

10 October 2023

### MIRVAC LIVING SECTORS INVESTOR DAY

Mirvac Group (Mirvac) [ASX: MGR] today is hosting an Investor Update on Living Sectors, including Build to Rent, and Land Lease.

The Investor presentation and Q&A will be live webcast from 8.30am AEDT this morning.

Details of the live webcast are per below:

**Date:** 10 October 2023

**Time:** 8.30am - 10.30am AEDT

**Location:** Melbourne, Australia

**Webcast:** [Watch here](#)

For more information, please contact:

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### About Mirvac

Founded in 1972, Mirvac is an Australian Securities Exchange (ASX) top 100 company. We own and manage assets across office, retail, industrial and build to rent in our investment portfolio, with ~\$26 billion of assets under management. Our development activities span commercial and mixed-use and residential, and our ~\$29 billion development pipeline enable us to deliver innovative and high-quality property for our customers, while driving long-term value for our securityholders.

# Mirvac Living Sectors Investor Day

*10 October 2023*





## Acknowledgement of Country

Mirvac acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands and waters of Australia, and we offer our respect to their Elders past and present.

*Artwork: 'Reimagining Country', created by Riki Salam (Mualgal, Kaurareg, Kuku Yalanji) of We are 27 Creative.*

# Agenda

## LIVING SECTORS

**Campbell Hanan**

Group CEO & Managing Director

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## COMPELLING MARKET FUNDAMENTALS

**Alexandra Gray**

Head of Research

**Richard Seddon**

CEO, Investment

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## BUILD TO RENT & LIV

**Angela Buckley**

Fund Manager – BTR Sector Lead

**Scott Mosely**

CEO, Funds Management

**Stuart Penklis**

CEO, Development

**Sarsha Durham**

Development Director

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## LAND LEASE

**Stephen Gould**

General Manager  
Land Lease Communities

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## THANK YOU

**Campbell Hanan**

Group CEO & Managing Director

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LIV Anura, Brisbane (Artist impression, final design may differ)





Trielle, Yarra's Edge, Melbourne  
(artist impression, final design may differ)

# Living Sectors



**Campbell Hanan**

Group CEO &  
Managing Director

# Why are we expanding into a broader spectrum of living sectors?



*Artist impression, final design may differ.*

## *Aligned with our capabilities*

BTR and land lease communities are natural adjacencies to residential build to sell and our development capabilities



*Artist impression, final design may differ.*

## *Driving value for shareholders*

Provides new attractive sources of cash flow resilient income, development EBIT and management fee streams



*Artist impression, final design may differ.*

## *Attractive market fundamentals*

Under-penetrated markets with supply shortages, affordability challenges



## *Providing affordable options for our customers*

Affordability challenges driving demand for alternative accommodation solutions



## *Capital partnering relationships*

Aligned capital partnering relationships maintain balance sheet capacity

# Organisational structure for alignment



1. Represents the total value of 3rd party capital that are fee generating (either Funds Management, Asset Management or Development Management fees). This only includes 3rd party capital and excludes Mirvac's investment in managed funds, assets or developments.

2. Investment Portfolio includes co-investment equity values, assets held for sale, and properties being held for development, excludes IPUC and represents fair value (excludes gross up of lease liability under AASB 16).

3. Represents 100% expected end value / revenue (including GST) including where Mirvac is only providing Development Management Services, subject to various factors outside Mirvac's control such as planning outcomes, market conditions, construction cost escalation, supply chain risks, weather and other uncertainties. Industrial expected end values are excluding the sale of any undeveloped land.

# Group responding to long-term structural trends

*Mirvac's business leverages structural mega-trends, supporting growth over time*



**Institutional capital demand**

Growth in domestic superannuation industry driving quality real estate investment demand and global capital remains attracted to Australia



**Urbanisation, densification, and regeneration**

Further densification of cities driven by migration, urban renewal and infrastructure. Acute residential accommodation affordability, and under supply



**Changing demographics and consumer behaviours**

Increase in millennials and digital natives, ageing population, rise of online, real time and convenience, and record surge in migration



**Technology driving change**

Increased reliance on technology driving changes in real estate utilisation



**ESG focus**

Sustainability a "must have", shaping consumer and investment decisions



## OUR FUTURE FOCUS



*Retain balance sheet flexibility*



*Expand Funds Management offering*



*Continue to increase cash flow resilience of Investment portfolio*



*Leverage integrated Development capability*



*Continued leadership in sustainability and culture*

# The Mirvac difference

## Mirvac capability and track record winning market share

QUALITY PRODUCT, DEEP TRACK RECORD	DEVELOPMENT FLEXIBILITY	SCALE & RISK MANAGEMENT
<ul style="list-style-type: none"> <li>&gt; Upfront community amenity and infrastructure</li> <li>&gt; Strong focus on innovation, sustainability, and development waste reduction</li> <li>&gt; Long track record of delivering quality, award-winning projects</li> <li>&gt; High repeat customers</li> <li>&gt; Owner-occupier focus – 75% of \$1.8bn pre-sales balance</li> <li>&gt; Winner of multiple industry awards, including UDIA QLD Development of the Year and PCA WA Best Masterplanned Community</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Operate across residential spectrum (land subdivision, homes, terraces, mid-rise and high-rise apartments)</li> <li>&gt; Levers to respond to buyer preferences and fast-track launches in prevailing market conditions</li> <li>&gt; In-house design capability provides greater design and build flexibility to respond to customer needs</li> <li>&gt; Utilise modular construction technology and techniques to drive cost, efficiency, waste, and safety outcome improvements</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Leverage scale and forward pipeline to drive favourable procurement outcomes, manage and mitigate supply chain shortages and cost inflation</li> <li>&gt; Balance sheet facilitates early construction commencement</li> <li>&gt; Planning risk assessment/management</li> </ul>

## Flexibility to adapt and capture the full value chain

LAND SUBDIVISION	HOMES	TERRACES	MID-RISE APARTMENTS	APARTMENTS	BUILD TO RENT	LAND LEASE COMMUNITIES
 <p>GUMNUT PARK, OLIVINE, MEL</p>	 <p>TULLAMORE BUILT-FORM, MEL</p>	 <p>GREEN SQUARE, SYD<sup>1</sup></p>	 <p>THE LANGLEE, SYD<sup>1</sup></p>	 <p>WATERFRONT QUAY, BNE<sup>1</sup></p>	 <p>LIV MUNRO, MEL</p>	 <p>EVERLEIGH, BNE</p>

1. Artist impression, final design may differ.

# Our competitive advantage

## INTEGRATED ASSET CREATION AND CURATION CAPABILITY IS OUR KEY COMPETITIVE ADVANTAGE:

- > Unique in-house asset creation capability across multiple asset classes delivering:
  - New, quality sustainable product to Investment portfolio and capital partners
  - Development earnings and NTA uplift over time
- > Strong, aligned asset curation capability and focus on asset quality:
  - Delivers consistent superior investment portfolio returns
  - Attracts capital, providing highly aligned and recurring funds management income streams and balance sheet support

*Award-winning Australian urban asset creator, owner and manager*





# Compelling market fundamentals



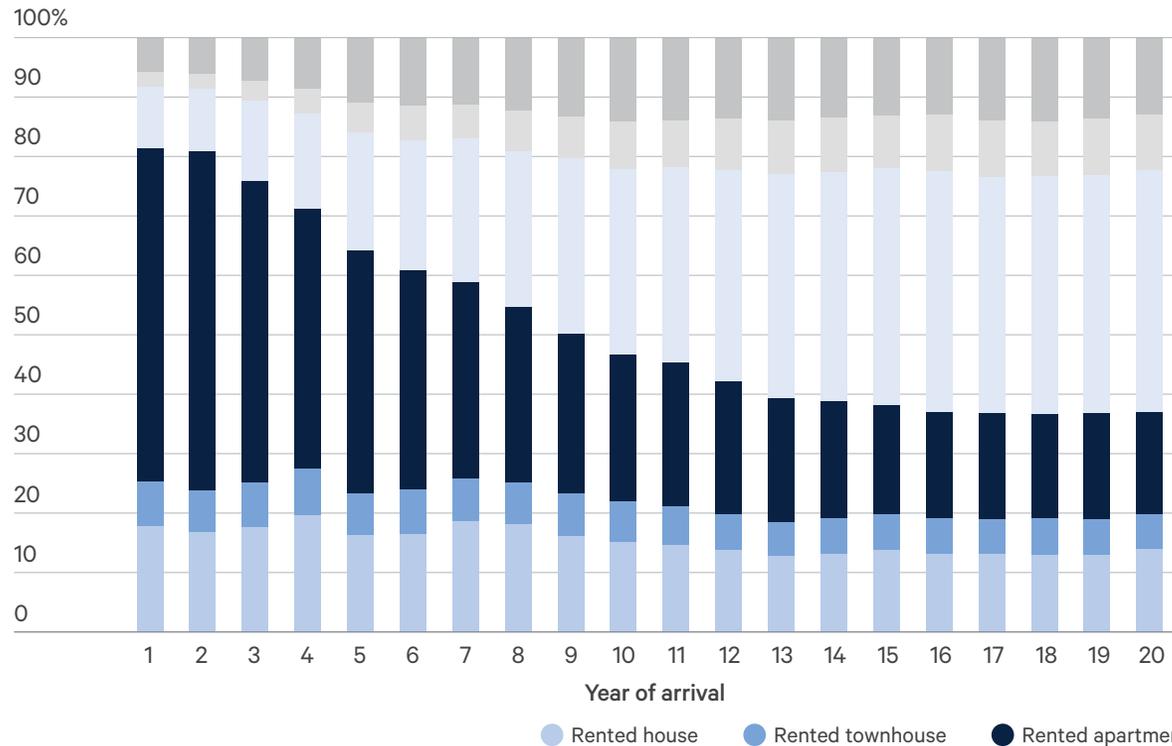
**Alexandra Gray**  
Head of Research

# Overseas migrants – dwelling & tenure patterns

*Overseas migration is currently at an all time high level – ~1,000,000 new people are forecast over next three years, requiring an additional ~400,000 dwellings<sup>1</sup>*

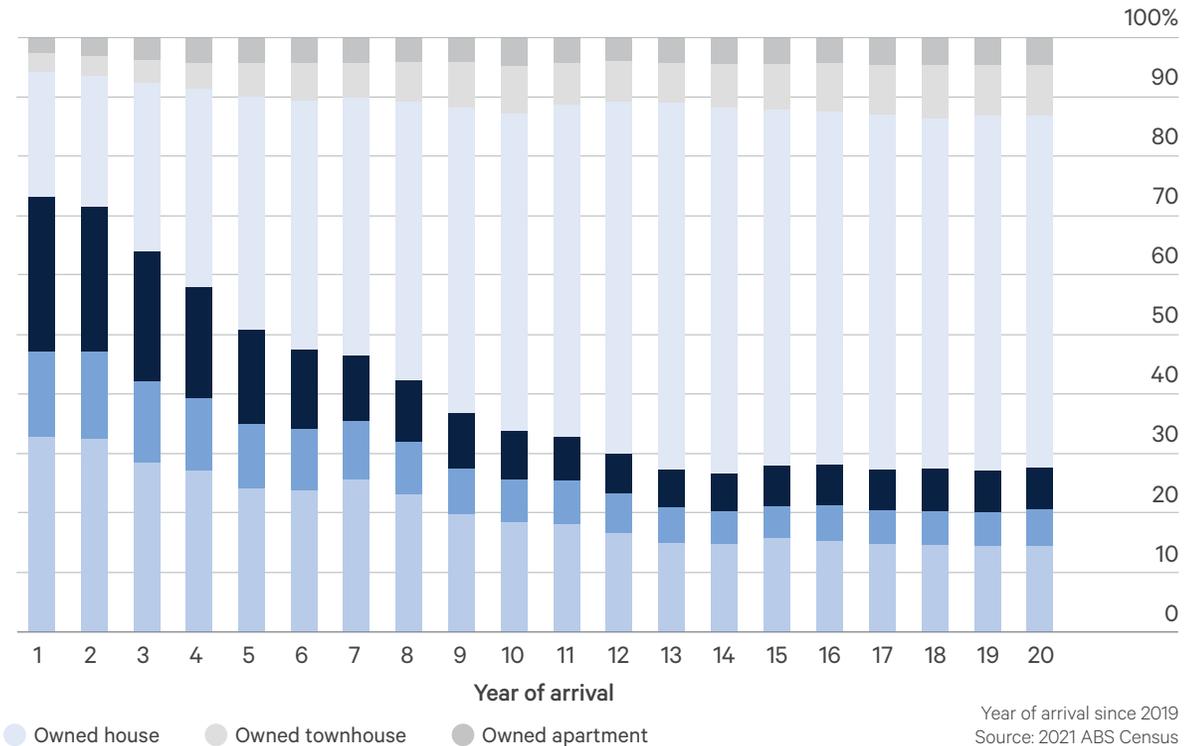
## OVERSEAS ARRIVALS TO GREATER SYDNEY

Share of tenure & dwelling type by year of arrival



## OVERSEAS ARRIVALS TO GREATER MELBOURNE

Share of tenure & dwelling type by year of arrival

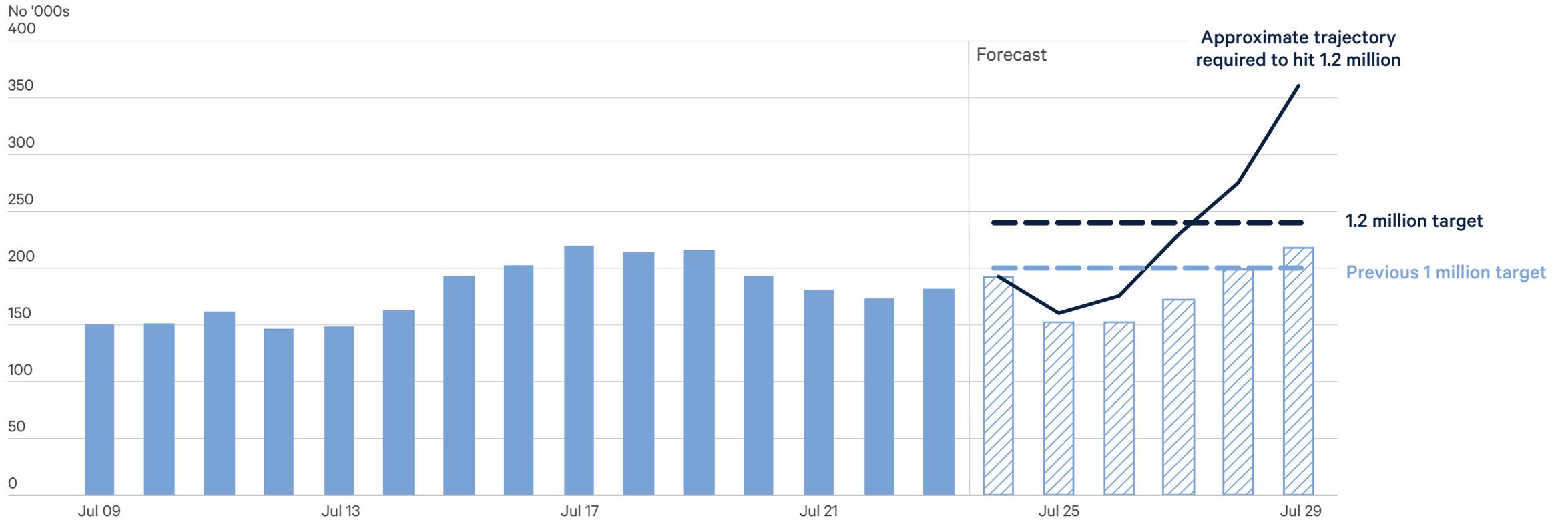


Year of arrival since 2019  
Source: 2021 ABS Census

1. Note: Assumes current average household formation size of 2.49 people remains constant. Source: Budget 2023-24 Projection (May 23), RBA LFS Measure (Jan 23).

