

Frogmore closes Fund III above target on £377m

Published: **30 June 2015**

By: **Thomas Duffell**

The London-based real estate investment manager garnered capital from Asia for the first time as it exceeded its initial £350 million target.

Frogmore, the London-based real estate investment manager, has held a £377 million (€530 million; \$592 million) final close on its third fund – Frogmore Real Estate Partners III.

The firm, which held an initial close between £90 million and £100 million for the fund back in September 2013, beat its original target of £350 million, in part due to expanding its investor base.

Frogmore was able to attract capital from North America, Europe, the UK and for the first time, Asia, with two Singaporean investors.

“We were conscious that capital was coming from that part of the world and we were delighted to diversify our investor base,” Jo Allen, chief operating officer at Frogmore told PERE.

The firm engaged placement agent Odyssey Partners to aide its fundraising in Asia, and also hired placement agents Triton Pacific Capital and First point Equity to cover the North American and European markets respectively.

The investment strategy of Fund III will be in line with Frogmore’s previous two funds focusing on value-add properties across a range of sectors, targeting IRRs in the mid-to-high teens and an equity multiple of 1.8x.

The firm has already made a string of investments using Fund III capital, the most recent being a £215 million investment in a London residential complex called Notting Hill Gate Estate, from The Pears Group in a joint venture with LaSalle Investment Management.

Frogmore purchased the freehold estate, which totals approximately 171,000 square feet of retail, office and residential accommodation; arranged across four blocks. The estate, which is situated in the Royal Borough of Kensington and Chelsea, sits prominently on both the north and the south side of Notting Hill Gate.

The firm has also used Fund III capital to acquire: West One Retail Park, Eccles, Manchester; 2 Millharbour,

London Docklands, and an office led refurbishment project in Holborn, London.

© PEI Media Ltd. All rights reserved.

Content on this site may not be reproduced, distributed, transmitted, displayed, published or broadcast without the prior written permission of PEI or in the case of third party content, the owner of that content. You may not alter or remove any trademark, copyright or other notice from copies of the content. You may download material from this site (one machine readable copy and one print copy per page) for your personal, non-commercial use only.