

Build-to-rent projects tagged for \$750m impact fund



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Property developer Samma Property Group has partnered with impact investment management firm Brightlight to launch a \$750 million capital-raising for four “shovel-ready” build-to-rent projects, with plans to more than double that pipeline over the longer term.

The first four projects, all in inner-city Melbourne, comprise 1412 apartments that will one day become home to as many as 2800 residents. All going to plan, over the longer term that pipeline could swell to 11 developments with 3144 apartments and twice as many residents in a portfolio worth \$1.7 billion by financial year 2028.



The first BTR project planned under the partnership in Southbank.

For Brightlight, [which has invested in disability housing, among other things](#), the drawcard of the BTR projects is their ability to foster healthy and vibrant resident communities over the longer term, key attributes that meet its mantra of sustainable investing with a social impact.

“Looking at it from the Brightlight perspective, we see an interesting blend of real estate and sustainable investing,” chief strategy officer Matthew Zschech told *The Australian Financial Review*.

“One of Brightlight’s key focuses is how we can enhance the social experience for people within a build-to-rent context.”

Mr Zschech said there was a “quantum difference” between the lives of tenants in a typical build-to-sell project and the mental health and wellbeing of those living in a BTR project.

“The contribution to community and to mental health and wellbeing can be quite significant in a build-to-rent context.”

At the same time, having four projects where the land is already acquired and the permit process well under way gives the partnership’s pipeline a strong distinction in the capital markets, he said.

“It’s relatively rare commodity in BTR at the moment,” Mr Zschech said.



Samma's Simon Abdelmalak at the site of the Southbank build-to-rent project. *Wayne Taylor*

Each of the four projects – in Southbank, Docklands and South Melbourne – will come with an on-site management team that will cultivate activity programs designed to foster connection among residents.

Such a sense of connection will be even more cherished following the social isolation many felt during the pandemic lockdowns, Samma director Simon Abdelmalak said.

Such activities could range from book clubs for like-minded people to dog-walking together to creating opportunities for volunteering, he said.

As well, long tenancies will underpin community-building within the projects.

“Because there are longer tenancies, not only will there be great returns for investors but that will also align to improving people’s wellbeing.

“The longer people live together, the more you create relationships. When a community is transient, that difficult to do.”