# Ambitious national housing accord targets released

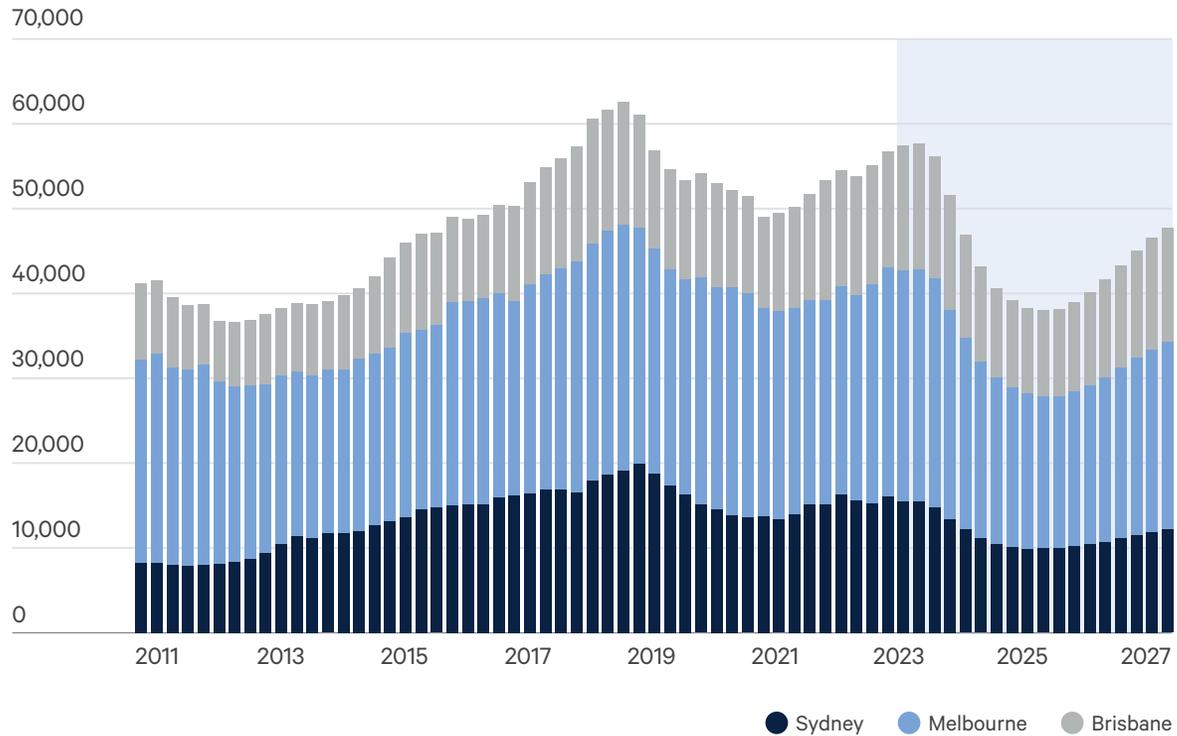
## AUSTRALIAN DWELLING COMPLETIONS & NATIONAL HOUSING ACCORD TARGETS



Source: ABS, Oxford Economics September 2023

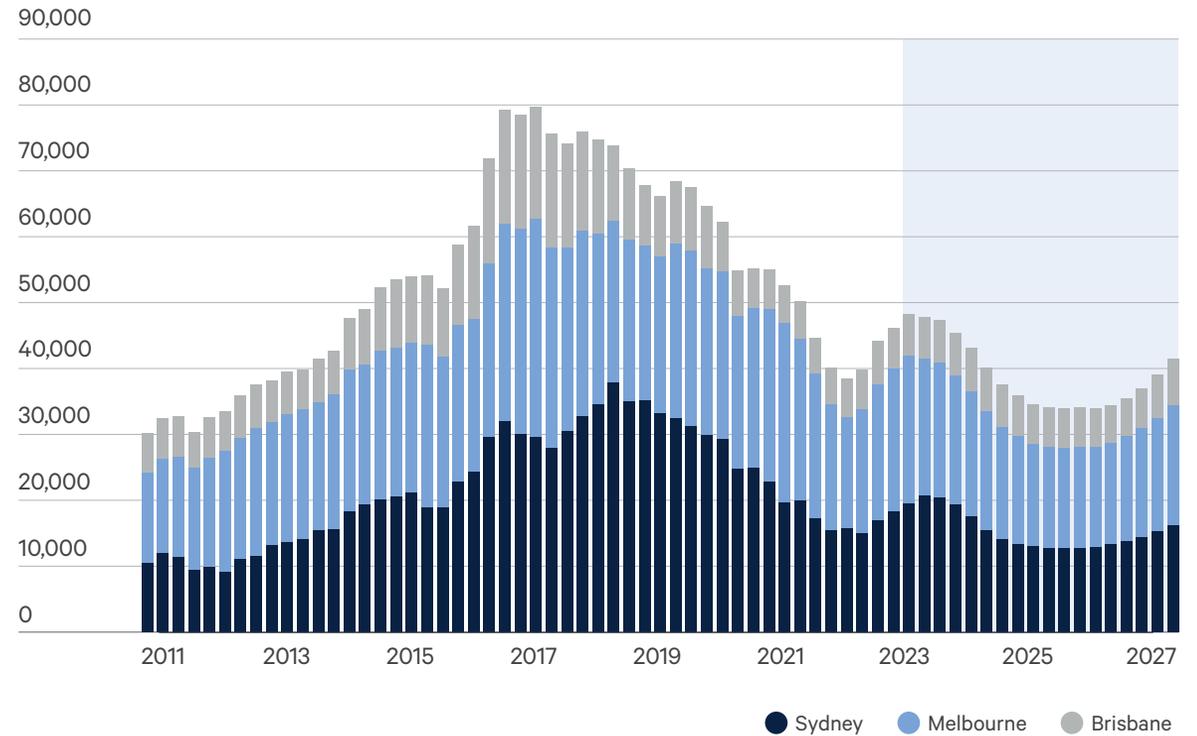
# Extended period of low supply ahead

FORECAST DETACHED HOUSING SUPPLY



Source: Rolling annual sum Oxford Economics. June 2023

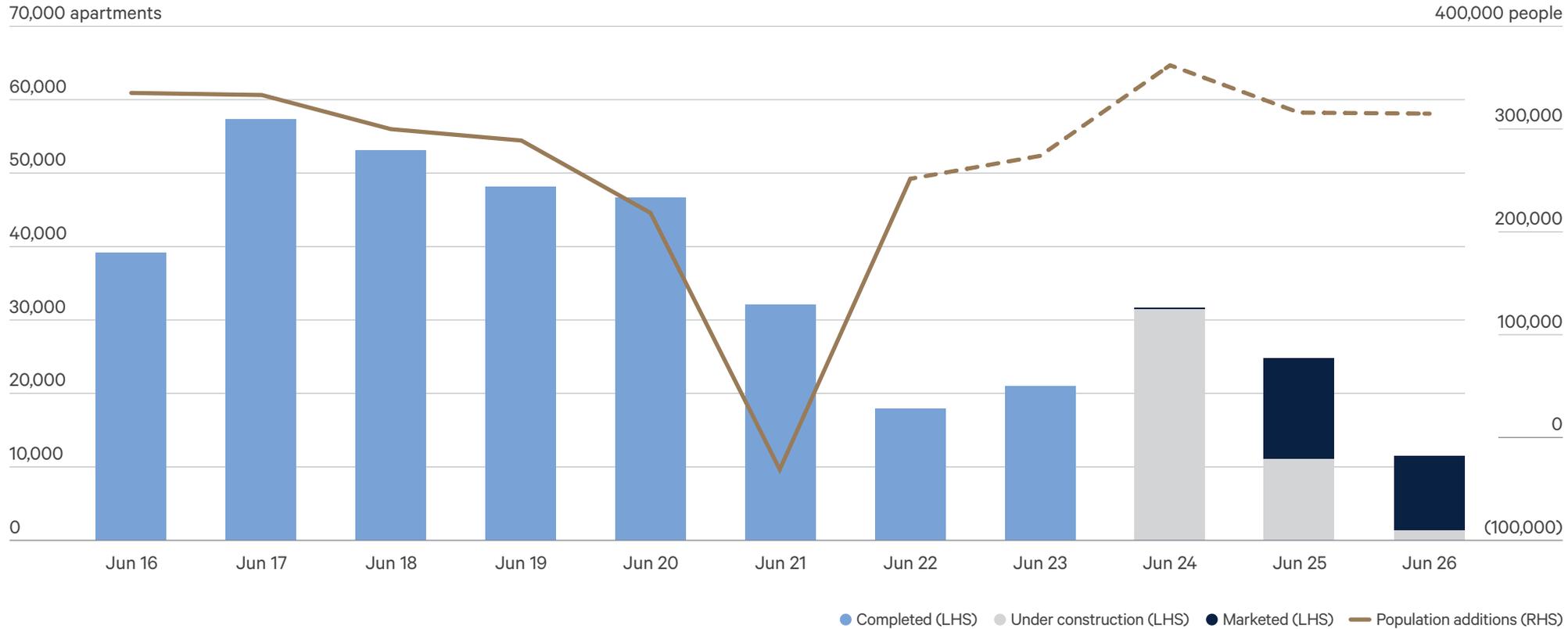
FORECAST ATTACHED HOUSING SUPPLY



Source: Rolling annual sum Oxford Economics. June 2023

# Restricted apartment supply outlook

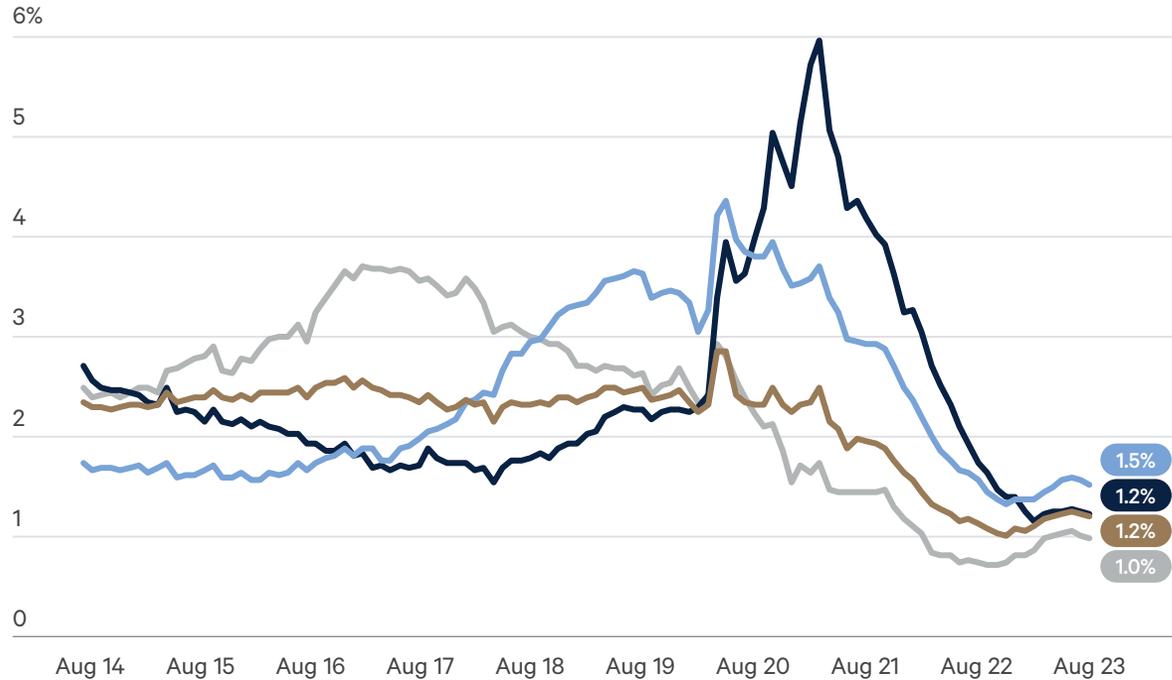
POPULATION ADDITIONS<sup>1</sup> VS CAPITAL CITY UNIT SUPPLY<sup>2</sup>  
 Sydney, Melbourne & Brisbane market high density apartment completions



Source: 1. ABS; Centre for Population; Population Estimate 2022 (Dec 22), Budget 2023-24 Projection (May 23) NSW, QLD, VIC 2. Charter Keck Cramer: Brisbane, Melbourne, Sydney (June 2023)

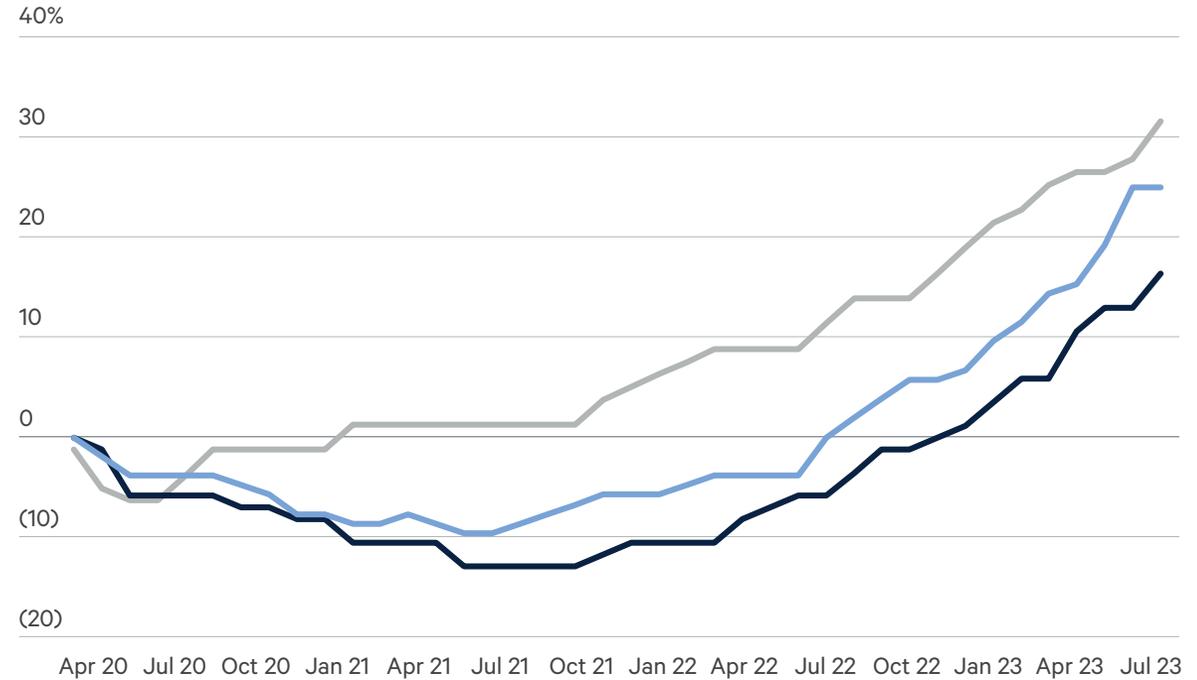
# Record low vacancy and significant rental growth

