

ESR Australia and Frasers Property Industrial jointly acquire 64-ha land parcel from Salta Properties to create c. \$900 million industrial estate in Melbourne's south-east.

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ESR Australia and Frasers Property Industrial have partnered in a 50:50 joint venture (JV) to acquire a 64.4ha parcel of land from Salta Properties in Melbourne's south east which will be developed into a premium industrial estate with a total end value of c. \$900m.

Located at 635 Hall Road, Cranbourne, the JV will develop the industrial facilities on the majority of the estate, with part of the land earmarked for small lot sub-divisions for sale. Works on-site are anticipated to start in late 2024, with the first buildings to be completed in 2026.

Building on their successful previous partnerships across industrial and commercial developments, this acquisition sees two of Australia's largest industrial organisations continue to grow their presence in Victoria. With a combined track record of delivering over 320ha of leading industrial estates in Melbourne's south east, the JV partners bring unique expertise in the delivery of next-generation facilities for the site. Melbourne's south east is a strong strategic location for industrial estates, with access to major arterials including the Western Port Highway, South Gippsland Freeway, EastLink and the future Salta Properties' Dandenong South Inland Port. The site is situated in an established industrial sub-market of Melbourne, making it an attractive location for customers in e-commerce, manufacturing, logistics and distribution.

Ian Barter, Managing Director Australia of Frasers Property Industrial, said that the JV played to both Frasers Property Industrial's and ESR Australia's combined expertise in delivering industry leading development outcomes underpinned by sustainability. "This acquisition marks a significant milestone for Frasers Property Industrial as we position ourselves to meet the evolving demands of the market. This development not only integrates premium logistics and warehouse solutions but also prioritises sustainability and access to amenities, aiming to enhance operational efficiency and wellbeing for our future customers."

"The deal aligns with Frasers Property Industrial's strategic objective to expand our development pipeline in key areas across Victoria, adding to our 2.2 million sqm high-quality land bank in Australia. The increased demand for premium industrial assets persists and this site holds immense potential, allowing us to cater to the diverse and evolving needs of our valued customers."

Phil Pearce, CEO of ESR Australia, said that the partnership with Frasers Property Industrial would build on the highly successful working framework devised when delivering previous market leading developments together, along with drawing from learnings from the development and management of each company's respective portfolios.

"The 50:50 structure of the JV with Frasers Property Industrial provides both parties access to the highly desirable Hall Road location and enables the combined might of the JV to deliver much needed prime logistics facilities to Melbourne's severely supply constrained south east market."

"We look forward to continuing the success ESR has experienced at our nearby ESR Greenlink, where we have attracted global e-commerce and logistics providers as long-term customers seeking to leverage the premium facilities in the strategic south east locations to enhance their own operations, which provides a great deal of confidence for this development."

Sam Tarascio, Managing Director of Salta Properties, said: "Salta Properties are pleased to conclude the transaction with Frasers Property Industrial and ESR Australia. Salta Properties will retain the 60ha of land to the North of the JV site for future development, emphasising our commitment to ongoing investment and development in Melbourne's south east, especially with the upcoming launch of the Dandenong South Inland Port."



The site was purchased from Salta Properties by the 50:50 JV between Frasers Property Industrial and ESR Australia, with Andrew O’Connell from GO Commercial Industrial brokering the deal.

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About ESR

ESR is APAC's largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. With US\$156 billion in total assets under management (AUM), our fully integrated development and investment management platform extends across key APAC markets, including China, Japan, South Korea, Australia, Singapore, India, New Zealand and Southeast Asia, representing over 95% of GDP in APAC, and also includes an expanding presence in Europe and the U.S. We provide a diverse range of real asset investment solutions and New Economy real estate development opportunities across our private funds business, which allow capital partners and customers to capitalise on the most significant secular trends in APAC. ESR is the largest sponsor and manager of REITs in APAC with a total AUM of US\$46 billion. Our purpose – Space and Investment Solutions for a Sustainable Future – drives us to manage sustainably and impactfully and we consider the environment and the communities in which we operate as key stakeholders of our business. Listed on the Main Board of The Stock Exchange of Hong Kong, ESR is a constituent of the FTSE Global Equity Index Series (Large Cap), Hang Seng Composite Index and MSCI Hong Kong Index.

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