



LEIGHTON
PROPERTIES

NEWS

Issue 23 July 2010

Hamilton Harbour \$163m financed

LEIGHTON PROPERTIES AND DEVINE ARE PLEASED TO ANNOUNCE THE COMPLETION OF A \$163 MILLION CONSTRUCTION FINANCING ARRANGEMENT WITH THE COMMONWEALTH BANK OF AUSTRALIA, CREDIT AGRICOLE CIB AND ING BANK NV.

The facility will fund development and construction of Hamilton Harbour's Stages One and Two, which include 470 apartments across two residential towers, retail and commercial premises.

This joint venture project is Queensland's fastest selling mixed-use development, achieving 430 apartment sales in Harbour One and Harbour Two since the project's launch in March 2009 – clearly defying the recent economic downturn.

This success has prompted Leighton Properties and Devine Limited to launch the third building in Hamilton Harbour, aptly named Riverside Hamilton.

Leighton Properties' Managing Director, Mark Gray said the market's positive response to the development can be attributed to the value buyers saw in the Hamilton area.

"Riverfront urban renewal precincts have historically been proven as one of the most resilient and best performing locations for capital appreciation across the residential apartment market and we are also finding this is true for our retail and commercial offerings," Mr Gray said.



Hamilton Harbour is Queensland's fastest selling mixed-use development

The joint venture partners and appointed contractors Devine Constructions, also recently celebrated the start of construction at a sod-turning event on 27 May 2010. Hamilton Harbour marks the largest mixed-use project to start construction in Queensland this year. Fittingly, the milestone was officiated by the Premier and Minister for the Arts The Honourable Anna Bligh.

The completed Hamilton Harbour development will feature 660 apartments in three residential buildings, 17,000 m² of office space across two commercial office buildings and 5,000 m² of retail space. Precinct facilities will include showrooms, ground floor retail and restaurants, a gymnasium,

strata offices, car parking and a public park with access to riverside bike paths and walk ways.

The Hamilton Harbour development is situated alongside Kingsford Smith Drive, less than 10 minutes to the CBD in one of Brisbane's most accessible areas at the Gateway to Brisbane.

For further information contact:

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QLD and VIC on the move

Leighton Properties Queensland and Victorian offices will be re-locating to new premises over July and August.

Leighton Properties QLD have moved to the recently completed 6 Star Green Star - Office Design v2 commercial tower 'HQ' in Brisbane's Fortitude Valley, which was jointly developed by Leighton Properties and Leighton Contractors. Both organisations have re-located their QLD headquarters to this new development.

The new address for **Leighton Properties QLD** is:
Level 2, HQ South Tower,
520 Wickham Street, Fortitude Valley QLD 4006.

PO Box 404 Fortitude Valley Qld 4006.
Contact numbers for Queensland are unchanged.

Leighton Properties VIC will be moving on 1 August to the '15W' building at:

Level 13, 15 William Street, Melbourne VIC 3000.
(03) 8623 1600 (phone) and (03) 8623 1610 (fax)

15W is strategically located in the new heart of the CBD and sits amidst Melbourne's prime landmark buildings within the high profile financial precinct.

The new premises, located at the corner of William Street and Flinders Lane, is less than 200m from the previous office.

More News ●●●●

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Viridian completed

The 12 year project to transform a 20ha former banana farm on Noosa Hill into a \$350 million eco-sensitive resort is complete with Viridian Village developers Leighton Properties and Macquarie Group of Companies handing over the final resort stage to the operators.

The third and final stage is now complete with the joint venture partners Leighton Properties and Macquarie Group of Companies celebrating practical completion and the handover of the resort component to the operators – Outrigger Little Hastings Street Resort and Spa.

Bob Borger of Leighton Properties, who has been with the project since inception, believes the development has been embraced by the Noosa community.

The entire development is set on a 20ha site with more than half of the area handed back to the Council for use as parkland and green open space. A 1.5 km nature walk joins Hastings Street to the Laguna lookout in Noosa National Park. Buildings are hidden from sensitive vantage points such as Main Beach in order to preserve the natural beauty of Noosa Hill.

Viridian Village includes eight Viridian Homes, Villas and the Outrigger Little Hastings Street Resort and Spa with 197 apartments, a day spa and a 500 delegate conference and meeting facility, the largest in the area. Already the facilities have significant forward bookings.

The Viridian Village apartments and villas are available for purchase with owners able to elect to have the investment managed by Outrigger or retained for private use.

Epitomising the relaxed, yet refined lifestyle that Noosa is famous for, the Outrigger Little Hastings Street Resort and Spa is the first international quality resort to be developed in the Hastings Street precinct in over 20 years.

The five-star facilities are surrounded by the World Heritage Noosa National Park whilst still within walking distance of the beach with views of the ocean.

The luxurious spa facilities will be operated by well-renowned Stephanies Ocean Spa, featuring a Japanese hot tub, massage and treatment rooms and a large flotation spa.