## RENTAL VACANCY RATES



— Sydney — Melbourne — Brisbane — Australia  
 Source: All dwellings, seasonally adjusted, SQM Research August 2023

## CAPITAL CITY UNIT RENT PERFORMANCE SINCE MARCH 2020

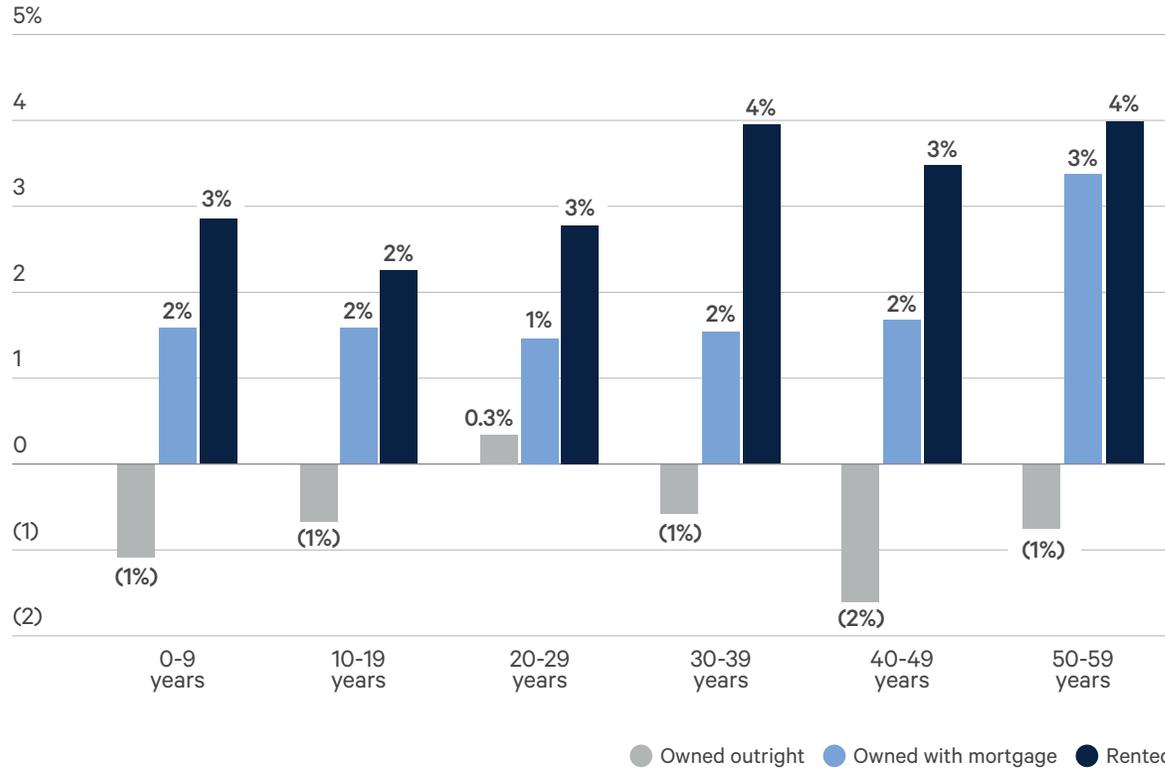


— Sydney — Melbourne — Brisbane  
 3-month median rent  
 Source: Domain Group/APM Research, June 2023

# Renters – fastest growing tenure across all large population cohorts

## CHANGE IN HOUSING TYPE – SYDNEY, MELBOURNE & BRISBANE

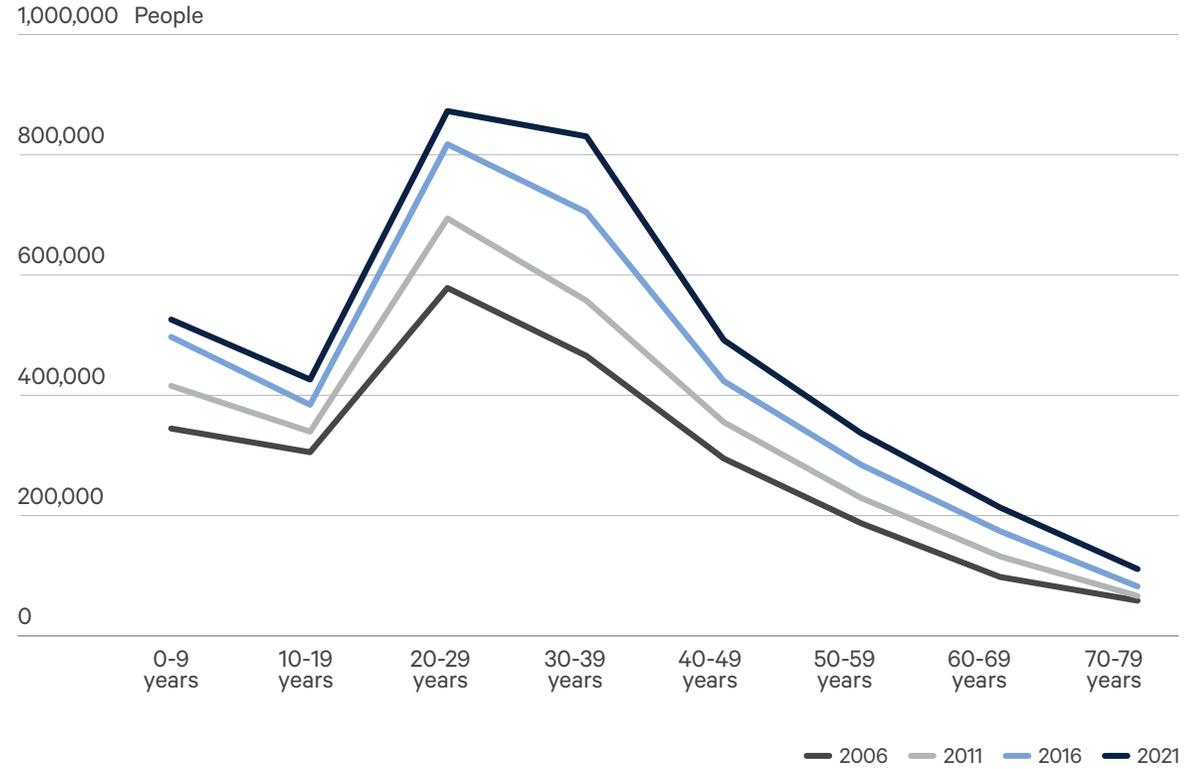
Past 15 year Compound Average Growth Rate (CAGR)



