

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Circular apply throughout this document. If you are in any doubt as to the action you should take, please consult your CSDP, banker, broker, attorney, accountant or other professional advisor immediately.

ACTION REQUIRED**All Linked Unit Holders**

If you have disposed of all or any of your Investec Property Fund Linked Units, please forward this document together with the attached notice of General Meeting and form of proxy to the purchaser of such Linked Units or the broker, CSDP, banker or agent through whom you disposed of such Linked Units.

Certificated Linked Unit Holders and Dematerialised Linked Unit Holders with “own name” registration

If you are a Certificated Linked Unit Holder or have dematerialised your Linked Units with “own name registration” and you are unable to attend the General Meeting of Investec Property Fund Linked Unitholders to be held at 10h00 on Tuesday, 18 October 2011 at 4th Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196 and wish to be represented thereat, you must complete and return the attached form of proxy in accordance with the instructions contained therein and lodge it with, or post it to, the Transfer Secretaries so as to be received by them no later than 10:00 on Friday, 14 October 2011.

Dematerialised Linked Unit Holders other than those with “own name” registration

If you hold Dematerialised Linked Units in Investec Property Fund through a CSDP or broker other than with an “own name” registration, you must timeously advise your CSDP or broker of your intention to attend and vote at the General Meeting in order for your CSDP or broker to provide you with the necessary letter of representation to do so, or should you not wish to attend the General Meeting in person but wish to be represented thereat, you must timeously provide your CSDP or broker with your voting instruction in order for the CSDP or broker to vote in accordance with your instruction at the General Meeting.

English copies of this document will be available at the registered office of Investec Property Fund during normal business hours from Tuesday, 20 September 2011, up to and including Tuesday, 18 October 2011.

Out of the Ordinary[®]



Property Fund

(Incorporated in the Republic of South Africa)

(Registration number 2008/011366/06)

Share code: IPF ISIN: ZAE000155099

(“Investec Property Fund” or “the Fund”)

CIRCULAR TO LINKED UNIT HOLDERS

regarding

- **the acquisition of the Properties from Investec, a related party;**
- **the approval of the Directors remuneration; and**

incorporating

- **a notice convening a General Meeting of the Investec Property Fund Linked Unit Holders; and**
- **a form of proxy (for use by Certificated Linked Unit Holders and Dematerialised Linked Unit Holders with “own name” registration only)**

Investment Bank and Sponsor

Out of the Ordinary[®]



Corporate Finance

Transactional Sponsor**Attorneys****Independent Reporting Accountant and Auditor****Independent Valuers**

CORPORATE INFORMATION

Directors of the Fund

Sam Hackner (*Chairman*)
Samuel R Leon (*Chief Executive Officer*)
David A J Donald (*Executive Financial Director*)
Brian Molefe #
Moses M Ngoasheng #
Michael P Crawford (*Lead Independent
Non-Executive Director*) #

Independent Non-Executive

Company secretary

Investec Bank Limited
c/o Company Secretarial Investec Limited
100 Grayston Drive
Sandown
Sandton
2196
(PO Box 785700, Sandton, 2146)

Investment Bank and Sponsor

The Corporate Finance division of Investec Bank Limited
2nd Floor
100 Grayston Drive
Sandown
Sandton
2196
(PO Box 785700, Sandton, 2146)

Attorneys

Fluxmans Inc
11 Biermann Avenue
Rosebank
Johannesburg
2196
(Private Bag X41, Saxonwold, 2132)

Independent Reporting Accountant and Auditor

Ernst & Young Inc
Wanderers Office Park
52 Corlett Drive
Illovo
2196
(PO Box 2322, Johannesburg, 2000)

Debenture Trustee

Ironwood Trustees (Pty) Limited
Unit 6, Sunbird Park
Rosendal
Cape Town
7530
(PO Box 4898, Tygervalley, Cape Town, 7536)

Registered office, postal address of the Fund and date of incorporation

c/o Company Secretarial Investec Limited
100 Grayston Drive
Sandown
Sandton
2196
(PO Box 785700, Sandton, 2146)
Incorporated in the Republic of
South Africa on 7 May 2008

Transfer Secretaries

Computershare Investor Services (Pty) Limited
70 Marshall Street
Johannesburg
2001
(PO Box 61051, Marshalltown, 2107)

Transactional Sponsor

BDO Corporate Finance (Pty) Limited
7 West Street
Houghton
Johannesburg
2198
(PO Box 1574, Houghton, 2041)

Independent Valuer

Mills Fitchet Magnus Penny (Pty) Limited
20th Floor, 1 Thibault Square
Cape Town Central
Cape Town
8001
(PO Box 4442, Cape Town, 8000)

Vendor

Investec Limited
100 Grayston Drive
Sandown
Sandton
2196
(PO Box 785700, Sandton, 2146)

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ACTION REQUIRED BY LINKED UNITHOLDERS

This Circular is important and requires your immediate attention. The action you need to take is set out below.

The definitions and interpretation commencing on page 4 of this Circular have been used in this section.

If you are in any doubt as to what action to take, consult your accountant, attorney, broker or other professional advisor immediately.

1. IF YOU HAVE DEMATERIALIZED YOUR LINKED UNITS WITHOUT “OWN NAME” REGISTRATION:

1.1 Voting at the General Meeting

You should contact your CSDP/broker in accordance with their cut off time, prior to the date of the General Meeting and instruct them as to how you wish to cast your vote at the General Meeting and to cast your vote in accordance with your instructions.

If your CSDP/broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the agreement concluded between you and your CSDP/broker.

You must **NOT** complete the attached form of proxy.

1.2 Attendance at the General Meeting

In accordance with the agreement between you and your CSDP/broker, you must advise your CSDP/broker if you wish to attend the General Meeting in person, or if you wish to appoint a representative to represent you at the General Meeting, and your CSDP/broker will issue the necessary letter of representation for you or your proxy to attend the General Meeting.

2. IF YOU HAVE NOT DEMATERIALIZED YOUR LINKED UNITS OR YOU HAVE DEMATERIALIZED YOUR LINKED UNITS WITH “OWN NAME” REGISTRATION:

2.1 Voting, attendance and representation at the General Meeting

You may attend and vote at the General Meeting in person.

Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy in accordance with the instructions it contains and returning it to the Transfer Secretaries to be received by no later than 10:00 on Friday, 14 October 2011.

2.2 If you wish to Dematerialise your Linked Units, please contact your CSDP/broker.

3. IF YOU HAVE DISPOSED OF YOUR LINKED UNITS

If you have disposed of your Linked Units, this Circular, together with the attached form of proxy, should be handed to the Purchaser of such Linked Units or the broker or other agent who disposed of your Linked Units for you.

SALIENT DATES AND TIMES

2011

Last day to trade to be eligible to vote at the General Meeting	Friday, 30 September
Record date to be eligible to vote at the General Meeting	Friday, 7 October
Last day to lodge forms of proxy for the General Meeting by 10:00 on	Friday, 14 October
General Meeting of Linked Unit Holders to be held at 10:00 on	Tuesday, 18 October
Results of General Meeting published on SENS on	Tuesday, 18 October

Notes:

1. All times referred to in the announcement are local times in South Africa.
2. Holders of Dematerialised Linked Units are required to notify their CSDP or broker of the action they wish to take in respect of the General Meeting in the manner and by the time stipulated in the agreement governing the relationship between the Linked Unit Holder and his CSDP or broker, although the Directors recommend that such notification be given not less than five days prior to the General Meeting.

DEFINITIONS AND INTERPRETATION

In this Circular, unless otherwise stated or the context so requires, the words in the first column have the meanings stated opposite them in the second column, words in the singular shall include the plural and *vice versa*, words denoting one gender include the other and expressions denoting natural persons include juristic persons and associations of persons

“Acquisition Date”	1 October 2011, the effective date from which the Properties are acquired by the Fund from the Vendor and the date from which the risks and benefits of ownership accrue to the Fund;
“Acquisition Agreements”	the agreements between the Vendor and the Fund regarding the Proposed Transaction dated Friday, 2 September 2011;
“Act”	the Companies Act, No. 71 of 2008, as amended;
“Articles”	the Articles of Association of the Fund;
“Asset Management and Property Management Agreement”	the agreement entered into between the Fund and the Manager on 4 March 2011 in terms whereof the Manager is appointed to provide the Asset Management Services and the Property Management Services to the Fund;
“Asset Management Fee”	the fee payable to the Manager for the Asset Management Services calculated as 0.5% of the enterprise value of the Fund, being the sum of the Fund’s market capitalisation (based on one-month volume weighted average price) and net debt (i.e. debt less any cash held by the Fund);
“Asset Management Services”	the strategic management services to be rendered by the Manager, which will include, <i>inter alia</i> , the services set out in paragraph 4.2 hereto;
“Board”	the board of Directors of the Fund as constituted from time to time;
“CBD”	Central Business District;
“Certificated Linked Unit Holder”	Linked Unit holders who hold Certificated Linked Units;
“Certificated Linked Units”	Linked units which have not yet been Dematerialised, title to which is represented by a Linked Unit certificate or other document of title acceptable to the Board;
“Certificated Linked Unit Holders”	Linked Unit Holders who have not dematerialised their Linked Unit certificates in the Fund in terms of Strate;
“Circular”	all the documents contained in this bound document, dated 20 September 2011, including the circular to Linked Unit Holders and the annexures thereto, a Notice of General Meeting and a form of proxy;
“CSDP”	Central Securities Depository Participant;
“DCF”	Discounted Cash Flow;
“Debenture”	the variable rate, unsecured, subordinated debentures with a nominal value of 999 cents each, created, allotted and issued by the Fund in terms of the Memorandum and Articles of the Fund and regulated in terms of the Debenture Trust Deed, as part of the Linked Units;
“Debenture Holders”	holders of Debentures by virtue of their holdings of Linked Units;
“Debenture Trust Deed”	the Debenture Trust Deed in respect of the Debentures between the Fund and the Debenture Trustee, as amended from time to time;
“Dematerialise” or “Dematerialisation”	the process whereby Certificated Linked Units are replaced by electronic records of ownership under Strate and recorded in the sub-register of Linked Unit Holders maintained by a CSDP or broker;
“Dematerialised Linked Units”	Linked Units which have been incorporated into the Strate System and which are no longer evidenced by Linked Unit certificates, certified transfer deeds, balance receipts or any other documents of title to Certificated Linked Units acceptable to the Board;

