



16 July 2015

Acquisition of retail property for new fund

APN is pleased to announce that it has exchanged contracts to secure its second convenience retail property for the forthcoming launch of its proposed new convenience retail property fund.

The first property acquired is located in Eagleby, 20 km South East of Brisbane and will be leased to 7-Eleven on a 15 year lease with fixed 4% annual rent reviews.

The second property is located in South Nowra in New South Wales and will include a brand new Masters, Shell service station, Hungry Jack's and Subway. Both properties have been acquired by APN Property Group Limited and are being procured under guaranteed delivery contracts with progressive development payments to be made over the period to approximately June 2016. In aggregate the completion value of these two properties is approximately \$37 million.

'Both properties we have acquired, benefit from attractive catchment areas and long term leases to leading convenience-based retailers,' Mr Tim Slattery, Executive Director, said. 'We believe these types of commercial property investments are well suited to deliver on our 'property for income' investment philosophy. 'With a weighted average lease expiry of 15 years, gearing of approximately 40% and an initial annual distribution yield of over 7.00% paid monthly, the new fund is designed to deliver investors a regular and sustainable cash yield with the potential for income and capital growth over time.'

The new fund is expected to be launched in August this year. Prospective investors should consider the Product Disclosure Statement once available. For further information please visit APN's website www.apngroup.com.au

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About APN Property Group

APN Property Group Limited (ASX code: APD) is a specialist real estate investment manager. Since 1996, APN has been actively investing in, developing and managing real estate and real estate securities on behalf of institutional and retail investors. APN's focus is on delivering superior investment performance and outstanding service. Performance is underpinned by a highly disciplined investment approach and a deep understanding of commercial real estate.

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