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STOCKLAND UP-WEIGHTS LOGISTICS EXPOSURE IN SYDNEY AND BRISBANE

Stockland today announced it has entered into a transaction with the Fife group worth more than \$212 million across Sydney and Brisbane.

Stockland has executed conditional contracts for sale which will see it take full ownership of two facilities at Carole Park and Richlands in Brisbane, on a yield of around six per cent and including an 18 month rent guarantee on any unlet space.

Separately, Stockland has entered into a joint venture arrangement with the Fife group in western Sydney. The joint venture will include the development (subject to rezoning and development approval) of more than 70 hectares of prime logistics facilities across the combined land interests of Stockland and the Fife group.

Stockland Managing Director and CEO Mark Steinert, said: "We're delighted to confirm this strategic agreement with the Fife group and further increase our weighting to quality logistics assets.

"These transactions align with our strategy to acquire income-producing logistics assets along Australia's eastern seaboard, growing our portfolio and enhancing income resilience across the Commercial Property business.

"Demand and supply fundamentals for workplace and logistics assets along the east coast remain strong, and we have successfully completed over \$150 million of new developments in these markets over the last 12 months."

Stockland General Manager – Workplace & Logistics, Tony D'Addona, said: "The agreement in western Sydney will see us develop and manage, in a joint venture arrangement with the Fife group, prime income-generating logistics assets valued at around \$500 million, and further leverage the investment boom generated by the future Western Sydney aerotropolis.

"The Carole Park and Richlands properties are located in Brisbane's logistics 'Golden Triangle', an area bordered by the major arterial routes of Ipswich Motorway, Logan Motorway and Gateway-Pacific Motorway. This area continues to show positive demand fundamentals driven by infrastructure investment and population growth – we've seen leasing activity at levels well above the five year average over the last two financial years," said Mr D'Addona.

Development of the Carole Park facility, which has already commenced by the Fife group, will include the delivery of three buildings totalling more than 59,000 square metres, with one of the buildings already pre-leased. The Richlands facility will undergo redevelopment works once Stockland takes ownership.

Stockland Group Executive and CEO Commercial Property, Louise Mason, said: "Partnering with the Fife group presents an exciting opportunity for growth and enables both parties to leverage our deep customer relationships in the logistics development space. We currently have eight income-producing logistics assets in the western Sydney area and we're excited to increase our exposure through this agreement."

The acquisition of the properties in Brisbane is expected to complete in late 2019.

ENDS

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About Stockland

Stockland (ASX: SGP) was founded in 1952 and has grown to become Australia's largest diversified property group – owning, developing and managing a large portfolio of retail town centres, residential communities, retirement living villages, workplace and logistics assets. Stockland is recognised as one of the most sustainable real estate companies in the world by the S&P Dow Jones Sustainability Indices (DJSI) and as a global sector leader by the Global Real Estate Sustainability Benchmark. Stockland is also an Employer of Choice for Gender Equality, as recognised by the Workplace Gender Equality Agency (WGEA).
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