“Dematerialised Linked Unit Holders”	Linked Unit holders who hold Dematerialised Linked Units;
“Directors”	the Directors of the Fund at the Last Practicable Date, as listed on the inside cover of this Circular;
“General Meeting”	the general meeting of Linked Unit Holders to be held at 10:00 on Tuesday, 18 October 2011 at 4 th Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196, to consider and, if deemed fit, approve the resolutions contained in the notice of general meeting of Linked Unit Holders attached to this Circular;
“GLA”	gross lettable area;
“Group”	in relation to a company (wherever incorporated), that company, any company of which it is a subsidiary (being its holding company) and any other subsidiaries of any such holding company and each company in a Group is a member of the Group. Unless the context otherwise requires, the application of the definition of Group to any company at any time will apply to the company as it is at that time;
“IFRS”	International Financial Reporting Standards;
“Independent Board”	Comprises those Directors who do not have any direct or indirect beneficial or non-beneficial interest in the Proposed Transaction;
“Independent Valuer”	Mills Fitchet Magnus Penny (Pty) Limited (Registration number 1996/04736/07), a private company incorporated in South Africa and an independent registered valuer as defined in Section 13 of the Listings Requirements;
“Innovation Building”	Erf 524 Kensington B, registration division I.R., Gauteng, situated at 192 Bram Fischer Drive, Randburg;
“Investec”	Investec Limited (Registration number 1925/002833/06), a public company incorporated in South Africa, and all its subsidiaries and associates, which is a related party to the Investec Property Fund as it is the Manager through Investec Property and it holds 50% plus 100 (one hundred) Linked Units of the Fund's issued Linked Units;
“Investec Property”	Investec Property Limited (Registration number 1947/025753/06), a public company incorporated in South Africa and a wholly owned subsidiary of Investec;
“Investec Property Fund”, “IPF” or “the Fund”	Investec Property Fund Limited (Registration number 2008/011366/06), a public company duly registered and incorporated with limited liability according to the company laws of South Africa, which is listed on the JSE;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company incorporated in South Africa and a licensed stock exchange in accordance with the Securities Services Act, No. 36 of 2004;
“Last Practicable Date”	Friday, 9 September 2011, being the last practicable date prior to the finalisation of this Circular;
“Linked Unit”	a linked unit with a nominal value of 1 000 cents, comprising one Share indivisibly linked to one Debenture;
“Linked Unit Holder”	the holders of Linked Units in the Fund;
“Listings Requirements”	the Listings Requirements of the JSE;
“Manager”	Investec Property, which is appointed by the Fund in terms of the Asset Management and Property Management Agreement, to provide the Asset Management Services and the Property Management Services;
“Memorandum”	the Memorandum of Association of the Fund;
“Properties”	collectively the Innovation Building and the Scientific Building which are the subject matter of the Proposed Transaction;

“Pre-listing Statement”	the pre-listing statement of the Fund, dated Friday, 18 March 2011, including all annexures thereto, which was issued on the listing of the Fund;
“Property Management Services”	the day-to-day management services rendered by the Manager which will include, <i>inter alia</i> , the services set out in paragraph 4.3 hereto;
“Proposed Transaction”	the proposed acquisition by the Fund of the Properties from the Vendor;
“Purchase Consideration”	The total purchase consideration for the Proposed Transaction amounting to R185.9 million (one hundred and eighty five million nine hundred thousand) excluding the transaction costs of R830 000 which will be capitalised to the cost of the Properties. The Purchase Consideration is payable in cash;
“Scientific Building”	Proposed Erf 15621 (currently part of a consolidated Erf represented as Cosmo City which will have to be subdivided and transferred in terms of the Proposed Transaction) Cosmo extension 15, Registration Division I.R., Gauteng, situated on Italy Road and forming part of Cosmo Business Park;
“SENS”	Securities Exchange News Service;
“Share”	the issued ordinary shares with a par value of 1 cent each, created, allotted and issued by the Fund in terms of the Memorandum and Articles of the Fund as part of the Linked Units;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Limited (Registration number 1998/022242/06), a registered central securities depository in terms of the Custody and Administration of Securities Act (Act 85 of 1992), as amended;
“Tariff”	the tariff provided in the Asset Management and Property Management Agreement;
“Transfer Secretaries”	Computershare Investor Services (Pty) Limited (Registration number 2004/003647/07) with its address at Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107);
“VAT”	Value-Added Taxation in terms of the Value-Added Tax Act, 89 of 1991; and
“Vendor”	in respect of the Innovation Building, Randburg Street Property (Pty) Limited, a wholly owned subsidiary of Investec Bank Limited, and in respect of the Scientific Building, Investec Property.

Out of the Ordinary®



Property Fund

(Incorporated in the Republic of South Africa)

(Registration Number 2008/011366/06)

Share code: IPF ISIN: ZAE000155099

("Investec Property Fund" or "the Fund")

Directors of the Fund

Sam Hackner (*Chairman*)

Samuel R Leon (*Chief Executive Officer*)

David A J Donald (*Executive Financial Director*)

Brian Molefe #

Moses M Ngoasheng #

Michael P Crawford (*Lead Independent Non-Executive Director*) #

Independent non-executive

CIRCULAR TO LINKED UNIT HOLDERS

I. INTRODUCTION AND PURPOSE OF CIRCULAR

In terms of the announcement on SENS on Monday, 5 September 2011 and in the press on Tuesday, 6 September 2011 Linked Unit Holders were advised that the Fund, a company primarily involved in property investment, will acquire the Properties from the Vendor for the Purchase Consideration which is to be settled in cash. Subject to Linked Unit Holder approval, the Purchase Consideration shall be paid to the Vendor upon registration of transfer of the Properties into the name of the Fund.

The Fund requires the approval (simple majority) of Linked Unit Holders in General Meeting in terms of the Listings Requirements, as the Proposed Transaction is a related party transaction. Investec will not vote on the Proposed Transaction, but its presence at the General Meeting will be taken into account in determining the existence of a *quorum* at the General Meeting.

The purpose of this Circular is to provide Linked Unit Holders with information relating to the Proposed Transaction and to convene a General Meeting of Linked Unit Holders to consider and approve the Proposed Transaction as well as to consider and approve the Directors' remuneration, in terms of the Notice of General Meeting attached to this Circular.

2. THE PROPOSED TRANSACTION

2.1 History and nature of the Properties

2.1.1 *The Innovation Building*

The Innovation Group which is a wholly owned subsidiary of Innovation Group Plc, a specialist global provider of software and outsourcing solutions to insurers and the associated fleet, automotive and property sectors, occupies the entire building, located on ERF 524 Kensington B, Registration Division I.R., Province of Gauteng.

The building is situated at 192 Bram Fischer Drive, Randburg and has been refurbished by Investec Property in accordance with the tenant's specifications and now provides 15 500 m² quality B-grade office accommodation over nine floors and two basements providing 516 parking bays and some storage space. Bram Fischer is one of the main roads in the Randburg CBD and in close proximity of most major roads with easy access to the freeway system. The location and height of the building provides excellent exposure for the tenant.

2.1.2 **The Scientific Building**

The Scientific Group which is owned by Capital Works Partners and Brimstone Limited and provides diagnostic and medical equipment to the healthcare industry occupies the entire building which comprises a GLA of 5 733m² and is situated on ERF 15621, an Erf pending subdivision from the mother Erf, Cosmo City Ext 15. The property forms part of the new Cosmo Business Park located just north of Kya Sands industrial node, in close proximity to Lanseria Airport and with direct access and exposure onto Malibongwe Drive (R612).

2.2 **Analysis of the Properties**

An analysis by market value, sector, tenant profile, geographical spread and by lease expiry profile is set out below based on the six-month forecast period to 31 March 2012.

Property name	Mills Fitchet valuation (R'000)	Purchase Consideration (R'000)	Purchase Consideration /m ²	Percentage of total Purchase Consideration
Innovation Building	160 000	151 000	9 742	81%
Scientific Building	34 500	34 900	6 088	19%
Total	194 500	185 900	8 755	100%

Notes:

The Purchase Consideration represents the aggregate of the Directors' valuation of the Properties to be acquired which also equals the aggregate cost thereof as set out in the Acquisition Agreements.

The Directors' valuations differed to those of the Independent Valuer for the following reasons:

The DCF method was applied to determine the independent valuations whilst the Purchase Consideration for the Properties was based on application of the capitalisation method, capitalising the first year's net income at a market related capitalisation rate.

Innovation Building: The Purchase Consideration was based on higher operating costs than that applied by the Independent Valuer, resulting in a difference in the first year's net income.

Secondly, a capitalisation rate of 10.0% was applied to the first year's net income to determine the Purchase Consideration, whilst the valuation, based on the DCF method, resulted in a first year capitalisation rate of 9.4%.

Scientific Building: The Independent Valuer used a market net rent of R47.50/m² whilst the lease's contractual net rental actually commences at R51.89/m².

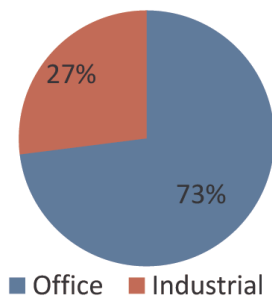
2.2.1 **Geographic spread**

Both Properties are situated in Gauteng, in Johannesburg specifically.

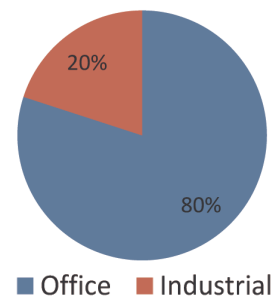
2.2.2 **Sectoral spread**

The Innovation Building comprises office space and the Scientific Building comprises warehouse and auxiliary office space.

Sectoral spread by GLA



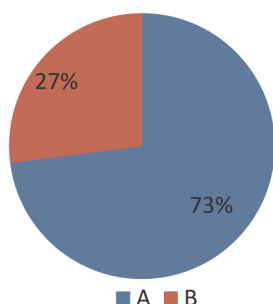
Sectoral spread by revenue (excluding recoveries)



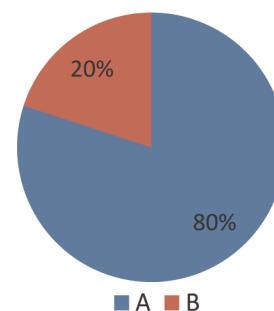
2.2.3 **Tenant spread**

Both Properties are single tenanted by strong tenants as evidenced by the tenant profile below.

Tenant spread by GLA



Tenant spread by gross rental (excluding recoveries)



For the graphs above the following key is applicable:

- A Large national and international tenants, large listed tenants, Government and major franchises.
- B National tenants, listed tenants, franchisees and medium to large professional firms.

2.2.4 **Vacancy profile by sector**

The Properties are fully let.

2.2.5 **Lease expiry**

In respect of the Innovation Building, a 10-year lease has been concluded with The Innovation Group, which commenced on 1 September 2011. In respect of the Scientific Building, a seven-year triple net lease has been concluded with The Scientific Group, which commenced on 1 July 2011. Therefore the lease expiry profile for the Properties is more than five years.

2.2.6 **Rental escalations, rental per square metre and average annual property yield**

The average gross rental per m² for the Properties by sector is as follows:

- Office: R78.84/m²
- Industrial: R54.21/m²

Both leases provide for an 8% annual escalation

Based on the Purchase Consideration, the average annualised net profit yield to 31 March 2012 is approximately 9.7%.

2.3 **Rationale for the Proposed Transaction**

The Proposed Transaction is at an attractive yield, which the Independent Board believes offers good value and will enhance the earnings and growth prospects of the Fund. The independent valuation summarised in Annexure 1 supports this view.

2.4 **Terms of the Proposed Transaction**

The Purchase Consideration will be settled in cash on the date of registration of transfer of the Properties into the name of the Fund. The Purchase Consideration will be funded by debt, initially provided by way of a bridging facility provided by Investec Bank Limited.

