

# Cedar Woods partners with QIC on Robina Town Centre

31 MAY 2023

Cedar Woods Properties Limited (ASX: CWP) (**'Cedar Woods'** or the **'Company'**) is pleased to advise it has entered into a joint venture agreement, subject to conditions precedent (CPs) with QIC Real Estate (**'QIC'**) to jointly develop land owned by QIC adjacent to Robina Town Centre in South East Queensland.

The joint venture seeks to leverage Cedar Woods' national residential development capabilities to unlock value on the Robina land. Joint venture documents for approximately 400 apartments and townhouses have been executed, allowing the design phase to commence.

Cedar Woods Managing Director, Nathan Blackburne, said the arrangement provided the Company with the opportunity to work with an experienced partner and access an excellent development site via a structure favourable to both parties.

"Should this initial project go well and the relationship with QIC prove mutually beneficial, the potential for Cedar Woods is significant in terms of an additional future pipeline of development sites," he said.

Cedar Woods has initiated a strategic shift in two ways, firstly in undertaking more projects under joint venture arrangements with landowners, and secondly through greater use of third-party capital.

The joint venture pathway will complement the Company's core strategy to acquire and develop projects with its own balance sheet, while leveraging its development management competencies, providing a regular fee income stream. The Robina joint venture announcement follows Cedar Woods' recent announcement of a partnership with Tokyo Gas Real Estate Australia Pty Ltd to develop Banksia Apartments, the fourth apartment stage at the Company's 1000 dwelling Glenside development in Adelaide.

The shift is intended to improve return metrics for shareholders by reducing capital requirements, allowing Cedar Woods to undertake more development management activities and gain access to larger scale developments.

"In recent times we have seen significant interest from both local and foreign capital providers in investing in Australian real estate through strategic partnerships. Australia's growth potential, relative political and economic stability, and the ESG credentials of local companies are key motivators," said Mr Blackburne.

QIC Real Estate Managing Director, Michael O'Brien, said the arrangement between the parties allows QIC to unlock significant value on its land with a development partner that has a strong track record in medium density residential development.

"As part of QIC's long-term strategy to transform our assets into true mixed-use town centres, we are partnering with Cedar Woods to develop a build-to-sell residential site," Mr O'Brien said.

"This initiative is designed not only to generate a return for our investors, but will also support Robina Town Centre by adding people to the primary catchment and improving the longer-term performance of the asset."

Under the agreed joint venture, key terms are:

- The joint venture is structured on a 50/50 basis;

- Cedar Woods will act as development manager to manage development activities and will manage all sales, on behalf of the joint venture on ordinary commercial terms;
- The deal is contingent on satisfaction of the Conditions Precedent; and
- Once the CPs have been satisfied, Cedar Woods will purchase a 50% interest in the development land and the parties will then develop the land in accordance with the joint venture agreement.

The proposed structure will enable headline risks to be mitigated before the parties commit to the project.

### About QIC

QIC is a trusted investment manager and adviser providing risk adjusted returns for the clients we serve. As one of the nation's leading institutional investment managers, we deliver alternative real asset solutions across infrastructure, real estate, private debt, private capital, natural capital in addition to a liquid market offering for our 125 Australian and global clients. We also act as the Queensland Government's independent investment advisor, managing a fully-funded Defined Benefit scheme and the Queensland Future Fund both of which deliver on the State's long-term investment objectives. We have A\$100bn in assets under management (as at 31 March 2023) and are headquartered in Brisbane, Australia, with offices in Sydney, Melbourne, New York, San Francisco and London.

### About Cedar Woods

Cedar Woods is a national property company established in 1987 and listed on the ASX in 1994. It has 34 projects across Australia and a pipeline of more than 10,300 lots. The Company's products include residential lots, apartments, townhouses and commercial developments.

Authorised by: Managing Director

**ENDS**

### For further information

**Nathan Blackburne** Managing Director (08) 9480 1500 **Michael Weir** Citadel-MAGNUS 0402 347 032