

 Early Warning System

IFC-50449

Brookfield REIT



Quick Facts

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|-------------------------|---|
| Countries | India |
| Financial Institutions | International Finance Corporation (IFC) |
| Status | Approved |
| Bank Risk Rating | B |
| Voting Date | 2024-12-03 |
| Borrower | Brookfield India Real Estate Trust |
| Sectors | Industry and Trade |
| Investment Type(s) | Equity |
| Investment Amount (USD) | \$ 99.78 million |
| Project Cost (USD) | \$ 413.32 million |



Project Description

According to the Bank's website, Brookfield India Real Estate Trust (BIRET) is an institutionally managed office real estate investment trusts, comprising a portfolio of ten Grade A office assets and a mall. These assets cover a total operating leasable area of 24.3 million square feet across key business districts in India. BIRET was listed on Indian exchanges in February 2021. IFC has invested INR 8,350 million by subscribing to units of BIRET through the recently concluded Institutional Placement under the SEBI REIT Regulations ("QIP"), the proceeds from which shall be utilized for the partial or full prepayment or repayment of the outstanding borrowings of BIRET and companies held by it and general purposes including towards funding growth opportunities and strategic initiatives and acquisitions or such other objects as may be set out in the placement document.



Early Warning System Project Analysis

This is a Category B project according to IFC's Environmental and Social Sustainability Policy, 2012. This is because the Project entails mostly operational assets and one ongoing brownfield development at Kolkata. The key E&S risks and issues associated with this Project include: company's E&S management system and organizational capacity to identify and manage E&S risks and impacts, including stakeholder engagement and grievance redressal mechanism, labor compliance and working conditions, energy and water consumption, and life and fire safety ("L&FS")



Investment Description

- International Finance Corporation (IFC)

BIRET has raised INR 35,000 million of equity funds through the QIP. Out of this, IFC has made an equity investment of INR 8,350 million, resulting in IFC holding about 5 percent stake in BIRET. The immediate use of the proceeds will be for debt paydown and general corporate purposes as set out in the placement document. BIRET's Sponsor group provides access to c.26 million square feet of high-quality office assets in places like Bengaluru, Chennai, Hyderabad, and Pune. A lower leverage is expected to create headroom for future acquisitions and support BIRET's long-term strategy of acquiring stabilized, income-generating office assets and funding capital expenditures to upgrade its existing portfolio.

IFC's Investment as Approved by the Board: Equity 99.78 million (USD)



Private Actors Description

Brookfield India Real Estate Trust - BIRET is managed by *Brookprop Management Services Private Limited* (“Investment Manager”), and the trustee is Axis Trustee Services Limited. BIRET is sponsored by BSREP India Office Holdings V Pte. Ltd. (Sponsor”), an affiliate of Brookfield Corporation (“Brookfield Group”). The Investment Manager and BIRET are part of Brookfield Group. Brookfield Group is a global alternative asset manager with a presence in real estate, infrastructure, renewable energy, and private equity with an AUM of US\$272 billion in real estate (over 500 msf) as on September 30, 2024. In India, Brookfield Group has an AUM of approximately US\$10 billion in real estate as on June 30, 2024. Its Indian office real estate business has a diversified portfolio of ~55 msf of assets in 10 cities, including BIRET portfolio of assets. BIRET is listed on the Indian stock exchanges. Brookfield Group owns ~40 percent shareholding in BIRET, and other investors own the remaining ~60 percent as on September 30, 2024.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|----------------------|------------------------|----------|---|----------------------|------------------------|
| - | - | - | - | Axis Trustee Services Ltd. | Investor | - |
| - | - | - | - | Brookfield Corporation | Parent Company | - |
| - | - | - | - | Brookprop Management Services Private Limited | Client | - |



Contact Information

Brookprop Management Services Private Limited (on behalf of Brookfield India REIT)

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<https://www.brookfieldindiareit.in>

ACCESS TO INFORMATION

You can submit a request for information disclosure at: <https://disclosures.ifc.org/#/inquiries>

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org>



Bank Documents

- [Environmental & Social Review Summary \(ESRS\)](#)