No commission is payable on the Proposed Transaction.

2.5 **Conditions precedent**

The Proposed Transaction is subject to Linked Unit Holder approval in General Meeting.

2.6 Other matters

An independent valuation of the Properties is set out in Annexure 1 to this Circular, which at R194.5 million (one hundred and ninety four million, five hundred thousand) exceeds the Purchase Consideration. As at the Last Practicable Date, the Independent Valuer confirmed that there had been no material changes to their report issued on 9 September 2011.

The Proposed Transaction constitutes a related party transaction in terms of the Listings Requirements as Investec is the Manager and holds 50% plus 100 (one hundred) Linked Units of the Fund's issued Linked Units. Accordingly, Investec will not vote on the Proposed Transaction.

3. HISTORY, NATURE AND PROSPECTS OF THE FUND

The Fund was incorporated as a public company under the name Afropulse 405 Limited as a newly formed property investment company in South Africa on 7 May 2008. On 1 October 2008 the Fund's name was changed to Investec Property Fund SA Limited. On 6 April 2011 the Fund's name was changed to Investec Property Fund Limited, and the Fund was listed on the JSE on 14 April 2011. The Fund is a limited liability, variable loan stock company formed with the purpose of investing in direct real estate, where the Directors believe there is potential for income generation and capital growth.

The Directors are of the opinion that the Fund's investment strategy and the strength, experience and proven track record of the Manager will provide the Fund and its investors with strong prospects in the property sector.

The Property Portfolio is composed of quality assets and is appropriately diversified to maintain an acceptable level of risk weighting within each sector and thus mitigate against any sector-specific risks. A strong, reputable tenant base, single-tenant profile, coupled with low vacancies and medium-term expiry profiles provide a sound base for earnings and capital growth over the long term.

4. MANAGEMENT OF THE FUND

The Fund is managed by the Manager in terms of the Asset Management and Property Management Agreement. The Manager is a wholly owned subsidiary of Investec. The management team of the Manager has significant experience and a proven track record in managing and developing large property funds. The management team is responsible for managing the Fund in an efficient, diligent manner, in good faith according to the highest industry standards, to obtain the optimum long-term yield and capital growth of the Fund.

4.1 Details of Directors of the Manager

The full names, ages, business addresses and capacities of the Directors of the Manager are set out below:

Full name	Age	Capacity	Business Address
Sam Hackner	56	Chief Executive	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Stephen Koseff	60	Chairman	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Samuel R Leon	61	Deputy Chairman	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
David A J Donald	61	Executive Financial Director	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Glynn R Burger	55	Executive Director	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Robin Magid	39	Executive Director	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
David M Nurek	61	Executive Director	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Ronald Sevitz	67	Executive Director	100 Grayston Drive, Sandown, Sandton, 2196, South Africa

Resumés of the Directors of the Manager are set out in Annexure 2.

None of the directors of the Manager is currently appointed as a director of any other listed property entities.

The Asset Management and Property Management Agreement are available for inspection as detailed in paragraph 13 below. However, a brief summary of the services to be provided by the Manager is set out below.

4.2 **Asset Management Services**

The Manager renders strategic management services to the Fund including, *inter alia*, the following services:

- the management of the Fund's properties in order to, over the long term, optimise its performance;
- sourcing new property and redevelopment opportunities that could be acquired by the Fund and making recommendations to the Fund;
- evaluating all development and investment proposals presented by any external parties to the Fund and making recommendations of such investment proposals which the Manager believes are in the best interests of the Fund;
- the determination of general strategies to, over the long term, optimise the performance of the property portfolio and strategies with regard to property acquisitions, disposals, new third-party developments, redevelopments, funding the expansion of the property portfolio, the formulation of marketing strategies and the implementation thereof and all matters incidental thereto;
- the undertaking, alternatively the procuring of all administrative, accounting, auditing, tax (including VAT) and secretarial functions relating to the Fund and the properties;
- prior to the commencement of each Financial Year, the preparation of a budget of total anticipated income and expenditure in respect of each property for the ensuing 12-month period;
- the revision of the income and expenditure forecast against budget;
- the effecting of such authorised capital expenditure as may be necessary to maintain the properties, including the refurbishment of and improvements to properties, provided that in effecting such expenditure, the Manager only commits to and/or incurs expenditure that is approved by the Board or which is in terms of the mandate approved by the Board;
- the formulation and implementation of letting policies and leasing terms as required by prevailing market conditions in accordance with objectives established by the Board;
- the conduct of research into prevailing rental rates and leasing terms offered in localities where properties are represented and comparative localities and research of general market conditions prevailing in such localities;
- the undertaking of general research into the state and relative investment merits of the various segments of the property market;
- the determination of tenant mix where appropriate;
- the marketing of the properties to potential tenants;
- valuations of the properties on an annual basis including procuring an external valuation on a three-year cycle on a third of the properties by value;
- the arranging for insurance of the buildings or structures erected on the properties against such risks as are normally required to be insured against in the interests of the Fund;
- the renewal of the insurance policies in respect of the properties, ensuring the prompt payment of premiums payable and the compliance by the Fund with all obligations under such insurance policies;
- the preparation of schedules of insurance cover, replacement valuations of the properties and the procuring of a statement by the Fund's insurance representative or broker as required in terms of any borrowing agreement or otherwise, as the case may be;
- the management of insurance claims in respect of the properties;
- should the Fund undertake either directly or through a third party larger building projects, developments or redevelopments, the managing and supervision of such projects;
- assuming responsibility for audits and inspections regarding compliance requirements in respect of all laws and regulations, including national building regulations and local authority laws for each Property;
- the performance of all treasury-related and cash management functions in relation to the Fund, including managing, sourcing and arranging the borrowings of the Fund;
- the preparation of any reports required in terms of any borrowings extended to the Fund; and
- the lodging of any objections against local authority valuations if deemed appropriate.

4.3 **Property Management Services**

The Property management services include, *inter alia*, the:

- marketing of vacant space in the properties to the general tenancy market and endeavouring to fill any vacancies in the properties with acceptable tenants;

- negotiating with tenants with a view to lease agreements being concluded;
- preparation and signature of written lease agreements with tenants;
- investigating the credit worthiness of prospective tenants, their trade history and obtaining such other information as may be relevant to the suitability of the prospective tenant;
- renewing lease agreements in accordance with their terms;
- collection of rentals under the lease agreements and the payment of the amounts so collected to the Fund on an agreed basis. It is specifically agreed that no trust fund will be required for receipt and transferring of monies due to the Fund and that all interest on cash balances will accrue to the Fund;
- collection of rental deposits, rental security and other contributions pursuant to any lease agreements;
- refund of rental deposits to tenants as and when they fall due;
- checking of turnover statements in respect of tenants, where applicable;
- management of the marketing for retail centres to achieve the optimum spending patterns and turnover by retailer tenants;
- management of all amounts received from tenants in respect of the lease agreements and all activities related and incidental thereto;
- liaising with tenants and the attendance to tenant's requirements;
- taking all necessary action to enforce prompt and proper performance and discharge by the tenants and other relevant parties of their respective obligations under lease agreements and the exercise of all rights under the lease agreements and any related security provided in respect thereof in the event of default under the relevant lease agreement;
- appointment and management of maintenance contractors where required;
- timeous payment of all expenses, including municipal consumption and service fees, property taxes and other municipal taxes, duties and levies, in respect of the properties and the rendering of the services;
- arranging security in and about the properties where required;
- liaising with local and other authorities in respect of the properties;
- arranging and supervising the cleaning of the properties and surrounding areas where required;
- ensuring that the Fund complies with all laws and regulations pertaining to the properties and the use of the properties;
- implementation of all necessary management and control systems;
- liaising with attorneys and supervision of legal actions with regard to the recovery of amounts payable under the lease agreements and any other matters relating to the properties and the management thereof;
- arranging maintenance and preventative maintenance (including but not limited to fire control measures) in respect of the properties where required;
- collection and payment of VAT amounts; and
- compliance with all Fund requirements in respect of the management, control, administration and letting of the properties and the performance of such further functions as are usually performed by managing agents.

4.4 Fees payable to the Manager

4.4.1 Asset Management Fees

For the Asset Management Services, the Fund pays the Manager the Asset Management Fee, calculated as 0.5% of the enterprise value of the Fund, being the sum of the Fund's market capitalisation (based on one-month volume weighted average price) and net debt i.e. total interest-bearing debt less cash and cash equivalents held by the Fund. This will be calculated and payable monthly in arrears.

The Asset Management Fee excludes:

- auditing fees;
- company secretarial fees;
- independent valuation fees;
- financing costs and finance raising fees; and
- development management fees.

4.4.2 **Property Management Fees**

The fees which are payable by the Fund to the Manager or its sub-contractors in respect of Property Management Services provided are market related taking into account the size, location and management complexity of each property and the overall property portfolio. The fee is deducted by the Manager on a monthly basis from the gross cash receipts, including VAT.

Letting commissions are payable to the Manager or its subcontractors for the successful conclusion of new leases and renewal of leases and is calculated with reference to the Tariff. In respect of new leases, the letting commission payable to the Manager is 100% (one hundred per cent) of the Tariff and in respect of renewals the letting commission is 50% (fifty per cent) of the Tariff.

4.4.3 **Transaction fee**

The Manager is entitled to a transaction fee of 1% of the value of any property acquired or sold, but this will only be levied on complex or complicated transactions and therefore will not be levied on this Proposed Transaction.

4.4.4 **Development management fee**

The Manager is entitled to a fee of 1% of the value (excluding VAT), or any other percentage as agreed between the Manager and the Fund, of any material development or redevelopment of a property performed by an independent developer on behalf of the Fund. This is paid to the Manager upon the issue of the practical completion certificate in respect of the development or redevelopment of the relevant property.

5. FINANCIAL INFORMATION

5.1 **Valuation**

An independent valuation of the Properties is set out in Annexure 1 to this Circular.

5.2 **Unaudited *pro forma* statement of financial position**

The unaudited *pro forma* statement of financial position of the Fund before and after the Proposed Transaction in terms of this Circular is presented in Annexure 3, assuming the Properties are transferred on the Acquisition Date. The independent reporting accountant's limited assurance report thereon is presented in Annexure 4.

5.3 **Unaudited profit forecast**

The unaudited profit forecast of the Properties for the six months ending 31 March 2012 and the 12 months ending 31 March 2013 is presented in Annexure 6. The Independent Reporting Accountant's limited assurance report on the profit forecast of the Properties is presented in Annexure 7.

6. MAJOR LINKED UNIT HOLDERS

Linked Unit Holders, other than Directors of the Fund, beneficially interested in 5% or more in the Linked Units of the Fund at the Last Practicable Date are as follows, which shareholding will not change as a result of the Proposed Transaction:

Linked Unit Holder	Direct	Indirect	Percentage held
Investec	85 000 100		50.06

7. DIRECTORS

7.1 **Directors' interests in transactions**

No Director of the Fund currently has or has had any interest, directly or indirectly, in any transaction which is, or was, material to the business of the Fund and which was effected by the Fund during the current financial year or in any previous financial year which remains in any respect outstanding or unperformed.

