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The real estate sector continues to grow offering some of the best prospects for high profits.

SUCCESS IN BRICKS AND MORTAR

Sorgente SGR is expanding its assets in Manhattan and the Soho area of New York

It is known that it's worth investing in bricks and mortar. Property ensures yields that can be among the most advantageous. In this atmosphere of certainty, in November 1999 Sorgente SGR was founded. Then, following a decision issued by the Governor of the Bank of Italy on 30 January 2001, it was authorized to manage savings funds and today is the undisputed leader specializing in property investment funds. The business formula developed by the main shareholder and CEO, Valter Mainetti is based on a close knowledge and experience in the sector backed by the indispensable professional qualities of active partners and collaborators in the financial, managerial and administrative fields. The company's savings management activities actually took effect from December 2001 with the establishment of the Michelangelo Fund. It was the first closed property fund reserved for institutional investors and had an initial capital of 105 million euros with a minimum objective yield of 6.5%, which, at the close of 2006 had appreciated by 76.58%. It's a success that accompanies that of the Caravaggio Fund with similar features to the Michelangelo but also open to private investors. The Rafaello and Donatello Funds are the other savings funds set up and managed by Sorgente SGR both aimed at professional institutional investors. Sorgente's future plans include the Tiziano Property Fund, an open fund that will invest in shares of quoted companies operating in the real estate sector in Italy and abroad. In the course of 2005, an agreement was signed with the Baglioni Group, one of the oldest and most prestigious hotel management companies. With the purchase of four of the chain's luxury hotels in France, the thirty-year Baglioni Mutual Fund was set up with assets of 105 million euros.

“Looking abroad is important today,” Mainetti explains, “Property funds in Italy are no longer able to find the right opportunities and profitability which allowed them to grow over the past eight years.” This is why the savings management company's investments are now oriented towards other markets, especially the United States. The Michelangelo Real Estate Corporation, which belongs to the group has in fact purchased important majority stakes in the two most famous skyscrapers in Manhattan: the Chrysler Building and the Flatiron. More recently it has purchased a block in the Soho area of New York where, following careful renovation that will raise its value, it will create ten luxury loft apartments. Sorgente SGR's total property equity amounts to 1.2 billion euros but business dealings offer the promise of a significant increase in the near future.