



Stockland

Media Release

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STOCKLAND RESTOCKS RESIDENTIAL PIPELINE WITH LAND ACQUISITION IN MELBOURNE'S SOUTH EAST

Stockland today announced the acquisition of a 131 hectare land parcel in Clyde, in Melbourne's highly sought after Casey growth corridor, in line with the company's strategy to restock its residential pipeline. The transaction value of approximately \$180 million is structured on capital efficient terms with payments to be made over five years, and is in line with expected restocking cash flows.

Located 59 kilometres south east of Melbourne's CBD within the approved Cardinia Creek South Precinct Structure Plan, the site at 470 Pattersons and 1965 Ballarto Road is less than two kilometres east of Stockland's existing Edgebrook project.

Stockland CEO of Communities, Andrew Whitson said: "This announcement aligns with our strategy to restock our residential pipeline in well connected, desirable locations and allows us to drive near term FFO growth with strong risk-adjusted returns above our hurdle rates.

"Having successfully delivered eight major projects in this corridor over the past 15 years, our strong brand presence, proven track record and knowledge of the area position us well to deliver another successful community, and extend our long-term presence in Melbourne's supply-constrained south east.

"We have more than \$2.7 billion invested in Victoria and a long, proud history delivering some of the state's most liveable communities. The Melbourne market continues to be underpinned by strong fundamentals and we're pleased to be able to help generate economic activity and jobs creation through our projects, particularly in light of the challenging period Melburnians have experienced."

Subject to planning and development approval, the current masterplan proposes more than 1,400 lots and townhome sites, two schools and a local town centre, a 10 hectare recreational park and an indoor community recreation facility. It also sits opposite the future Clyde Regional Park, a planned 200 hectare parkland with sporting facilities and a water reserve.

Stockland's General Manager of Residential for Victoria, Mike Davis said: "With our successful Edgebrook project due to trade out in early 2021, the timing of this acquisition will allow us to continue offering affordable, well connected and highly liveable homes in one of Melbourne's most sought after locations.

"Despite the Stage 4 restrictions in Melbourne, we've seen strong demand and sales success with the recent launches of our Katalia project in Donnybrook, and Haven townhome project in Altona North both selling out the first releases. Managed entirely virtually, these sales results demonstrate our strong brand value and the underlying demand for affordable, quality homes in Melbourne. Our Minta community in nearby Berwick is also seeing good demand for both land and townhomes.

"The events of 2020 have seen a shift in customer preference towards affordable homes in lower density masterplanned communities with access to open space and local services. This acquisition allows us to continue leveraging our competitive advantage in the area, while bringing affordable new land to market quickly and increasing opportunities for first homebuyers and families to enter the property market."

Subject to finalisation of the acquisition and planning approvals, pre-sales are expected to commence in March 2021 with civil works planned to commence in mid-2021.

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 shopping centres, residential communities, retirement living villages, office and industrial assets. Stockland is consistently recognised by the S&P Dow Jones Sustainability Indices (DJSI) as a global real estate leader, demonstrating world leadership across the areas of corporate governance, stakeholder engagement, climate strategy, social integration and regeneration and corporate citizenship. Stockland has been identified as a global leader for its actions and strategies in response to climate change and has been awarded a position on the Climate A List by CDP and recognised as the Regional Sector Leader for Diversified Property Companies on the Global Real Estate Sustainability Benchmark (GRESB). Stockland has also been recognised as an Employer of Choice for Gender Equality by the Australian Government's Workplace Gender Equality Agency (WGEA). www.stockland.com.au