

SE The Week in Asian Real Estate; Exclusive

HD Weekly news through Sept. 12

BY Megan Zhao

WC 735 words

PD 16 September 2014

SN SNL Real Estate Daily: Asia-Pacific Edition

SC REAP

VOL Issue: 82178

LA English

CY Copyright 2014. SNL Financial LC

LP

Top news

Cheung Kong Holdings Ltd., controlled by Asia's richest man and investment guru Li Ka-shing, is said to be in discussions to form a joint venture with Mitsubishi Corp.'s leasing arm, MC Aviation Partners.

TD

MC Aviation, which owns and manages about 100 mostly narrow body jets, could give Cheung Kong access to a pool of about 20 aircraft, Reuters noted, citing "one of the executives."

Cheung Kong in early August submitted a preliminary nonbinding proposal for the possible acquisition of certain aircraft from the AWAS group, which is understood to be planning to sell about 100 newer aircraft for as much as \$5 billion.

The potential acquisition came as Cheung Kong continues to diversify its business, generating additional stable revenue streams to drive its growth momentum. Chairman Li has been selling property assets in mainland China while showing strong interest in various sectors in the European market.

Other activity

* Joining the investment rush to Europe is another Hong Kong developer Far East Consortium International Ltd., which has unveiled plans for a £500 million mixed-use development in the Isle of Dogs in London. The 700,000-square-foot project, located on a site on Marsh Wall in South Quay, is called Alpha Square and would comprise three towers featuring 705 residential units, a 250-bed hotel and a mix of tenures.

* Sun Hung Kai Properties Ltd. may become Hong Kong's biggest supplier of small flats if it gets approval for the conversion of four luxury residential projects in the northeast New Territories into 4,000 tiny apartments, the South China Morning Post reported, citing industry observers. The developer plans to reduce unit sizes at projects in Sheung Shui, Tai Wai, Tuen Mun and Yuen Long from the original 2,000 square feet each to units as small as 200 square feet.

The company on Friday reported full-year underlying profit attributable to shareholders of HK\$21.42 billion, up 15% from HK\$18.62 billion in the year-ago period.

* Over in Australia, GPT Group has begun engaging with investors for the proposed listing of the roughly A\$376 million GPT Metro Office Fund. The planned ASX-listed REIT will own a fully occupied portfolio of six metropolitan and business park office properties across Sydney, Brisbane and Melbourne.

* Westfield Corp. Ltd. priced a US\$3.5 billion debt issue into the U.S. market through a four-part transaction and will use part of the proceeds to repay borrowings under its bridge facility.

Meanwhile, sister company Westfield Group gained final planning permission for Westfield London's £1 billion expansion at Stratford in London.

* Investa Property Group and the Tieck family-backed Gwynvill Group filed a planning proposal for a more than A\$750 million office tower in place of the old Westpac building at Martin Place in Sydney's central business district. The tower is expected to be in operation by 2018-end, with 33 stories and a net lettable area of 30,000 square meters.

Now featured on SNL

The Eastern Front: Temasek, JTC look abroad with merger bid: Singapore investment giant Temasek Holdings (Pte.) Ltd. and industrial developer JTC Corp. are exploring a merger in a bid to jump on the urbanization trend in emerging markets.

The Eastern Front: Dalian Wanda picks **Hong Kong** after bad luck in **China**: **China**'s richest **property** mogul has turned to **Hong Kong** for an IPO that could raise as much as US\$6 billion after failing to win over regulators in Beijing.

Cornering Markets: Pressure on SOCIMIs heats up: Spain's once-moribund real **estate** market has risen from the ashes thanks to a creative REIT regime and private equity players looking to get in on the game. With six IPOs on the books and further floats in the making, observers are left to wonder whether future REITs will survive the heat.

Research Roundup: European Real **Estate** edition for week ending Sept. 11: JPMorgan Cazenove filed two ratings changes and eight price target upgrades.

Asian **property transactions** to Sept. 12: Shimao **Property** Holdings eyes a Sydney office building with a potential for a A\$1 billion development; DEXUS **Property Group**'s unlisted **property** fund is rumored to be interested in Lend Lease's A\$600 million shopping center portfolio; and Ingenia Communities concludes divestment of overseas assets.

CO ckh : Cheung Kong (Holdings) Limited | mtsbc : Mitsubishi Corp

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

NS ereal : Real Estate Markets | c11 : Plans/Strategy | ccat : Corporate/Industrial News | e11 : Economic Performance/Indicators | ecat : Economic News

RE china : China | hkong : Hong Kong | austr : Australia | sydney : Sydney | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia | nswals : New South Wales

IPD Lines of Business

PUB SNL Financial LC

AN Document REAP000020140919ea9g00004