

## Media Release

### MaxCap and Troon Group Partnership Flourishes

**17 December 2020, Melbourne** – Despite the challenges caused by the coronavirus restrictions across metropolitan Melbourne, the development partnership between MaxCap Group and Troon Group has delivered further successful outcomes in recent weeks, including the acquisition of another prime development site.

Simon Hulett, MaxCap's Head of Direct Investment, and Tom McInerney, Managing Director of Troon Group, confirmed they had secured a prominent development site in Chirnside Park in Melbourne's east, with a large format retail development planned of over 11,000sqm NLA to be delivered in 2022. The site is being acquired for \$13 million from Kaufland Australia as part of its portfolio divestment earlier in 2020.

Mr Hulett said, "We had a good crack at the full Kaufland portfolio earlier in the year before Kaufland elected to divest the sites individually. Subsequently, we were able to secure the Chirnside Park site which was at the top of our list so we are happy with the outcome. Chirnside Park is an established retail precinct with mature trading and leasing history. A well-priced greenfield development site with major frontage to Maroondah Highway is a strong strategic play for us. MaxCap has every confidence in Troon delivering a great product at Chirnside Park given their experience in the large format retail space."

Troon Managing Director Tom McInerney added, "We have already had strong interest from retailers prior to launching the formal the leasing campaign and are well progressed with pre-sales of the pad sites fronting Maroondah Highway. Foot traffic and spending in the large format retail space has remained strong nationally through the pandemic so we are confident of securing a robust tenant profile ahead of the forecast completion of the centre in 2022."

The flourishing joint venture partners also confirmed the sale of their BMW Berwick development to ASX listed Eildon Capital Group for \$17 million under a fund-through arrangement that will see Eildon syndicate the asset on completion in December 2020.

"We are very excited to be transacting with the team at Eildon Capital Group. A 15-year lease with an underlying BMW covenant is compelling in any market. The asset is currently under construction by our parent contracting arm, H.Troon, and is on track for completion in December." Mr McInerney advised.

Situated within an established retail and commercial precinct in Narre Warren, the property sits on a prominent 6,376 sqm land holding and will be home to a 3,055 sqm purpose built, state-of-the-art car dealership. The asset provides the new owners with a secure 15 year lease.

Mr Hulett added, "This is another example of MaxCap and Troon's ability to deliver outstanding risk-adjusted returns to our investors. Being able to secure a fund-through purchaser in this market at a sharp price is a credit to all parties."

The off-market transaction was negotiated by JLL's Stuart Taylor on behalf of joint venture partners Troon Group and MaxCap.

Finally, Mr Hulett also confirmed that the sales campaign has closed for the recently completed commercial office building at Hamilton Street, Mont Albert, adjacent to Mont Albert train station. Multiple bids were received and it is under contract with a local purchaser. The groups have successfully leased 100% of the nearly 4,000sqm of NLA to secure tenants, Telstra Business Centre and Laing O'Rourke. The sales campaign was managed by Colliers International.

"We understand that investors are looking at more than just the Weighted Average Lease Expiry and forecast income now. The quality and security of the income is paramount," said Mr Hulett. "We are fortunate to be able to offer such security to investors with this asset, being 100% leased with top quality tenant covenants. Additionally, this is a significant underlying landholding in a blue-chip area of Melbourne so offers an excellent investment in the short and long term."

**Ends**

**For more information please contact:**

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**About MaxCap Group**

MaxCap Group is one of Australia's leading CRE investment managers and is an established investment manager for domestic and global institutions with current Funds Under Management and Advice of circa A\$3.5bn, having invested more than \$10.0bn across more than 350 loans since inception in 2007.

**About Troon Group**

Troon Group is a development, investment and management business. In the last five years Troon Group has focused predominately on commercial and retail projects delivering in excess of 100,000m<sup>2</sup> of gross floor area and currently has a pipeline of \$300 million of development projects. Troon's Asset and Property Management platform has \$380 million of assets under management including 26,000m<sup>2</sup> of office accommodation.

**About Eildon Capital Group**

Eildon Capital Group (EDC.ASX) is a unique ASX offering, providing income yield through its balance sheet investments plus exposure to a scalable Funds Management platform across real estate equity and debt.