Source: 2021 ABS Census

## VOLUME OF RENTERS BY AGE COHORT

Greater Sydney, Greater Melbourne & Greater Brisbane

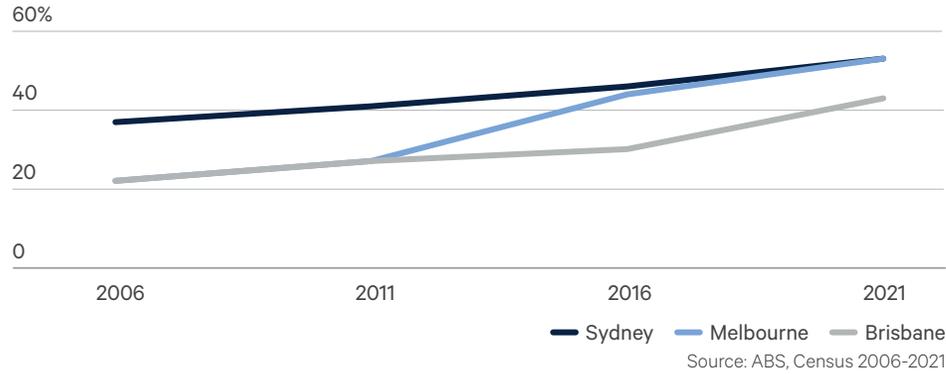


Source: ABS Census

# High-rise apartments – growing in importance for renters

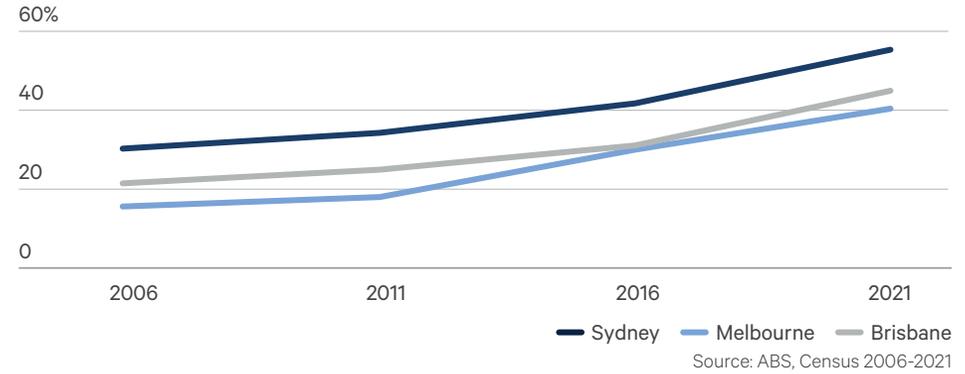
## RENTERS – SINGLE & GROUP HOUSEHOLDS

Share living in high-rise apartment



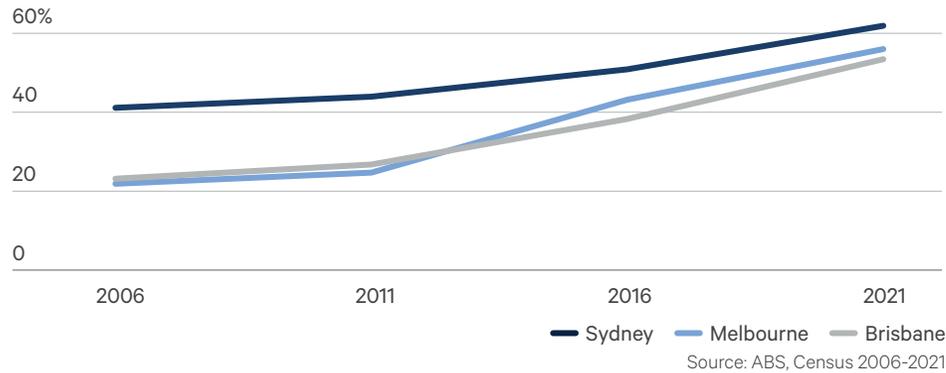
## RENTERS – FAMILIES WITH KIDS

Share living in high-rise apartment



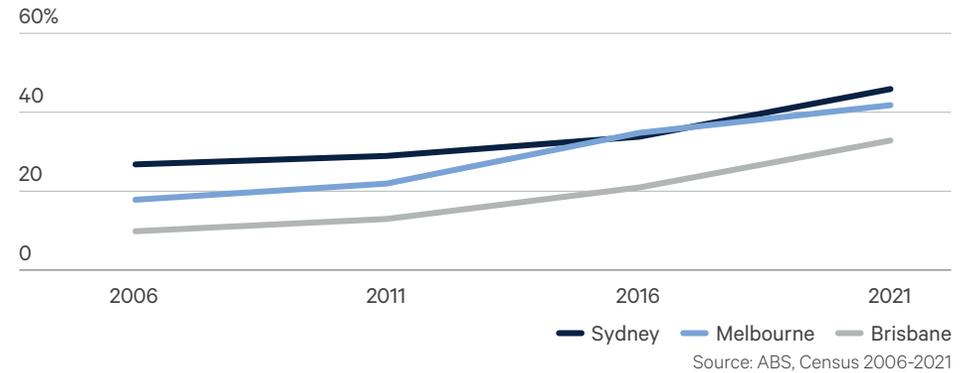
## RENTERS – COUPLES NO KIDS

Share living in high-rise apartment



## RENTERS – SINGLE PARENT FAMILIES

Share living in high-rise apartment

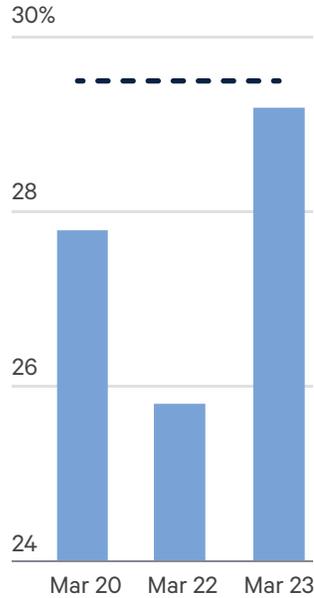


# BTR will play an important role in addressing future supply

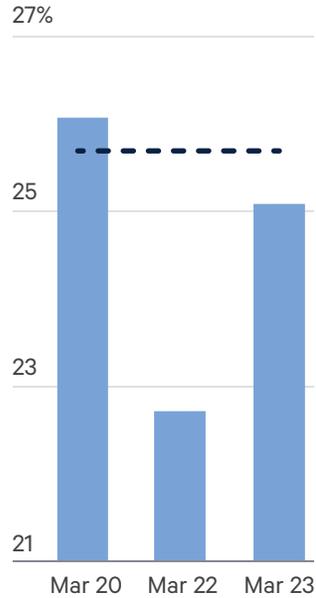
## RENTER AFFORDABILITY

Portion of income required to service rent

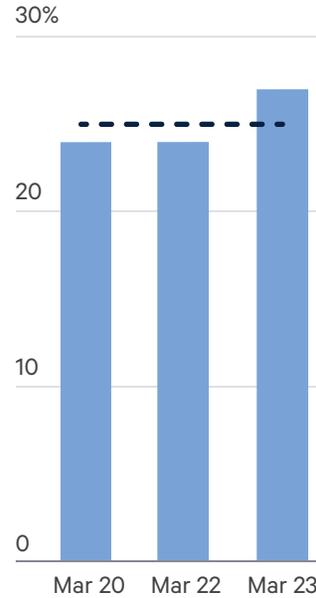
### GREATER SYDNEY UNITS



### GREATER MELBOURNE UNITS



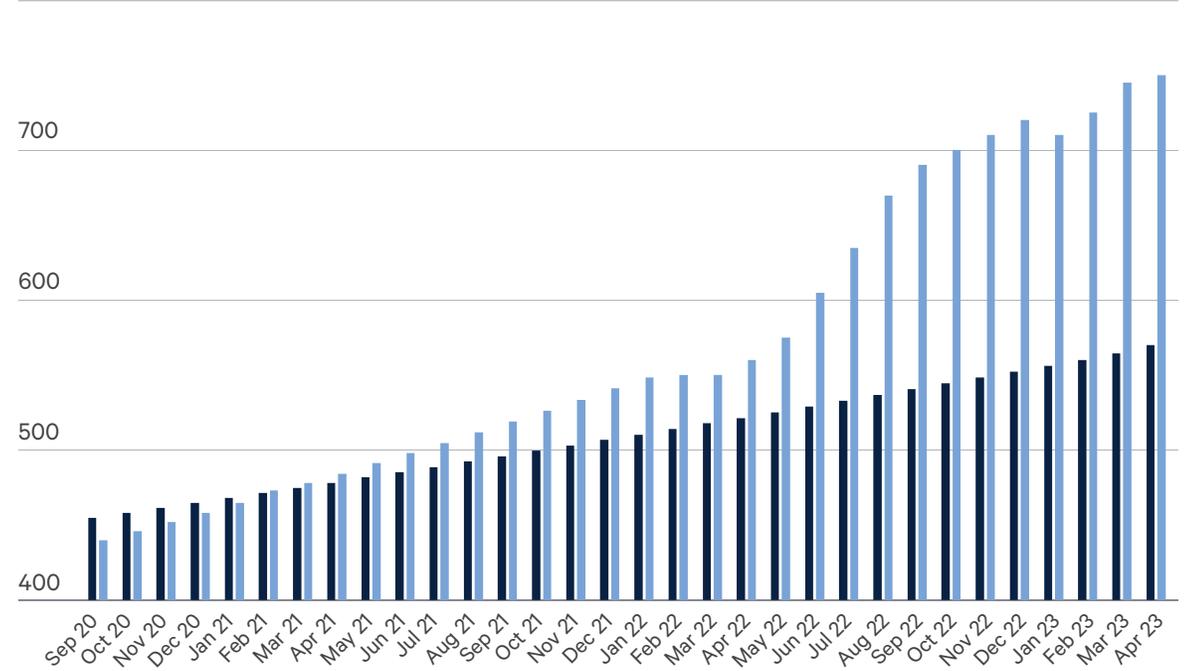
### GREATER BRISBANE UNITS



Source: ANU & CoreLogic

## WEEKLY RENT INCOME VERSUS NEW INVESTOR MORTGAGE LOAN PAYMENTS

\$800

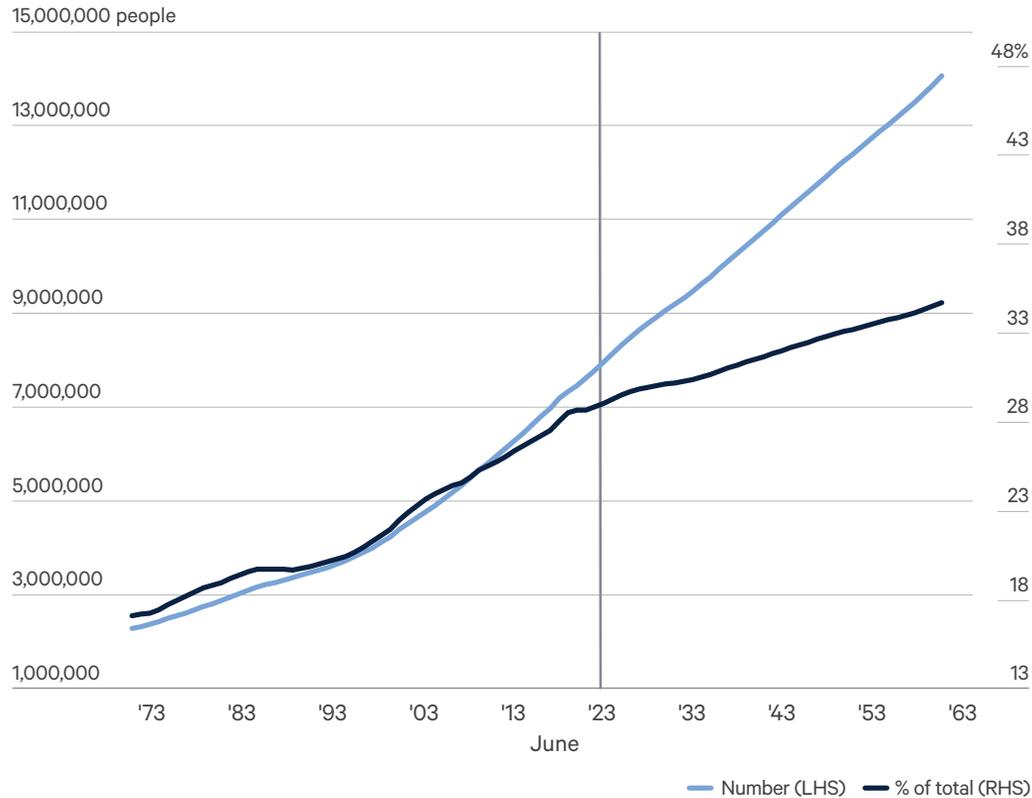


● Adjusted median rent ● Mortgage repayment

Source: CoreLogic, RBA. Mortgage Payments are based on a 30 year mortgage with a 20% deposit on the median Australian dwelling value each month. Assumes average new variable rates for investors as reported by the RBA, adjusted for further rate increases. Rents are based on the median rent valuation, adjusted by changes in the hedonic rental value index.

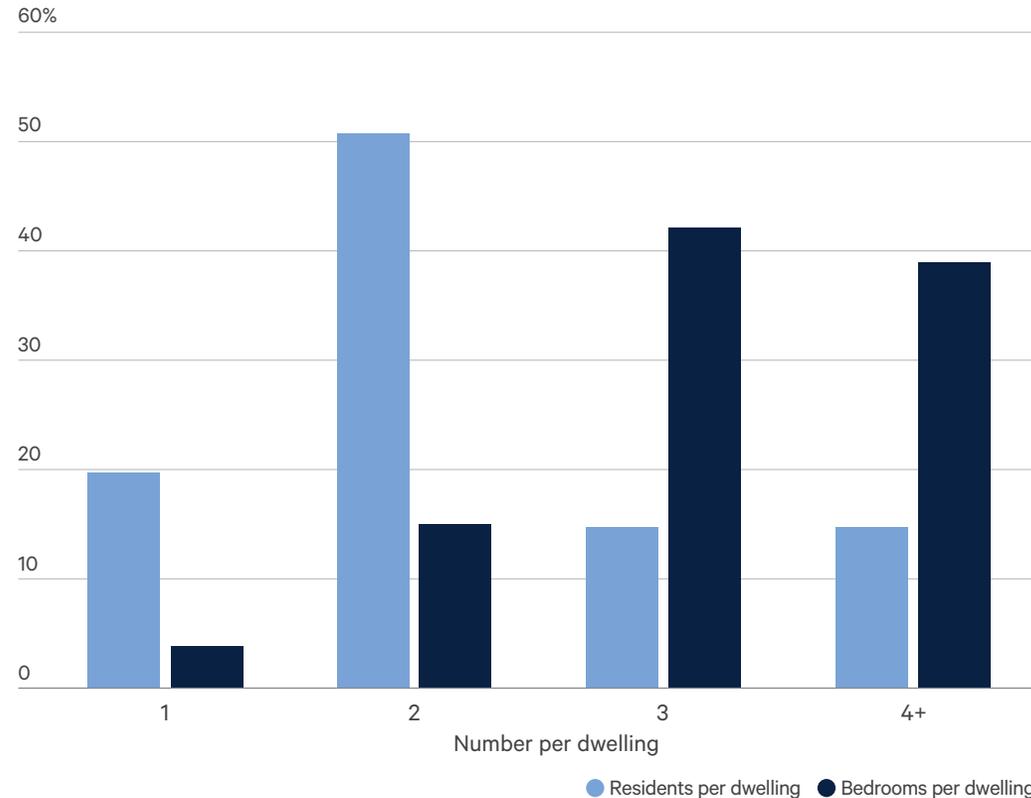
# Strong growth in retirees, opportunity to unlock under-utilised housing stock

**POPULATION AGED 55+**  
Intergenerational review projections



Source: ABS Historical Population, Estimated Resident Population, Federal Treasury 2023 Intergenerational Report

**RESIDENTS & BEDROOMS**  
(% of total, aged 55-79 years)



Source: ABS Census 2021 (2021 Census – counting persons, place of enumeration)



LIV Anura, Brisbane (artist impression, final design may differ)

# Investment appeal



**Richard Seddon**  
CEO, Investment

# Continue to increase resilience of Investment portfolio

## CURRENT POSITION

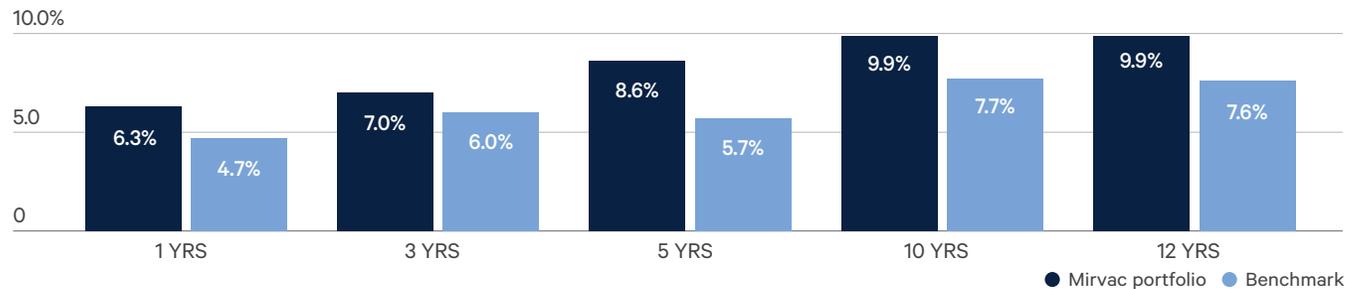
### ACTIVE MANAGEMENT HAS DRIVEN STRONG UPLIFT IN PORTFOLIO QUALITY

- > ~\$4.2bn of assets disposed over last 10 years
- > ~\$6bn<sup>1</sup> of assets created over last 10 years (13 new assets across BTR, Industrial and Office)
- > 96.9% occupied Investment portfolio<sup>2</sup>
- > Established new BTR asset class with retained 44% co-investment
- > Industrial 100% Sydney exposed<sup>3</sup>
- > 100% urban retail
- > Prime, modern, sustainable, low capex Office portfolio<sup>4</sup>

### PORTFOLIO QUALITY AND DEVELOPMENT HAS DRIVEN EXCESS RETURNS OVER ALL TIME PERIODS

#### MIRVAC PORTFOLIO CONSISTENT OUTPERFORMANCE

Based on compound average annual returns



Source: RIA commercial property market return indicator as at March 2023

- 100% share end value of developments completed.
- By area, excluding BTR.
- By portfolio valuations as at 30 June 2023.
- 99% of Office portfolio Prime (42% premium), 10.8 year average age, 84% built or refurbished by Mirvac, 5.3 Star average NABERS rating, 0.3% maintenance capex (5 year pa average).
- At 30 June 2023, by total property portfolio valuations, which includes co-investments, based on equity value, assets held for sale, and properties being held for development and excludes IPUC.



## FUTURE FOCUS

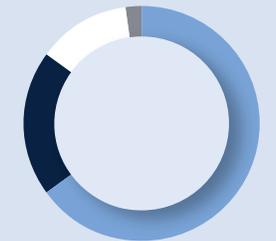


*Continue to lift exposure to high-quality, modern, capex light assets*

**Focus on cash flow resilient sectors with positive structural tailwinds**

CURRENT INVESTMENT PORTFOLIO<sup>5</sup>

- ↑ Increased exposure to living sectors including BTR and Land Lease communities
- ↑ Lift industrial exposure
- ↓ Moderate office exposure with focus on modern prime assets
- ➡ Maintain urban retail focus



● Office 65% ● Industrial 13%  
● Retail 20% ● Build to Rent 2%



# Appeal of BTR asset class



## UNDERPINNED BY STRUCTURAL DRIVERS

- > Strong population growth
- > Affordability pressures
- > Material undersupply
- > Urbanisation of population
- > Latent customer demand – low quality incumbent product – institutional professional ownership
- > Growing addressable market
- > Supportive Government policies



## ATTRACTIVE RISK ADJUSTED INVESTMENT RETURNS

### STABLE INCOME STREAMS

- > High occupancy
- > Low volatility of income
- > Stability in valuation

### STRONG RENTAL GROWTH OUTLOOK

- > Historical rent growth
- > Annual rent adjustments
- > Inflation protection

### LOW CASH FLOW LEAKAGE

- > Modest capex and incentives
- > Low downtime



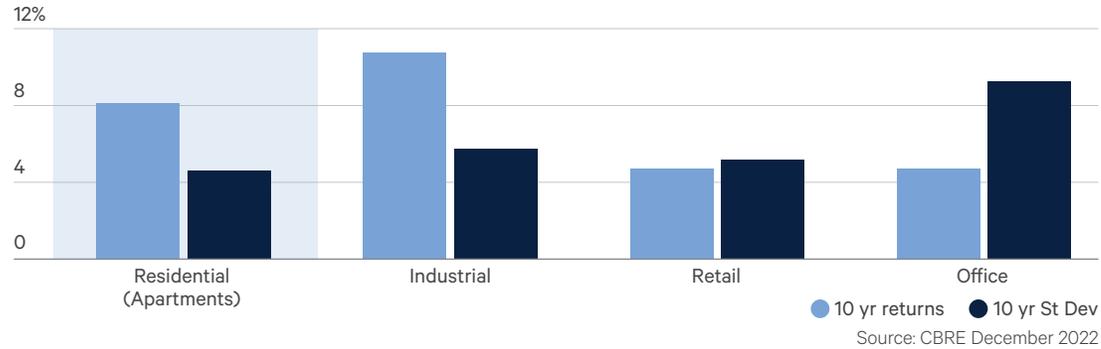
## ALIGNED TO MGR CAPABILITIES

- > 50 year Residential track record and knowledge base
- > Integrated market leading design and creation platform
- > Broadens customer reach
- > Leverage Regulatory relationships
- > Operating track record – Early mover advantage

