



MEDIA RELEASE

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Stockland and Supalai's acquisition of Lendlease MPC projects not opposed, subject to divestiture

The ACCC will not oppose Stockland and Supalai's proposed acquisition of 12 Lendlease (ASX: LLC) residential masterplanned community projects after accepting a court-enforceable undertaking.

The undertaking requires Stockland to divest the Forest Reach masterplanned community project in the Illawarra region of New South Wales.

Lendlease, Stockland, and Supalai are developers of masterplanned community (MPC) projects. Lendlease has 16 masterplanned community projects in NSW, Queensland, Victoria, and Western Australia, 12 of which Stockland and Supalai are proposing to acquire.

"Without the divestment, the proposed acquisition would bring together the two largest masterplanned community projects in the already concentrated Illawarra market," ACCC Commissioner Dr Philip Williams said.

"This could have resulted in increased prices, delayed supply, or reduced quality of housing lots in the Illawarra region, to the detriment of prospective homeowners."

The ACCC's investigation found that there were few alternative masterplanned community projects to constrain Stockland in the Illawarra and that prospective entrants faced challenges, including delays in the availability of essential infrastructure such as sewer and water services.

To address the ACCC's concerns, Stockland offered an undertaking to the ACCC to divest its Forest Reach masterplanned community project near Dapto in the Illawarra.

"The ACCC considers that the divestiture undertaking given by Stockland addresses the competition issues that would arise from Stockland owning both Forest Reach and having an interest in Lendlease's nearby Calderwood Valley project as a result of the proposed acquisition," Dr Williams said.

The ACCC is also satisfied that the proposed acquisition is unlikely to cause serious competition concerns in other areas.

Accordingly, with the undertaking, the ACCC considers the proposed acquisition is not likely to have the effect of substantially lessening competition in any market. This includes markets for the supply of residential masterplanned community housing in North West Perth, Ipswich, and Moreton Bay, where the ACCC considers there are sufficient alternative developments available to constrain Stockland and/or the joint venture.

Further information, including the undertaking accepted by the ACCC, can be found on the ACCC's public register: [Stockland Supalai Residential Communities Partnership Pty Ltd - Lendlease Group](#).

Notes to editors

Masterplanned community projects are residential property developments on greenfield land which are typically delivered in phases over multiple years. They are characterised by access to amenities with a focus on ‘community living’, such as open spaces, recreational facilities, education and community hubs, as well as commercial or retail centres.

“Greenfield” is a term that refers undeveloped land.

Background

Stockland Supalai Residential Communities Partnership Pty Ltd (SSRCP) (a wholly-owned subsidiary of a special purpose acquisition vehicle owned by Stockland Communities Partnership HoldCo Pty Ltd (Stockland) and Supalai Australia Holdings Pty Limited (Supalai)) proposes to acquire 12 masterplanned communities from Lendlease Group (Lendlease).

The masterplanned communities are located in greenfield growth areas across Greater Sydney, South East Queensland, Greater Melbourne and Greater Perth.

The ACCC Statement of Issues, published on 4 July 2024, raised preliminary concerns with the proposed acquisition in relation to the supply of residential masterplanned community housing in four regions – the Illawarra, North West Perth, Ipswich and Moreton Bay.

In the Illawarra region, SSRCP proposes to acquire Lendlease’s Calderwood Valley project.

Stockland is a wholly-owned subsidiary of Stockland Corporation Limited (Stockland Group) (ASX: SGP), an ASX-listed diversified Australian property group that owns, funds, develops and manages portfolios of investment properties. Stockland Group has interests in 30 masterplanned communities developments across NSW, ACT, Queensland, Victoria and Western Australia.

Supalai is a wholly-owned subsidiary of Supalai Public Company Limited, which is listed on the Stock Exchange of Thailand. Supalai Public Company Limited principally operates as a property developer. Supalai has investments in various masterplanned communities in Victoria, Queensland and Western Australia through joint ventures with other developers, including Mirvac, Stockland, Satterley, Peet and ICD Property.

Lendlease is an ASX-listed global real estate business.

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