



# HERBERT SMITH FREEHILLS ADVISES QIC ON A\$2 BILLION TRANSACTION

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Herbert Smith Freehills has acted as international counsel for Queensland Investment Corporation (QIC) on the company's agreement to acquire the interests of its joint venture partner, Forest City Realty Trust Inc. (Forest City), in 10 U.S. regional shopping malls on behalf of a QIC client. The overall transaction values the 10 malls at approximately US\$3.175 billion (A\$4 billion).

The US\$1.55 billion (A\$2 billion) transaction comprises two components with the transfer of interests in the first six malls expected to complete by the end of the year, subject to third party consents. The six assets in the first component of the transaction are located in Colorado, New York state, Florida, Pennsylvania and California. QIC has the benefit of an option over a further four malls in the second tranche of the transaction, also co-owned with Forest City, which are expected to transact as the parties satisfy certain conditions. These malls are located in California, Nevada and Virginia.

The acquisition follows the successful joint venture between QIC and Forest City that commenced in 2013, and the acquisition of interests in several further malls in late 2015 and early 2016.

QIC is also expanding its operational presence in the U.S. with the company to take over the retail operating and leasing platforms at the 10 malls.

The Herbert Smith Freehills team was led by partner [Michael Back](#), with support from consultant [David Stitt](#) and senior associate Alanna Bolger. The team also acted as international counsel on the initial 2013 transaction, as well as the further 2015 transactions with Forest City and an additional stand-alone mall acquisition in mid-2015.

Herbert Smith Freehills partner Michael Back said: “QIC has significantly increased its international real estate portfolio as a result of this transaction, which demonstrates the company’s growing real estate knowledge in the U.S. retail sector. Herbert Smith Freehills is proud to work with QIC as it expands its interests internationally.”

Primary counsel in the United States acting on the transaction was Skadden, Arps, Slate, Meagher & Flom LLP through their Los Angeles office, with Cox, Castle & Nicholson LLP as US counsel on property level matters.

This deal is another example of Herbert Smith Freehills’ market-leading work in the real estate sector. Other recent examples include acting for QIC on the \$722.5 million sale of a half interest in Sydney’s iconic MLC Centre, Property NSW on the sale of a \$170 million Macquarie Park redevelopment site and Propertylink on the \$320 million sale of 320 Pitt Street.