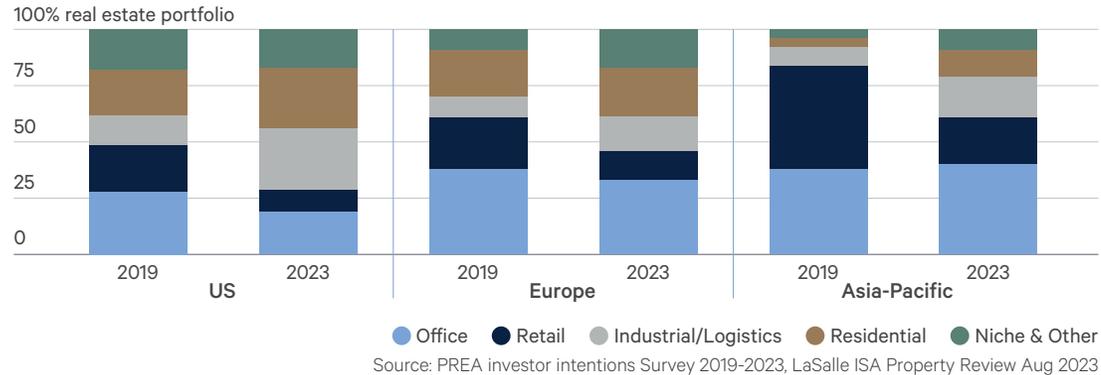
# BTR has outperformed globally

## BTR HAS DELIVERED STRONG PERFORMANCE IN OTHER MATURE MARKETS

### US DIRECT RETURNS AND VOLATILITY

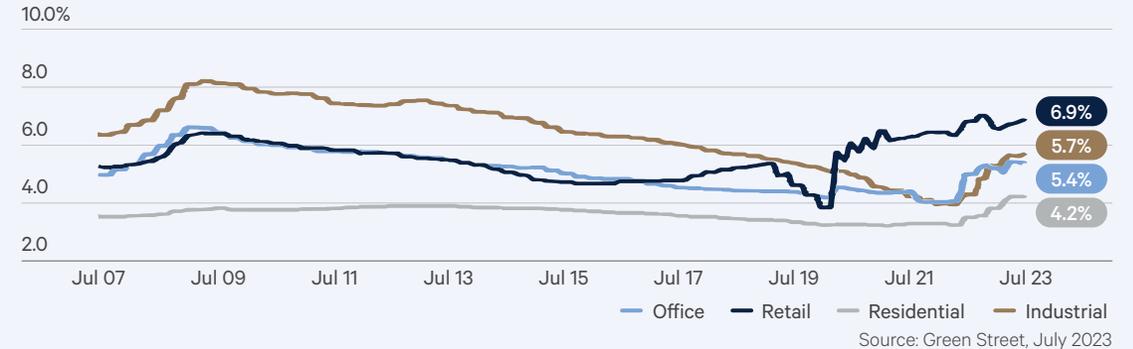


### RISING SECTOR ALLOCATION



## EUROPEAN RESIDENTIAL – LONG TERM RISK ADJUSTED RETURN OUTPERFORMANCE

### EUROPEAN ECONOMIC CAP RATES BY SECTOR



### UK STRONG LONG RUN RETURNS WITH LOW VOLATILITY

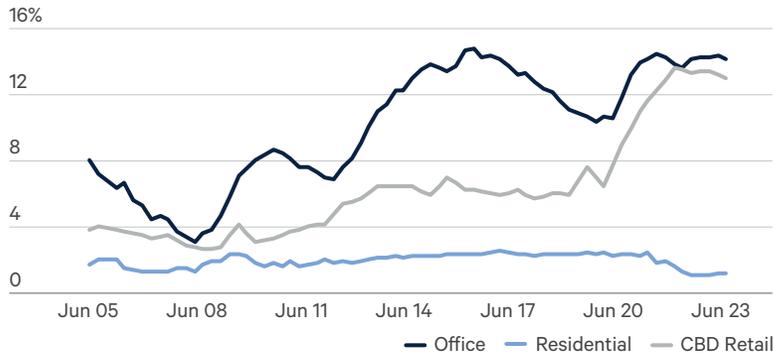


# Sector outperformance – Australia

LIKE INTERNATIONAL MARKETS, BTR IS EXPECTED TO TRADE INSIDE THE TRADITIONAL SECTOR CAPITALISATION RATES

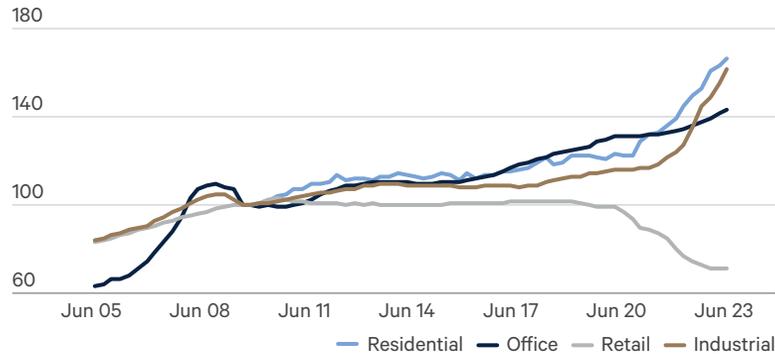


NATIONAL VACANCY RATES ACROSS SECTORS



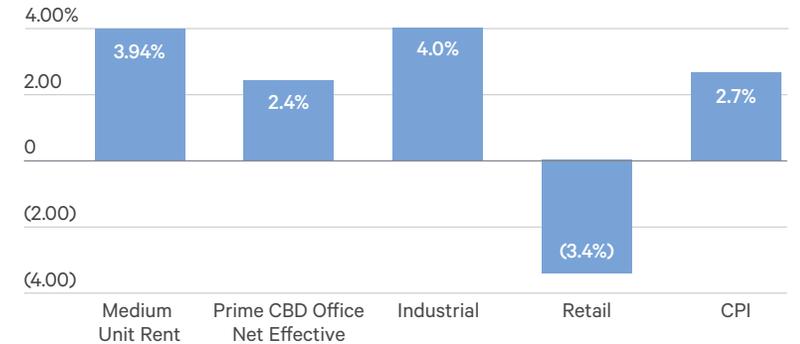
Source: JLL REIS – Office includes Sydney CBD, Melbourne CBD, Brisbane CBD, Perth CBD, Adelaide CBD and Canberra; SQM All dwellings

INDEX OF RENTS BY SECTOR  
June 09 =100



Source: SQM Median weekly unit rents, Australia; JLL. Retail includes prime CBD Retail, Industrial includes Sydney Outer Central West & South, Melbourne South & West, Perth, Brisbane Trade Coast & South, Perth North and Adelaide Inner West

RENT GROWTH ABOVE CPI  
Australian Annual Rent Growth Across Sectors



Source: SQM Median weekly unit rents, Australia; JLL. Retail includes prime CBD Retail, Industrial includes Sydney Outer Central West & South, Melbourne South & West, Perth, Office Net effective rents Median Syd, Melb, Bris CBD

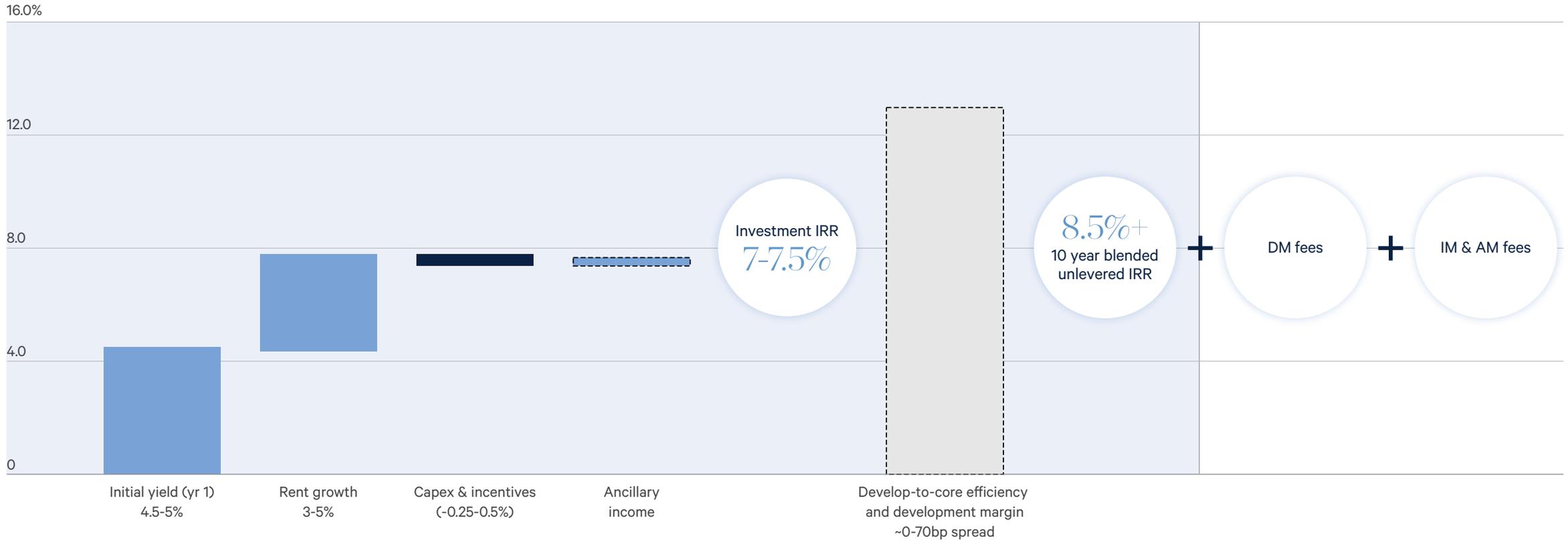
# Attractive return outlook

# INDICATIVE ONLY<sup>1</sup>



## POTENTIAL INVESTMENT RETURNS<sup>1</sup>

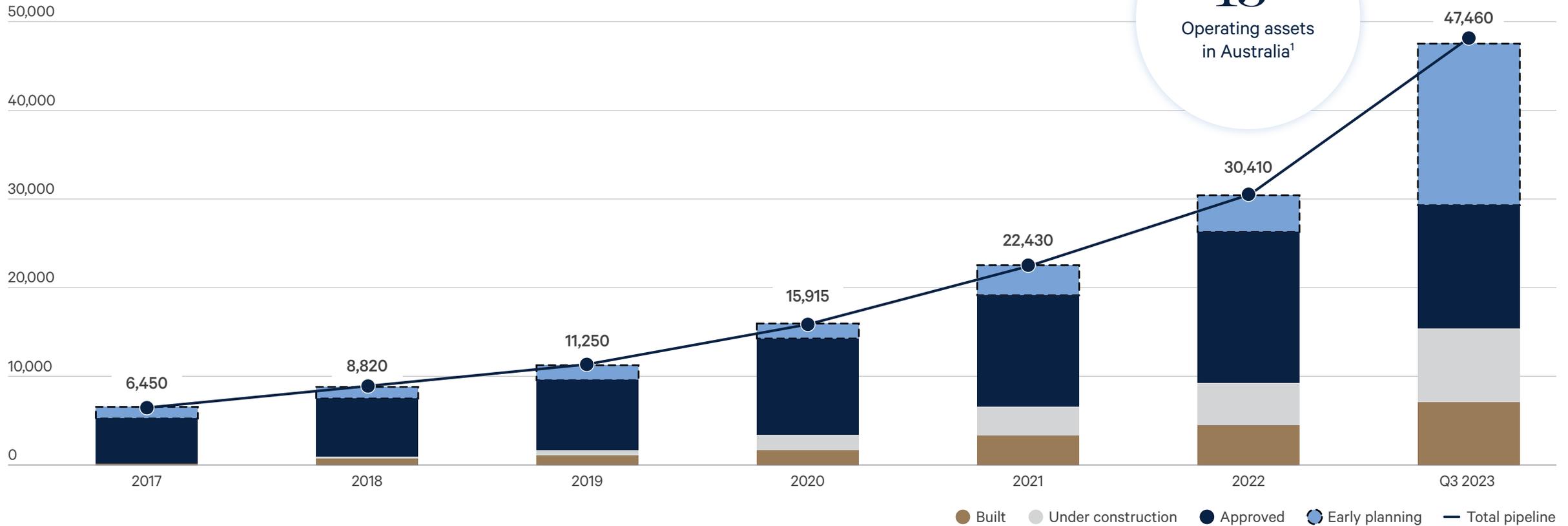
## ADDITIONAL DEVELOPMENT/ PLATFORM OPPORTUNITY



1. Indicative illustrative example only and not a forecast.  
 2. Development margin reflects stabilised yield to cap rate.

# BTR in Australia

## AUSTRALIAN KNOWN BTR SUPPLY PIPELINE

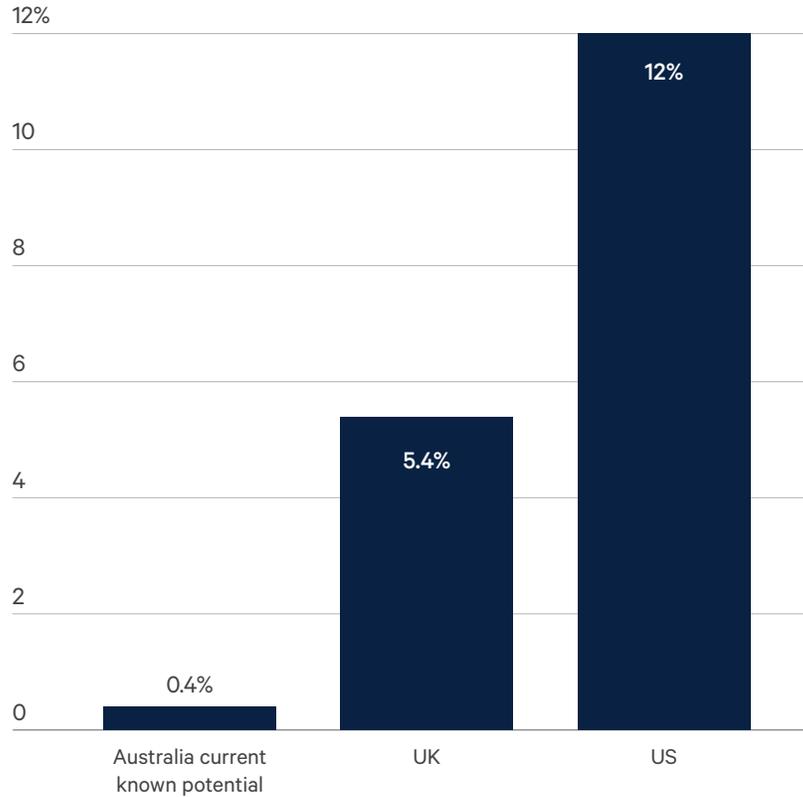


Source: Urbis Apartment Essentials, Urbis

1. Source: EY, Urbis, Mirvac.

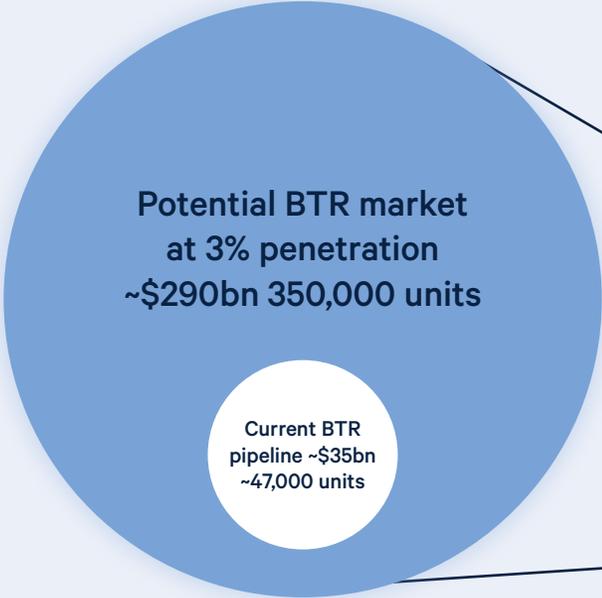
# Potential addressable market is deep

## PROFESSIONALLY MANAGED HOUSING STOCK AS % OF TOTAL STOCK

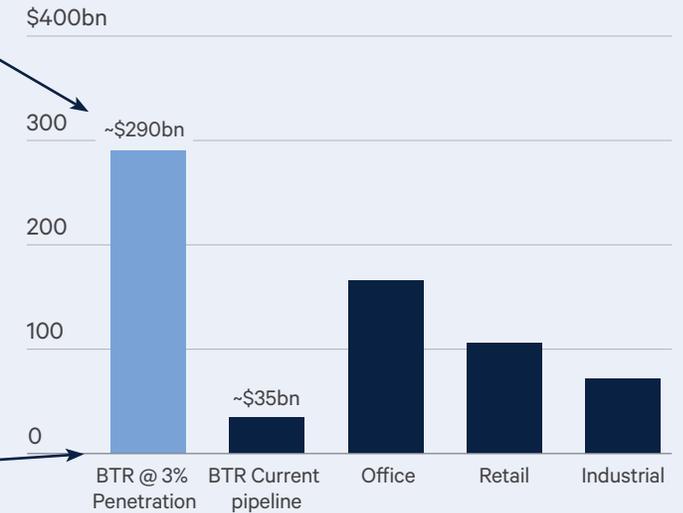


Source: Urbis Apartment Essentials Aug 2023, ABS, EY Build to Rent Housing report 2022

