

SE Exclusive
HD Asian **property transactions** to Aug. 22
BY Anusha Iyer
WC 853 words
PD 25 August 2014
SN SNL Real Estate Daily: Asia-Pacific Edition
SC REAP
VOL Issue: 81875
LA English
CY Copyright 2014. SNL Financial LC
LP

Australia

* Lend Lease Corp. Ltd. is in talks with Richard Gu's AXF **Group** to form a partnership to build a more than A\$1 **billion commercial, apartment** and **hotel** project on Sydney's Circular Quay, The Australian reported Aug. 21.

TD

The companies are in discussions with the city of Sydney about their development plans and are considering submitting a single master plan.

* Lend Lease's APPF **Commercial** fund is close to acquiring a A\$170 **million** portfolio of four assets in Adelaide from German real **estate** fund SachsenFonds, The Australian Financial Review reported Aug. 21.

* In Brisbane, Lend Lease's Australian Prime **Property** Fund is paying A\$15.6 **million** to acquire Hills Ltd.'s headquarters at 70 Fulcrum St., the AFR reported Aug. 21.

Hills Ltd. plans to lease back the 17,455-square-meter industrial facility until January 2016.

* Stockland and the Future Fund are seeking an estimated A\$600 **million** by divesting the Waterfront Place office tower in Brisbane, The Sydney Morning Herald reported Aug. 20.

It is said to be the "biggest office asset for **sale** in the past year," the publication noted. The 60,000-square-meter tower houses Commonwealth parliamentary offices.

* Lend Lease, Mirvac **Group**, Frasers **Property** Australia, Cbus **Property** and Grocon are the finalists to build the A\$1 **billion** Central Barangaroo urban renewal precinct on Sydney Harbour, the AFR reported Aug. 20.

The companies will now take part in a formal development bid process. They will have the option to submit bids that combine two or more parcels of land over two hectares of the 5-hectare **site**.

Construction at Central Barangaroo should kick off in mid-2016 and wrap up in 2021, according to the report.

* **Hotel Property** Investments said Aug. 18 that it exchanged contracts to **buy Hotel** HQ in the Brisbane suburb of Underwood, for A\$18.1 **million**. The amount reflects a yield on net income of 7.23%.

Hotel HQ is a freehold **hotel property** leased to the Coles **Group**. The **company** said it will fund the **acquisition** from available capacity in its loan facility. Settlement is slated to occur Sept. 15.

* Charter Hall **Group** said Aug. 18 that it divested a 50% **stake** in the A\$127 **million** Bunnings Partnership 2 portfolio to an institutional investor.

The portfolio features about 50% of metropolitan located stores in the Perth suburb of Armadale and the **Gold** Coast suburb of Burleigh Heads, with regionally located Bunnings stores at Gympie and Mackay in Queensland. All properties are leased to Bunnings on new 12-year leases and provide average 3% per-annum rental increases.

* Abacus **Property Group** said Aug. 18 that it and global investment **firm**KKR agreed to acquire a 70% **stake** in towers 2, 3 and 4 of the World Trade Centre in Melbourne, for A\$120.4 **million**. The vendor, Asset 1 WTC, will retain a 30% co-ownership interest. The deal represents an initial yield of 9.3% per annum.

Under the agreement, KKR will fund 75% of the **equity**, and Abacus will fund the remaining 25%. Abacus will also provide local **property**, asset and development management services to WTC.

Towers 2, 3 and 4 offer a total of nearly 50,000 square meters of net lettable area comprising about 43,500 square meters of office space and 4,600 square meters of retail space, including a retail arcade.

Abacus noted that more than 50% of the office component at the approximately 90%-leased **property** is occupied by the State Government of Victoria.

Japan

* Japan **Hotel** REIT Investment Corp. said Aug. 20 that it decided to acquire two **hotel** properties, namely Mercure **Hotel** Sapporo and Mercure **Hotel** Okinawa Naha, for ¥6.00 **billion** and ¥3.00 **billion**, respectively.

* Japan **Residential** Investment Co. Ltd. said Aug. 18 that it signed an agreement to sell Branche Kanamecho IV, a 20-unit **apartment** building in Tokyo, for ¥550 **million**, excluding taxes and sales costs. The price represents a 34.1% premium over the asset's latest valuation of ¥410 **million**.

The **sale** is a part of the **company's** strategy to off-load select noncore assets and reallocate proceeds to acquire high-quality assets with greater prospects for income and capital growth.

Hong Kong

* Link Real **Estate** Investment Trust said Aug. 18 that it agreed to **buy** the Lions Rise Mall in Kowloon, **Hong Kong**, from Kerry Properties Ltd. for HK\$1.38 **billion**.

The 126,319-square-foot mall was 84% let with 36 tenancies at the end of July.

Link REIT will fund the **acquisition** with its own cash resources and/or existing debt facilities. The **acquisition** is not expected to have any material impact on its financial position.

Completion of the **acquisition** is expected to take place Sept. 18.

* Henderson Land Development Co. Ltd. said Aug. 15 that it will not proceed with the proposed **sale** of the Prince Edward East **property** and subscription of units in Sunlight REIT. The **company** said it received less than 50% votes in favor of the proposed **transactions**.

Some links may require a subscription.

CO hillin : Hills Limited | llc : Lend Lease Group

IN i815020602 : Real Estate Investment Trusts | i81502 : Trusts/Funds/Financial Vehicles | i8150206 : Investment Trusts/Funds | icre : Real Estate/Construction | ifinal : Financial Services | iinv : Investing/Securities | ireest : Real Estate | i8396 : Diversified Holding Companies | i85 : Real Estate Transactions | ibcs : Business/Consumer Services

NS c182 : Asset Transactions | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : FC&E Industry News Filter

RE austr : Australia | jap : Japan | brisbn : Brisbane | sydney : Sydney | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | easiaz : Eastern Asia | nswals : New South Wales | queensl : Queensland

IPD Real Estate Property Transactions & Development

PUB SNL Financial LC

AN Document REAP000020140828ea8p00003