Other than the interests of the directors of the Manager, who are also Directors of the Fund, in respect of the Proposed Transaction, being the subject matter of this Circular, no Director or promoter of the Fund currently has or has had any material beneficial interest, either direct or indirect, in any property acquired or proposed to be acquired by the Fund, including but not limited to, where any of those persons is, or has contracted to become a tenant of any properties of the Fund.

Other than in respect of the Proposed Transaction the Directors have no interest in material contracts or transactions with the Fund other than via their employment with the Manager.

7.2 **Directors' responsibility statement**

The Directors, whose names are detailed on the inside front cover of this Circular, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law and the Listings Requirements.

8. **GENERAL**

8.1 **Material contracts**

No material contracts have been entered into by the Fund, being a contract entered into otherwise than in the ordinary course of business, within the two years preceding the date of this Circular or a contract entered into at any time containing an obligation or settlement that is material to the Fund as at the date of this Circular, save for the following agreements, which are available for inspection in terms of paragraph 13.2 hereto:

- Sale and purchase agreements entered into between Investec and the Fund on 15 February 2011, in terms of which the Fund acquired a Property Portfolio from Investec on 1 April 2011 and as detailed in the Pre-listing Statement as follows:
 - Sale of letting enterprise agreement between Merito Share Block Company (Pty) Limited, Adentro Share Block Company (Pty) Limited, Regata Share Block Company (Pty) Limited, Cantaro Share Block Company (Pty) Limited, Metano Share Block Company (Pty) Limited, Selar Share Block Company (Pty) Limited, Incitar Share Block Company (Pty) Limited and Riglioti Share Block Company (Pty) Limited as the sellers and the Fund as the purchaser;
 - Sale of letting enterprise agreement between Vegotique (Pty) Limited as the seller and the Fund as the purchaser;
 - Sale of letting enterprise agreement between Investec Property, Gino's Corner (Pty) Limited, Montagprop (Pty) Limited and S D Mdlalo Properties (Pty) Limited as the sellers and the Fund as the purchaser;
- the Acquisition Agreement;
- the Asset Management and Property Management Agreement; and
- the Debenture Trust Deed.

The Fund is not subject to any royalty agreements.

8.2 **Working capital statement**

The Directors are of the opinion that, taking into account the Proposed Transaction as detailed in this Circular, the working capital available to the Fund is sufficient for the Fund's requirements for at least the next 12 months.

8.3 **Material change**

The Directors confirm that there has been no material change in the financial or trading position of the Fund from that detailed in the Pre-listing Statement to the date of issue of this Circular.

8.4 **Change in ownership**

There has been no change in control of the Fund with Investec continuing to hold 50% plus 100 (one hundred) Linked Units of the Fund's issued Linked Units. There has been no change in the trading objectives of the Fund since its listing in April 2011.

8.5 Litigation statement

The Fund is not involved in any material legal or arbitration proceedings or legal actions, nor are the Directors aware of any proceedings that are pending or threatened, that may have, or have had in the 12-month period preceding the Last Practicable Date, a material effect on the Fund's financial position.

9. OPINIONS AND RECOMMENDATIONS

With regard to the Proposed Transaction, which is in the ordinary course of business of the Fund, the Independent Board is of the opinion that the terms and conditions of the Proposed Transaction are fair and that the implementation of the Proposed Transaction will be to the long-term benefit of the Linked Unit Holders. An independent valuation on the property is included in Annexure I to the Circular.

Accordingly, the Independent Board recommends that Linked Unit Holders vote in favour of the ordinary resolution relating to the Proposed Transaction to be proposed at the General Meeting of Linked Unit Holders and intend to vote in favour of the Proposed Transaction in respect of Linked Units held by them, except to the extent they are precluded from voting.

10. PRELIMINARY EXPENSES

The costs relating to the Proposed Transaction and related Circular are estimated at approximately R830 000, exclusive of VAT, as detailed below. Conveyancing fees on the transaction will be paid by the Fund.

Details	Payable to	R
Investment banking fee	Investec	350 000
Transaction Sponsor fee	BDO Corporate Finance (Pty) Limited	60 000
Printing, publication, distribution and advertising expenses	Ince	150 000
Independent Valuer's fees	Mills Fitchet	16 000
Legal and documentation fees (includes conveyancing fees)	Fluxmans Inc	90 000
Accounting and auditing fees	Ernst & Young Inc	150 000
JSE documentation fee	JSE Limited	14 000
Estimated Total		830 000

11. EXPERTS' CONSENTS

The independent reporting accountant and Independent Valuer have consented, in writing, to the inclusion of their reports in this Circular in the form and context in which they appear, and have not withdrawn their consents prior to the publication of this Circular.

The reporting accountant, attorneys, Independent Valuer, investment bank and sponsor and independent sponsor have all consented, in writing, to act in the capacities stated and to their names being used in this Circular and have not withdrawn their consents prior to the publication of this Circular.

12. GENERAL MEETING

The General Meeting of Investec Property Fund Linked Unit Holders will be held at 4th Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196 at 10:00 on Tuesday, 18 October 2011 to consider and, if deemed fit, to pass, with or without modification, the ordinary resolutions necessary to implement the Proposed Transaction.

A notice convening the General Meeting is attached to, and forms part of, this Circular.

A form of proxy, for use by those Certificated Linked Unit Holders and Dematerialised Linked Unit Holders with "own name" registration who are unable to attend the General Meeting but wish to be represented thereat, is attached to and forms part of this Circular. Duly completed forms of proxy must be received by the Transfer Secretaries by no later than 10:00 on Friday, 14 October 2011. A Dematerialised Linked Unit Holder who does not have "own name" registration must arrange for his CSDP or broker to furnish him with the necessary letter of representation to attend the General Meeting or to appoint a proxy in accordance with their cut-off time prior to the General Meeting. The Fund does not have a Linked Unit incentive trust in place.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of Investec Property Fund during normal business hours from Tuesday, 20 September 2011, up to and including Tuesday, 18 October 2011.

- 13.1 the memorandum and articles of association of the Fund;
- 13.2 the material contracts as referred to in paragraph 8.1;
- 13.3 the sworn property valuation on the Properties by Mills Fitchet Magnus Penny (Pty) Limited, a summary of which is attached as Annexure 1 to this Circular;
- 13.4 the unaudited *pro forma* statement of financial position of the Fund and the independent reporting accountant's limited assurance report on the *pro forma* financial information of the Fund before and after the Proposed Transaction, as set out in Annexures 3 and 4 respectively, of the Circular;
- 13.5 the unaudited consolidated forecast of the Properties being acquired by the fund for the six-month period ending 31 March 2012 and for the 12-month period ending 31 March 2013, and the Independent Reporting Accountant's limited assurance report thereon as set out in Annexures 6 and 7 respectively of this Circular;
- 13.6 independent reporting accountant's limited assurance report on the existence and recognition and measurement of the Properties to be acquired by the Fund in terms of the Proposed Transaction as reflected in the unaudited *pro forma* statement of financial position;
- 13.7 the audited historical financial statements of the Fund for the year ended 31 March 2010 and the audited historical interim results for the interim period ended 30 September 2010;
- 13.8 the letters of consent received from the reporting accountant, attorneys, sponsor, independent sponsor, investment bank and independent expert;
- 13.9 a signed copy of this Circular;

Signed on behalf of the Board

INVESTEC PROPERTY FUND LIMITED

Sam Leon

20 September 2011
Sandton

INDEPENDENT VALUER'S PROPERTY VALUATION REPORT

“Attention: Ms Laetitia Steynberg
Investec Property
100 Grayston Drive
Sandown
Sandton, 2196



13 September 2011

Sir/Madam,

RE: INDEPENDENT VALUER'S REPORT ON THE PORTFOLIO OF PROPERTIES TO BE ACQUIRED BY INVESTEC PROPERTY FUND LIMITED AS DETAILED IN THE SUMMARY SCHEDULE ATTACHED AND FOR WHICH THERE ARE DETAILED INDIVIDUAL VALUATION REPORTS HELD BY INVESTEC PROPERTY FUND LIMITED

I. INTRODUCTION

I, M R B Gibbons, a duly authorised Professional Valuer, registered without restriction in terms of Section 19 of the Property Valuers Professional Act, 2000 (Act No. 47 of 2000), of 20th Floor, 1 Thibault Square, Cape Town do hereby certify that to the best of my knowledge, I have valued the property as at 1 September 2011 in order to determine their value on a discounted cash flow basis as at the dates specified below. The discounted cash flow basis was elected as the most appropriate methodology as the properties are income producing entities.

Total Value of the Properties:

R194 500 000

Set out below are particulars relating to the properties, as detailed in the Circular to be dated on or about 5 September 2011, to which this report is attached and the values that I have attributed to them:

No.	Description	Name	Address	Date of physical inspection	Effective date of valuation	Market Value R'000
1.	Erf 524 Kensington B Township, I.R. Division, Gauteng	Innovation	192 Bram Fischer Street, Kensington, Randburg	25-27/07/2011	01/09/2011	R160 000 000
2.	Erf 15621 Cosmo City Extension 15, Gauteng	The Scientific Group	Italy Avenue, Cosmo City, Kya Sands	25-27/07/2011	01/09/2011	R34 500 000

No.	Nature of Property	Site area	Floor area	Existing use	Age of building	Tenure
1.	Buildings – Offices	7 101m ²	15 500m ²	Offices	One year	Freehold
2.	Buildings – Factory and Offices	11 637m ²	5 733m ²	Factory and Offices	One year	Freehold

2. BASIS OF VALUATION

All properties have been valued using the Discounted Cash Flow Approach, which values the contracted income and then reverts to market related rentals. The contractual rentals in respect of the properties are not materially (10%) higher than the current market related rentals. The reversion to market, in all cases has been next day after the expiry of the last lease. All of which are discounted at the appropriate discount rate. The current annual rental for each property and the annual escalation rate is included in the detailed valuation report which is available for inspection in terms of paragraph 13 of the circular of which this report forms a part.

3. ASSUMPTIONS

The considerations applied to the market value of the properties, which is based on the International Valuations Standards Authority definition of the same, are as follows:

All of the properties were fully let at the effective date of valuation, consequently no vacancy provision has been made during the lease period. We have referenced published documentation from the SAPOA/IPD data-base (Vacancy Surveys) and The Rode Report.

We have not allocated a provision for Repairs and Maintenance to the valuation for Property 2 as the lease agreement is based on a fully repairing and insuring contract. In this instance all property expenses are for the tenant's account. Property 2 has a provision for repairs and maintenance in the cash flow.

Rentals used in our Discounted Cash Flow valuations are based on the terms and conditions contracted in the leases. On expiry of same, we have assumed that they will revert to market related rentals. The market-related rentals have been determined by comparing similar buildings in comparable areas to the properties valued. Due consideration to the extent of the lettable areas, their location within the buildings and profile of tenant has been applied in the determination of the reversionary market rentals. The market rentals have also been compared with the fundamentals listed in various published indices including the South African Property Owners Association (SA/IPD) index and the Rode Report.

