

Rudrabhishek Enterprises Ltd gets SEBI nod for small and medium REIT, to be named ImpactR SM REIT

By [HT Real Estate News](#)

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Rudrabhishek Enterprises Ltd receives Sebi approval for small and medium REIT (Representational photo)(Pexels)

Infrastructure consultancy Rudrabhishek Enterprises Ltd (REPL) has announced that it has received approval from markets regulator Securities and Exchange Board of India to register a small and medium real estate investment trust (SM REIT), the second such application approved by the regulator since notifying rules for the upcoming segment earlier this year.

The new SM REIT, under the name ImpactR SM REIT, will have REPL as its investment manager. The consultancy is listed on the small and medium-scale enterprises platform on the National Stock Exchange.

"Receiving the SM REIT registration is just the beginning. We are excited to announce that we will soon be launching our first IPO under ImpactR SM REIT. Moving forward, we plan to expand beyond traditional residential and commercial assets, introducing diverse asset classes such as warehousing, hospitals, hotels, and industrial spaces," said Pradeep Misra, CMD, REPL.

Earlier this year in August, Property Share became the first fractional ownership platform to receive the license from Sebi under the name of Property Share Investment Trust. It is yet to be listed on the exchanges.

"Since SM REITs are within the ambit of well-regulated provisions of Sebi, this will boost the confidence of investors from all segments including the HNIs, NRIs and institutional investors," Misra said, adding that since REPL is amongst the first two companies to get registration for SM-REITs, the first mover advantage will work in its favor in terms of attracting interest of the developers, property owners and the investor class.

In March 2024, Sebi notified the SM REIT regulations to bring FOPs within the regulatory framework as a subclass within the REIT regulations for assets valued between ₹50 and 500 crore. Similar to REITs, SM REITs are fully regulated by Sebi with units of each of the schemes listed on the stock exchanges.

What is fractional ownership?

Fractional ownership permits individual investors to co-own commercial or residential assets as an alternative investment. Properties can be acquired through special purpose vehicles or through private limited companies.

The potential SM REIT market size in India is expected to exceed \$60 billion by 2026, according to a recent report of property consultancy CBRE.

According to the consultant's estimates, the potential market for SM REITs in India is over 300 million square feet of completed commercial office space, with an additional 50 mn sq ft expected to be completed by 2026.

As per CBRE, the total completed office stock in India currently stands at over 800 mn sq ft, out of which REIT-listed office inventory is recorded at over 88 mn sq ft.

REPL has undertaken assignments across segments such as residential, commercial, group housing and integrated township projects, hospitals, hotels and recreational facilities, among others. The company has also provided consultancy services for many of government of India's flagship programs such as Smart Cities, PMAY and AMRUT.