

Media Release

Nightfall at Republic Precinct Exciting third stage for Geocon development MaxCap Group provides development funding facility

7 April 2021, Melbourne – Leading Australasian commercial real estate financier and investment manager, MaxCap confirmed it was backing the third stage of Canberra’s Republic Precinct. MaxCap will participate behind a global investment bank to deliver the finance package for the project with end value of \$156m.

This constitutes the fourth project MaxCap has funded for Geocon, having reached financial close of Aspen and Establishment projects in September 2020 and City 7 in February 2020. The Republic development of which ‘Nightfall’ is a part, is located at 2 Grazier Lane, Belconnen ACT. It is being built by Geocon, one of Australia’s construction leaders. MaxCap noted that Geocon is currently the largest developer in the Canberra residential market and the fourth largest builder developer in Australia.

“MaxCap is excited to be providing funding support to Geocon for the ‘Nightfall’ at Republic Stage 3,” said David Oudshoorn, MaxCap’s State Director NSW and ACT. “The company not only brings significant experience in design, development, and development in the ACT, including in Belconnen, but they have previously completed Republic Stage 1 (Republic and Dusk) in H1 2020 and Stage 2 (High Society) will complete by mid 2021.”

‘Nightfall’ at Republic Development

Nightfall will accommodate 334 residential apartments over 22 levels. In addition, there will be 17 commercial / retail units on the ground and lower ground floors, and two levels of basement car parking which will join the basement already constructed for Stages 1 and 2.

The project is situated on the south-eastern corner of Cameron Avenue and Eastern Valley Way in the Republic mixed-use precinct itself located on the eastern end of the Belconnen Town Centre. ‘Nightfall’ also benefits from being near key amenities including Lake Ginninderra, and The University of Canberra, and Westfield Belconnen.

Notably, Republic is Canberra’s largest ever residential project, with Stages 1 and 2 comprising 1,250 residential apartments, a 185-room hotel, over 500 public car spaces and commercial and retail accommodation. Stage 1 has been extremely well received in market with 92% of 390 apartments sold. Stages 2 and 3 are expected to attract similar strong interest.

“Nightfall is very well-positioned within the Belconnen Town Centre with that suburb home to the largest population in Canberra by district,” said Mr Oudshoorn. “Belconnen is recognised as an established locality in Canberra with key amenities available ranging from recreation, employment centres, education, and public facilities.

He said that Canberra’s property market had demonstrated good resilience through the COVID-19 period, and that the region stands well positioned with employment expected to hold up relative to other states in conjunction with its close link to the government sector.

Mr Oudshoorn also highlighted the Geocon track record.

“Geocon has a significant presence in the ACT region, having completed a number of residential and commercial projects across key geographies within the region. In addition to Republic Stages 1 and 2, the Group completed another project in Belconnen in 2017 known as Infinity (426 apartments). It remains confident in the location and product being offered in Nightfall (Republic Stage 3).”

Resilience of Canberra Residential Market

Recent market data referenced by MaxCap also points to Canberra's residential market demonstrating resilience and is the strongest performer nationally.

Based on in-house and third party research data, Max Cap sees upside in the ACT market, and has therefore taken steps to expand their offering into Canberra.

"Of note, Canberra's apartment market remains one the strongest performers nationally, with unit prices up +5.2% over the 12 months to February 2021 (CoreLogic). Vacancy rates are also at two-year lows, currently less than 1%, with implied gross yields on apartments at 5.5% (SQM Research). We thus have confidence in the Belconnen ACT location and positive outcomes for the 'Nightfall' Geocon project."

MaxCap Group

MaxCap Group is one of Australia's leading CRE debt and direct 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 370 loans since inception in 2007.

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