Leighton Properties' highly successful Viridian Village Project has been awarded several prestigious awards over the last 12 years including the Australian Institute of Landscape Architects' 2008 National Landscape Architecture Award in the Land Management category.

For further information contact:

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Viridian Village Resort and Spa development



Bob Borger (left) and Grant James, Regional General Manager Australia, Outrigger Hotels & Resorts.



(l to r) Bob Borger, Project Director; Mark Gray, Leighton Properties' Managing Director; Glen Elmes MP Noosa, Shadow Minister for Climate Change & Sustainability

Port Central sales strong

Sales at Port Central, Matraville NSW have remained buoyant with all the freehold properties now sold with just four remaining strata properties for sale.

A distinctive architectural philosophy was adopted to ensure Port Central exhibited a strong and distinctive architectural flair, superior to other business/industrial parks in the area. Port Central represents a unique and targeted development offering CBD quality space with 'high bay' warehouse amenity and wide circulation space for large truck movement.

Port Central is an ideal choice for business owners looking for new, superior quality property with easy access north, south and west via the Eastern Distributor and M5 Motorways. Its location is perfectly placed to capitalise on the significant growth of Port Botany's industrial sector, primarily driven by the major infrastructure programs launched at Sydney Airport and Port Botany.

To date, each of the units sold have been secured by owner-occupiers, many of whom have purchased through individual Superannuation Funds as long term investments. Owner-occupier satisfaction levels for the development are high.



Port Central is a distinctive and well located business address



The overall design of Port Central delivers a landmark development that has set the standard for future developments in the Port Botany area. The facility has been designed to suit user needs as well as create a pleasant working environment which includes a north facing café, ample visitor parking and street scaping.

The ability to offer buyers either freehold or strata title in a variety of unit sizes has contributed to the resilience of the development and its weathering

of the recent uncertain financial conditions. With steady levels of enquiry and the sales that have been realised to date there are now only four units which remain available for sale.

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HQ tenants open for business

Joint venture partners, Leighton Properties and Leighton Contractors reached another milestone at their landmark development, HQ, in Brisbane's Fortitude Valley recently with the achievement of the building's practical completion on 8 April 2010.

HQ is a mixed-use development comprising of two world class office towers, boutique shops, restaurants and a central public plaza.

Leighton Properties, along with three leading Australian organisations, have re-located to the new development – Aecom, global provider of professional, technical and management support services – Technology One Limited – international provider of enterprise business software solutions and Leighton Contractors, where 320 of its staff will now be located.

The retail precinct is also abuzz with the opening of the \$3 million Siana Valley bar and restaurant. Sister to the CBD venue of the same name, Siana Valley caters for 300 plus patrons and complements the HQ development perfectly.

Grant Johnston, Managing Director of Siana's parent entity Insyde Restaurant Group, said Siana Valley would cater to business people, leisure seekers and function groups alike.

"We think it is an excellent fit for HQ and will be a popular option for a range of experiences for HQ's working population and the broader community to enjoy relaxed mid-week dining, after work drinks, and corporate functions," Mr Johnston said.



HQ is becoming a vibrant hub for work and entertainment in Fortitude Valley

Leighton Properties Executive Director and State Manager, Queensland, Andrew Borger said "Siana Valley is a great addition to HQ, making it an active destination from day through to night."

"We want tenants and locals to enjoy not only a world-class, environmentally sustainable work environment but also a lifestyle atmosphere that brings people together throughout the work day and after hours," Mr Borger added.

The official opening of HQ will be held on July 14. Councillor Amanda Cooper will unveil a plaque at the development.

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Southbank gets Green light

A meeting of Townsville City Council in May this year gave approval for the \$1.2 billion Southbank Townsville master plan developed by joint venture partners Leighton Properties and Devine Limited.

The mixed-use project proposed for a 17.4ha site across Ross Creek from Townsville's CBD will provide a place for people to live, work and play.

Queensland Premier Bligh's recent announcement to increase the first home owners grant for new homes outside South-East Queensland highlights the timeliness of this approval. Catering for Townsville's predicted ongoing population increase, this approval is also in line with the local government's vision for growth.

Leighton Properties' Executive Director and State Manager, Queensland Andrew Borger said he welcomed the decision from Council.

"Townsville is one of the country's most dynamic regional cities and has become a major contributor to not only the state but Australia's economy," Mr Borger said.

"We believe that the city is ready for Southbank Townsville and we are pleased that Townsville City

Council has given us the go ahead to proceed with the next phase of this development.

"We will soon begin detailed planning for Stage 1 of the site, where we intend to create a mixed use village of townhouses, apartments, retail, food and beverage outlets, and natural and built parkland."

It is expected that civil works will begin on site early in 2011, beginning with the remediation of areas of the site which had been previously used as maintenance yards for Queensland Rail.

