

Dexus

Media Release



Dexus rides the Western Sydney industrial boom

Dexus is stepping up its delivery of industrial storage and distribution facilities as it commences construction of an industrial estate in Chester Hill, one of three new estates it is developing in the booming growth corridor of Western Sydney.

Dexus recently turned the first sod on 149 Orchard Road, Chester Hill and is targeting completion in mid-2025. Construction is also underway on an estate at Moorebank (Velociti) and there are plans for a further development at Marsden Park (Vertex), which is expected to commence construction in Q3 2024. These estates, together with recently completed Circuit.7 in Glendenning, will deliver premium industrial space across circa 117,000 square metres of gross lettable area at a construction value of circa \$460 million.

Western Sydney is one of Australia's most robust industrial markets. Underpinned by strong population growth and a significant boost in investment in Western Sydney's housing over the coming decades, Western Sydney is expected to be turbocharged by the 11,200-hectare Western Sydney Aerotropolis due to be opened in 2026.

Chris Mackenzie has recently been appointed Executive General Manager, Industrial at Dexus with end-to-end responsibility for the platform's industrial assets, including origination, development, asset management and leasing. Mr Mackenzie said: "There is continued strong demand for high quality industrial product in Western Sydney as customers look for modern, efficient industrial space in desirable locations.

"Our investments in Western Sydney will offer customers facilities with flexible designs that meet their specific needs. To support customers' sustainability journey, the designs will include our battery infrastructure initiative aimed at helping customers meet their energy efficiency and carbon emissions targets.

"Our model of partnering with third party capital on investments and leveraging Dexus's strong transactions, development and asset management capability has delivered returns to investors across our listed and funds management businesses."

Demand for Western Sydney industrial set to continue

Over the next five years, Australian population growth is forecast to increase by around 7% or almost 2 million people¹. Dexus estimates this will support demand for an additional circa 13,800,000 square metres of industrial space across Australia.

Recent research issued by Colliers² predicts that as demand for industrial space in Western Sydney is outstripping available supply, investment interest in new warehouses and logistics facilities is set to soar. There is 2.5 million to 3 million square metres of active tenant demand across east coast submarkets and as at mid-March, 46% of supply for 2024 had already been committed.

Dexus is one of the largest industrial managers in Australia, managing a premium \$11 billion industrial portfolio, including industrial estates across Perth (Ascend at Jandakot, 186-hectare estate), Melbourne (Horizon 3023, 127-hectare estate), Brisbane (Hemmant, 13-hectares) and Sydney (Quarry at Greystanes, 69-hectare estate).

Dexus's new Western Sydney industrial projects include:

Orchard Road – Chester Hill

149 Orchard Road in Western Sydney's Chester Hill will provide four contemporary warehouses with adjoining mezzanine offices, across a total of 24,100 sqm of gross lettable area. The new purpose-built facility is expected to reach practical completion in mid-2025. The site allows quick access to over 400,000 residents living in the City of Canterbury Bankstown. All four warehouses incorporate a flexible design, which allows the adjustment of inter-tenancy walls. Orchard Road is owned by Dexus and Dexus Real Estate Partnership 1 (DREP1).

Velociti – Moorebank

12 Church Road, Moorebank (Velociti) is forecast to complete late 2024. The last mile estate will feature circa 17,900 sqm of gross lettable area across six warehouses with inbuilt mezzanine offices. Velociti is located in the

¹ Source: <https://www.abs.gov.au/statistics/people/population/population-projections-australia/latest-release>

² Source: Colliers White Paper – Investing in The West <https://www.colliers.com.au/en-au/news/investing-in-the-west>

Liverpool Local Government Area, one of NSW's top online shopping locations, offering a supply chain advantage to prospective customers. Distributors can access 93% of Sydney's population within 60 minutes from the estate. Velociti is owned by Dexus and Dexus Industria REIT (DXI).

Vertex – Marsden Park

311 South Street, Marsden Park (Vertex) is located in the Northwest Priority Growth Area. Vertex will offer two build-to-lease warehouses comprising eight units with 47,200 sqm of gross lettable area. Warehouses can be designed to client specifications. Construction is due to commence in 2024, with a forecast completion in Q3 2025. Infrastructure upgrades will seamlessly connect Vertex to the proposed Outer Sydney Orbital Corridor, with plans to include a north-south motorway and freight rail line. Vertex is owned by Dexus Australian Logistics Trust.

Circuit.7 – Glendenning

201 Power Street, Glendenning (Circuit.7) reached completion in early 2024 and sits at 100% occupancy. Circuit.7 is strategically located in outer north-western Sydney, with convenient access to the M7, providing distributors access to 70% of Sydney's population within 40 minutes. Dexus designed the estate to meet a range of configurations. Comprising eight warehouses and office units across 27,800 square metres of premium space. Circuit.7 is owned by Dexus Wholesale Property Fund (DWPF).

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Images are available for download [here](#).

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About Dexus

Dexus (ASX: DXS) is a leading Australasian fully integrated real asset group, managing a high-quality Australasian real estate and infrastructure portfolio valued at \$57.1 billion. We believe that the strength and quality of our relationships will always be central to our success and are deeply connected to our purpose: Unlock potential, create tomorrow. We directly and indirectly own \$15.8 billion of office, industrial, healthcare, retail and infrastructure assets and investments. We manage a further \$41.3 billion of investments in our funds management business which provides third party capital with exposure to quality sector specific and diversified real asset products. The funds within this business have a strong track record of delivering performance and benefit from Dexus's capabilities. The platform's \$16.9 billion real estate development pipeline provides the opportunity to grow both portfolios and enhance future returns. Our sustainability aspiration is to unlock the potential of real assets to create lasting positive impact and a more sustainable tomorrow, and is focused on the priorities of customer prosperity, climate action and enhancing communities. Dexus is supported by more than 35,000 investors from 22 countries. With four decades of expertise in real estate and infrastructure investment, funds management, asset management and development, we have a proven track record in capital and risk management and delivering returns for investors. www.dexus.com

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