

Media Release

FRIDAY, 16 FEBRUARY 2024

New housing project for inner Sydney as Aware Real Estate bulks up in BTR

Aware Real Estate has launched a major housing development in inner Sydney, adding to the city's supply of critically needed housing and cementing the group's position as one of the largest build-to-rent (BTR) developers in Australia.

At Zetland in the city's inner south, the development will include 135 apartments. It will be the latest quality BTR development in the Aware Real Estate portfolio, with other projects to soon follow across a further five development sites in Sydney and Melbourne. Aware Real Estate is wholly owned by industry superannuation fund Aware Super – a pioneer of BTR housing in the Australian market, and an expert investor in global residential property.

Aware Real Estate Chief Executive Michelle McNally said: "We're delighted to be adding Zetland to the list of communities where we provide build-to-rent housing.

"This site ticks every box for us. It's a highly desirable location, a short walk from key transport services including Green Square Station and it's close to other important urban infrastructure and major employment hubs. Shops and other key amenities are also within easy walking distance, and it's less than 5km from Sydney's CBD and Sydney Airport.

"In short, it's an ideal addition to our portfolio – a development that will prove popular with residents while offering excellent prospects for growth, helping us in our aim to deliver stable long-term returns for Aware Super members."

Aware Super Chief Executive Deanne Stewart said: "It's no secret there's a desperate need for more housing across Australia, and in Sydney that need is particularly acute. This development is a wonderful example of how Aware Super can and does play an important role in providing such crucial infrastructure at the same time as we aim to deliver strong risk-adjusted returns for our 1.1 million members."

With a construction value of around \$80 million, the Bourke Street project is expected to be complete by the end of 2025. It will include communal open space on the ground level, a gym, a resident lounge, music room and rooftop barbecue area. There will be almost 80 two-bedroom apartments, with one-bedroom and three-bedroom apartments making up the balance.

Investment manager Barings is playing a pivotal role as development manager at Zetland. Barings' real estate investment management team is a long-running partner of Aware Super and Aware Real Estate after Barings acquired Altis Property Partners in 2022.

Barings Head of Asia Pacific Real Estate Alastair Wright said: "We have been working with Aware Super for over a decade and have a deep collaborative relationship. We are excited to

be working with Aware Real Estate to support the delivery of quality BTR residential apartments at Zetland and are determined to be part of Australia's housing supply solution."

There are already 10 sites in Aware Real Estate's residential housing portfolio across Sydney, Melbourne, Perth and Canberra. The portfolio – which has an active development pipeline of a further six projects, including the Zetland site – is expected to grow to more than 1,200 apartments in coming years.

With the national residential rental vacancy rate sliding to a record low last year, BTR can play an important role in helping to address the shortage of rental housing in the capital cities.

"We're seeing intense demand for housing that meets renters' needs close to key transport links and employment nodes, and indeed, we're committed to delivering just that as we grow our portfolio of quality apartments in locations supported by infrastructure, amenities and employment hubs such as schools, hospitals and universities," Ms McNally said.

While the Zetland development is expected to focus on market rental accommodation, any allocation of apartments to Aware Super's Essential Worker Housing program will be decided closer to the completion of the development.

The launch of the Zetland project comes several months after Aware Real Estate added a residential development at Dickson, in Canberra, to its portfolio. Acquired as a finished product, Dickson Village is Aware Real Estate's first wholly owned BTR site in Canberra.

Launched in 2022, Aware Real Estate expects to have a \$7 billion portfolio of assets within the next three years across the living, industrial, office and mixed-use sectors.

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About us:

Aware Super is one of Australia's top-performing and largest industry super funds with \$160 billion FUM¹. We always remember whose money it is and whose future we're looking after. It's why we invest with the aim to achieve strong risk-adjusted returns over the long term for more than 1 million members.

As one of the top 50 institutional investors globally, we typically take an active management approach across alternative assets, including infrastructure, real estate and private equity, and additionally allocate to liquid markets.

Visit aware.com.au

¹ 1 July 2023

About Aware Real Estate:

Aware Real Estate was launched in 2022 to actively manage Aware Super's directly-owned Australian living, industrial, office and mixed-use portfolio. With c.\$2 billion Assets Under Management (AUM), Aware Real Estate aims to be a market-leading property platform hosting \$7 billion in assets within five years.

Barings has been foundational in establishing the Aware Real Estate portfolio, and as our development partner, has a strong track record in delivering quality projects.

For more information about Aware Real Estate, please visit awarerealestate.com.au or follow us on LinkedIn.

About Barings

Barings is a \$US381+ billion* global investment manager sourcing differentiated opportunities and building long-term portfolios across public and private fixed income, real estate, and specialist equity markets. With investment professionals based in North America, Europe and Asia Pacific, the firm, a subsidiary of MassMutual, aims to serve its clients, communities and employees, and is committed to sustainable practices and responsible investment. Learn more at barings.com.

*As of 31 December 2023.