

\$100m fund to promote housing

By A Staff Reporter

MUSCAT — Global Omani Development and Investment Company SAOC (GLOREI), a leading developer in Oman, and Capitas Group International (CGI), a well-known Jeddah-based management and advisory firm providing financial solutions for the housing and SME sectors, yesterday announced that they had entered into a series of agreements to establish a \$100 million fund to promote middle income housing developments in the Sultanate.

Under agreements entered

into by the companies, GLOREI will be the founding investor and key sponsor of the fund and CGI will provide product development, administrative and lead advisory services to the fund.

Using an innovative mezzanine structure, the fund will target middle market housing sector in Oman by investing in the construction of new housing projects.

CGI's interest in working in the Omani housing sector is based on the Sultanate's growing need for housing, especially among customers in the medium and lower income

segments.

Naveed Siddiqui, CEO of Capitas Group International stated, "We are extremely excited to work with GLOREI on this innovative project. Oman needs housing solutions that cater to a young, rapidly growing population.

"I am confident that the expertise and entrepreneurial mindset of our Real Estate Management and Advisory (REMA) team will help to launch a platform and product that is specifically catered to support the development of additional housing supply in the Sultanate." ■ To page 4

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Mohammed al Ghassani, CEO of GLOREI stated, "The launch of this fund is an integral part of the development plan that GLOREI has established for the mid-term future.

"Moreover it is in line with the company's mission to enhance the community and contribute to the development of the nation by serving the needs of our growing mid-market segment. In the end a project's success comes down to proper execution and that is why we have chosen to work with a trusted partner in CGI to launch this fund."

Formed in March 2008, Muscat-based GLOREI is Oman's largest private real estate development company. The com-

pany's real estate developments include industrial, commercial, hospitality, mix use, retail and residential projects.

The architecture and design of its projects vary and have contemporary, traditional or a mix of both elements. GLOREI's business venture and investment arm taps into a host of carefully selected real estate asset types within the Sultanate.

CGI is a subsidiary of the Islamic Corporation for the Development of the Private Sector (ICD), a member of the Islamic Development Bank Group (IDBG). The company's mandate is to develop housing and SME sector platforms by working with both private and public sector institutions within the OIC (Organisa-

tion of the Islamic Conference).

CGI's Real Estate Management Advisory Team (REMA) emphasises a pragmatic approach based on extensive experience launching and managing multiple real estate sector platforms and working with regulators, government institutions, and the private sector.

Oman's GDP has been growing continuously since 2005 at an average of 6 per cent annually. The real estate sector will benefit the government's investment in tourism and industrial zones which will generate a need for additional housing.

The GCC recently pledged a grant of \$10 billion to be released to the Sultanate over the coming 10 years for housing and infrastructure projects in the country.