

MEDIA RELEASE

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Investec Australia Property Fund acquires two new NSW properties

Investec Australia Property Fund ("IAPF" or the "Fund") has announced the acquisition of two new industrial properties located in Newcastle and the western Sydney suburb of Wetherill Park, for a joint purchase price of \$26.9 million.

The acquisitions contribute to a successful year of growth for the Fund, having announced the acquisition of \$147.4 million of properties over the past 12 months.

The two newly acquired properties are underpinned by long-term leases to a single tenant, and provide the Fund with a blended yield of 7.92%.

The 12,500 square metre industrial property at Wetherill Park is located 34 kilometres from the Sydney CBD, with 11 years remaining on the lease and an option for a further five years. Average contracted annual rental growth for the property is approximately 3%.

The Newcastle property is situated five kilometres from the Port of Newcastle and 10 kilometres from the CBD. The current lease on the property runs until January 2021, with a contracted 3.75% rental growth and an option for a further 10 years.

IAPF CEO Graeme Katz said, "We believe these latest acquisitions are consistent with the Fund's strategy of investing in well-located, high quality assets. Both properties are conveniently located in established industrial precincts and secured by strong lease covenants"

Mr Katz said the Fund was in a strong position to pursue acquisition opportunities, having recently paid its gearing down to zero following a successful rights offer in October.

"We are actively seeking opportunities to grow and diversify the Fund's asset base, enhance value and contribute to sustainable income growth for our investors," he said.

On completion of the acquisitions, the Fund's portfolio will comprise nine industrial properties and five office properties.

IAPF was listed on the Johannesburg Stock Exchange in October 2013, and is the first inward listed vehicle to provide South African investors with direct access to the Australian commercial property market.