MEDIA STATEMENT
23 October 2020

For immediate release

Finbar announces completion of Riverena Apartments

Key Highlights:

- Finbar reaches practical completion of Riverena Apartments in Rivervale
- Project comprises 125 one, two and three-bedroom apartments
- Sales of 56 apartments secured to date
- Revenue to contribute to FY21 earnings

Perth, 23 October 2020: Western Australia's leading apartment developer, Finbar Group Limited, (ASX:FRI) (Finbar the Company) is pleased to announce that its Riverena development has reached practical completion with an end value of $52 million across all residential lots.

The project has secured $22.2m in pre-sales with 56 apartments now under contract, with strong sales recorded in 2020 despite the impact of COVID-19 on sales earlier in the year.

Settlements on pre-sold units at the project, located on Rowe Avenue in Rivervale, are expected to commence in November, with revenue to contribute to the company's FY21 earnings.

Finbar Managing Director, Darren Pateman, welcomed the milestone and said the 10-storey development had been completed on schedule and on budget.

"The Riverena project is part of a significant investment in the growing Rivervale precinct which will benefit local residents and businesses in the area, and will lead on to the continuation of our developments in the precinct on other land in which we have an interest, " he said.

"The sales secured at the project to date indicate a growing confidence in the market which can be attributed in part to recent government stimulus measures and the strength of the WA economy in relation to other states and countries.

"This improvement in sentiment has resulted in October 2020 on track to be the largest sales month in two years, which again points to a gradual recovery in the Perth residential market."

Mr Pateman said owner occupiers made up the majority of buyers at Riverena and accounted for 70% of all sales to date. Approximately 20% of apartments under contract were attributed to first homebuyers.

More than half of the buyers (60%) currently live more than 11km from Riverena, while 11% were from outside Western Australia which points to the area's growing popularity as a near city, vibrant destination and a sought-after locality for those living in Perth's outer suburbs.

"We commend the State Government's handling of the COVID crisis, which has helped restore buyer confidence and investment in the State," Mr Pateman said.

"However, we believe that for the WA market to maintain sustained growth, we need to see the return of investors to the local market in more than nominal numbers which will help satisfy the high demand for property rentals at present," he said.

Mr Pateman called on the State Government to remove the foreign buyers' surcharge which was introduced at the start of the 2019 calendar year and which he said had effectively stopped overseas investor activity without contributing significantly to government revenue.

"Confidence in the WA market is improving and it is important to keep that momentum moving in the right direction by encouraging investors back into the market, and we believe removing the foreign buyers' surcharge will contribute significantly to that whilst further boosting employment for the construction sector generally."

The completion of Riverena follows the company's recent acquisition of a significant parcel of land from the State Government at 101 Hay Street East Perth and which will feature a $200 million twin tower complex as well as the planned commencement of the 238 Adelaide Terrace Perth project this financial year.

Apartments at Riverena start at $330,000 for a one-bedroom, $405,000 for a two-bedroom and $650,000 for a three-bedroom apartment.

ABOVE: Completed, Riverena

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Finbar Group Limited, its controlled entities and its jointly controlled entities, is a property development company whose core business lies in the development of medium to high density residential apartments and commercial property within the Perth Metropolitan Area within the State of Western Australia