

# MaxCap fund raises \$125m for apartments, logistics

Larry Schlesinger

MaxCap has raised \$125 million from wealthy investors and family offices for a new investment fund that will back mixed-use, residential and logistics developments.

The first of two raisings for the MaxCap Diversified Opportunity Fund, which is targeting annual total returns of 18 per cent, was oversubscribed, encouraging the real estate financier to increase the total raising to \$250 million from an initial \$200 million.

A second \$125 million raising is expected in the third quarter of the year.

Best known as a non-bank lender, MaxCap, which is 50 per cent owned by US investment giant Apollo Global Management, launched its equity investments arm three years ago. It includes a \$100 million industrial opportunity fund with developer Time & Place and single-asset syndicates.

Simon Hulett, MaxCap's head of direct investment, said the group expected to have raised more than \$500 million of equity by the end of this financial year, invested in projects with a gross realisable value of \$5 billion.

MaxCap has already deployed about \$70 million of the \$125 million raised in three seed projects, and expects to



Time & Place's Southbank development is one of the MaxCap fund's seed projects.

deploy the remaining \$55 million before the end of the financial year.

The three projects, which have an end value of more than \$500 million, include MaxCap's first joint venture with Centennial Property Group to develop a \$100 million industrial and logistics park in Willawong in Brisbane's south.

Through the new fund, MaxCap has also partnered with Time & Place and builder Hickory on the development of a \$400 million mixed-use tower comprising 367 residential apartments and a 202-key hotel in Southbank.

The third seed asset is the development of 10 ultra-luxury residences in South Yarra's Domain Precinct in partnership with developer NeoMetro.

Alongside the launch of the new fund, MaxCap and joint venture partner Honeycombes Property Group has appointed Jacob Swan and Sam Hatcher from JLL to market Ferny Grove Central, a retail centre under construction next to the Ferny Grove Train Station north of the Brisbane CBD.

Price expectations are above \$120 million for the 12,323-square-metre development.

# Investors splash out \$75m on supermarket retail

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A private investor and Adelaide fund manager Parkstone have splashed out \$75 million on neighbourhood malls and freestanding supermarkets on the east coast as a deep pool of buyers seeks exposure to the non-discretionary retail property sector.

Leading the charge, the Hansen family, founders of ASX-listed Hansen Technologies, has cashed in on this appetite selling a freestanding Woolworths supermarket in Eltham in Melbourne's north-east to a private investor for \$35 million on a tight 3.3 per cent yield.

Records show Kymarnam Pty Ltd, directed by Hansen Technologies CEO Andrew Hansen and Marcus Hansen, paid just \$11.05 million for the 3744sq m property in May 2001.

Stonebridge Property Group's Justin Dowers and Kevin Tong alongside Fitzroy's David Bourke, Chris James and Shawn Luo negotiated the sale.

"The sales result for Woolworths Eltham reaffirms the underlying demand for this type of investment product," Mr Dowers said.

"Given that we had 15 offers on the property and achieved a yield at this level would indicate that although buyers may be anticipating a higher interest rate environment, there is greater concern of holding cash when



A private investor paid \$35 million for the freestanding Woolworths in Eltham.

entering into a higher inflationary period."

Joining the action, three-year-old fund manager Parkstone lifted the value of its portfolio to more than \$100 million after buying a Woolworths supermarket in Wagga Wagga and a Woolworths-anchored neighbourhood centre in Virginia in Adelaide's northern suburbs for more than \$40 million.

Both deals were struck on sub 5 per cent yields.

Savills South Australian managing director Rino Carpinelli managed the Virginia transaction, while Savills' national director of retail Investments, Steven Lerche, managed the Wagga Wagga sale.

## From previous page Dustin Martin bulks up Richmond portfolio

The latest acquisition by the pair and a silent partner was 23 Butler Street, a two-storey commercial building on a 156sq m site, which sold at auction on March 16 for \$2.75 million.

Agents Matt Hoath and Rory White from Gray Johnson confirmed the sale price but declined to comment further.

The price paid under the hammer achieved a record land rate for Richmond of \$17,628 per square metre.

According to one onlooker at the March 18 auction, bidding from three parties pushed the price for 23 Butler Street more than \$1 million above expectations.

"There was bidding frenzy," the onlooker said.

The property, which sold as part of a deceased estate, was previously a photographic studio.

Mr Carr and Martin share ownership of the Butler Property Group, which they established 2016 and has focused on buying office and retail property in Richmond, an inner-city suburb where commercial property values have soared in the past few years as more businesses have relocated from the CBD.

Last year, Butler Property Group No.3, which includes Gold Coast businessman Chris Bissiotis as a joint owner and director alongside Mr Carr and Martin, paid \$1.275 million for a refurbished warehouse at 37 Butler Street.

