

Media Release

EMBARGOED 4 February 2021

MaxCap Group and Honeycombes Property Group announce joint venture

4 February 2021, Brisbane – Leading Queensland developer, Honeycombes Property Group has teamed up with Australasian commercial real estate investment manager, MaxCap Group to enter into a joint venture partnership. The JV will deliver an exciting new \$140m transit oriented mixed use development at Ferny Grove, in Brisbane's fast growing north-west.

The major project is to be built on land directly adjoining the rail and bus interchange at Ferny Grove Station. It will include the Ferny Grove Central shopping precinct of over 12,000sqm NLA, 82 residential apartments known as 'The Fernery' - and a multi deck commuter car park with more than 450 additional car bays providing much-improved amenity for the local community.

Following a competitive tender process run by the Queensland State Government in 2017, Honeycombes secured the exclusive rights to develop the site. Since then, Honeycombes has worked through an extensive planning and design phase with all levels of Government and the local community, culminating in planning approval being recently secured from Brisbane City Council.

Peter Honeycombe, managing director of Honeycombes Property Group, said, "Our Company has a strong commitment to stakeholder engagement. This is reflected in the interaction leading up to the project's planning approval. We held more than a dozen different public forums, door knocked hundreds of residences neighbouring the project, and letter box dropped thousands of information fliers to keep the community informed."

"The community feedback from these initiatives played a big part in our ongoing refinement of the proposed development form, with the aim of reflecting the needs expressed by the various community interest groups in and around Ferny Grove station."

"At the same time, we have built a very strong relationship with the Queensland State Government over a long period and are committed to positive communication throughout this process. The Queensland Government has provided a \$9m funding contribution towards the additional park 'n' ride spaces and the Federal Government has contributed \$11m. We now look forward to jointly delivering an excellent project for the community having secured the partnership with MaxCap."

This is MaxCap's first equity investment in Queensland and adds to its growing portfolio of joint venture partnerships the Group has entered into nationally.

"We are thrilled to be partnering with an organisation with the experience of Honeycombes Property Group and their 25-year track record of delivering high quality product in Queensland." said Simon Hulett, MaxCap's head of Direct Investment, "MaxCap provided debt funding to Honeycombes on the highly awarded Coorparoo Square development in 2015 so there was already an existing relationship for us to now build on in a joint venture capacity."

"MaxCap's direct investment portfolio is now well diversified by asset class and geography providing a resilient platform for future growth. A key element of this is the strength of the partners that we invest with - and the quality of the underlying real estate. Ferny Grove is a great example of this, providing a compelling opportunity that was highly sought after by our investors. We have a bullish

view on the long-term growth and stability of the Brisbane market and look forward to investing there further," Mr Hulett added.

Mr Honeycombe highlighted the significance of the Ferny Grove project as an ideal location for such a development given it is an 'end of line' rail station catering for more than 5000 passengers per day arriving at the Ferny Grove transport node via bus, car, bike, and on foot.

"The development will breathe new life into the suburb, creating a neighbourhood village atmosphere. We have already received an unprecedented amount of interest from the local market, with a high level of demand for both the residential apartments and retail opportunities alike," said Mr Honeycombe.

Honeycombes and MaxCap are expecting to announce a number of major anchor tenants early in 2021 with a mix of high profile national retailers, including supermarket, fitness, child care and cinema providers expected to be secured on long term leases. Additionally, the joint venture partners are in the final stages of securing a head contractor for the project with construction due for commencement in March 2021.

About Honeycombes Property Group

Honeycombes Property Group is an award winning Queensland based real estate development company that, over the past 25 years, has built a reputation for creating innovative projects through a development portfolio totalling over \$2 billion. To date, Honeycombes has created more than 1,600 properties, all of which bear the company's hallmark of exceptional quality.

About MaxCap Group

MaxCap Group is one of Australasia's leading CRE financiers and investment managers with current Funds Under Management and Advice of circa A\$3.5bn, having invested more than \$10bn across more than 350 loans since inception in 2007.

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