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## STOCKLAND RESTOCKS SYDNEY RESIDENTIAL PIPELINE WITH ACQUISITION OF THE GABLES IN BOX HILL

Stockland today confirmed the exchange of contracts with Celestino Developments for the acquisition of the undeveloped portion of 'The Gables', a 293 hectare masterplanned residential community in Sydney's Box Hill, with Stockland purchasing the project for \$415 million on capital efficient terms, including an initial upfront payment of \$40.2 million and annual progress payments over a six year period\*.

The transaction remains subject to satisfaction of conditions precedent relating to novation of relevant agreements.

The masterplan for The Gables includes 75 hectares of green space and local parks, a four hectare lake, a K-12 Catholic school, and a variety of land parcels, from townhomes to lots ranging from 240 square metres to 2,000 square metres. Stockland plans to deliver approximately 1,900 dwellings over the life of the project, adding to the 994 delivered by Celestino Developments to date.

Stockland Managing Director and CEO Mark Steinert said: "I'm delighted to confirm this acquisition, which is in line with our strategy to restock our residential development pipeline with a well located, market-ready project which increases our exposure to the strong Sydney residential land market.

"We have a clear strategy to leverage our diversified business model to maximise securityholder returns through community creation. Celestino Developments has created a vibrant, thriving community at The Gables and we see our integrated model continuing to add value through the delivery of quality homes, community spaces and a retail town centre."

Celestino Developments CEO John Vassallo said: "When we were approached by Stockland to consider the sale of The Gables we were impressed by their enthusiasm for the project and commitment to the vision that we were delivering on. From day one our vision for The Gables was based on quality and sustainability and we are extremely proud of the parks, public spaces and homes that have been delivered so far." Mr Vassallo added: "What I am most proud of is the strong community we have helped create at The Gables and we are confident that this legacy will remain strong for generations to come."

Stockland Group Executive and CEO Communities Andrew Whitson said: "This is a rare opportunity to purchase a large parcel of residential zoned land in Sydney, and allows us to extend our strong brand presence in the north west alongside our existing community at Elara in Marsden Park. The north-west growth corridor is under supplied and we expect new supply will continue to lag demand over the next couple of years.

### Stockland

Stockland (ASX: SGP) was founded in 1952 and has grown to become one of Australia's largest diversified property groups – owning, developing and managing a large portfolio of shopping centres, residential communities, workplace and logistic assets and retirement living villages. Stockland is consistently rated as one of the most sustainable real estate companies in the world by the Dow Jones Sustainability World Index (DJSI). Stockland is also an Employer of Choice for Gender Equality, as recognised by the Workplace Gender Equality Agency.

“We continue to experience high demand and strong sales across our Sydney communities. We will start selling land at The Gables immediately after settling on the project in April, and expect to realise operating profit from FY21 with forecast returns above our hurdle rates.

“We are committed to delivering new homes in desirable, well connected locations close to transport, jobs and schools as Sydney continues to grow, providing more opportunities for first home buyers and families to enter the property market,” said Mr Whitson.

Located in Sydney’s Hills district, The Gables benefits from access to significant existing infrastructure including the Rouse Hill Town Centre and the Rouse Hill and Tallawong Road metro stations, which are both eight kilometres away from the community.

**ENDS**

\*Payment terms include a \$40.2 million deposit on exchange, with additional payments of \$40.2 million to be made annually for five years starting in FY22, and the balance to be paid in FY27.

*This announcement is authorised for release to the market by Ms Katherine Grace, Stockland’s Company Secretary.*

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