4. SOURCES OF INFORMATION

Information relating to the Properties have been obtained and, where applicable, verified, from:

- Property Managers;
- our physical inspection of the properties confirming the nature of improvements and the tenancies reflected in the lease schedules;
- a lease audit being undertaken by ourselves;
- Investec Property Group;
- Deeds Office; and Surveyor General's Office and Local Authorities for verification of the Title Deeds, Erf diagrams, Municipal Valuations and Town Planning conditions;
- the Sellers;
- SAPOA/IPD Index with regards to vacancy surveys, comparable market rentals, operating expense profiles, annualised rental and expense growth plus the Discount and Capitalisation Rate surveys;
- The Rode Report to confirm those fundamentals referred to in the point above.

5. TOWN PLANNING RESTRICTIONS/CONDITIONS AND MATERIAL CONTRAVENTIONS OF STATUTORY REQUIREMENTS

Full town planning details and title deeds have been supplied in the detailed valuation reports including conditions and restrictions and the properties have been checked against such conditions. This is to ensure that they comply with town planning regulations and title deeds. There do not appear to be any infringements of local authority regulations or deeds by any of the properties.

The valuation has further assumed that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations and on inspection it would appear that the improvement are in accordance with the relevant town planning regulations.

6. LEASES

Our valuation has been based upon a lease audit and the physical inspection of all properties confirming the actual tenant leases supplied to us by the owners and managing agents.

Contractual escalations are at 8% going forward and virtually all rentals detailed in this report are from existing contractual leases.

In respect of Property 2 the expenses are paid directly by the tenant, while the landlord is responsible for expenses in Property 1, with certain expenses or increases in expenses being recovered from the tenants.

Property 1 is occupied entirely by The Innovation Group.

Property 2 is occupied entirely by The Scientific Group.

There are no intra-group leases.

7. CONCLUSION

I confirm that to the best of my knowledge and belief there:

1. are no options held by any third parties to purchase any of the Property;
2. have been no material changes between the date of the valuations and the last practicable date in any circumstances relating to the Properties, which would affect the valuation thereof.

I confirm that I have no pecuniary interest that would conflict with a proper valuation of the Property by the Fund, other than normal professional fees. With 19 years experience in property valuation, the undersigned is qualified to express an opinion on the value of the Property.

Yours faithfully

MILLS FITCHET MAGNUS PENNY (PTY) LTD

M R B Gibbons

Nat. Dip. Prop. Val. MIV(SA)

Professional Valuer

(Registered without restriction in terms of The Property Valuers Act No. 47 of 2000)

20th Floor, 1 Thibault Square, Cape Town, 8001"

DETAILS OF DIRECTORS OF THE MANAGER

Name Business address Qualifications Current position Resumé	<p>Sam Hackner (56) 100 Grayston Drive, Sandown, Sandton, 2196, South Africa BCom(Hons), Dip Acc, CA(SA) CEO</p> <p>Sam Hackner has over 30 years of experience in the property industry and is currently the CEO and global head of Investec Property. In 2003 he was appointed Chairman of Growthpoint, the largest property company listed on the JSE. He was instrumental in growing it from a market capitalisation of R35 million in 2002 to its peak of R18.9 billion in November 2007. Mr Hackner resigned as Chairman of Growthpoint in July 2008, a year after the property management and asset management functions were sold by Investec Property to Growthpoint. He is currently a member of the Board of Directors and Advisory Board of the Investec GLL Global Special Opportunities Real Estate Fund, a R3.7 billion Luxembourg-based fund for investment in global real estate.</p>
Name Business address Qualifications Current position Resumé	<p>Stephen Koseff (60) 100 Grayston Drive, Sandown, Sandton, 2196, South Africa BCom, CA(SA), H Dip BDP, MBA Chairman</p> <p>Stephen joined the Investec Group in 1980 and has been the Chief Executive Officer of Investec plc and Investec Limited since 1997. He has had diverse experience within Investec as Chief Accounting Officer and General Manager of Banking, Treasury and Merchant Banking. His directorships include The Bidvest Group Limited, Rensburg Sheppards plc and a number of Investec subsidiaries.</p>
Name Business address Qualifications Current position Resumé	<p>Samuel R Leon (61) 100 Grayston Drive, Sandown, Sandton, 2196, South Africa LLB (London) Deputy Chairman</p> <p>Mr Leon has over 35 years of experience across all sectors of the property industry with 20 years at Investec Property, firstly as a director, then Managing Director and currently as Deputy Chairman. He was a founder of the transformation of Growthpoint into South Africa's largest listed property fund and was a director until Investec sold its interests in October 2007. Mr Leon was also a director of a specialist listed property fund Metboard Properties Limited, until it was sold to Growthpoint in April 2007, as well as a board member of SAPOA (the South African Property Industry body). He is currently a member of the Board of Directors and Advisory Board of the Investec GLL Global Special Opportunities Real Estate Fund, a R3.7 billion Luxembourg-based fund for investment in global real estate.</p>
Name Business address Qualifications Current position Resumé	<p>Glynn R Burger (55) 100 Grayston Drive, Sandown, Sandton, 2196, South Africa BAcc, CA(SA), H Dip BDP, MBL Executive Director</p> <p>Glynn currently serves as the joint Managing Director of Investec Limited in South Africa, a position held by him since 2000, and as the Financial Director of the Investec group. Glynn joined Investec in 1980 and has also held the position of Chief Accounting Officer and Group Risk Manager. Current directorships include Investec Bank Limited and a number of Investec subsidiaries.</p>

Name	David A J Donald (61)
Business address	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Qualifications	BCom, CA(SA), H Dip Tax Law
Current position	Executive Director
Resumé	Dave Donald has significant experience in accounting and finance and is currently a director of Investec Property, a position held by him since 2001, where he is responsible for operational, accounting and finance functions. From 1983 to 1997, Dave was a partner at Coopers & Lybrand in Johannesburg.
Name	Robin Magid (39)
Business address	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Qualifications	BCom
Current position	Executive Director
Resumé	Robin has been with Investec for 15 years, initially in the property finance team of Investec Private Bank, before moving to Investec Property in 2000 where he managed the Investec Property trading and commercial real estate activities. In 2008, Robin moved from South Africa to the United Kingdom where he was involved in establishing an international property investment division. In 2010 he moved back to South Africa to continue his role in managing the South Africa business, whilst remaining actively involved in the driving of the now established United Kingdom business.
Name	David M Nurek (61)
Business address	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Qualifications	Dip Law, Dip Advanced Company Law
Current position	Executive Director
Resumé	David joined Investec in July 2000 and is the Regional Chairman of Investec's various businesses in the Western Cape and is also Global Head of Legal Risk. He is a Non-Executive Director to various listed and unlisted companies including The Foschini Group Limited, Sun International Limited, Trenchor Limited, Clicks Group Limited, Distell Group Limited, Aspen Pharmacare Limited, Sun International Limited and Lewis Group Limited. He served as Chairman of the legal firm Sonnenberg Hoffman & Galombik (now Edward Nathan Sonnenbergs) until June 2000. David was formerly a Non-Executive Director of Allan Gray Property Management Co. Limited (Grayprop) for several years.
Name	Ronald Sevitz (67)
Business address	100 Grayston Drive, Sandown, Sandton, 2196, South Africa
Current position	Executive Director
Resumé	Ronald has over 40 years' experience in the property industry which commenced in the late 1960s dealing with residential rental collections and management. For the last 20 years, he has been involved in the development of commercial and some of South Africa's most successful retail centres.

UNAUDITED PRO FORMA STATEMENT OF FINANCIAL POSITION OF THE FUND BEFORE AND AFTER THE PROPOSED TRANSACTION

At the Last Practicable Date clearance has not been obtained for the transfer of the Properties, although the Vendor remains committed to securing the required clearance before the Acquisition Date.

The unaudited *pro forma* statement of financial position of the Fund before and after the Proposed Transaction in terms of this Circular is set out below.

The unaudited *pro forma* statement of financial position has been presented for illustrative purposes only and, because of its nature, may not fairly present the Fund's financial position and results of operations nor the effect and impact of the Proposed Transaction going forward.

The Directors of the Fund are responsible for the compilation, contents and preparation of the unaudited *pro forma* information contained in this Circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the unaudited *pro forma* financial information has been properly compiled on the basis stated; the basis is consistent with the accounting policies of the Fund; and the unaudited *pro forma* adjustments are appropriate for the purposes of the unaudited *pro forma* financial information disclosed in terms of the JSE Listings Requirements.

The unaudited *pro forma* statement of financial position is presented in a manner consistent in all respects with IFRS and with the basis on which the historical financial information presented in the Pre-listing Statement was prepared in terms of the Fund's accounting policies.

The unaudited *pro forma* statement of financial position as set out below should be read in conjunction with the Independent Reporting Accountant's limited assurance reports as set out in Annexure 4 and Annexure 5 to this circular.

It has been assumed for purposes of the unaudited *pro forma* statement of financial position that the Proposed Transaction takes place on the Acquisition Date, being 1 October 2011.

Unaudited *pro forma* statement of financial position of the Fund assuming transfer of the Properties takes place on the Acquisition Date

	Before the Proposed Transaction R'000	Adjustments R'000	After the Proposed Transaction R'000
ASSETS			
Non-current assets			
Investment properties	1 696 500	186 730	1 883 230
Current assets			
Bank balances and cash	3 500	–	3 500
TOTAL ASSETS	1 700 000	186 730	1 886 730
EQUITY AND LIABILITIES			
Equity			
Share capital	1 700	–	1 700
Non-current liabilities			
Debenture capital	1 698 300	–	1 698 300
Other non-current liabilities			
Debt	–	186 730	186 730
TOTAL EQUITY AND LIABILITIES	1 700 000	186 730	1 886 730

	Before the Proposed Transaction R'000	Adjustments R'000	After the Proposed Transaction R'000
Number of Linked Units in issue	170 000 000		170 000 000
Net asset value per Linked Unit excluding debentures (cents)	1.0		1.0
Net asset value per Linked Unit (cents)	1 000.0		1 000.0
Net tangible asset value per Linked Unit (cents)	1 000.0		1 000.0

Notes and assumptions:

1. The "Before the Proposed Transaction" column was extracted from the "after acquisition and private placing" column of the Pre-listing Statement's *pro forma* statement of financial position of the Fund as at 1 April 2011, issued on 18 March 2011.
2. Adjustments for the Proposed Transaction reflect the following:
 - 2.1 Purchase Consideration of the Properties acquired as a going concern amounting to R185.900 million included in assets;
 - 2.2 Estimated once-off transaction costs associated with the Proposed Transaction of R830 000, capitalised to the cost of the Properties; and
 - 2.3 Debt raised to finance the Proposed Transaction and transaction costs, together amounting to R186.730 million.
3. The "After the Proposed Transaction" column reflects the unaudited *pro forma* statement of financial position after the Proposed Transaction.

