

# The Sydney Morning Herald

SE Business  
HD **Inghams offers echo foreign interest in farmland investments**

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The \$650 million **sale** of Ingham Enterprises, the country's largest poultry **company's** **property** portfolio, has moved a step closer with the vendor and advisers assessing a wide range of offers received.

Rural **property** is growing in stature as an investment class.

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Reflecting this, UBS Global Asset Management has established an Australian and New Zealand Farmland investment advisory service. The investment strategies will offer institutional investors either directly owned and operated farmland, or directly owned farmland operated by leading farmers.

Trevor Cooke, UBS Global Asset Management's head of global real **estate** for Asia Pacific, said Australia was an important supplier of high-quality, traceable food to export markets, in particular Asia, with growing demand for such products and increasing consumer ability to **purchase**.

"Our farmland investment capability will look to attract much needed equity capital to support growth and expansion of the agricultural sectors across Australia to meet this increasing demand," Mr Cooke said.

While the first round of bids for Ingham were submitted in April, the complexity of the deal has extended the process.

The two portfolios were put on the market in March, in what was described as a "once in a generation" **sale** and leaseback, by the private equity **group** TPG.

The assets comprise 53 industrial and agricultural properties across Australia and New Zealand. The cash is to be reinvested into the business.

It is said the assets have generated interest from investors in the Middle East, **China** and other Asian-based private equity firms.

Some local real **estate** investment trusts such as Goodman **Group** have also shown interest, but more for the industrial assets.

CBRE's Danny Thomas and Mark Granter are managing the **sale** process, but have declined to comment on any updates.

The Ingham family **sold** the business to TPG in March last year for \$880 million, allowing the sole patriarch, Bob Ingham, to focus on his horse racing operations.

Australian **property** and real **estate** investment trusts remain the favoured market for overseas cash.

Last week the Singaporean **group** Frasers Centrepoint made a \$2.6 billion cash offer for the diversified REIT, Australand.

Frasers' bid is valued at \$4.60 per Australand share, including the interim dividend, which puts it at about a 20 per cent control premium, which was higher than the current cash and scrip bid from Stockland.

Another **sale** is the Paradise Bay **Island** Resort, in the Whitsundays near Hamilton **Island**.

The eco-friendly resort is being **sold** by CBRE Hotels' Don Watson-Brown.

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