



## JLL markets portfolio of 19 New Zealand supermarkets based shopping centres

**SINGAPORE, 20 JULY, 2015** – A joint venture between William Pears Group, one of the UK's biggest property companies, and Jonny Berman, is putting a portfolio of 19 supermarkets across New Zealand up for sale through global real estate firm JLL.

The nationwide group of assets is currently leased to Progressive Enterprises, which operates 18 of the stores under the well-known Countdown brand and one as a FreshChoice supermarket.

Progressive Enterprises is one of New Zealand's largest companies and is a fully owned subsidiary of Woolworths Limited, Australia's largest supermarket operator. Woolworths, which has had an "A-" Standard & Poors credit rating since 2001, has a market capitalisation of US \$26 billion and a turnover in excess of US\$ 45 billion.

The majority of the assets for sale are subject to new 20 year leases and rights of renewal that give Progressive Enterprises security of tenure for up to 50 years. This long term tenure underpins the portfolio Weighted Average Lease Term ("WALT") of over eighteen years (based on initial lease terms, not including rights of renewal). All leases commenced in March 2015.

Stuart Crow, head of JLL's Capital Markets business in Asia Pacific, together with JLL Corporate Finance colleagues Chris Key and Stuart McCann are managing the sale.

Stuart McCann says, "International investors are attracted to New Zealand's transparent real estate markets and favourable long-term indicators. However, accessing investments of this scale can be challenging. That's why an opportunity to acquire 19 supermarkets, generating around NZ \$700 million in turnover and offering a strong income growth profile, will attract significant interest."

A key draw of the New Zealand market is its efficient tax regime that encourages business investment. Currently there is no stamp duty, no capital gains tax on property and no land tax. This compares favourably to other jurisdictions regionally and works to enhance post-tax returns.

In addition, New Zealand's retail spending economic indicators are robust. GDP grew by 3.5 percent during 2014, the population is growing at 1.4 percent per year, and house prices grew over the past year by 8 percent nationwide. These factors are flowing through to consumption spending with retail sales growing by 5.3 percent during the year to March 2015 (source: Monetary Policy Statement, June 2015).

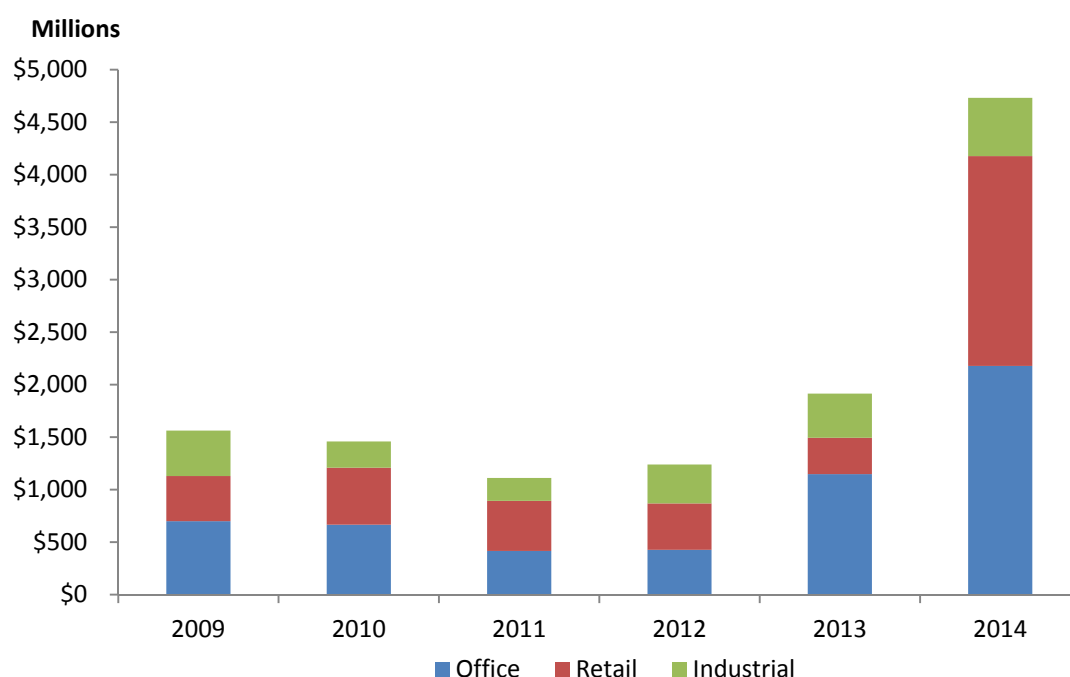
According to Stuart Crow, "Right now, the New Zealand real estate sector is attracting record levels of offshore investor interest. Of the \$5.2 billion of real estate transacted across the country last year, \$2.9 billion was invested by international capital."

Chris Key noted the major contributors to this significant level of offshore investment were DEKA, GIC and PSP, who combined contributed over \$2.4 billion. "These major commitments have focused significant international attention on New Zealand as a core proposition that also provides strong risk adjusted returns".

The portfolio is being offered to investors in one-line or individually via an International Private Treaty process, which concludes on 9 September 2015.

Colliers International in New Zealand is acting as a joint agent and is responsible for managing enquiries from investors whose head office is domiciled in Australia and New Zealand. JLL will handle all other international enquiries.

### Appendix 1: Historical New Zealand Real Estate Transactions



### Appendix 2: Recent Major Real Estate Transactions in New Zealand

Transaction	Price	Purchaser	Vendor	Date
Joint Venture – across five shopping centres (49% acquired)	NZD1,036 million	GIC	Scentre Group	November 2014

Transaction	Price	Purchaser	Vendor	Date
Joint Venture – in Viaduct Quarter office precinct (49% acquired)	NZD157 million	GIC	Goodman Property Trust	November 2014
Portfolio - 18 commercial, industrial, retail and development properties	NZD1,115 million	PSP	AMP Capital Property Portfolio	July 2014
Lumley House – premium grade commercial office building	NZD146 million	DEKA Immobilien	DEXUS Property Group	April 2014

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JLL has over 50 years of experience in Asia Pacific, with over 30,000 employees operating in 80 offices in 16 countries across the region. The firm was named 'Best Property Consultancy' in seven Asia Pacific countries at the International Property Awards Asia Pacific 2014 and won nine Asia Pacific awards in the Euromoney Real Estate Awards 2013. [www.jll.com/asiapacific](http://www.jll.com/asiapacific)

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