

Case study >

# Morgan Stanley exit from the Investa Property Group

## The challenge

In late 2014, Morgan Stanley Real Estate Investing asked Allens to advise on the sale of a portfolio of nine office buildings and associated trusts and companies; its Investa Land business comprising 14 residential and industrial development projects around Australia; and the funds, property and asset management business known as the Investa Office Management Platform.

The transaction promised to be one of the largest recent real estate deals globally and the largest transaction ever handled by the Allens' real estate M&A team.

We worked closely with Morgan Stanley, its financial advisers and the Investa teams to enable it to achieve its commercial objectives for the deal, while delivering Allens' quality service and advice.

## The solution

We carefully scoped and planned the deal at the beginning with the client and used cutting-edge LPM techniques to deliver it for them:

- We dedicated a specialist legal project manager to oversee the three sales and help manage the deals, working closely with lead partners Mark Stubbings and Vijay Cugati and interacting regularly with the client.
- The required detailed vendor due diligence was carried out by a combination of Allens' dedicated in-house document review team working alongside the specialist Allens' legal team. The document review team is Allens' low-cost, high quality, contract lawyer workforce that produces fast, high-quality document reviews and transaction completion documents.
- This review team was supported by a database to review documents online and track review progress against the client's timetable.
- We developed and regularly updated detailed work plans of required actions in the delivery of the numerous work streams involved in the deals.
- We established and managed three virtual data rooms, one for each business, working closely with the client team to upload and update documents, manage the access protocols for the 72 potential bidders across the three businesses and assist in the receipt, distribution and answering of Q&A posed by the shortlisted bidders.
- We set up strong internal and external communication channels, including regularly meeting with the client team to plan and report on the progress of the numerous work streams and provide weekly reports on their legal costs throughout the matter.

## The outcome

The provision of Allens' legal services in this transaction in an innovative and adaptable way, using up-to-the minute legal project management, was critical to the success of this deal in:

- understanding and preparing for sale the three complex Investa businesses;
- running an efficient and cost-effective due diligence process, which was user-friendly on both the sell and buy side; and
- delivering a high-quality bid process that maximised value for Morgan Stanley.

The result was a very successful commercial result for Morgan Stanley: the \$2.45 billion sale of the Investa Office portfolio was reported to be the biggest-ever direct real estate transaction in Australia's history.