

Media Release

“Shenton Quarter” Residential gem in the heart of Perth’s inner west MaxCap Group provides \$82 million in construction funding

1 July 2021, Perth – A quality residential and retail development in the heart of Perth’s premium suburbs is to be funded by leading Australasian commercial real estate financier and investment manager, MaxCap Group.

“Shenton Quarter” will be a residential gem in inner Perth with MaxCap providing an \$82 million first mortgage construction facility for construction of a mixed-use residential development. The premium residential project will be located within the affluent Shenton Park suburb of Perth, just four kilometres west of the central business district of Perth, Western Australia.

It is being developed as a joint venture between Iris Residential and Alceon Group with construction being completed by one of Perth’s leading local based builders, BGC. Notably, MaxCap has financed two earlier high profile WA projects with Iris Residential and Alceon.

When completed, mid next year, Shenton Quarter will provide 157 residential units targeted primarily at local owner-occupier purchasers. There will also be 15 commercial tenancies on a single strata title. These include a 15-year lease with high profile anchor tenant, Coles Group with both a Coles Supermarket and Coles Liquorland. The development will meet a range of sustainability design objectives including a minimum 4-star, Green Star equivalent rating.

“We are delighted to be providing a first mortgage construction loan to Iris Residential and Alceon Group as experienced sponsors,” said Mr Ben Jones, MaxCap’s State Director – Western Australia. “They are both well known in the market and to MaxCap from previous projects.”

Mr Jones also highlighted the favourable project location within one of Australia’s strongest performing residential markets.

“This is a luxury development in the heart of City of Nedlands and City of Subiaco – two of the most sought after areas in Perth,” said Mr Jones. “We expect continued strong demand from the local owner occupier buyers’ market who will enjoy retail, transport and educational amenity- as well as business looking at the commercial leasing opportunity in the diversified mixed-use precinct.”

“Shenton Quarter” amenity includes:

- “Shenton Quarter” is the landmark development within the State redevelopment authority, Development WA’s “Montario Quarter” precinct, a 15.8-hectare infill redevelopment of the former Shenton Park Hospital site presently being developed into a 6-Star Green Star Community infill development, the first of its kind in WA.
- A leading Western Australian public secondary school, Shenton College, a large public co-educational partially selective high school with approximately 2,000 students (150m south)
- Shenton Park Train Station (400m south)

Broader surrounds include:

- Residential – Perth’s affluent western suburbs, informally known as the “golden triangle”, located west of the CBD between the ocean and the Swan River, consisting of predominantly detached housing (see Section 8.2)
- Medical and Educational - the QEII Medical Centre, the largest medical centre in the southern hemisphere, comprising 40 health-related organisations including Sir Charles Gardiner Hospital, Perth Children’s Hospital, Harry Perkins Institute and the University of Western Australia.

Mr Jones also said that Perth's affluent western suburbs - including Shenton Park - had remained well supported over the COVID-19 period.

"The affluent inner west has recorded positive appreciation in home values in the 12 months to April 2021 and we are positive about further upside in this part of the Perth property market," he said. "This is reflected in significant presales of apartments at "Shenton Quarter" and strong interest in the commercial tenancies."

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 \$4.0bn, having invested more than \$10.0bn across more than 400 loans since inception in 2007.

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