GII officially launches GCC’s first monthly dividends REIT, out of DIFC, Dubai

IPO of GII- REIT, targeted for second quarter 2018

Initially the REIT will be open to sophisticated investors.

Dubai: 21st December 2017

Gulf Islamic Investments (GII) is pleased to announce the official launch of its unique Shariah compliant real estate investment trust (REIT), under the name of “GII Islamic REIT (CEIC) Ltd”, registered in Dubai International Financial Centre, which is being managed by Gulf Islamic Investments (DIFC) Limited. Both the REIT and the “Manager” are regulated by the Dubai Financial Services Authority (DFSA).

The CO - FOUNDER/CEO of GII, Mohammed Al-Hassan mentioned, “Our sole focus is to maximize annual dividends for the investors and pay these on a monthly basis, once the REIT has on-boarded enough assets.”. He added, the REIT expects to on-board some USD 200 million of assets, negotiations for which are nearing conclusion, and another USD 300 million to USD 500 million prior to the IPO of the REIT, targeted for second quarter 2018, with listing on Nasdaq Dubai, once necessary approvals are in place. Al-Hassan added, we have also kept flexibility to invest up to 40% of the REIT assets in UK, US or Germany, if the investment case is strong enough, but for now, almost all investments targeted will be UAE focused.

Pankaj Gupta, CEO-UAE GII group and Executive Director of GII Islamic REIT, explained why the GII group thought of the monthly dividends concept and the rationale behind pioneering this trend in GCC. “The monthly dividends concept is widely prevalent in developed markets and there is no reason why it should not flourish in GCC as well. The REIT collects its rental income 3 months in advance in most cases so there is no reason to sit on the cash for 3 months, which is why we have decided to pay out dividends monthly.”

Pankaj added, “we are keen to uphold the values of Islamic Investing at all times, and to come up with products and ideas that differentiate us from rest of the market”.
Omar Mirza, the CEO of Fund Manager of GII Islamic REIT (CEIC) Ltd, reiterated the need for monthly dividend products in the GCC and why a REIT is a perfect vehicle to select towards this end. “There are billions of dollars sitting in current accounts of Islamic Banks in GCC, for the simple reason investors can’t find decent enough Islamic monthly dividend products to invest in. If they do come across some monthly dividend products, they tend to be more volatile in nature and built around global equities or fixed income instruments, that many GCC investors are not quite comfortable with. With Real Estate, everyone understands it easily and knows there is some tangible, easily identifiable asset they are investing in, without any complex instruments, such as derivatives etc being employed in managing of the strategy.

About Gulf Islamic Investments LLC
Gulf Islamic Investments LLC (GII) is a UAE-based financial services company regulated by the Emirates Securities and Commodities Authority (ESCA). Gulf Islamic Investments is committed to providing advisory to a diverse set of unique and well-structured investment opportunities to its clients, with a view to achieve superior returns in the fields of real estate, private equity, venture capital and infrastructure. Under the leadership of a committed group of prominent shareholders and investors, GII’s team enjoys a track record of managing US$2.5 billion in assets and securing US$5.5 billion in debt.

The origin of GII comes from UNFC, which was established in 2004 and rebranded in May 2014

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