

## **ASX Announcement**

**13 August 2010**

### **Viento delivers on key property strategies**

Viento Group is pleased to provide an update on two property syndicates managed by its wholly owned subsidiary, Viento Property Limited (Viento).

#### **New Enterprise Property Syndicate**

Viento has successfully completed the sale of Mundaring Village Shopping Centre, Western Australia, for \$19.42 million reflecting a yield of 8.55 per cent for the New Enterprise Property Syndicate. The centre was acquired for \$14.4 million in June 2004 and has realised a 35 per cent increase in capital value.

Viento managing director, Robert Nichevich, said, "This is a great result for investors in the Syndicate given the state of the property market over the last 18 months. We will use the majority of the proceeds to repay debt, reducing the loan to value ratio to 42 per cent."

Two other assets are owned by the Syndicate - a commercial building at Artarmon in Sydney and a retail shopping centre at Bridgewater near Hobart. These properties will undergo capital works and upgrades before being sold in the next two years as part of a staged sell-down for the fixed term Syndicate.

The sale of the remaining assets aims to further maximise total returns to investors in the Syndicate.

#### **Viento Diversified Property Fund**

The sale of Elermore Shopping Centre to Bamm Group Pty Ltd for \$8.35 million on a passing yield of 10.0 per cent has been finalised. The neighbourhood centre at Elermore Vale, Newcastle, has 14 tenancies and a net lettable floor area of 3,873 square metres.

Selling this retail asset is part of a debt reduction strategy to recapitalise the Viento Diversified Property Fund. Net proceeds of the sale will be used to reduce the LVR on current borrowings.

Viento has extended close date for the \$7.0 million issue of Convertible Preference Units until 31 August 2010. Funds raised under the offer will strengthen cash flow to meet the capital expenditure requirements of the properties, further reduce debt and build a solid platform for future growth.

The Fund owns 10 direct property assets valued at \$128.2 million and an allocation in the Southern River residential subdivision, Western Australia, valued at \$2.5 million.

#### **About Viento Group (ASX: VIE)**

Viento Group Limited is a funds management company established in 2001 specialising in unlisted direct property investments. Its wholly owned subsidiary, Viento Property Limited has approximately \$240 million in assets under management and invests in the commercial and retail sectors, as well as residential land subdivisions.

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For further information contact:

Robert Nichevich  
Executive Chairman  
Viento Group Limited  
M: 0409 094 833  
[info@vientogroup.com](mailto:info@vientogroup.com)  
[www.vientogroup.com](http://www.vientogroup.com)