## LOW PENETRATION RATE – MATERIAL SCALE OPPORTUNITY



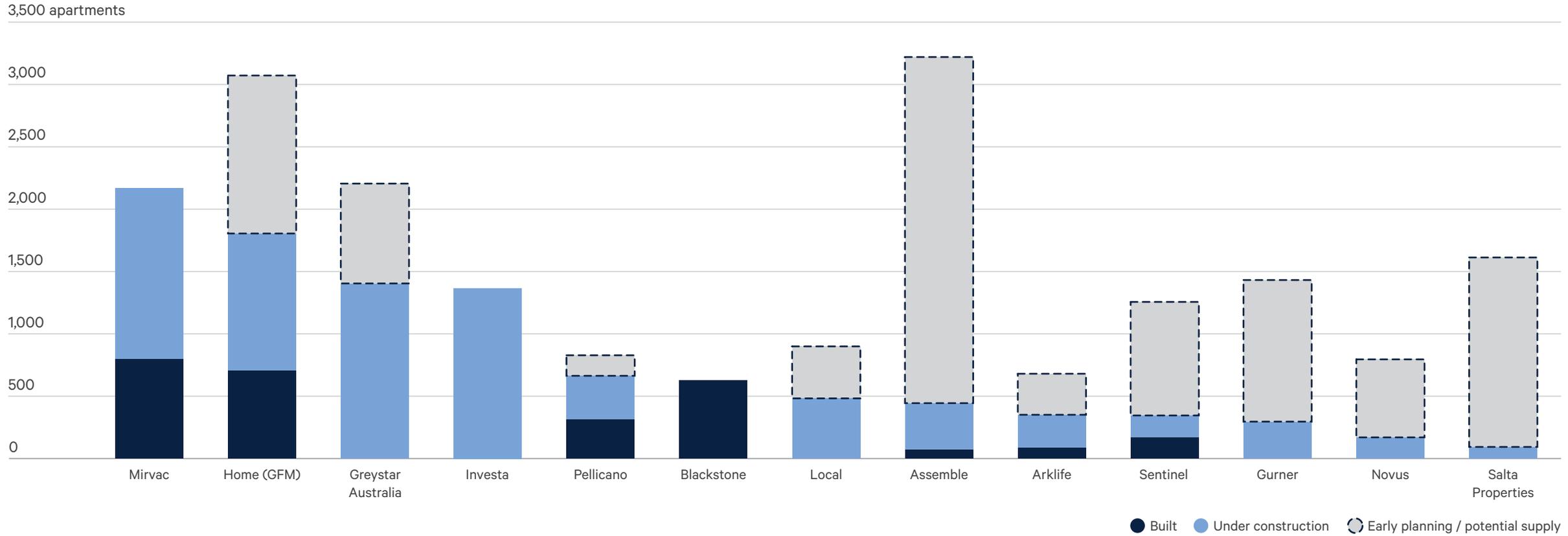
## INSTITUTIONAL REAL ESTATE MARKET AUSTRALIA



Source: EY, ABS, Urbis, MSCI All Property, Mirvac estimates

# Mirvac has pioneered the build to rent sector in Australia

MIRVAC IS THE LEADING PLAYER AMONGST THE MAJOR BTR DEVELOPERS, WITH OPERATIONAL EXPERIENCE



Source: Urbis September 2023, JLL, Mirvac

# Aligned to Mirvac capabilities

**AWARD WINNING RESIDENTIAL DEVELOPMENT TRACK RECORD**

- > >50yrs experience
- > Site selection
- > Deep data base
- > Regulatory relationships
- > Creating connected communities
- > Re-imagine urban life

**DESIGN AND CONSTRUCTION PLATFORM**

- > Procurement
- > Cost management
- > Design
- > Risk management
- > Sustainability outcomes



**INVESTMENT EXPERTISE**

- > Outperforming investment track record
- > Multi-sector capability
- > Aligned partnership approach
- > Strong corporate governance

**DEEP MANAGEMENT CAPABILITY**

- > Customer experience
- > Asset management
- > Sustainable living solutions
- > Community curation
- > Sales and marketing
- > Technology & procurement



Albert Fields, Melbourne  
(Artist impression, final design may differ)

# BTR value proposition



**Angela Buckley**

Fund Manager –  
BTR Sector Lead

# LIV – Our ambition is to unassailably lead the BTR category



## BTR FIRST MOVER ADVANTAGE, BACKED BY 50 YEARS OF RESIDENTIAL DEVELOPMENT EXPERIENCE

Only truly integrated BTR business with design, development and construction capability to optimise market cycles

Strong focus on learning and improving to iterate and innovate the LIV offering – kit of parts design, standardisation, efficiencies



## SECURED AND DIVERSIFIED DEVELOPMENT PIPELINE

Existing 2,200 apartment pipeline will be operational by FY25, providing meaningful scalable portfolio and delivery certainty

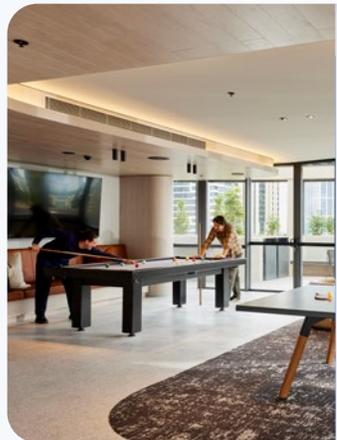
Capability and capacity to grow pipeline – exposure to Sydney, Melbourne and Brisbane



## EXPERIENCED TEAM AND PROVEN PLATFORM IN A SECTOR POISED FOR GROWTH

End-to-end asset creation and curation capability, reputation for quality and certainty

Significant investment in LIV platform creation to achieve scale ambitions – systems, processes and governance



## MARKET LEADING BRAND LIV WITH TRULY CONSUMER CENTRIC APPROACH

Three years of operational experience & more than 1,100 customers today

Proven operating metrics with high occupancy and resident retention

Emphasis on innovation to digitise the LIV experience e.g. LIV App & AI Concierge built in-house



## ESG AT THE HEART OF EVERYTHING WE DO

Net positive Scope 1 and 2 emissions and commitment to 'This Changes Everything' Scope 3 target by 2030<sup>1</sup>

Social sustainability and driving community benefits central to the LIV offering

Government partnership to deliver affordable housing within projects – LIV Anura, QLD



## TRUE PARTNERSHIP AND ALIGNMENT

Develop-to-Core vehicle, with investor first mindset, focused on transparency and visibility

Mirvac co-investment and commitment to grow to over 5,000 apartments

1. Target reflects Mirvac's current intention. Mirvac reserves the right to change this target at any time.

# LIV – Australia’s most progressed BTR portfolio, poised for growth

*\$1.8bn Seed Portfolio,  
~2,200 apartments*

*Commitment to grow to  
at least 5,000 apartments*

*More than 1,100  
customers today*

*Market leading ESG  
credentials and targets*

GENERATION 1		GENERATION 2		FUTURE					
LIV INDIGO, SYD		LIV MUNRO, MEL		LIV ANURA, BNE <sup>2</sup>		LIV ASTON, MEL <sup>2</sup>		LIV ALBERT FIELDS, MEL <sup>2</sup>	
<b>Total Apartments</b>	315	<b>Total Apartments</b>	490	<b>Total Apartments</b>	396	<b>Total Apartments</b>	474	<b>Total Apartments</b>	498
<b>Status</b>	Operational	<b>Status</b>	Operational	<b>Status</b>	Under construction	<b>Status</b>	Under construction	<b>Status</b>	Under construction
<b>Completion</b>	September 2020	<b>Completion</b>	Mid November 2022	<b>Completion</b>	FY24	<b>Completion</b>	FY24	<b>Completion</b>	FY25
<b>Occupancy</b>	94% <sup>1</sup>	<b>Occupancy</b>	62% <sup>1</sup>	<b>Occupancy</b>	N/A	<b>Occupancy</b>	N/A	<b>Occupancy</b>	N/A
<b>ESG</b>	6.4 Star NatHERS	<b>ESG</b>	8.1 Star NatHERS	<b>ESG</b>	8.0 weighted average NatHERS (target)	<b>ESG</b>	7.5 Star NatHERS (target)	<b>ESG</b>	7.5 Star NatHERS (target)

1. By apartment number, as at 30 June 2023, excludes display apartments.

2. Note images are artist impressions, final design may differ.

# LIV Value Proposition

LEVERAGING MIRVAC'S EXTENSIVE CAPABILITY WITH A STRONG UNDERSTANDING OF A NEW CONSUMER MINDSET HAS LED TO THE CREATION OF LIV, AN INDUSTRY-LEADING BRAND WITH A CLEAR VALUE PROPOSITION

WHY?

*“LIV is in the business of life, not in the business of renting. LIV isn't looking to optimise the existing rental experience but seeking to revolutionise how people live”*

WHAT?

*“LIV is a platform for renting Australians to experience safety, belonging and individuality. LIV exists to create a better life for everyday Australians”*

HOW?

### SIMPLICITY<sup>1</sup> that delivers safety

- No bonds
- Secure leases
- White goods included
- Onsite management /concierge services
- Onsite repairs and maintenance
- Ability to seamlessly connect Wi-Fi, electricity and energy services<sup>2</sup>
- Cleaning services<sup>2</sup>
- Parcel delivery services
- ESG

### CONNECTION<sup>1</sup> that evokes belonging

- Creating environments for people to connect
- Regularly curated resident events
- Co-working and meeting rooms
- Podcast recording studios
- BBQ areas and pet friendly outdoor areas
- Communal kitchen and lounge areas
- Private dining rooms
- Kids play and cinema rooms

### FLEXIBILITY<sup>1</sup> that enables individuality

- Residents encouraged to paint the walls and hang pictures
- Ability for residents to scale up / down in unit sizes over time
- Pets are welcome
- Car parking, storage cage and furniture packages provided on an opt-in basis<sup>3</sup>
- Amenity spaces designed with future adaptability in mind

1. Inclusions, services and amenities are not reflective of each BTR Venture property. Each asset's inclusions, services and amenities are tailored according to the specific properties target market and surrounding catchment amenity.  
 2. Where provisioned within a property, services are typically provided at an additional cost to base rental rates.  
 3. Car parking, storage cages and furniture packages may or may not be included within base rental rates and are subject to availability.

# BTR offers compelling value for customers

	1 BR Munro BTR	2 BR w 1 BTH Private Landlord	1 BR w 1 BTH Private Landlord
Apartment size (sqm)	52	61	53
Rent – weekly <sup>1</sup>	\$650	\$654	\$600
Gym & pool membership <sup>2</sup>	—	\$60	\$60
Car <sup>3</sup>	—	\$263	\$263
White goods depreciation <sup>4</sup>		\$2	\$2
Return on bond		\$3	\$2
<b>Total weekly household cost</b>	<b>\$650</b>	<b>\$982</b>	<b>\$927</b>
BTR Saving		51%	42%
		\$332	\$277
<b>Capital outlay</b>			
Bond	—	\$2,600	\$2,400
White goods <sup>4</sup>	—	\$1,200	\$1,200
<b>Other amenity</b>			
Co-working facilities	✓	✗	✗
Pet friendly	✓	✗	✗
Private dining room	✓	✗	✗
Onsite management 7 days a week	✓	✗	✗
Parcel delivery services	✓	✗	✗
Multimedia facilities	✓	✗	✗
Podcast studio	✓	✗	✗
On demand, resident car share EVs	✓	✗	✗
Bar / lounge & commercial kitchen	✓	✗	✗
Dance / yoga studio	✓	✗	✗
Carbon neutral accommodation	✓		

1. Source: Urbis Melbourne CBD weekly rents (90th percentile), Mirvac. Excluding parking space.  
 2. Base gym membership weekly estimate, assumes 2 people per household with memberships.  
 3. Source: Australian Automotive Association 2022, Transport Affordability. Excluding fuel, tolls and roadside assistance weekly costs.  
 4. White goods assumes cost of base Refrigerator, microwave, washing machine and dryer.



*“As soon as we saw the co-working space, we knew this place would be amazing”*

*“We just moved from a 2 bed on Queen St, to a 1 bed in Munro, but the apartment is so well designed with great storage we feel like we have more space”*

*“I normally pay \$180/hr to hire a podcast studio, but I save that now”*

# Customer takeaways

## A SNAPSHOT OF WHO IS LIVING AT LIV<sup>1</sup>



630

Total number of households



>1,100

Total number of residents



~161

Total number of pets



84

Total number of children

## GOOGLE REVIEWS<sup>1</sup>



LIV Indigo



4.30/5

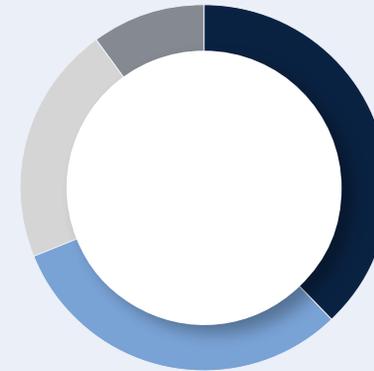


LIV Munro



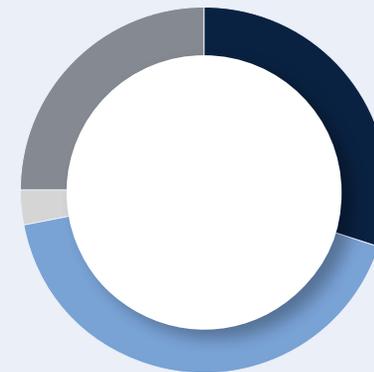
4.50/5

## LIV INDIGO – HOUSEHOLD TYPES<sup>1</sup>



- Couple: 38%
- Single: 31%
- Family: 21%
- Share: 10%

## LIV MUNRO – HOUSEHOLD TYPES<sup>1</sup>



- Couple: 30%
- Single: 42%
- Family: 3%
- Share: 25%

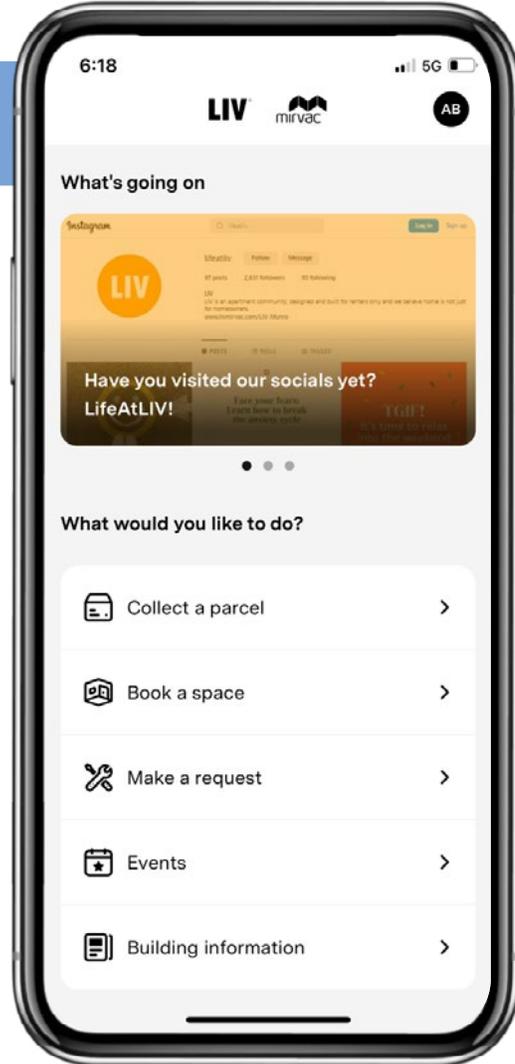
1. Customer data as at 21 September 2023.

