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Business
AMP Capital eyes $2bn registry deal - DATA ROOM

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AMP Capital is believed to be weighing entering the fray to buy Victoria's land titles and registry business, expected to be worth about $2 billion.

Cheung Kong Infrastructure is also believed to be in the UBS-advised sale process, with some thinking Morgan Stanley is working as its adviser.

Morgan Stanley has a past relationship with the Hong Kong-based infrastructure investor, advising on its $7.5bn takeover bid for Duet Group.

AMP Capital, which has $187.7bn of assets under management, is not thought to have yet joined a consortium, but the business on offer fits its infrastructure investment profile.

Should AMP enter the contest, it will also join Cbus and First State who are bidding for the state-owned operation, along with IFM and Macquarie Infrastructure and Real Assets in partnership with Sunsuper.

Prospective bidders are working through the information memorandums out in the market for the land titles business and indicative offers are due towards the end of this month.

The action surrounding the Victoria Land titles is heating up at a time bidders for the $16.8bn WestConnex motorway scheme continue to work towards submitting final offers for a half share in the company that owns the Sydney project by July.

Four parties are through to the final stages of the contest, including a Transurban-led consortium, Cintra with Plenary and its backers, IFM, which is potentially partnering with Dutch pension fund APG, and Cimic.

Cimic, backed by Spain's ACS, is generally considered the wildcard in the competition.

It is understood to be looking for other equity backers to progress in the sales process run by Goldman Sachs on behalf of the NSW government.

Meanwhile, some discussion among infrastructure investors yesterday centred on the well-flagged change to the tax treatment of stapled structures announced in this week's budget.

The changes that will crack down on the abuse of structures to reduce tax from infrastructure and real estate assets and raise as much as $400m could force infrastructure investors to revalue their portfolio over the next seven years.

The view yesterday was the move was unlikely to reduce the amount of investment by sovereign wealth funds and pension funds here, given that the changes would only bring Australia in line with rules in place in the rest of the world.However, the thinking is that the change could ultimately lead to some corporate activity among property funds that rely on the stapled security structure to attract foreign investors.

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