WILLIS BOND & CO

Media Release
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Willis Bond Capital Partners offer closes at $128 million

Willis Bond & Co today announced the final close of a private equity real estate fund established to capitalise on attractive development and investment opportunities in the New Zealand commercial real estate market.

The fund, Willis Bond Capital Partners (Capital Partners), had targeted $100 million, but closed at $128 million – including commitments from Crown Financial Institutions: the Guardians of New Zealand Superannuation and the Government Superannuation Fund.

“We are delighted with the success of the capital raising and with the commitment we have received from investors in a market where both debt and equity are being carefully rationed,” said Mark McGuinness, Managing Director of Willis Bond & Co.

“We established Capital Partners to invest in value-add real estate opportunities. These are likely to include joint ventures with current land and property owners including corporates, iwi and councils.

“It is a great opportunity for Willis Bond to partner with landowners looking to develop who may not have property development expertise,” he said.

Willis Bond’s track record in multi-use property developments includes the Chews Lane Precinct in Wellington, the NZX Centre in Wellington, Free Ambulance Building, and Shed 22 on Wellington’s waterfront.

“We believe that our experience in the market in delivering quality mixed-use development projects, our proven ability to add value and the increasingly realistic pricing of real estate assets and opportunities, will deliver attractive returns,” Mr McGuiness said.

Willis Bond is in a position to capitalise on the macroeconomic market conditions which have resulted in reduced liquidity, distressed finance companies, and banks with shrinking balance sheets. A lot of competition has been removed from the market, he said.

“The Global Financial Crisis has produced attractive opportunities for those with capital. Capital Partners is one of the few places where equity is available for quality developments as the banks ration available funds.

“While the current economic climate is still fragile, history has shown that funds established in down-times, and ones that buy in such times, tend to outperform those formed in boom years that pay top prices for their investments.

“That timing factor, combined with our experience in the market, underpins the offer. We are pleased it has appealed to quality institutional investors such as the Guardians of New Zealand Superannuation and the Government Superannuation Fund,” Mr McGuiness said.

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