Mr Borger said they expected their project of 1500 apartments and 100 townhouses would provide less than 5% of a Townsville market likely to need another 31,000 homes in the next 20 years.

Southbank Townsville will complement the work already underway to revitalise Townsville's CBD - bringing life back into the city centre by providing a permanent population of residents within walking distance of the new Flinders Street precinct.

The Southbank Townsville development will accommodate a mix of office and recreational facilities including apartment buildings from eight to 20 levels, low-rise townhouses and recreational facilities including an outdoor theatre.



Southbank Townsville Master Plan

The development mix will be both sustainable and balanced and is a welcome and significant addition to the Townsville area.

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Mark Gray on sustainability

In a recent interview with the Green Building Council of Australia (GBCA) Mark Gray, Managing Director of Leighton Properties, provided some background on his and the company's commitment to sustainable design in the built environment.



With over 30 years experience in the property industry within Australia and the USA, Mark Gray has been an integral member of the Leighton Properties development team since 1987.

Before working for Leighton Properties Mark held senior positions in architectural firms in Sydney, Queensland, and at Princeton, USA.

Mark's architectural, planning, project management and development expertise has been attained through 'hands-on' experience in a wide range of projects including commercial, industrial, retail, leisure, medium density and retirement housing.

As Managing Director, these qualities bolster Mark's vision of growing Leighton Properties into a sustainable, integrated national property business, renowned for the quality, timelessness and sustainability of its projects.

Sustainability is viewed as an underlying principle by the company that drives and focuses the planning and implementation of all major projects.

"I became interested in sustainability as a young graduate architect working in the USA during the oil crisis of 1978. At the time I was designing passive solar houses and small commercial buildings using low technology techniques to achieve thermal performance outcomes.

It was the forefront of the green building movement that then accelerated through the 80's and 90's" he said.

Mark believes that "The property and construction industry is now adopting a leadership role in shaping the sustainability of the built environment, this has resulted in rapid change over both the way we deliver and use buildings. Green Star ratings have become integral to the design and construction of developments, from single buildings to whole precincts which has been fostered through increased stakeholder and community awareness."

"There is also a greater emphasis on precincts and communities, rather than just the individual building. Social outcomes now have greater emphasis which is a very positive trend."

"Sustainable practices have produced improved cost/value outcomes, and reduced cost of technologies. There remains various macro cost benefit issues to be resolved, however, I am confident improving technology together with longer operating experience will assist in solving some of those challenges."

The property that best demonstrates Leighton Properties' sustainability focus is Brisbane's 5 Star Green Star development, Green Square South Tower (2006), which was at the forefront of Green Star rated design and as built practice. This rating has now been adopted as Leighton Properties' standard practice for commercial developments.

Since then we have focused on delivering various 6 Star Green Star rated buildings, including the newly completed HQ precinct in Fortitude Valley, Queensland. These projects include some fantastic innovations which I hope will become embedded in our commercial buildings, precincts and community developments in the future.

Hoxton Park milestone achieved



The Hoxton Park Airport joint venture has achieved two significant milestones with the sale of the BP Service Station, trading as 7-Eleven, on Cowpasture Road to a private investor and the sale of the 40ha industrial portion of the site to Leighton Properties' joint venture partner Mirvac.

The service station was sold with a 10 year lease in place to BP Australia, representing a yield of 7.2% on passing income. The site also offers excellent long term redevelopment potential with a total area of 7,000 m² and extensive frontage to the four-lane Cowpasture Road.

The 40ha of industrial land was sold to Mirvac after an off-market EOI campaign attracted strong interest from developers, with direct street frontage and access to the M7 Motorway and Cowpasture Road in the booming Liverpool Council Area.

The joint venture parties are currently reviewing the remaining 16 hectares of the site which is zoned residential and options include an outright sale or development of the site by the joint venture.

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2010 PCA Innovation and Excellence Awards

Four Leighton Properties' developments were recently shortlisted in the Property Council of Australia (PCA) Innovation and Excellence Awards.

The Innovation and Excellence Awards were announced at a gala dinner held at Star City in Sydney on Saturday, 19 June 2010, by Property Council CEO Peter Verwer.

The four Leighton Properties developments shortlisted for the awards were nominated in three categories that demonstrate peer recognition of excellence within the property industry.

The award categories in which the developments were nominated are:

Rider Levett Bucknall Award for Office Developments;

7 London Circuit (ACT); 18 Marcus Clarke (ACT).
Green Square North Tower (QLD).

Thinc Award for Sustainable Developments;

Green Square North Tower (QLD).
Bluescope Buildings Award for Business Industrial Parks; Port Central (NSW).

"The finalists all set new benchmarks in excellence, particularly in the areas of design and environmental considerations," Mr Verwer said.

"Australia is leading the world in many of these disciplines" he added.



18 Marcus Clarke, shortlisted for the Rider Levett Bucknall Award for Office Developments