

**ASX AND MEDIA RELEASE****AVJennings Acquires Prime Inner Sydney Apartment Site**

**Melbourne, 3 March 2008: Residential property developer AVJennings Ltd (ASX:AVJ), today announced the acquisition of a prime inner Sydney apartment site in Erskineville.**

The 4,870sqm site, purchased for \$12.5 million, has Development Consent for 103 apartments, one commercial suite and a new community park which will be dedicated to council upon completion. Early works on the site, including demolition, basement excavation and shoring works have already been completed by the vendor. AVJennings expects to commence construction before June 2008.

Bordering upmarket Newtown and within walking distance to Erskineville Railway Station, restaurants and cafes, this is one of a few remaining undeveloped sites within the fashionable residential enclave on the southern fringe of the city. The site is in close proximity to a number of private and public education facilities, including Sydney University and the University of Technology. Erskineville oval is only a short walking distance away.

The six level project, with an estimated end value of \$50 million, will comprise a mix of studio, one, two and three bedroom apartments offering high quality product at affordable prices. Demand is expected to be strong given rising rents and a very tight rental market in the inner Sydney region.

The project will be a successor to AVJennings' Cammeray apartments joint venture and its Killara apartments development, both in Sydney, which are both approaching completion.

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