**INDEPENDENT REPORTING ACCOUNTANT'S LIMITED ASSURANCE REPORT
ON THE PRO FORMA STATEMENTS OF FINANCIAL POSITION OF INVESTEC
PROPERTY FUND LIMITED**

"The Directors
Investec Property Fund Limited
100 Grayston Drive
Sandown
Sandton, 2196

We have performed our limited assurance engagement in respect of the unaudited *pro forma* statement of financial position set out in Annexure 3 of the Circular to be dated on or about 20 September 2011 issued in connection with the acquisition of Properties by Investec Property Fund Limited ("the Transaction") that is the subject of the Circular dated 20 September 2011 ("Circular"). The unaudited *pro forma* statement of financial position has been prepared in accordance with the requirements of the JSE Limited's Listings Requirements ("Listings Requirements") for illustrative purposes only, to provide information about how the Transaction might have affected the reported historical financial information presented, had the Transaction been undertaken as at the date of the unaudited consolidated *pro forma* statement of financial position being reported on, assuming the Properties will transfer on 1 October 2011 ("Acquisition Date") as set out in Annexure 3 of Investec Property Fund Limited's Circular.

Directors' responsibility

The directors are solely responsible for the compilation, contents and presentation of the unaudited *pro forma* statement of financial position contained in the Circular and for the financial information from which it has been prepared. Their responsibility includes determining that: the unaudited consolidated *pro forma* statement of financial position has been properly compiled on the basis stated; the basis is consistent with the accounting policies of Investec Property Fund Limited; and the unaudited *pro forma* adjustments are appropriate for the purposes of the unaudited consolidated *pro forma* statement of financial position disclosed in terms of the Listings Requirements.

Reporting accountant's responsibility

Our responsibility is to express our limited assurance conclusion on the unaudited *pro forma* statement of financial position included in the Circular. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements other than Audits or Reviews of Historical Financial Information – ISAE 3000 and the Guide on *Pro Forma* Financial Information issued by the South African Institute of Chartered Accountants.

The standard requires us to obtain sufficient appropriate evidence on which to base our conclusion. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited *pro forma* statement of financial position beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Sources of information and work performed

Our procedures consisted primarily of comparing the unadjusted audited historical financial information of Investec Property Fund Limited with the source documents, considering the unaudited *pro forma* adjustments in light of the accounting policies of Investec Property Fund Limited, considering the evidence supporting the unaudited *pro forma* adjustments and discussing the adjusted unaudited *pro forma* financial information with the directors of Investec Property Fund Limited in respect of the Transaction which is the subject of this Circular. In arriving at our conclusion, we have relied upon financial information prepared by the Directors of Investec Property Fund Limited and other information from various public, financial and industry sources. While our work performed has involved an analysis of the financial information and other information provided to us, our limited assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe that pursuant to Sections 8.17 and 8.30 of the Listings Requirements: the unaudited *pro forma* statement of financial position has not been properly compiled on the basis stated; such basis is inconsistent with the accounting policies of the issuer; and the *pro forma* adjustments are not appropriate for the purposes of the unaudited *pro forma* financial information as disclosed, in terms of Section 8.17 and 8.30 of the Listings Requirements, based on the assumption that in Annexure 3 of the Circular, both properties will transfer on Acquisition Date.

Ernst & Young Inc.

Director: Rosanne De Lange

Reporting Accountant Specialist

Registered Auditor

Chartered Accountant (SA)

Wanderers Office Park
52 Corlett Drive, Illovo
Johannesburg
13 September 2011"

INDEPENDENT REPORTING ACCOUNTANT'S LIMITED ASSURANCE REPORT ON THE EXISTENCE AND RECOGNITION AND MEASUREMENT OF THE PROPERTIES TO BE ACQUIRED BY THE INVESTEC PROPERTY FUND LIMITED ("THE FUND") AT A VALUE DETERMINED IN ACCORDANCE WITH THE FUND'S ACCOUNTING POLICIES AND THE RECOGNITION AND MEASUREMENT CRITERIA OF IFRS AS REFLECTED IN THE "ADJUSTMENTS" COLUMN AND "AFTER THE PROPOSED TRANSACTION" COLUMN OF THE UNAUDITED PRO FORMA STATEMENT OF FINANCIAL POSITION OF THE FUND

"The Directors
Investec Property Fund Limited
100 Grayston Drive
Sandown
Sandton, 2196

We have performed our limited assurance engagement for purposes of paragraph 13.16(e) of the JSE Limited's Listings Requirements ("Listings Requirements") with regard to the existence and recognition and measurement of the Properties to be acquired by the Fund at a value determined in accordance with the Fund's accounting policies and the recognition and measurement criteria of IFRS to be dated on or about 20 September 2011, issued in connection with the acquisition of the Properties that is the subject of this Circular, as reflected in the "Adjustments" column and the "After the Proposed Transaction" column of the unaudited *pro forma* statement of financial position of the Fund assuming that both properties will transfer on 1 October 2011 ("Acquisition date") as set out in Annexure 3 of the Circular

This report and the conclusion contained herewith is provided solely for the benefit of the board of directors and prospective linked unit holders of the Fund for the purposes of their consideration of the proposed property acquisitions by the Fund (the "Transaction"). This letter is not addressed to and may not be relied upon by any other third party for any purpose whatsoever.

Directors' responsibilities

The Directors of the Fund are solely responsible for the compilation, contents and presentation of the unaudited *pro forma* statement of financial position contained in the Circular and for the financial information from which it has been prepared, including the financial information relating to the Properties to be acquired.

Their responsibility includes determining that the Properties to be acquired by the Fund exist, has been valued in accordance with the Fund's accounting policies and the recognition and measurement criteria of International Financial Reporting Standards ("IFRS") and are correctly reflected in the "Adjustments" column and the "After the Proposed Transaction" column of the unaudited *pro forma* statement of financial position of the Fund disclosed in terms of the Listings Requirements assuming that the properties will transfer on Acquisition date as set out in Annexure 3 of the Circular.

Reporting accountant's responsibility

Our responsibility is to express our limited assurance conclusion regarding the existence and recognition and measurement of the Properties to be acquired by the Fund at a value determined in accordance with the Fund's accounting policies and the recognition and measurement criteria of IFRS, as reflected in the "Adjustments" column and the "After the Proposed Transaction" column of the unaudited *pro forma* statement of financial position of the Fund, included in the Circular assuming that the properties will transfer on Acquisition date as set out in Annexure 3 of the Circular.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements applicable to Assurance Engagements other than Audits or Reviews of Historical Financial Information – ISAE 3000 and paragraph 13.16(e) of the Listings Requirements. This standard requires us to comply with ethical requirements and to obtain sufficient appropriate evidence on which to base our conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited *pro forma* statement of financial position beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Summary of work performed

Our procedures included making such inquiries and obtaining such written representations from the Directors of the Fund and the Independent Valuer as we considered necessary, and specifically we:

- obtained written representation from the Directors of the Fund that they have physically inspected the Properties, to confirm their existence;
- examined the title deeds for the Properties to be acquired (other than the property based in Cosmo City as the township has not been proclaimed);
- compared the cost/value at which the Properties are being acquired reflected in the "Adjustment" column and in the "After the Proposed Transaction" column of the unaudited *pro forma* statement of financial position of the Fund to the Directors' valuations included in paragraph 2.2 of the Circular;
- compared the cost/value at which the Properties are being acquired reflected in the "Adjustment" column and in the "After the Proposed Transaction" column of the unaudited *pro forma* statement of financial position of the Fund to the underlying acquisition agreements;
- enquired of the Directors of the Fund as to the existence of any liabilities, unrecorded liabilities or contingencies;
- obtained written representation from the Directors of the Fund that all the properties will be acquired free from any liabilities and/or encumbrances;
- compared the Directors' valuations included in paragraph 2.2 of the Circular, which reflect the cost/value at which the Properties are being acquired to the costs/values arrived at by the Independent Property Valuer as included in Annexure 1 and in paragraph 2.2 of the Circular and obtained explanations for any discrepancies;
- made enquiries regarding the following matters pertaining to the work of the Independent Valuer in accordance with guidance in accordance with the guidelines in ISAE 3000 pertaining to the work of an expert:
 - the professional competence of the Independent Valuer, in particular, membership of an appropriate professional body and experience and reputation in the field;
 - the independence of the Independent Valuer, including confirmation from the valuer that there were no actual or apparent conflicts of interest that might impair, or be perceived to impair, his or her objectivity;
 - the scope of the Independent Valuer's work;
 - the assumptions and methods used;
 - the Independent Valuer's physical inspection of the Properties being acquired;
- inspected the Fund's accounting policies with respect to Investment Property as included in the Pre-listing Statement dated 18 April 2011 and considered whether these were in compliance with the recognition and measurement criteria of IFRS; and
- considered whether the Fund's accounting policies with respect to Investment Property were applied to the Properties to be acquired as reflected in the "Adjustment" column and in the "After the Proposed Transaction" column of the unaudited *pro forma* statement of financial position.

In arriving at our conclusion, we have relied upon financial information prepared by the Directors of the Fund and other information from various public, financial and industry sources. While our work performed has involved an analysis of the information provided to us, our limited assurance engagement does not constitute an audit or review of any of the underlying financial information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe that our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained and pursuant to paragraph 13.16(e) of the Listings Requirements, nothing has come to our attention, which causes us to believe that:

- the Properties to be acquired by the Fund, as reflected in the "Adjustments" column and the "After the Proposed Transaction" column of the unaudited *pro forma* statement of financial position of the Fund set out in Annexure 3 of the Circular, do not exist;

- the value at which the acquisition of the Properties to be acquired by the Fund, as reflected in the “Adjustments” column and the “After the Proposed Transaction” column of the unaudited *pro forma* statement of financial position of the Fund as set out in Annexure 3 of the Circular, are not in all material respects in accordance with the accounting policies of the Fund and the recognition and measurement criteria of IFRS.

The above conclusion is based on the assumption that the properties will transfer on Acquisition Date as set out in Annexure 3 of the Circular.

The valuation of the property assets does not necessarily reflect the actual value the assets would achieve in a future transaction or the actual cash flows that will arise in future. The actual cash flows that will arise in future may differ from the anticipated cash flows used for valuation purposes since anticipated events may not occur as expected and the variation may be material. Accordingly no assurance is expressed regarding the achievability of the fair value in a future transaction. We also note that there is a difference between the Directors' valuation/cost and the value determined by the Independent Valuer as discussed in paragraph 2.2 to the Circular.

Ernst & Young Inc.

Director: **Rosanne De Lange**

Reporting Accountant Specialist

Registered Auditor

Chartered Accountant (SA)

Wanderers Office Park
52 Corlett Drive, Illovo
Johannesburg
13 September 2011”

UNAUDITED CONSOLIDATED FORECAST FINANCIAL INFORMATION OF THE PROPERTIES

The unaudited profit forecast of the Properties for the six months ending 31 March 2012 and the further 12 months ended 31 March 2013 is set out in the table below and should be read in conjunction with the Independent Reporting Accountant's limited assurance report thereon, which is included in Annexure 7 to this Circular.

The Directors of the Fund are responsible for the unaudited profit forecast including the assumptions on which it is based, and for the financial information from which it has been prepared.

The forecast information has been prepared on a basis consistent with the accounting policies of the Fund and in compliance with IFRS.

The information below has been prepared on the assumption that the Properties have been transferred to the Fund on the Acquisition Date.

