

ASX Release**30 September 2016****ASX: LHM**

Purchase of Barry Parade Property for \$20 million to Proceed

Land & Homes Group Limited (ASX: **LHM**) (**Land & Homes** or **the Company**) is pleased to announce that Land & Homes Investment Pty Ltd (a wholly owned subsidiary of the Company) has exercised its Call Option to acquire 100 Barry Parade, Fortitude Valley ("Barry Parade") for a total consideration of \$20.0 million.

Barry Parade represents the Company's second acquisition in Brisbane, and a significant step in the Company's plan to establish itself as a real estate developer in inner Brisbane and the broader South East Queensland region in the short to medium term.

Completion of the purchase is expected to occur on or before 31 October 2016.

Description of property

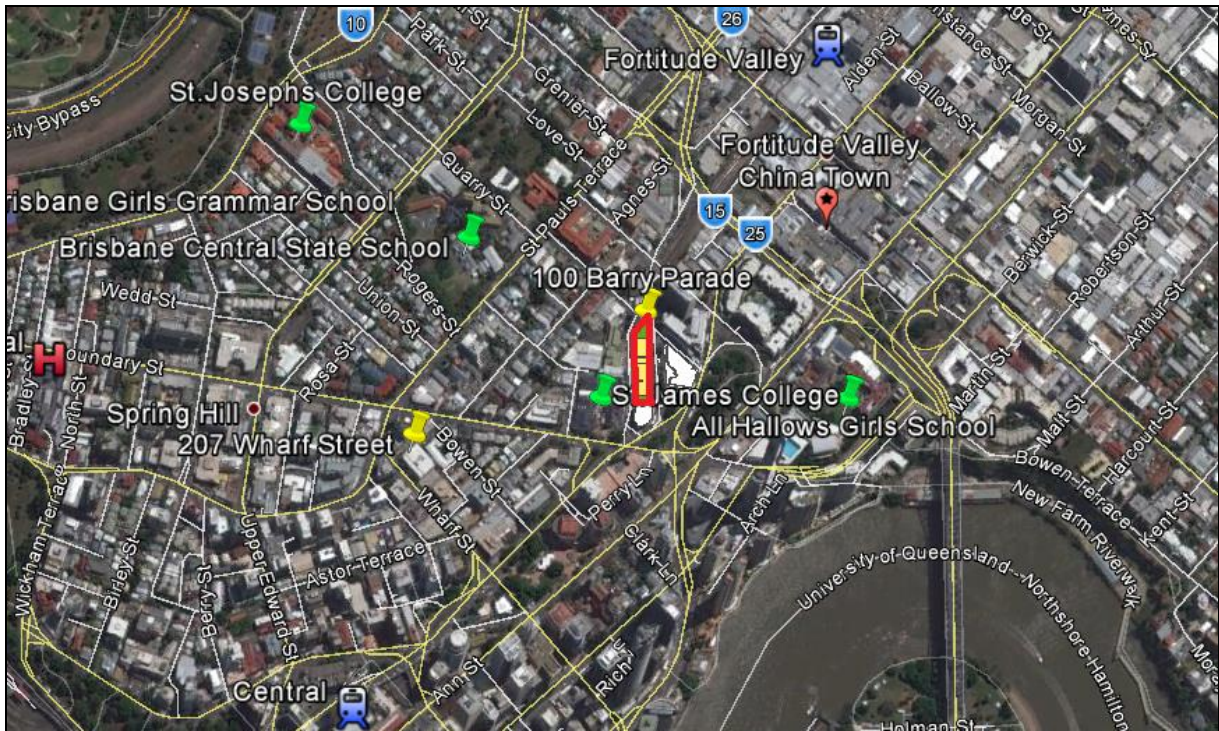
The 100 Barry Parade site is (3154m²) currently comprised of a number of single storey commercial/industrial units together with an operational services station, and is occupied by three tenants on a monthly holdover.

The site is considered to be a prime residential apartment location being located on the edge of Fortitude Valley, Spring Hill and the Brisbane CBD. It is within easy walking distance of the city and its major retail and entertainment offerings, employment nodes, several schools, and has a variety of transport options available to it.

The Barry Parade acquisition fits strategically within Land & Homes' preferred property development model to develop quality, medium to high-density residential apartments for an expanding market in a strong sustainable growth region.

The site further meets the Company's investment requirements by allowing for the future development of a residential project in a desirable, convenient location of the inner Brisbane area, an area the Company believes will continue to be sought after by both investors and owner occupiers.

The Company's prefers not to compete in mature redeveloped areas, but rather in locations that are well suited to the progressive demographic shift to inner Brisbane and that will be attractive for both stable rental and long term home ownership.



Plans for the property

There is an existing Development Approval (“DA”) approval in place (granted 26 Feb 2015) for a 25 storey, two tower development of up to 566 residential units, which LHM intends to revise.

The Company believes there is a potentially better use of the opportunity with a simpler design concept. This, along with a staged approach to the development of the site, will provide a better return for shareholders. Working with its locally-based architects and designers, LHM is reviewing the feasibility of two more efficient and more elegantly designed towers, including a larger overall podium area.

The revised development is proposed to involve a much simpler structure with a reduced overall footprint when compared to the current approved scheme. If approved, the revised lower density scheme would provide the following accommodation profile:

- a two tower development of around 400-450 one and two bedroom apartments;
- around 1135sqm of ground floor retail facilities
- approximately 340 car parking spaces over 5 basement levels.

The board of LHM are satisfied this approach will deliver a materially lower acquisition price per apartment, which provides the foundation of a well-priced acquisition and planned development in an excellent location on the CBD edge.

In addition to their strategic location, all Land & Home projects are intended to have a high level of quality in apartment planning, building design and finish and incorporate energy management initiatives providing high environmentally sustainable development standards for both resident and body corporate benefit.

Financing of the acquisition

LHM will finance the acquisition through a combination of debt and equity.

The equity component will be funded from the proceeds of the Company's recent successful Rights Issue and Placement which were strongly supported by shareholders and raised a total of \$8.6 million.

The debt component of the purchase price will be funded by way of a commercial bank debt facility which the Company has now successfully resolved.

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About Land & Homes Group Limited

Land & Homes Group Limited (LHM) is a property development company focused on the acquisition of prime sites for project development into quality residential, commercial and mixed-use apartments. The Company is listed on the Australian Securities Exchange. Its strategy is to hold a diverse portfolio of high-yield properties and projects at various stages of development and construction.

The Company's operations have been established in Brisbane to develop quality, medium to high-density residential apartments for an expanding market in the strong sustainable growth region of South East Queensland. Initially concentrating the business activity on Brisbane city, the residential products are to be developed in attractive convenient locations of inner Brisbane area suitable for a balance of both investors and owner occupiers.

The Company is well placed to leverage the credentials and track record of its major shareholder, the Lian Huat Group, in property development in Australia with strong networks and insight into the needs of investors from Asia. With this experience, LHM will realise its *Asia Vision* through the establishment of an experienced management team that has expertise in Australia's property market, urban planning, project management and finance, along with an intimate knowledge of the appetite and demands of the significant Asian market.

Please visit the Company web site for additional details: www.landnhomesgroup.com