

MEDIA RELEASE

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Investec Australia Property Fund purchases prime Brisbane commercial office building

Investec Australia Property Fund (IAPF) today announced the purchase of an A-grade commercial office building in the prized Garden City Office Park, located 15km south of Brisbane's CBD in one of Queensland's fastest growing precincts. This prime property was purchased for AUD 20.95 million at an attractive yield of 8.25%.

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"This quality acquisition was made possible thanks to the strong relationships we have in the industry. Relationship-based banking underpins the Fund's growth strategy and we are pleased to see its success so early on," said Graeme Katz, the Fund's CEO. The building was purchased from one of Brisbane's most highly regarded office developers who has a longstanding association with Investec and its management.

The property has a high parking ratio and the net lettable area of 3,568 square metres is 100% occupied by quality tenants, including Healthscope Australia's largest healthcare provider, on medium to long term leases with contracted rental growth of approximately 3%.

The commercial office building will be added to the Investec Australia Property Fund portfolio, marking the first purchase since it listed on the Johannesburg Stock Exchange (JSE) late last year. IAPF provides an opportunity for South African investors to access the Australian property market.

On listing, IAPF had a mix of six high quality logistics properties and two A-grade office buildings, located in established commercial precincts within major metropolitan areas such as Melbourne, Canberra, Brisbane and Adelaide. The Eight Mile Plains property provides further geographic diversification across the portfolio.

"The acquisition is consistent with the Fund's strategy of investing in high quality office assets that are well located in major metropolitan areas," said Graeme Katz.

"We are actively seeking opportunities to grow and diversify IAPF's asset base, enhance unitholder value and contribute to sustainable income growth. The acquisition of the property, to be funded by debt at an all-in cost of approximately 5%, leaves significant headroom to enable us to react quickly when other quality opportunities become available," added Katz.