

ASX Release
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Aventus Retail Property Fund secures Epping Homemaker Centre in Melbourne

Aventus Retail Property Fund (ASX: AVN) (the Fund) today announced that it has reached an agreement to acquire the Epping Homemaker Centre (Epping) at Epping in Melbourne for \$40 million from a private vendor in an off-market transaction.

This metropolitan Melbourne centre, located approximately 20 kilometres north of the Melbourne CBD, services the fast growing local government areas of Whittlesea and Hume where the catchment population is expected to grow 36% (or 12,000 new residents per year) over the next nine years to over 400,000 residents¹.

Key features of Epping include:

- 95% occupied including leases to national retailers Officeworks, Chemist Warehouse, Lincraft, Supercheap Auto, Snap Fitness and two independent supermarkets.
- High profile corner site with 485 metre main road frontage and approximately 37,000 cars passing daily².
- Strategic and large site of approximately 60,000 sqm with a gross lettable area of approximately 22,000 sqm.
- Located opposite the Pacific Epping sub-regional shopping centre and the new Costco due for completion in 2017.
- Benefits from flexible mixed-use zoning which allows traditional shops, large format retail, offices and up to eight levels of residential development.

Lawrence Wong, Fund Manager, said "We are pleased to add the Epping Homemaker Centre to the Aventus Retail Property Fund which will lift the value of the portfolio to circa \$946 million across 15 properties on completion. It is a strategic asset located between the Epping train station and the Pacific Epping shopping centre in one of Victoria's fastest growing regions.

"This acquisition is consistent with the Fund's strategy to secure large format retail properties that provide opportunity to enhance value through tenant remixing, repositioning and redevelopment."

"The centre will undergo an initial refurbishment and capital program in the first year to enhance centre presentation and improve the shopping experience. Longer term, this site has excellent growth and redevelopment potential" said Mr Wong.

The Epping transaction represents an acquisition cap rate of 8% and equates to a building rate of approximately \$1,800 per square metre based on independent valuation and will be funded by existing debt facilities. The gearing post completion is expected to be 33% within the gearing range of 30% to 40%. The acquisition is forecast to be earnings accretive before the end of FY16 with settlement scheduled to occur on 9 December 2015.

For further information:

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¹Source: Deep End Services

²Source: VicRoads