

11 August 2020

Investec Australia Property Fund (ASX: IAP)

Unitholders are advised that IAP¹ has entered into agreements to acquire an industrial facility to be constructed at Lot 3, Belconnen Crescent, Brendale QLD (**Property**). The Property is being acquired on a fund-through basis. The Fund has entered into:

- a nomination agreement with Felton Property Group Pty Limited (**Developer**) under which the Developer has nominated the Fund for the purposes of exercising a call option to acquire the Property from the current owner, Alberton Holdings Qld Pty Ltd (**Owner**), pursuant to a contract for sale of land; and
- a development agreement with the Developer under which the Developer will undertake the development of the Property on behalf of the Fund.

The total purchase consideration is \$15,624,000 which represents an initial yield of 6.25% (6.13% post all transaction costs). The purchase consideration comprises an initial payment of \$3,885,500 to the Owner under the contract for sale of land, with the balance to be progressively paid to the Developer under the development agreement. The purchase consideration and all transaction costs will be funded through the Fund's existing syndicated debt facility with its existing financiers.

IAP CEO, Graeme Katz, said, "once completed, the Property will be a high quality 9,300m² generic warehouse and distribution facility with 10,852m² of hardstand and 95 on-site car parks which will suit multiple users. The Property is leased to 4WD Supacentre for a term of 6 years at \$105/m², with annual fixed escalations of 2.75%. It is being acquired on an attractive initial yield and increases the Fund's exposure to industrial property to 31% by both income and value."

The effective date of the acquisition of the Property is the settlement date under the contract for sale of land which, subject to satisfaction of certain conditions, is anticipated to occur in October 2020.

This announcement has been authorised for release by the Company Secretary.

ENDS

¹ Through a wholly-owned trust, Investec Australia Sub Trust No.6

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About Investec Australia Property Fund

Investec Australia Property Fund is an Australian domiciled fund that is dual listed on the JSE and the ASX. The Fund invests in office, industrial and retail property located in Australia and New Zealand. The Fund is managed by an experienced team of property specialists on the ground in Australia who have an established track record. Investec Australia Property Fund is operated by Investec Property Limited. For more about Investec Australia Property Fund please visit: www.iapf.com.au.

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