

## Media Release

### **Hotel with a view Mercure Melbourne Doncaster development for Melbourne's east MaxCap Group delivers debt finance facility**

**13 April 2021**, Melbourne – A new high quality hotel is planned for the fast growing eastern corridor of Melbourne with plans for Mercure Melbourne Doncaster. Leading commercial real estate financier and investment manager, MaxCap Group will provide a First Mortgage Construction Facility to assist Scott McVilly and Ross Clarke, the site owner and Builder with the development of the project which has an end value of \$68.5m.

The Mercure Melbourne Doncaster will be built above the nearly completed Bunnings Warehouse located at 659-669 Doncaster Road, Doncaster. Once completed the Hotel will provide for views of the Melbourne CBD, Port Phillip Bay and the Dandenong Ranges.

“This will be a high-quality project for the eastern zone of Melbourne,” said Bill McWilliams, CIO MaxCap Group. “The new Mercure Hotel will be very well-located on a mixed-use development site situated in a tightly-held eastern suburb with significant amenity.”

#### **Mercure Melbourne Doncaster Project**

The proposed development is for a mixed use building over seven levels, with three levels of basement carparking and includes a Bunnings Warehouse\* over levels 1, 2 and mezzanine and a 183-room hotel ('Mercure Hotel') above, over levels 3, 4, 5 and 6.

The hotel has been designed by Clarke Hopkins Clarke and is expected to reach completion in October 2021 and is due to open in late 2021.

It will include high quality amenity and extensive guest facilities. In addition to the reception and lounge area, there will be a Hotel restaurant, bar area, show kitchen, production kitchen, various meeting rooms, swimming pool, health and fitness centre, gymnasium, alfresco seating area, function rooms and business centre. The Hotel will also utilise the basement three area, and benefits from 124 car spaces.

Mr McWilliams confirmed that Buildcorp Commercial was the Builder and Contractor for both the Mercure Hotel Doncaster and responsible for the construction of the Bunnings Warehouse. He said the Bunnings Warehouse was due to be handed over for fit out by early August with trading expected on 1 October 2021. The hotel structure is now built and is expected to reach Practical Completion on 15 October 2021.

“Not only is the Hotel a high quality product with extensive amenity that will appeal particularly to corporate clients and leisure guests there is also a favourable Hotel Management Agreement secured with Mercure, which is itself a reputable hotel brand with a global presence and owned by Accor, a French, listed multinational hospitality company,” said Mr McWilliams.

MaxCap highlighted the quality of the developer, a partnership between Scott McVilly and Ross Clarke who are both the site owner and Builder and have a 26-year track record of delivering and settling high quality projects in Melbourne's inner suburbs.

“Ross and Scott have an outstanding track record in the building and construction sector. They have built close to 700 projects and have experience partnering with institutional grade financiers and focusing on achieving robust forecast investor returns,” said Bill McWilliams.

\*MaxCap notes that the Bunnings Warehouse is being constructed by Buildcorp Commercial and is being funded by Bunnings Warehouse separately and does not form part of this Investment.

**Ends**

## **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.

## **For More information please contact:**

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