

Media Release

“Chateau” at Castle Hill NSW Luxury residential project for vibrant urban hub MaxCap to provide \$121 million First Mortgage Construction Funding

3 May 2021, Sydney – A luxury residential project at Castle Hill in Sydney’s north west has been approved for construction with debt funding of \$121.2m to come from leading Australasian commercial real estate financier and investment manager, MaxCap Group.

“Chateau” at Castle Hill will feature stunning architectural design combined with practical and future-proofed floor plans and inspiring space aesthetics. The project is flagged to commence construction in the third quarter of 2021, with Stage 1 comprising three buildings accommodating 184 residential units and a common basement across all four of the buildings. Stage 2 will be a single building accommodating 112 residential units.

When complete, the exciting new complex will offer a mix of 1, 2 & 3 bedroom dwellings in the form of apartment, terrace, town house, and penthouse living. It will cater for a mix of buyers from first home owners to young new families and down-sizing couples and investors. The full range of facilities includes an infinity swimming pool, rooftop gym and cinema, BBQ area with herb garden all designed to deliver a daily “luxury resort” lifestyle. There are also key sustainability features with green energy for public space, together with electricity car charging ready car spaces. The larger apartments will offer green views over the Hills district with the finished development offering four buildings accommodating 296 residential units over nine levels and 407 basement car parking spaces.

“The Chateau Project will be an iconic development adding to the transformation of the Castle Hill area already underway,” said David Oudshoorn, MaxCap’s State Director NSW. “This luxury residential development is targeted at local owner-occupiers and we’re seeing strong demand for the project given the attractive price point, premium quality finishes, and surrounding amenity in Sydney’s north western suburbs. It’s exciting that funding is in place and presales already achieved”

“MaxCap is funding a number of large projects in NSW and the ACT and are looking to expand their business in Sydney to cater for the increasing demand “We’re very confident in the Sydney market over the next few years and have significant amounts of capital to deploy into debt and equity opportunities.”

He said that the development team for “Chateau” was top-tier - one of the best and most professional in the market. Market leader, Bridgestone Projects will oversee the delivery of the project. Bridgestone is a specialist in high-end residential apartments, having been founded in 2014 and led by successful property development team Grace Wu and David Liu.

In addition, “Chateau” is being marketed by the Megaward Property Group, the in-house sales agency of Bridgestone, with experienced development and project manager, Australian-based PDS Group and Westbourne Constructions appointed as the Builder for the Project.

Vibrant urban centre - Castle Hill Overview

The “Chateau” project is to be located in Middleton Avenue Castle Hill and also offers street frontages to the southern side of Fishburn Crescent and the northern side of Dawes Avenue. Offering significant amenity, the site is located within walking distance (approximately 400m) from the Hills Showground Station, part of the Sydney Metro Northwest network (which opened in mid-2019) connecting the north-west suburbs to central Sydney.

Castle Hill is an established residential suburb 30 kilometres north west of the Sydney CBD and approximately 11 kilometres north of the Parramatta CBD. It is built around Castle Towers Shopping Centre and The Showground Station Precinct – the latter a NSW Government “Priority Precinct”. This includes a vision to redevelop the area as a vibrant urban centre including the delivery of two hectares of parkland, new open spaces, new community facilities, recreation areas and a mix of housing choices as a result of a rezoning process to high density residential.

As part of the transformation of the area, the government expects that 5,000 new homes will be delivered and 2,300 new jobs will be created over the next 20 years.

Outlook - Castle Hill apartment market

Whilst the number of apartment transactions has declined due to COVID-19, owner occupier demand has rebounded strongly in recent months, supported by record low interest rates, HomeBuilder and a range of other government incentives, particularly for first homebuyers. Investor demand remains subdued, particularly foreign investor demand.

Notably, the median apartment price for the 12 months to November 2020 in Castle Hill was \$925,000. MaxCap said this reflected a 10.8% increase compared to the prior 12 months.

Mr Oudshoorn said Sydney market was rebounding with improved demand in Q1 2021.

“Unit prices are showing signs of recovery, increasing by +1.2% in the month of February 2021 and up by +1.9% for the quarter ended February 2021. The current average unit price in Sydney is circa \$738,000 which is an attractive spread to median house prices and results in strong demand for good quality projects.”

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 400 loans since inception in 2007.

For More information please contact:

Fidelma Ryan Marketing Director + 61 414 462 515