



Heng Fai Enterprises Limited
恒輝企業控股有限公司
Hong Kong Stock Exchange: 185

Heng Fai Enterprises Ltd. – AHR Secures US\$5.0M loan from Blackstone to Grow REIT AUM

HKSE-Listed Heng Fai Enterprises' U.S.-Listed Housing REIT Subsidiary Secures US\$5.0M Loan From Blackstone

Hong Kong / Maryland, U.S.A, 16 January 2015 – Hong Kong Stock Exchange-listed **Heng Fai Enterprises Ltd.** (“HFE” or the “Company”) announced today that its U.S.-listed subsidiary, American Housing REIT Inc. (“AHR”, *Stock Code – ONTG:OTC*), has secured US\$5.0 million debt funding from a subsidiary of leading global investment and advisory firm, Blackstone Group L.P (“Blackstone”).

AHR will use the two-year loan from B2R Finance L.P. (“B2R”) to grow its portfolio of single family rentals (“SFR”) in the United States.

AHR – 99.8%-owned by HFE – currently owns over 100 SFRs in and around Houston, Texas, U.S.A., and plans to invest net proceeds of US\$4.4 million within 60 days of the loan to acquire more SFRs. The increase in portfolio size will accelerate its migration plans to the NASDAQ main market.

B2R was established by Blackstone in November 2013 to provide financing to smaller firms in the U.S. SFR industry and establish the SFR asset class within the real estate investment landscape.

AHR is one of two U.S.-listed REITs seeded by HFE. The REITs consistently generate higher-than-average annualised dividend yield in excess of 8%. Via an U.S.-based REIT management subsidiary, HFE will also earn recurring management fees of 1.5% to 2% of the REITs’ assets under management and performance incentives.

Apart from AHR, HFE also controls 99.5% of Global Medical REIT Inc. (“GMR”) (*Stock Code – GMRE: OTCQB*) that owns high-acuity medical facilities in Omaha, Nebraska, and Asheville, North Carolina, U.S.A. Both REITs have been consistently distributing quarterly and monthly dividends with annualised yields in excess of 8%, respectively, since April and July 2014.

HFE’s Managing Chairman, Mr. Chan Heng Fai, said, “The loan secured with Blackstone underscores the confidence that major financial institutions have in the growth strategy of our REITs. The funds will accelerate our acquisition pipeline which will allow us to achieve economies of scale for HFE to derive meaningful management income and enhance shareholder value. We hope to work with Blackstone and its subsidiaries again in the future and accelerate plans to migrate both REITs to the NASDAQ market.”

End of press release

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

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About Heng Fai Enterprises Ltd.

Listed on the Hong Kong Stock Exchange since 1972, Heng Fai Enterprises Limited (“HFE” or the “Company”) is led by directors with strong finance and property experience, as well as an established track record in Wall Street, Hong Kong and Singapore. The Chan family has majority control of the Company’s share capital base.

Any forward-looking statements contained in this press release are based upon AHR and GMR’s current assumptions and expectations concerning future events and financial performance and are made pursuant to the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such statements are subject to significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those reflected in such forward-looking statements.