

ASX announcement

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1 Homebush Bay Drive
Building C, Level 3
Rhodes NSW 2138

02 9767 2000

PO Box 3307
Rhodes NSW 2138

australand.com.au

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Australand acquires masterplanned residential site in Sydney's inner west

Australand today announced that it has acquired a 5.5 hectare site in Clemton Park, Sydney, in joint venture with LaSalle Asia Opportunity Fund III LP, a fund managed by LaSalle Investment Management. The site has masterplan approval for the development of a mixed use medium density residential project known as Clemton Park Village.

The site was acquired for approximately \$35 million and is located 15 kilometres south of Sydney's CBD, amongst established residential precincts and within close proximity to public transport, retail amenity, schools and Canterbury Hospital.

Australand will manage the development which is proposed to be staged over five years. Approvals are in place for the immediate commencement of the first stage as well as overall concept approval for over 750 dwellings, approximately 9,500 square metres of retail and commercial space, a child care centre and parklands.

Marketing of stage one is underway with over 1,800 expressions of interest received to date. Prices are expected to range from \$340,000 to \$560,000 providing profit contribution to the Group from 2013. The area has been identified as having the third largest housing deficiency in New South Wales with a shortfall of housing supply relative to demand of 2,000 to 3,000 dwellings.

Rod Fehring, Australand's Executive General Manager - Residential, said "Australand is pleased to have established a quality partnering relationship with LaSalle Investment Management and to have secured this opportunity to provide well designed, sustainable and contemporary homes in an undersupplied urban area of Sydney. We look forward to working with LaSalle on this project and other developments, consistent with the Group's capital management objectives."

Ian Mackie, LaSalle Investment Management's Head of Private Equity, said "Partnering with an experienced diversified property developer such as Australand, provides us with a platform from which we can increase our development exposure in the residential sector."

Mr Fehring said, "We expect the project to benefit from the surrounding infrastructure and established urban precincts which will underpin buyer confidence. This large scale urban infill opportunity increases our exposure to the Sydney market and complements the residential division's strategic positioning in terms of both its geographic and market segment positioning."

"The recent successful launch of Linc, the latest building at Australand's Discovery Point development in Wolli Creek, where 80 per cent of a total 126 apartments sold within the first week of release, demonstrates the strength of the Sydney market for competitively priced and well positioned product," Mr Fehring added.



Issued by

Bev Booker
Company Secretary
+61 2 9767 2000
bbooker@australand.com.au

For institutional investor queries:

Narelle Checchin
Investor Relations Manager
+61 2 9767 2108
nchecchin@australand.com.au

For retail investor queries:

Bev Booker
Company Secretary
+61 2 9767 2000