	Unaudited forecast for the acquired properties for the six months ending 31 March 2012 R'000	Unaudited forecast for the acquired properties for the year ending 31 March 2013 R'000
Revenue		
Gross rental and related revenue, excluding straight-line rental revenue adjustment	10 574	22 248
Straight-line rental revenue adjustment	3 712	6 520
Rental revenue	14 286	28 768
Property expenses	(1 517)	(3 300)
Net rental and related revenue	12 769	25 468
Other operating expenses		
Fund expenses	–	–
Asset management fee	(465)	(930)
Operating profit	12 304	24 538
Finance costs	(7 343)	(14 686)
Profit before debenture interest and taxation	4 961	9 852
Debenture interest	(1 248)	(3 330)
Profit before taxation	3 713	6 522
Taxation	(1 040)	(1 826)
Profit after taxation attributable to equity holders/ Total comprehensive income	2 673	4 696

	Unaudited forecast for the acquired properties for the six months ending 31 March 2012 R'000	Unaudited forecast for the acquired properties for the year ending 31 March 2013 R'000
Reconciliation of attributable earnings to distributable earnings		
Attributable earnings	2 673	4 696
Debt interest	1 248	3 330
Earnings	3 921	8 026
Straight-line rental revenue adjustment	(3 712)	(6 520)
Deferred tax on straight-line rental revenue adjustment	1 040	1 826
Distributable earnings	1 249	3 332
Distributable to Linked Unit Holders	1 249	3 332
Interest on debentures	1 248	3 330
Dividends on ordinary shares	1	2
Undistributed earnings	–	–
Linked Units in issue	1 70 000 000	1 70 000 000
Incremental distribution per Linked Unit (cents)	0.73	1.96

Notes and assumptions:

The profit forecast for the six months ending 31 March 2012 and 12 months ending 31 March 2013 is based on the following assumptions:

Assumptions that are outside the influence of the directors:

1. circumstances which affect the Fund's business, but which are outside of the control of the Directors, will not change in a way that will materially affect the trading situation of the Properties;
2. the Properties have been transferred with effect from the Acquisition Date, being 1 October 2011;
3. no unforeseen economic factors that will affect the tenants' ability to meet their commitments in terms of the existing lease agreements have been included;
4. finance costs are calculated at JIBAR plus a 225 basis point spread, being the rate of the bridging loan and which is in line with funding costs for a similar sized listed property funds. Finance costs are thus assumed to be based on an interest rate of 7.9% which remains constant over the forecast period ending 31 March 2012 and 31 March 2013;
5. deferred tax on the straight-line rental revenue adjustment has been included at a rate of 28%;
6. Secondary Tax on Companies related to the dividend on ordinary shares has been included at a rate of 10%.

It is noted that the Minister of Finance stated in his Budget Speech on 23 February 2011 that the proposed withholding dividend tax legislation will become effective from 1 April 2012 and that this will replace Secondary Tax on Companies. This means that dividend tax of 10% will be withheld by a company on behalf of Linked Unit Holders when dividends are paid. This dividend tax will, however, be levied on the Linked Unit Holder as opposed to the company, which is currently the case in relation to Secondary Tax on Companies. The rate of dividend withholding tax may be reduced through the application of exemptions or via the application of a relevant double-tax treaty where a company pays dividends to non-South African tax resident Linked Unit Holders. As such, it should be noted that for periods beyond 31 March 2012 the assumption relating to Secondary Tax on Companies that has been applied to this unaudited forecast for the year ending 31 March 2012 may no longer apply in the same manner should this proposed tax legislation be enacted;

Assumptions that the directors can influence:

7. contracted revenue is based on existing lease agreements and has been forecast for each property;
8. there is no uncontracted rental income;
9. all existing lease agreements are valid;
10. no fair value adjustments to the Properties have been provided for;
11. operating expenditure has been based on discussions with, and records of the Vendor, including historical costs of similar buildings (taking into account the effects of inflation on these), rather than historical costs of the Properties as the historical costs either don't exist or are not comparable for the Properties as the Scientific Building is a new building and thus historical costs do not exist and the Innovation Building has been refurbished and thus the historical costs are not comparable. No material expenditure items have increased in the forecast periods ending 31 March 2012 and 31 March 2013 by more than 15% when compared with historical costs of similar buildings (taking into account the effects of inflation on these) and the only significant expenditure items of the Properties being acquired are in respect of the asset management fees and repairs and maintenance costs;

12. the only material operating expense within Property expenses is repairs and maintenance, which is forecast to be R540 000 for the six months ending 31 March 2012 and R1 188 000 for the 12 months ended 31 March 2013. These expenses were based on supplier quotes provided by the Vendor;
13. the Asset Management Fee is in line with the relevant agreement and amounts to 0.5% of the enterprise value of the Fund. For purposes of the forecast the enterprise value has been assumed to equal the cost of the Properties, being R185.900 million for the entire forecast period;
14. surplus cash arising from monthly net rental flows will be invested in interest bearing deposits at an assumed rate of 5.35% per annum; and
15. it has been assumed that distributable earnings will be distributed to Linked Unit Holders in full.

The above assumptions are material to the forecast and the actual profit of the Properties will depend on them. Unforeseen events or circumstances may also occur subsequent to the date of this Circular and the actual results achieved by the Properties during the forecast periods ending the 31 March 2012 and 31 March 2013 may therefore differ materially from the forecast.

**INDEPENDENT REPORTING ACCOUNTANT'S LIMITED ASSURANCE REPORT
ON THE UNAUDITED CONSOLIDATED FORECAST INFORMATION OF THE
PROPERTIES BEING ACQUIRED BY INVESTEC PROPERTY FUND LIMITED**

"The Directors
Investec Property Fund Limited
100 Grayston Drive, Sandown
Sandton, 2196

We have examined the profit forecast and the related assumptions of the Properties being acquired by Investec Property Fund Limited for the six months ending 31 March 2012 and 12 months ending 31 March 2013, amounting to an attributable net profit before distribution to linked unit holders of R2.673 million and R4.696 million respectively as set out in Annexure 6 to the circular to be dated on or about 20 September 2011 ("Circular").

This report and the conclusion contained herewith is provided solely for the benefit of the board of directors and prospective linked unit holders of Investec Property Fund Limited for the purpose of their consideration of the proposed acquisition of the Properties, from the Vendors (the "Transaction"). This letter is not addressed to and may not be relied upon by any other third party for any purpose whatsoever.

Directors' Responsibility

The directors of Investec Property Fund Limited are solely responsible for the forecast information, including the assumptions set out in Annexure 6, on which it is based, and for the financial information from which it has been prepared. This responsibility includes:

- determining whether the assumptions, barring unforeseen circumstances, provide a reasonable basis for the preparation of the forecasts;
- whether the forecasts have been properly compiled on the basis stated; and
- whether the forecast information is presented on a basis consistent with the accounting policies of Investec Property Fund Limited.

Reporting Accountant's Responsibility

Our responsibility is to provide a limited assurance report on the consolidated forecast information prepared for inclusion in the Circular. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements applicable to the *Examination of Prospective Financial Information – ISAE3400*, the Revised Guide on Forecasts issued by the South African Institute of Chartered Accountants and the circular entitled The Reporting Accountants reporting responsibilities in terms of section 13 of the Listings Requirements of the JSE Limited issued by the South African Institute of Chartered Accountants. This standard requires us to obtain sufficient appropriate evidence as to whether:

- management's best-estimate assumptions on which the forecasts are based are not unreasonable and are consistent with the purpose of the information;
- the forecast information is properly prepared on the basis of the assumptions;
- the forecast information is properly presented and all material assumptions are adequately disclosed; and
- the forecast information is prepared and presented on a basis consistent with the accounting policies of Investec Property Fund Limited.

In a limited assurance engagement, the evidence gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Information and sources of information

In arriving at our conclusion, we have relied upon forecast financial information prepared by the management of Investec Property Fund Limited, and other information from various public, financial and industry sources.

The principal sources of information used in arriving at our conclusion are as follows:

- management-prepared forecasts for the six months ending 31 March 2012, and for the 12 months ending 31 March 2013;
- lease agreements for the Properties;
- Investec Property Fund Limited's Asset Management and Property Management Agreement;
- Investec Property Fund Limited's Debenture Trust Deed;
- valuation reports, prepared by the Independent Valuers appointed by Investec Property Fund Limited in respect of the Properties.

Procedures

In arriving at our conclusion we have performed the following procedures:

Rental income

The forecast contracted rental income streams, as contained in the profit forecast model, were selected for the Properties being acquired and agreed to the underlying lease agreements. The total coverage obtained was thus 100% of the forecast contracted rental income.

The forecast rental income was determined with reference to existing rental agreements on a property by property basis.

The straight lining adjustment required by IFRS, of rental income generated by operating leases, was recalculated and agreed to the forecast model.

Property expenses

For both properties, forecast expenses were compared to the underlying documentation. In instances where underlying documentation was not available, comparison was made of the expenses incurred by similar buildings. Explanations were obtained for any significant variances. The total expenses tested amounted to 96% of the total forecast expenses.

All lease agreements are triple net leases except for the Bram Fischer street property being leased to The Innovation Group. These lease agreements are those in terms of which the tenants are responsible for all of the operating and other costs relating to the building including insurance and repairs and maintenance.

Portfolio expenses

The forecast transaction costs (which are capitalised), finance raising, interest payable, company costs, Property Management Fees and other portfolio expenses were assessed for reasonableness and agreed to underlying documentation (where available) and where applicable, recalculated. Certain expenses were compared to similar expenses of similar properties within the Fund in order to assess their reasonableness.

Material expenditure items

The detailed forecast expenditure was examined to ensure that all material expenditure items, as required by paragraph 13.14(f) of the JSE Listings Requirements, were disclosed. The material expenditure item disclosed related to Investec Property Fund Limited asset management fees and repairs and maintenance.

Application of accounting policies

We ascertained that the accounting policies as set out in the Pre-listing Statement dated Friday, 18 March 2011 and to be applied by Investec Property Fund Limited in the future were applied consistently in arriving at forecast income and expenses.

Model review

In order to ensure the forecast model for the property income and expenses was accurate and reliable we performed a high-level review to determine the consistency and mathematical accuracy of the model.

Vacancy profile and lease expiry profile

We reviewed the individual property worksheets to ascertain that the vacancy profile and the lease expiry profile included in the forecast model is derived from the correct sources.

We agreed the dates of expiry of the individual leases reflected in the individual property worksheets to the signed lease agreements and found them to be in agreement.

The vacancy profile and the lease expiry profile included in paragraphs 2.2.4 and 2.2.5 of the Circular were determined with reference to the existing rental agreements on a property by property basis. We have obtained and read the lease agreements for both the Scientific Building and the Innovation Building and confirm that paragraphs 2.2.4 and 2.2.5 of the Circular accurately reflect these lease agreements..

