

# PRESS RELEASE

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## Land Purchases Net \$180m for Places Victoria

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Victoria's state property developer, Places Victoria, has sold two growth corridor development sites to Lend Lease and Western Australia-based Satterley Property Group, netting a combined \$180 million. Places Victoria was advised by Oaktower Partnership and Ernst & Young.

The sale of the 410 hectare Aurora site in Epping North to Lend Lease was foreshadowed in The Australian Financial Review earlier this month. It is likely to be the biggest Melbourne land deal of the year, trumping ISPT's \$125 million acquisition of the Kingswood Golf Course.

Lend Lease paid \$126.7 million for Aurora, while Satterley Property paid \$53.45 million for the 127 hectare Aspect estate at Officer, in Melbourne's outer south-east.

The sale of the two sites forms part of Places Victoria's plans to divest its growth corridor sites and focus on urban renewal projects.

Places Victoria chief executive Gregory Anderson said the sales were a "sound commercial outcome".

"Divesting these assets allows us to focus on genuine infill opportunities," Mr Anderson said.

Places Victoria will complete the development of town centres at Aurora and Aspect and other construction projects that are under way.

Lend Lease will take over the sales and marketing of Aurora from late 2015.

Satterley will assume immediate responsibility for sales at Aspect, as well as managing the ongoing development of stages 10 to 12 for Places Victoria.

The acquisition of Aurora extends Lend Lease's exposure to Melbourne's northern corridor growth market; its Craigieburn estate is sold out and Laurimar estate in Doreen nears completion.

Aurora will also increase Lend Lease's weighting to the Melbourne land market, which makes up only 18 per cent of its 53,000-lot pipeline. Matthew Mears, managing director of communities at Lend Lease, said Melbourne was a "key part" of its residential community portfolio and the largest greenfield market in Australia.

"Aspect is very well located in the northern corridor. It's close to exiting infrastructure, it's production-ready and has all the amenities in place," he said.

Satterley Property Group chief executive and founder Nigel Satterley said the Aspect estate was a good fit for its Melbourne growth strategy, focused around the Casey-Cardinia south-east corridor. Satterley has four projects in Melbourne.

"Melbourne has a good growth story with its rising population and status as the world's most liveable city," he said. "It's of equal importance to us, alongside Perth."

Aspect will accommodate 1800 lots with an end value of about \$600 million.

Places Victoria also announced the appointment of former Multiplex and Probuild director Peter Southwell as general manager for development and construction starting in January. Last month, former AV Jennings executive Michael Lenarduzzi joined as GM for new business development.

The Australian Financial Review

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