# A new way of living – how are our residents making the most of LIV

## LIV OFFERINGS

- CINEMA ✓
- MEETING ROOMS ✓
- CAR RENTALS ✓
- SAUNA ✓
- POOL ✓
- GYM ✓
- COMMUNITY EVENTS ✓

Residents can easily and seamlessly book access to these amenities through our Mirvac App



## WHAT OUR RESIDENTS ARE DOING<sup>1</sup>

AMENITIES	COMMUNITY EVENT	CAR RENTAL
	<p>"The team initiate events and keep the community going. I go to dinners, trivia nights and Zumba every week. I like meeting people there and making friends." - Current LIV resident</p>	<p>Ohmie Go Car Share</p>

~1,528

Bookings in a month

Top bookings:  
**Cinema (LIV Indigo)**  
**Meeting rooms (LIV Munro)**

~6

Events per month

52%  
Attendance

~44

Bookings in a month

## CAPITALISING ON FIRST-MOVER BENEFITS THROUGH CUSTOMER DATA

*The Mirvac App helps us capture customer behaviour and their utilisation of our LIV offerings, which in turn informs future investment and developments.*

1. Note: Figures are an average between May to July 2023 for both LIV Indigo & Munro.

# Operational learnings

## *Implementing real time experience into operating platform*

### PARTNERSHIPS



### LIFECYCLE ASSESSMENTS & IMPLEMENTATION



### VALUE OF ONSITE TEAM



# Designing for access

*Activating spaces and bringing them to life by utilising them across the day in different ways*

## AMENITY UTILISATION





LIV Aston, Melbourne (artist impression, final design may differ)

# Funds Management Overview



**Scott Mosely**

CEO, Funds Management

# Expand Funds Management offering

- > Restructured organisation establishing Funds division, ensuring leading corporate governance and performance driven culture
- > Added 3 major new aligned partnerships over FY23 with strong growth mandates including expanded relationship with Australian Retirement Trust
- > Broadened the suite of asset classes and product types including industrial and living sectors
- > Secured management and successfully integrated Mirvac Wholesale Office Fund (MWOFF), welcoming >50 staff
- > Strong alignment of interest model (capital alignment considered in development and investment decisions) and corporate governance track record
- > Opportunity to help unlock value in development pipeline, enhance returns in a rising cost of capital environment, maintain balance sheet discipline, and add annuity earnings
- > ~\$7bn of new FUM added to platform in FY23. 3rd party capital under management has grown to ~\$17bn<sup>1</sup>

## BENEFITS OF FUNDS MANAGEMENT STRATEGY EXPANSION

Diversifies capital sources	Co-invest opportunities	Strong alignment of interest model
Accelerates development	Improves ROIC	Utilises in-house D&C capabilities
		AUM scale & synergies

~\$17bn

3rd Party Capital Under Management<sup>1</sup>

## FUTURE FOCUS



### *Expand Funds Management offering to unlock development pipeline*

- > Increase partnering across broader suite of asset classes and product types, including living sectors, with aligned partners with scope for growth
- > Utilise Mirvac's deep in-house creation & curation capabilities to continue to deliver market leading investment and sustainability performance
- > Focus where we have deep operational capability and pursue growth opportunities for new BTR & Industrial vehicles
- > Maintain co-investment model to align interest with capital partners

<b>Transparency</b> in our internal and external relationships	<b>Accountability</b> for our actions and output	<b>Investor</b> first mindset	<b>Excellence</b> in the way we execute
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1. As at 30 June 2023, includes external funds, development and assets under management and excludes Mirvac's own investment in those assets / vehicles.



# New BTR Venture structure

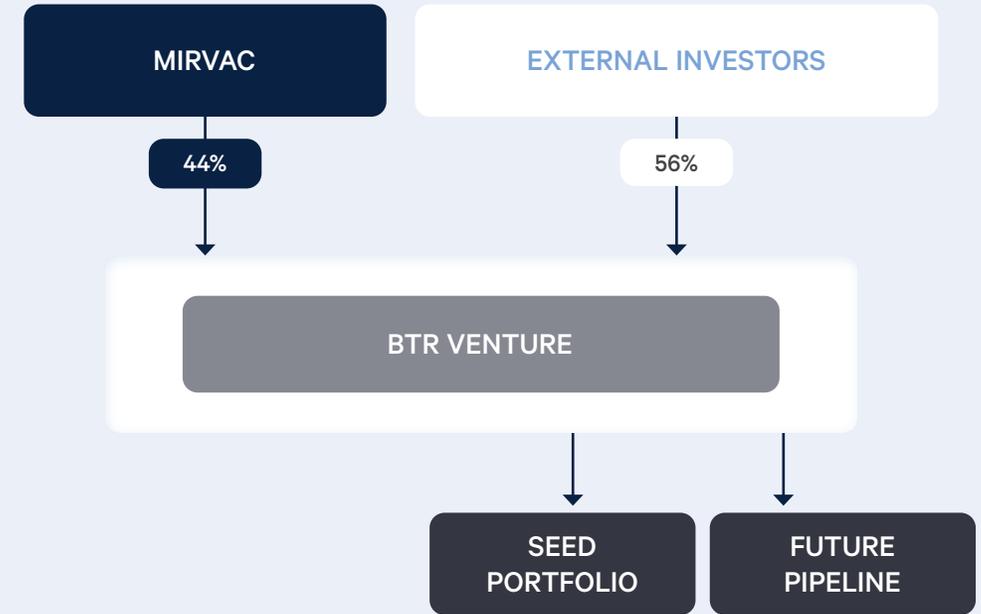
- > Flagship BTR vehicle
- > Aligned long-term capital partners, including Clean Energy Finance Corporation (CEFC)
- > Strong alignment with Mirvac's ~44% ownership share
- > Mirvac retains 100% ownership of BTR management platform

*Growth focused mandate which facilitates capital efficient accelerated expansion of portfolio and platform towards 5,000 unit Medium Term target*

*Venture utilises Mirvac's site selection, asset creation and management services*



## STRUCTURE SUMMARY



## KEY MANAGEMENT SERVICES

- > Mirvac OpCo to provide Investment and Property Management services to the BTR Venture
- > Mirvac to provide development management services, debt arrangement services and subject to approvals, construction related services

# BTR Operating platform

- > Established scalable operational platform capability across leasing, property management, marketing, technology, customer service and maintenance
- > 6 years planning and 3 years operational experience
- > 100% Mirvac owned
- > Multiple revenue stream opportunities leveraging Mirvac's platform

## MIRVAC FEE STREAMS

Development Management  
and construction Services

Property Management  
("PM") Services

Investment Management  
("IM") Services

CUSTOMER & BRAND  
LEASING  
PROPERTY & COMMUNITY MANAGEMENT  
MARKETING  
DIGITAL & TECHNOLOGY  
FINANCE



# What's next?

## *Creating value for all stakeholders*

### RESPONDING TO ECONOMIC CLIMATE



Quay Quarter Tower Sydney

### INVESTING IN KEY THEMATICS where we have operational expertise



LIV Indigo, NSW

### LEVERAGING MIRVAC'S EXPERTISE



### FUTURE FOCUS

- > To grow where we have deep operational capability
- > Continue leadership in BTR, Office, Retail & Industrial
- > Explore new and differentiated products across the Living Sectors
- > Work with aligned and like-minded investors



LIV Aston, Melbourne (artist impression, final design may differ)

# Development



**Stuart Penklis**  
CEO, Development



**Sarsha Durham**  
Development Director

# Leverage integrated Development capability

## CURRENT POSITION

- > 50-year track record of development through cycles
- > Integrated development, design and construction capability and reputation for quality is a critical competitive advantage
- > Multi-sector development capability provides resilience of earnings across asset cycles
- > Broad Residential development pipeline, deep capabilities, and trusted brand to leverage persistent structural under supply of residential accommodation



## EXTENSIVE BENEFITS OF INTEGRATED DEVELOPMENT CAPABILITY

Improved portfolio quality/modernisation 	Enhanced investment returns 	Risk management 	Sustainability objectives 	Strategic site acquisitions 	Earnings 	FUM growth 
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## DEEP MULTI-SECTOR DEVELOPMENT CAPABILITY

INDUSTRIAL	OFFICE	BUILD TO RENT	APARTMENTS	MASTERPLANNED COMMUNITIES	MIXED USE
Aspect Industrial Estate, SYD <sup>1</sup>	7 Spencer Street, MEL <sup>1</sup>	LIV Anura, BNE <sup>1</sup>	NINE Willoughby, SYD <sup>1</sup>	Smith's Lane, MEL <sup>1</sup>	Harbourside, SYD <sup>1</sup>

1. Artist impression, final design may differ.

## FUTURE FOCUS



### *More selective in deployment of capital*

- > Utilise capital efficient structures and capital partnering to drive higher development ROIC and improve flexibility of pipeline
- > Consolidation of development division, driving efficient capital allocation and leverage skills across the business
- > Increased prefabrication and digitisation to improve efficiency and safety
- > Selective in deployment of capital – have placed over ~\$1.8bn of planned development projects on hold

LIV Anura, Brisbane (artist impression, final design may differ)



# Benefits on in-house creation



1. Value creation equals Development EBIT and revaluation gain on Mirvac share retained of asset post completion, over the past 10 years.

2. 100% share end value of developments completed over the past 10 years.

# Learnings going into new design of Build to Rent assets

## LOBBY DESIGN



LIV Munro, Melbourne | Photo credit: James Horan



LIV Aston, Melbourne (artist impression, final design may differ)

## CO-WORKING



LIV Munro, Melbourne

## MODULAR UTILISATION

# Development driving sustainability outcomes



## LIV Munro has a NatHERS rating of 8.1 stars, the highest in Victoria for a building of its scale

### ESG LEARNINGS FROM EXISTING PROPERTIES

- > Embedded networks to deliver ESG targets
- > Measuring the controlling energy use in key areas to ensure efficiency
- > Control of AC systems in common areas – learning from Indigo



100% renewable electricity procurement



Focus on rainwater capture, reuse and efficiency



Embedded networks with energy monitoring available to the asset management teams and residents



Green travel plan

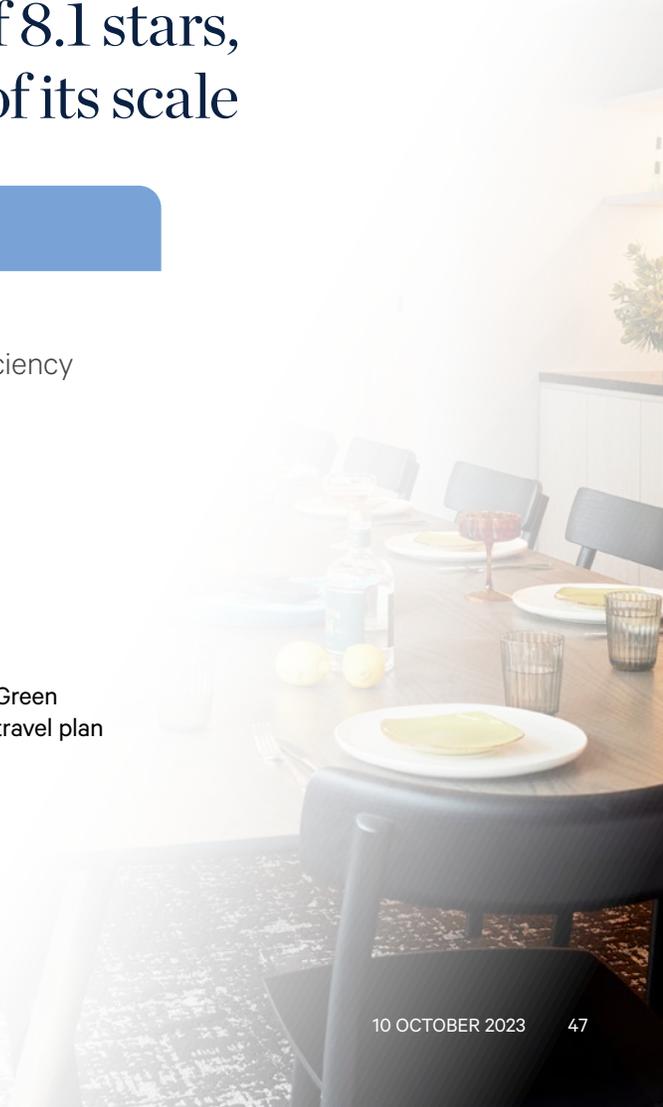


Target to design out gas



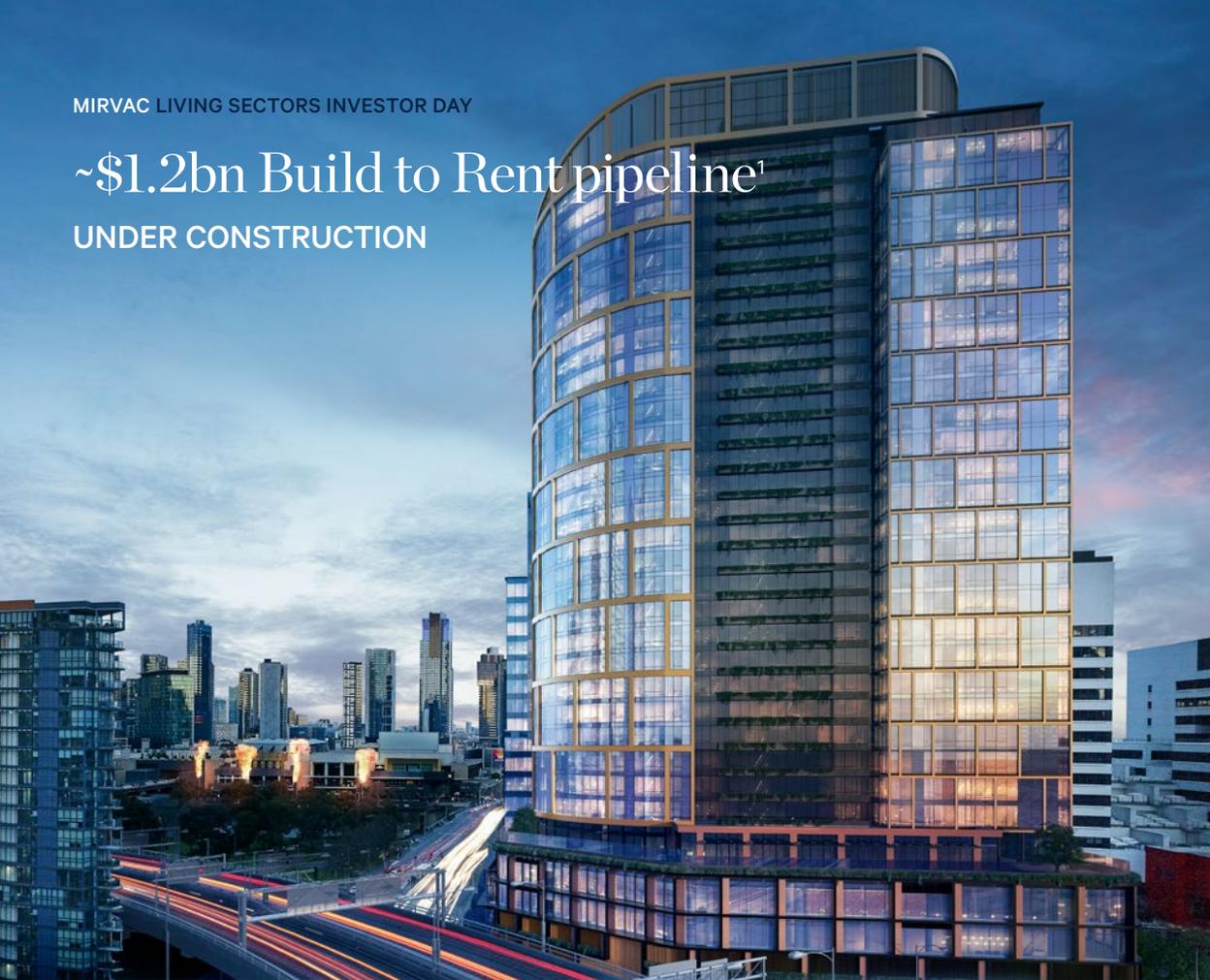
Resident engagement strategy and focus on building strong communities

LIV Munro, Melbourne



# ~\$1.2bn Build to Rent pipeline<sup>1</sup>

UNDER CONSTRUCTION



**LIV** | ASTON, MELBOURNE

## KEY AMENITY PROXIMITY



Size  
**474 apartments**

Potential completion



**FY24**



Crown Ent. Complex  
Collins Square  
Marvel Stadium

**250m**

**500m**

**950m**



Tram: Spencer Street Route  
Bus: Spencer St Bus Int  
Rail: Southern Cross Station

**<50m**

**150m**

**400m**



Melbourne Airport  
**20-25 mins**



Excellent access  
to the surrounding  
bicycle network

All images are artist impressions, final design may differ.

