

SECONDARIES FUND SECURES LP BACKING

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EMEA

Sector: Environment
Power
Renewables
Social Infrastructure
Telecommunications
Transport

Country:  United Kingdom
 Switzerland

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Author: Dermot McCloskey



Print article

Stafford Capital Partners (SCP) has held a fourth close of its second infrastructure secondaries fund with EUR 200m in commitments.

In an online statement on Monday (18 September), the asset manager said the European Investment Fund was the latest to back Stafford Infrastructure Secondary Fund II (SISF II). The commitment is understood to be in the region of EUR 16m.

The European Investment Fund, owned by the EIB, the EU and various EU financial institutions, invests as a fund-of-funds and through banks, and targets investments ultimately in small and medium sized enterprises.

Launched in June 2016 with a fundraising target of EUR 250m, SISF II is expected to hold a final close above this before year-end, sources said.

It is understood that Jasmin Capital and a number of other placement agents are advising on the fundraise, while Wedlake Bell (UK), Glaser Weil (USA) and Sparke Helmore (Australia) are providing legal advice.

The fund has a 10-year term with two possible one-year extensions, and will invest over three years in yielding infrastructure funds, mainly in Europe.

The fund will predominantly acquire LP interests on the secondary market, but can also commit to primary fundraisings where the underlying fund is substantially invested.

The fund is understood to be targeting a net IRR of 8-10%

Earlier this year, SISIF made its third investment, acquiring an original LP commitment of EUR 5m in [Macquarie European Infrastructure Fund II \(MEIF II\)](#) from Finland's [Ab Kelonia Placering Oy](#) for less than EUR 10m.

While in March it invested EUR 18.5m to acquire a EUR 14.39m LP interest in [RREEF Pan-European Infrastructure Fund I](#) from French insurer SCOR.

Its first investment, in July 2016, was in the 3i Infrastructure-managed [BIIF LP](#).

That transaction saw SISF II invest GBP 25m alongside GBP 73.43m from eight co-investors to acquire Barclays' original GBP 100m LP interest in the fund.

Co-investment came from [Pantheon Ventures](#)-managed vehicle [Migros-Pensionskasse](#) and SCP's first secondaries fund, [Stafford Infrastructure Secondaries Fund \(SISF I\)](#).

According to the latest available annual accounts for [Stafford Capital Partners](#), the fund's investment in [BIIF LP](#) was at an effective discount of 23.6% to its 31 December 2015 net asset value (NAV). As of 30 June 2016 the transaction represents a 1.18x total value of paid in (TVPI) to SCP. Post-completion the manager made a EUR 4m recallable capital distribution to investors.

In 2014, SCP acquired the management of USD 700m of assets from Macquarie including the EUR 66m [SISF I](#) and multiple sustainable capital and venture capital funds.

As of 30 June 2016 [SISF I](#) had posted a IRR of 11% since inception, distributions to paid in (DPI) of 0.29x and TVPI of 1.28x.

SCP charge management fees of 0.75% on committed capital during the investment period and 0.75% on net committed capital thereafter.

[Stafford Capital Partners \(SCP\)](#) declined to comment.

Investor Profile

[Stafford Infrastructure Secondaries Fund II \(SISF II\)](#) FUND

 USA | Unlisted | Closed-ended | Equity fund

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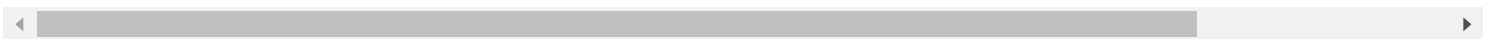
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