Mr Carr and Martin made their first acquisition on Butler Street in 2016, buying a warehouse at 29-31 Butler Street for \$2.2 million.

Two years later they bought another warehouse at 25 Butler Street for \$2.915 million.

Martin, who won the AFL's Brownlow Medal in 2017, also owns a two-level renovated office building at 367 Victoria Street, which he purchased for \$3 million in 2019. He is taking a break from football for personal reasons.

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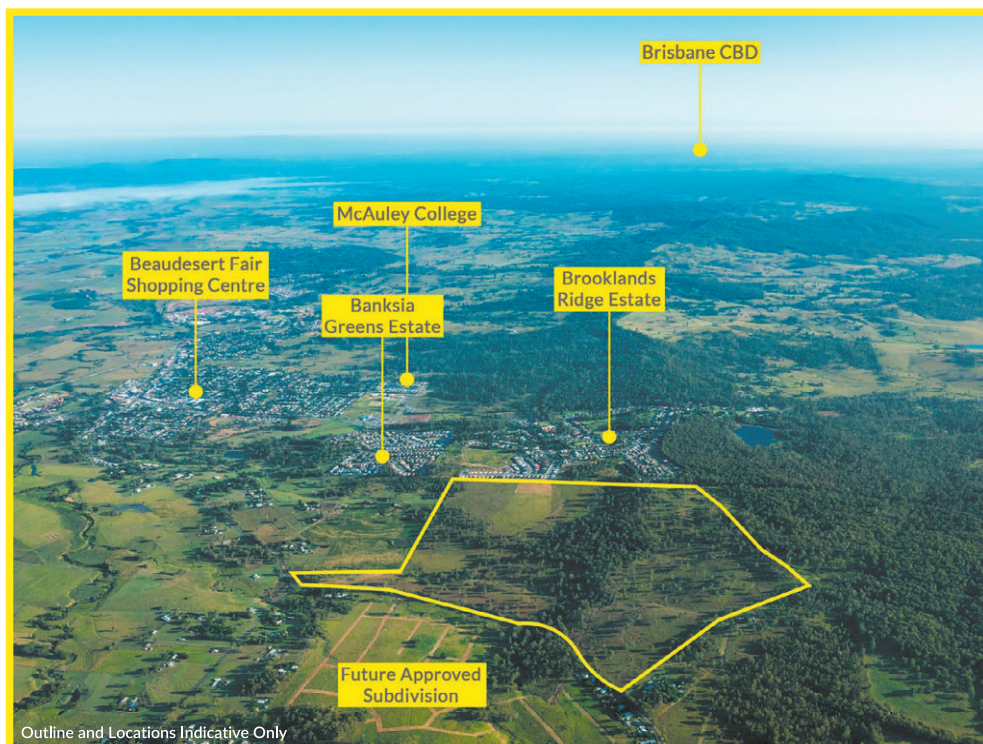
**AUCTION**  
Thursday 28 April 2022 at 10:30am

- Barron River Hotel, Cairns
- Leased to Australia's second largest pub operator a joint venture between Coles Group (ASX-COL) & Australian Venue Co (majority owned by KKR)
- Leased until 2046 (incl options)
- Annual Income: \$338,528+ GST<sup>^</sup>
- Annual Increases: Lower of 2xCPI or 4%
- Liquor Licence & 35 Gaming Machine Authorities revert to Landlord at expiration of lease for \$1 (Current Value \$4,288,000<sup>\*\*</sup>)
- Tenant pays all outgoings<sup>\*\*</sup>
- 3,860sqm\* site, 6.8km\* from Cairns CBD

Glenn Price 0402 623 298      Brent McCarthy 0448 355 329

\*Approx.    ^ estimated as at 13/6/22    \*\*excl. land tax

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## 130\* HA - BEAUDESERT SEQLD RESIDENTIAL SUBDIVISION SITE

RayWhite

Beaudesert SEQLD, Kerry Road

## EXPRESSIONS OF INTEREST

Closing Thur 28 Apr 2022 12pm (AEST)

- One of the largest land holdings designated for development in the Beaudesert catchment
- Total land area of 130.62\* Hectares with large portions cleared and unconstrained
- Elevated land well situated to a range of amenities including Golf Course, Beaudesert Fair Shopping Centre, Hospital and Schools
- Located 3.4km\* from the Beaudesert Town Centre
- 72km\* from Brisbane CBD and only 70km\* from the Gold Coast
- Zoned Low Medium Density Residential
- Set between existing development and an approved future residential subdivision
- Only 6km\* from Bromelton State Development Area

\*Approx

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