1. Represents forecast value on completion, incorporating a stabilisation allowance and subject to various factors outside of Mirvac's control such as planning outcomes, market conditions, construction cost escalation, supply chain risks, weather and other uncertainties.

# ~\$1.2bn Build to Rent pipeline<sup>1</sup>

UNDER CONSTRUCTION



## QUEENSLAND GOVERNMENT BTR ESSENTIAL WORKER PILOT PROGRAM

25% of apartments offered 25% below market rents to local key workers for 25 years

~100 units to be made available

State Government provide rental subsidy 'top up'

Eligibility means tested for essential workers in local catchment

Mirvac to own and operate – development and operating metrics unaffected

**LIV** | ANURA, BRISBANE

### KEY AMENITY PROXIMITY



Size  
**396 apartments**

Potential completion



**FY24**



Gasworks Plaza  
James Street Precinct

<200m

800m



Bus: Skyring Terrace  
Ferry: Teneriffe Wharf  
Rail: Bowen Hills Station

<50m

450m

700m



Brisbane CBD

10-15 mins



400m ride from the  
Brisbane bikeway  
that connects to  
the Brisbane City

All images are artist impressions, final design may differ.

1. Represents forecast value on completion, incorporating a stabilisation allowance and subject to various factors outside of Mirvac's control such as planning outcomes, market conditions, construction cost escalation, supply chain risks, weather and other uncertainties.

# The future of LIV

UNDER CONSTRUCTION



**LIV** | ALBERT FIELDS, MELBOURNE

## KEY AMENITY PROXIMITY



Size  
**498 apartments**

Potential completion



**FY25**



Clifton Park  
Union Square Shopping Centre  
Sydney Rd Retail Precinct

**<50m**

**500m**

**850m**



Bus: Clifton Park Bus Stop  
Rail: Brunswick Station  
Tram: Sydney Road

**150m**

**650m**

**800m**



Melbourne CBD  
Melbourne Airport

**15-20 mins**

**20-25 mins**



Close to  
Upfield  
Bike Track

All images are artist impressions, final design may differ.



Everleigh, Brisbane

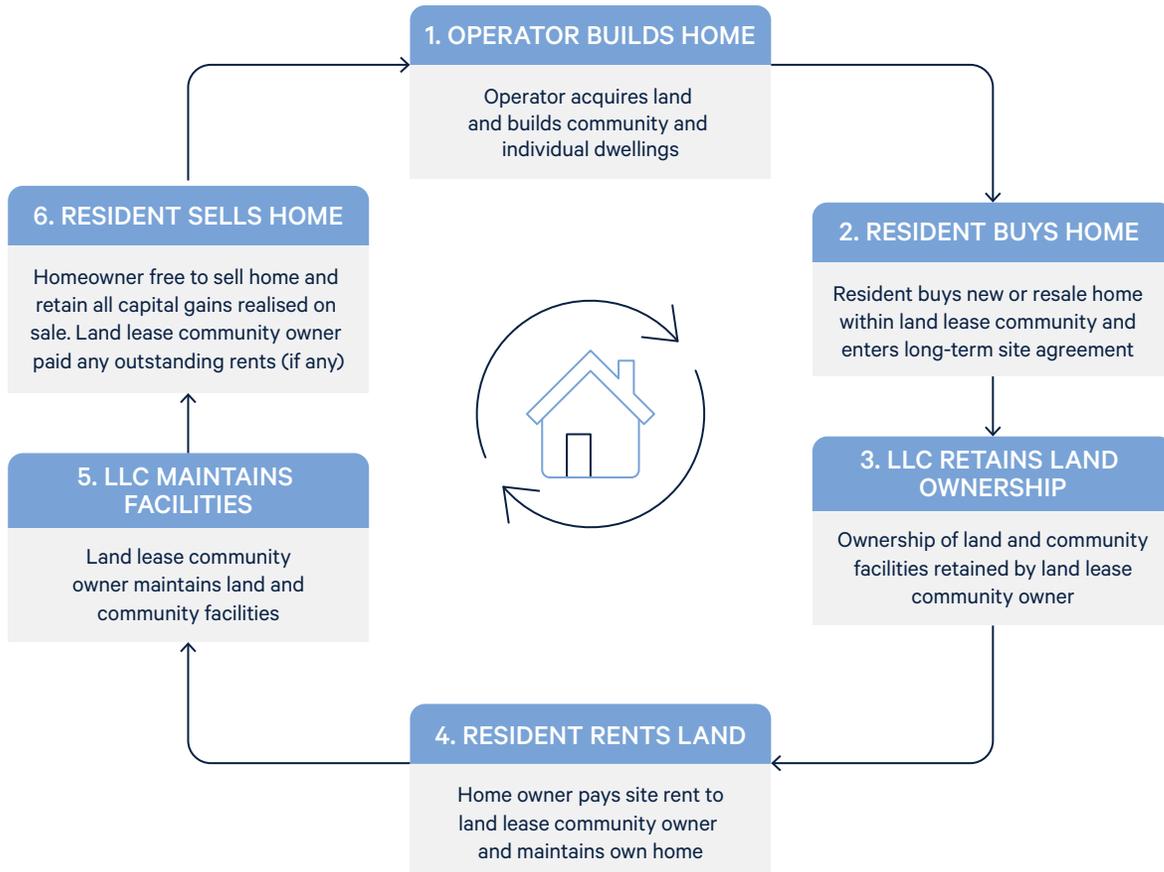
# Land Lease



**Stephen Gould**  
General Manager  
Land Lease Communities

# What is Land Lease?

## AN ATTRACTIVE MODEL COMBINING DEFENSIVE CASHFLOW AND DEVELOPMENTS UPSIDE



## THERE ARE TWO TRANSACTIONS WITH CUSTOMERS:

- > **Sale of a new dwelling to incoming resident:** Residents acquires a newly built house. A development profit is earned on this transaction by the developer
- > **Long-term site agreement:** Concurrently with house acquisition the resident enter into a long-term site agreement with the land owner and pay a weekly site fee (rent) for exclusive use of the land and access to community facilities. Site agreements are typically long term and include annual rental escalation terms generally based on CPI/CPI+

### Benefits for customers include:

- > No entry/exit fees (resident retains all capital gains on exit)
- > No stamp duty on purchase of home by resident
- > Eligible residents benefit from Commonwealth Rental Assistance
- > Low maintenance homes
- > Community facilities for exclusive use of all residents
- > When a resident leaves the community, they sell the house to an incoming resident who then assumes the departing resident’s site agreement or more commonly, enters a new long-term site agreement
- > Generally the land lease community operator acts as an agent for the outgoing resident and earns an agency commission for facilitating a sale of the home to the incoming resident

# Compelling investment proposition



LAND LEASE COMMUNITIES ARE CAPITAL LIGHT WITH STRONG, STABLE CASH GENERATION IN PERPETUITY

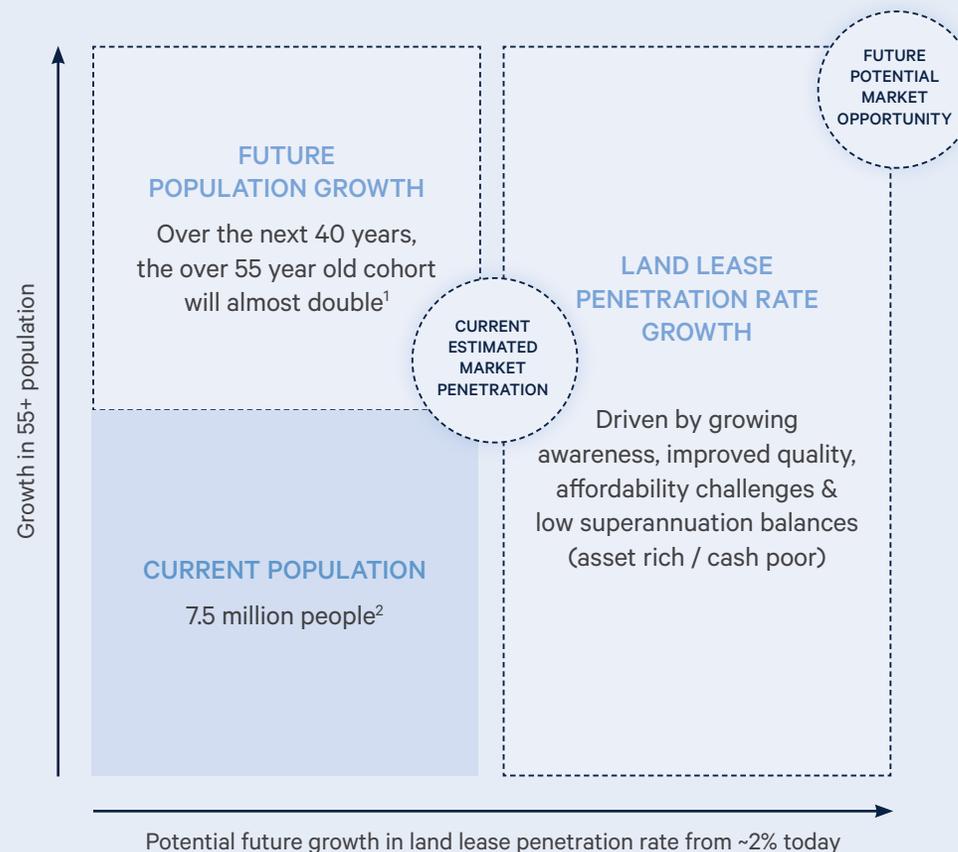
## Characteristics

Affordable housing solution	✓
Structural tailwinds: ageing population	✓
Under penetrated asset class	✓
Stable recurring cash flows	✓
Annual CPI+ indexation	✓
Government supported rental stream	✓
No incentives/ Low capex	✓
High occupancy/ Low downtime/ minimal arrears	✓
Concessional land tax	✓
Attractive development returns	✓
Low correlation with other asset classes	✓
Highly capital efficient model	✓

1. Source: ABS Historical Population, Estimated Resident Population, Federal Treasury 2023 Intergenerational Report.

2. Source: 2021 Census data ABS.

## GROWTH IN 55+ POPULATION AND LOW PENETRATION RATES



# Compelling customer proposition

- > **Low maintenance** homes, with **high security**
- > Access to community amenity to encourage a **healthy and connected lifestyle**
- > Locations with good access to **medical facilities, shopping centres and other daily needs**



- > **Release of equity from sale of family home** – to fund purchase and lifestyle choices
- > **Simple acquisition process** with **no entry and exit fees** generally
- > **No stamp duty**



- > Supporting the **Federal Government strategy** to promote **ageing-in-place** as ~80% of over 55s want to age-in-place<sup>1</sup>
- > Access to **Commonwealth Rental Assistance (CRA)** for qualifying customers



- > Independent community living, with access to high quality **community facilities**, addressing loneliness and promoting interaction
- > Alignment to the **'Great Australian Dream'** of owning a home



1. Australian Housing and Urban Research Institute (AHURI).

# Mirvac's capabilities and assets provide a strong foundation to launch into land lease

## MIRVAC BRAND, REPUTATION & CUSTOMER DATABASE

Existing brand awareness, a reputation for quality & a database of existing satisfied residential customers

## MIRVAC LAND BANK

Pipeline from existing MPC land bank & future MPC opportunities which can be leveraged for land lease usage

## FINANCIAL STRENGTH

Top-50 ASX-listed entity with a strong balance sheet and financial capacity to grow & invest

## DEEP PROPERTY EXPERTISE

Deep experience & trusted stakeholder relationships in the property sector



## UNDERSTANDING DOWNSIZER COHORT

Appreciation of the down-sizer customer through existing Residential and BTR activities

## PRE-FAB AND OFF-SITE MANUFACTURE EXPERIENCE

Efficiencies already being realised from pre-fab and off-site manufacturing within existing Residential projects

## INTEGRATED DELIVERY PLATFORM & CAPABILITIES

Full suite of capabilities to call upon including acquisitions, design, sales, marketing and construction

# Leveraging our existing landbank to pilot our first land lease community



<b>Pilot site</b>	<b>Everleigh</b>
<b>Location</b>	Greenbank, Queensland (26km south of Brisbane CBD)
<b>Site size</b>	~11 hectares
<b>LLC lot yield</b>	22-25 lots per hectare
<b>Timing</b>	Material Change of Use application to be lodged in 2024
<b>Site attraction</b>	Investment in and early delivery of high-quality amenity and community facilities nearby bushland and wetland park. Ample open space. Close proximity (walkable or short drive) to the Everleigh future town centre



**Courtenay Smith**  
Chief Financial Officer



**Stuart Penklis**  
CEO, Development



**Richard Seddon**  
CEO, Investment



**Angela Buckley**  
Fund Manager –  
BTR Sector Lead



**Stephen Gould**  
General Manager,  
Land Lease Communities



**Gavin Peacock**  
General Manager,  
Investor Relations  
Moderator





LIV Munro, Melbourne

# Thank you



**Campbell Hanan**

Group CEO &  
Managing Director

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# Thank you

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## AUTHORISED FOR RELEASE BY

Mirvac Continuous Disclosure Committee

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