

# **New Islamic fund targets SE Asian property**

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*by News Desk*

Asian Finance Bank, one of three foreign Islamic lenders in Malaysia, is launching a US\$500 million fund to invest in real estate projects in Southeast Asia, according to the bank's vice president for asset management Mohd Zamri Shariff.

The bank, owned by Qatar Islamic Bank, RUSD Investment Bank Inc. of Saudi Arabia and Global Investment House of Kuwait, has indicated it will invest in budget hotels in Malaysia, Thailand, the Philippines and Indonesia.

The bank would also refurbish so-called class B and C office buildings and upgrade them to high-end office spaces, said Shariff in an interview with Reuters.

"We are looking at some undervalued properties in Kuala Lumpur and the ASEAN region. This will be our first Asian fund that will be invested solely in real estate development."

The bank plans to raise the bulk of the US\$500 million capital from investors in the Middle East, including the United Arab Emirates and Saudi Arabia.

"Even if oil prices have fallen, there is no liquidity issue in the Middle East. They are still looking to invest their petrodollars," said Shariff.

The fund is due to launch early next year.