Accuracy of the information

We have relied upon and assumed the accuracy and completeness of the information provided to us in writing, or obtained through discussions with the management of Investec Property Fund Limited and the independent valuer. While our work has involved an analysis of the historical financial information and other information provided to us, our engagement does not constitute nor does it include, an audit conducted in accordance with International Auditing Standards. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided to us, in respect of the property forecast and relevant information included in the Circular of Investec Property Fund Limited.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention which causes us to believe that:

- the assumptions, barring unforeseen circumstances, do not provide a reasonable basis for the preparation of the forecast information;
- the forecast information has not been properly compiled on the basis stated;
- the forecast has not been properly presented and all material assumptions are not adequately disclosed; and
- the forecast information is not presented on a basis consistent with the accounting policies of Investec Property Fund Limited.

Actual results are likely to be different from the forecast since anticipated events frequently do not occur as expected and the variations may be material. Accordingly no assurance is expressed regarding the achievability of the forecast.

Ernst & Young Inc.

Director: Rosanne De Lange

Reporting Accountant Specialist

Registered Auditor

Chartered Accountant (SA)

Wanderers Office Park

52 Corlett Drive, Illovo

Johannesburg

13 September 2011"

Out of the Ordinary®



INVESTEC PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2008/011366/06)

Share code: IPF ISIN: ZAE000155099

("Investec Property Fund" or "the Fund")

Directors of the Fund

Sam Hackner (*Chairman*)

Samuel R Leon (*Chief Executive Officer*)

David A J Donald (*Executive Financial Director*)

Brian Molefe #

Moses M Ngoasheng #

Michael P Crawford (*Lead Independent Non-Executive Director*) #

Independent Non-Executive

NOTICE OF GENERAL MEETING OF LINKED UNIT HOLDERS

Notice is hereby given that a General Meeting of the Fund will be held at 4th Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196 at 10:00 on Tuesday, 18 October 2011 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions detailed below.

All terms defined in this Circular to which this notice of General Meeting is attached shall bear the same meanings in this notice of general meeting.

ORDINARY RESOLUTION NUMBER 1

“RESOLVED THAT the acquisition by the Fund of the Properties for the Purchase Consideration of 185.9 million to be settled in cash, the material terms of which are embodied in the Acquisition Agreement between the Vendor and the Fund, dated 2 September 2011, a copy of which Acquisition Agreement has been tabled at the General Meeting convened to consider this ordinary resolution number 1 and which has been initialled by the Chairman of the General Meeting for identification purposes, be and hereby is authorised and approved.”

Investec Limited is precluded from voting on this resolution.

ORDINARY RESOLUTION NUMBER 2

“RESOLVED THAT any Director of the Company be and hereby is authorised to do all such things and sign all such documents as may be necessary for, or incidental to, the implementation of ordinary resolution number 1.”

SPECIAL RESOLUTION NUMBER 1: DIRECTORS’ REMUNERATION

“RESOLVED THAT:

In terms of section 66(9) of the Act, payment of the remuneration for the Directors of the Fund Limited be approved as follows:

- (i) For the period 1 April 2011 to 31 March 2012
Directors’ fees: Basic annual fee of R50 000, plus:
 - R10 000 per board meeting attended, and
 - R10 000 per Audit Committee meeting attended.

The chairman of the audit committee:

Basic annual fee of R50 000 plus:

- R10 000 per board meeting attended, and
- R15 000 per audit committee meeting attended.

- (ii) Thereafter but only until the expiry of a period of 24 (twenty four) months from the date of passing of this special resolution number 1 has expired, or until amended by a special resolution of Linked Unit Holders prior to the expiry of such period.

The reason for and effect of this special resolution number 1 is to enable the Fund to comply with the provisions of sections 65(1)(h), 66(8) and 66(9) of the Act, which stipulate that remuneration to directors for their service as directors may be paid only in accordance with a special resolution approved by the shareholders within the previous two years.

VOTING

Linked Units held by a share trust or share incentive scheme will not be taken account of for purposes of voting on any of the resolutions set out in this notice of General Meeting.

All holders of Linked Units recorded in the register on Friday, 7 October, 2011 will be entitled to attend and vote at the General Meeting. On a show of hands, every holder of Linked Units who is present in person or by proxy, or, in the case of a company, the representative appointed in terms of section 188 of the Act, shall have one vote.

On a poll, the holders of Linked Units present in person or by proxy, or, if a company, the representative appointed in terms of section 58 of the Act, shall be entitled to one vote for every Linked Unit held.

Where Linked Unit Holders are required to vote in terms of the Listings Requirements, the votes of Linked Unit Holders of unlisted securities will not be taken into account in determining either a quorum or for approval of any resolution considered at the General Meeting.

PROXIES

Certificated Linked Unit Holders and Dematerialised Linked Unit Holders with "own name" registration

If you are unable to attend the General Meeting of the Fund to be held at 10:00 on Tuesday, 18 October 2011 at 4th Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196, and wish to be represented thereat, you must complete and return the attached form of proxy in accordance with the instructions contained therein and lodge it with, or post it to, the Transfer Secretaries, namely Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) so as to be received by them by no later than 10:00 on Friday, 14 October 2011.

Dematerialised Linked Unit Holders, other than those with "own name registration"

If you hold dematerialised Linked Units in the Fund through a CSDP or broker and do not have an "own name" registration, you must timeously advise your CSDP or broker of your intention to attend and vote at the General Meeting or be represented by proxy thereat in order for your CSDP or broker to provide you with the necessary letter of representation to do so, or should you not wish to attend the General Meeting in person, you must timeously provide your CSDP or broker with your voting instruction in order for the CSDP or broker to vote in accordance with your instruction at the General Meeting.

By order of the board

Investec Property Fund Limited

20 September 2011

Registered office

100 Grayston Drive
Sandown
Sandton, 2196

Transfer Secretaries

Computershare Investor Services (Pty) Limited
Ground Floor
70 Marshall Street
Johannesburg
(PO Box 61051, Marshalltown, 2107)

Out of the Ordinary®



Property Fund

INVESTEC PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2008/011366/06)

Share code: IPF ISIN: ZAE000155099

("Investec Property Fund" or "the Fund")

FORM OF PROXY (for use by Certificated and "own name" Dematerialised Linked Unit Holders only)

All terms defined in this Circular to which this form of proxy is attached shall bear the same meanings in this form of proxy.

For use by Certificated and "own name" registered Dematerialised Linked Unit Holders of the Fund, recorded in the register as at Friday, 7 October 2011, at a General Meeting of the Fund to be held at 10:00 on Tuesday, 18 October 2011 at 4th Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196

I/We: (please print names in full)

of (address)

being the holder/s of Linked Units of R10.00 each in the Fund, appoint (see note 1)

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairman of the General Meeting

as my/our proxy to act for me/us and on my/our behalf at the General Meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions to be proposed thereat and at any adjournment thereof and to vote for and/or against such resolutions and/or abstain from voting in respect of the Linked Units registered in my/our name/s, in accordance with the following instructions (see note 3)

	Number of votes (one vote per Linked Unit)		
	For	Against	Abstain
Ordinary resolution number 1 Approval of Proposed Transaction			
Ordinary resolution number 2 Directors' authority to sign necessary documentation			
Special Resolution 1 Approval of non-executive directors' remuneration			

Signed at: _____ on _____

Signature: _____

Assisted by me (where applicable) _____

Name: _____ Capacity: _____ Signature: _____

Certificated Linked Unitholders

If you are a Certificated Linked Unit Holder or have dematerialised your Linked Units with "own name" registration and you are unable to attend the General Meeting of the Fund to be held at 10:00 on Tuesday, 18 October 2011 at 4th Floor Boardroom, Investec Bank Limited, 100 Grayston Drive, Sandown, Sandton, 2196 and wish to be represented thereat, you must complete and return this form of proxy in accordance with the instructions contained herein and lodge it with, or post it to, the Transfer Secretaries, namely Computershare Investor Services (Pty) Limited, so as to be received by them by no later than 10:00 on Friday, 14 October 2011.

Dematerialised Linked Unitholders other than those with "own name" registration

If you hold Dematerialised Linked Units in the Fund through a CSDP or broker other than with an "own name" registration you must timeously advise your CSDP or broker of your intention to attend and vote at the General Meeting or be represented by proxy thereat in order for your CSDP or broker to provide you with the necessary letter of representation to do so, or should you not wish to attend the General Meeting in person, you must timeously provide your CSDP or broker with your voting instruction in order for the CSDP or broker to vote in accordance with your instruction at the General Meeting.

Please read the notes on the reverse hereof.

SUMMARY OF RIGHTS CONTAINED IN SECTION 58 OF THE COMPANIES ACT

In terms of section 58 of the Companies Act:

- a Linked Unit Holder may, at any time and in accordance with the provisions of section 58 of the Companies Act, appoint any individual (including an individual who is not a Linked Unit Holder) as a proxy to participate in, and speak and vote at, a Linked Unit Holders meeting on behalf of such Linked Unit Holder;
- a proxy may delegate her or his authority to act on behalf of a Linked Unit Holder to another person, subject to any restriction set out in the instrument appointing such proxy;
- irrespective of the form of instrument used to appoint a proxy, the appointment of a proxy is suspended at any time and to the extent that the relevant Linked Unit Holder chooses to act directly and in person in the exercise of any of such Linked Unit Holder's rights as a Linked Unit Holder (see note 6);
- any appointment by a Linked Unit Holder of a proxy is revocable, unless the form of instrument used to appoint such proxy states otherwise;
- if an appointment of a proxy is revocable, a Linked Unit Holder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy and to the company; and
- a proxy appointed by a Linked Unit Holder is entitled to exercise, or abstain from exercising, any voting right of such Linked Unit Holder without direction, except to the extent that the relevant company's memorandum of incorporation, or the instrument appointing the proxy, provides otherwise (see note 3).

NOTES:

1. Each Linked Unit Holder is entitled to appoint one or more proxies (who need not be Linked Unit Holders in the Fund) to attend, speak and, on a poll, vote in place of that Linked Unit Holder at the General Meeting.
2. A Linked Unit Holder may insert the name of a proxy or the names of two alternative proxies of the Linked Unit Holder's choice in the space provided, with or without deleting "the chairman of the General Meeting". The person whose name stands first on this form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.
3. A Linked Unit Holder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that Linked Unit Holder in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chairman of the General Meeting, if the chairman is the authorised proxy, to vote in favour of the resolutions at the General Meeting, or any other proxy to vote or to abstain from voting at the General Meeting as he/she deems fit, in respect of all the Linked Unit Holder's votes exercisable thereat.
4. A Linked Unit Holder or the proxy is not obliged to vote in respect of all the Linked Units held or represented by the proxy but the total number of votes for or against the resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the Linked Unit Holder or the proxy is entitled.
5. Forms of proxy must be lodged with, or posted to the Transfer Secretaries, Computershare Investor Services (Pty) Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by no later than 10:00 on Friday, 14 October 2011.
6. The completion and lodging of this form of proxy will not preclude the relevant Linked Unit Holder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Linked Unit Holder wish to do so.
7. Any alterations or corrections to this form of proxy must be initialled by the signatory/ies.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer office or waived by the chairman of the General Meeting.
9. The chairman of the General Meeting may reject or accept any form of proxy which is completed and/or received, other than in accordance with these instructions and notes, provided that the chairman is satisfied as to the manner in which a Linked Unit Holder wishes to vote.

