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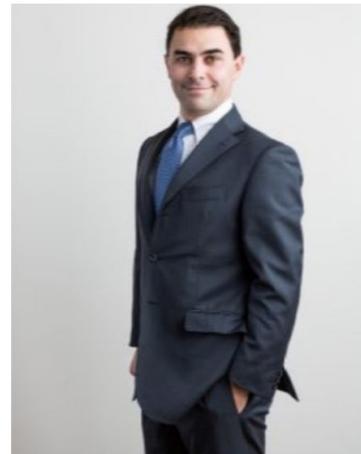
Banor: “For large portfolios it’s time to rediscover real estate”

by Luigi dell'Olio

After a long adjustment period, real estate could again provide some serious satisfactions. The asset class merits consideration by investors holding large portfolios, such as private banking clients. That’s the view of Lorenzo Guidi (in the photo), manager of the Banor Special Situations fund (Banor Capital).

At a time of uncertainty for the main asset classes, what role can real estate play in high net worth investors’ portfolios?

We believe property could play an important role, especially if investors have the opportunity to buy prime real estate with a high potential to grow in value, at lower-than-market prices. That’s precisely what Banor Special Situations aims (and has already begun) to do. The fund is mainly focused on the Italian market: there’s a great deal of beauty in Italy, and massive opportunities that are just waiting to be discovered.



What’s the distinguishing feature of your fund with respect to other products on the market?

We believe it’s an extremely interesting product because it allows us to position ourselves above the level normally reached by private investors and below the level where the big foreign funds invest.

We’re concentrating on a “low-traffic” market segment, with individual transactions ranging from 1-2 million and 15 million euro, and on individual positions (lending and/or buildings). We’re not taking part in bidding situations to acquire portfolios, mainly because they tend to be very competitive but also, and above all, because the approach of Banor Special Situations is to study each position individually. That way we have a clear and precise action plan – both a growth and an exit strategy – when we make the investment. Lastly, another distinguishing feature is that we remain focused on high-quality assets in prime locations: we believe they provide greater liquidity in the exit phase (thanks also to foreign purchasers) and greater potential to increase in value.

Which distribution channels do you use?

The fund has been distributed directly to a number of qualified and professional investors and will have three years to invest the capital collected.