

June 26, 2006

LEND LEASE ACQUIRES STRATEGIC US COMMUNITIES PROJECT

Lend Lease Corporation Limited ("Lend Lease") today announced that its Retail & Communities division has acquired a 203-hectare development parcel in the US. The site, known as Horizon City, has an existing planning approval and is in a major growth corridor of Denver, Colorado.

Lend Lease plans to develop a mixed-use community, including 2,950 units of housing, 158,000 square metres of retail and 260,000 square metres of commercial space on the site that will have a developed land value of approximately A\$250 million. As currently approved, the site can support additional development.

Located in the City of Aurora in eastern metropolitan Denver, the Horizon City Centre site is convenient to Denver's Central Business District (CBD) and is only 15 minutes from Denver International Airport. It sits at the intersection of two major interstate roads and will be supported by planning for the extension of Denver's light rail system, the timeframe for which is yet to be finalised.

Lend Lease purchased the parcel from RealtiCorp, a South Carolina-based real estate investment company for US\$22 million (approximately A\$30 million).

"This announcement marks the exciting next step in the growth strategy for our Retail & Communities business in the United States," said Ross Taylor, Global CEO Lend Lease Retail & Communities. "Lend Lease is building capacity in the US from an established Communities business base in Australia and the UK.

"Our strategy has been to identify leading growth corridors to which we bring our skill and experience to create sustainable places where people live, shop and work; this is the first project to be delivered within that strategic outlook for our US Retail & Communities business," he said.

The Horizon City Centre will become a major town centre and commercial hub for the City of Aurora servicing a current employee population of almost 75,000 in the area. The Denver International Airport has a base of 30,000 employees to the north and the Denver Tech Centre (to the south) employs 35,000 people. Buckley Air Force Base is also located just five minutes away and employs close to 9,000 people.

"Our metropolitan Denver project will extend many of the planning and development principles that we've successfully used in Australia and the UK to deliver long-term projects that generate regional economic growth," said Michael Bellaman, CEO, Lend Lease Retail & Communities, US. Development of the Horizon City Centre is expected to commence by July 2007, with first settlement by January 2008 and project completion by December 2018.

ENDS

Further information:
Ron Cutler
Lend Lease Corporation
02 9277 2242