

APG commits up to A\$600 million to Australian real estate debt

Partnership with Australian real estate debt manager MaxCap Group

1-July 2019

Dutch asset manager APG Asset Management N.V. (“APG”) has made its first foray into real estate debt within Asia Pacific via dedicated Australian commercial real estate debt manager, MaxCap Group (“MaxCap”). This is a new partnership for APG, who have made an initial commitment to the strategy of A\$300 million (€185 million) with a further re-up option to increase total commitments to A\$600m (€370 million).

The partnership will target first mortgage stretch-senior loans, with a focus on construction lending across multiple real estate asset classes. Initial capital has already been deployed to the first seed loan, which is a mixed-use development in Melbourne.

APG has successfully pursued real estate debt strategies in Europe and US for over five years and expects to deploy further capital into such strategies across the Asia Pacific region.

In a statement announcing the transaction Graeme Torre, Managing Director and Head of Private Real Estate, Asia Pacific, said:

“As a pension investor, we are continuously looking for attractive investments worldwide that help us realize stable and long-term returns for our pension fund clients. We see the structural shift in the Australian banking sector market dynamics contributing to a convergence of equity and debt returns. A real estate debt strategy therefore offers us the opportunity to access this asset class with an appealing risk /return proposition. We believe that MaxCap, with its on-the-ground knowledge, reputation for responsiveness and proven track record, will be a strong long-term partner for APG.”

Wayne Lasky, co-founder and Managing Director of MaxCap group stated “We are delighted to partner with APG on this scalable and sustainable strategy. CRE debt as an institutional asset class in Australia is in an early cycle and we’re looking forward to a long term relationship with APG to deliver strong risk adjusted returns for its clients and their members.”

APG makes this investment on behalf of its pension fund clients ABP, SPW and PPF APG.

About APG Group NV

APG is the largest pension delivery organization in the Netherlands; its approximately 3,000 employees provide executive consultancy, asset management, pension administration, pension communication and employer services. APG performs these services on behalf of (pension) funds and employers in the sectors of education, government, construction, cleaning and window cleaning, housing associations, energy and utility companies, sheltered employment organizations, and medical specialists. APG manages approximately € 505 billion (April 2019) in pension assets for the pension funds in these sectors. In Asia Pacific, APG manages a c. €11.6 billion real estate portfolio across private and public markets out of its office in Hong Kong.

Visit apg.nl/en for more information.

About MaxCap Group

MaxCap Group is one of Australia’s leading Commercial Real Estate investment managers and is an established investment manager for domestic and global institutions with current AUM and advice of circa A\$3.7bn. Founded in 2007, the company has originated and managed more than A\$7 billion of CRE debt.



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