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## **AVJennings set for future growth**

## **Media Release**

Residential developer, AVJennings Limited (ASX: AVJ) today announced details in relation to the addition of over 2,700 lots to its residential pipeline which at its last reporting date of 30 June 2010 stood at approximately 9,500 lots.

AVJennings' Chief Executive Officer, Mr. Peter Summers, said all four projects were consistent with AVJennings' strategy and the acquisition terms and structures as well as the projects themselves will enable the Company to create great community outcomes as well as shareholder value.

The first agreement the Company has entered into relates to the acquisition of approximately 470 lots at Cobbitty, New south Wales, a site located in one of Sydney's most significant growth corridors in South West Sydney. The 43 hectare parcel is zoned residential. "This acquisition will enable the Company to deliver high quality but affordable product to an area of Sydney that is currently suffering from an acute shortage of stock, as evidenced by recent increases in rents in that area," Mr Summers said.

"The second acquisition is located at Coomera, Queensland. Whilst the Queensland market is currently soft, most forecasts are for a recovery in the medium term and the Company agrees with this view. The site acquired will result in the development of some 320 lots. Again, the project is located in an area of limited supply and is aligned with the type of project that will suit the profile of the Company's typical buyers and its residential products."

AVJennings has also entered into an agreement in relation to the Elysium project in Noosa Heads in Queensland. "Comprising some 158 lots and 16 nearly completed dwellings, Mr Summers said that "the Company intends to work strongly with the local community and the Sunshine Coast Regional Council to deliver to the market a high quality project with a mix of product that is required by the broader market in the Noosa region. We feel we have a strong understanding of the type of buyer that will be attracted to Elysium and the type of product they are after. We also think that the AVJennings brand will be a strong link to some buyers, particularly those who have lived in an AVJennings house in the past."

Finally, AVJ has entered into arrangements with the Land Management Corporation, a South Australian Government body, in relation to a project of over 1,750 lots at Penfield in Adelaide's northern growth corridor. Mr Summers said, "this is a significant acquisition in Adelaide and will provide an important cornerstone for the AVJennings operation in Adelaide for a number of years. The transaction has been structured so as to ensure the State Government's visions for growth in the region are met by the project as well as to provide good commercial outcomes for the Company. AVJennings has a long and successful history in partnering with government and this latest agreement shows the importance of understanding what both parties are trying to achieve."

Mr Summers added, "As we said at our recent Annual General Meeting, the past two years have been ones of change. While AVJennings will always need to evolve and develop, we see 2011 as a year to consolidate the changes we have made to date."

"The work completed during this period has set up AVJennings to enable it to focus on replenishing and growing the Company's inventory for the future" he said.

Ends.

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