed over 24 million sq. ft. of luxury residential, commercial and retail projects across cities, totaling to Rs 14,000 crore under various stages of development. Other than Pune, Marvel is developing projects in Mumbai, Goa and Bangalore.

With good spell in terms of sales and investor confidence, the company also announced its re-branding initiative with a new logo and tagline 'The sensible side of luxury'.

Among Marvel's residential projects in Pune, 25 have been completed, 40 are ongoing and 25 under-launch. This includes six commercial projects in various stages of development in Viman Nagar, NIBM Road, Lulla Nagar and Magarpatta that will offer over one million sq.ft of commercial space for commercial and retail. It has a ratio of 80:20 of residential and commercial space development.

This year, Marvel is delivering around 2,000 residential flats to its customers which is highest ever by any city developer says Jhavar.

According to Cushman & Weikfield's research report, in the year 2013, overall PE investments in Pune were Rs 1,460 crore, recording an increase of over four times from 2012 driven primarily by investments in leased office assets.

The report also points out that the total inflows from private equity funds in the real estate sector for 2013 was recorded at Rs 7,000 crore (\$1.1 billion), an increase of 13 per cent compared to 2012.

Marvel Realtors to raise Rs 500 cr from PE players

It has already got external funding to the tune of over Rs 1,100 cr for its ongoing projects

Hrishikesh Joshi | Pune June 11, 2014 Last Updated at 20:57 IST

Like 0 Tweet 1 +1 0 Share 0 Share Add to My Page

Read more on: Pune | Pe Investments | Real Estate | Marvel Realtors

RELATED NEWS

- Marvel Realtors to raise Rs 500 cr from PE players
- Bangalore's real estate tops PE investments
- A snapshot of PE activity & deals
- Slump fails to dampen spirits of realtors
- Realtors embrace new technologies to cut costs

On the back of a booming [real estate](#) market in [Pune](#), real estate developers [Marvel Realtors](#) is all set to raise about Rs 500 crore from private equity players during this financial year.

Marvel Realtors has already got external funding to the tune of over Rs 1,100 crore for its ongoing projects. With the new fund raising efforts its total external investment will touch Rs 1,600 crore.

"Real estate market in Pune has witnessed rapid growth in terms of residential properties owing to developing infrastructure, employment opportunities, and urban

lifestyle. We are developing homes ranging from Rs 70 lakh to Rs 20 crore in Pune. Overall, luxury housing in Pune contributes around 8 per cent of total market which is better than the other cities of India. The private equity players who invested in our projects have got good returns," said Vishwajeet Jhavar, founder and CEO, Marvel Realtors.

Quick Links

Companies Overview

Go

LATEST NEWS

All News In this section

- 5 things to know about Infosys CEO Vishal Sikka
- Tea Stocks brew gains amid unpredictable monsoons
- Vishal Sikka is Infosys' CEO & MD pick
- Pre-market: Five stocks to be in focus
- Wall St falls after World Bank cuts global growth forecast
- Rajat Gupta loses bid to stay out of prison
- Subsidy reforms on cards
- Engineering, refinery products push exports 12%
- PM for shift from 'scam India' to 'skill India'
- India's pvt wealth to rise 150% by 2018: Study

MOST POPULAR

Read Shared Commented

- 5 things to know about Infosys CEO Vishal Sikka
- Football World Cup victors dribble past world markets but only for a while
- SBI subsidiaries hit 52-week high on merger