

LimeTree car park fund oversubscribed at \$339m

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The Hong Kong-based firm moved its hard cap to accommodate investor demand after 18 months in the market.

LimeTree Capital Partners, a private equity real estate firm launched by former Deutsche Asset Management Asia chief executive James Goulding, has closed its first car park fund above its hard cap, according to a company spokesman.

Originally launched 18 months ago, the vehicle had an initial fundraising target of \$300 million and a \$325 million hard cap, but ultimately managed to bring aboard \$339 million. LimeTree held a first close in May 2013 on \$85 million, which was primarily comprised of the firm's existing investors, the spokesman said. Mercury Capital Partners acted as placement agent on the fund.

Investors in the fund's final close comprised US institutions, endowments and European family offices. About 60 percent of the investors were US-based and about 25 percent were European, with the balance coming from Asia and the Middle East, another source told *PERE's* sister publication *Private Equity International*.

The demand for LimeTree's vehicle was partially driven by investors that were unable to get into the vehicle established by China Resources Capital and Dutch pension fund asset manager APG in February of last year, which collected \$265 million for investing in city car parks in China, the spokesman admitted.

A big distinction between LimeTree's fund and the APG-China Resources fund, however, was that LimeTree simultaneously set up a company to manage and improve the car parks it invests in, called WePark (Huibo) Car Park Management. "Whereas APG and China Resources outsource the management, we are both the investor and the operating company," the spokesman said.

LimeTree has not yet deployed all of its first close capital, the spokesman said, but has already closed several deals and has a "large pipeline" to work through. Focusing on both the acquisition of existing car

parks as well as development and management, the fund has a 10-year life and the firm is targeting returns of 20 percent overall.

LimeTree was founded in 2006 to focus on “under-researched asset classes” in Asian property, and now has \$900 million of capital committed across two strategies: the China car park fund and its Asia beachfront funds. Its \$341 million Emerging Asian Beachfront Land Fund II was closed in 2009, and according to the spokesman LimeTree is expecting to raise another fund for the same strategy. The timing of Fund III, however, has not been set.