



11 August 2016

Sale of property at premium to book value and fund update

APN Property Group Limited (ASX Code: APD) (**APN**) today announced that it has successfully executed an unconditional contract for the sale of 7-Eleven in Eagleby, Queensland for \$4.85 million.

The sale price reflects a premium of 9.6% to APN's July 2015 purchase price of \$4.425 million. Settlement is scheduled for November 2016 and the net sale proceeds will be applied to reduce debt in the first instance.

As previously advised to the market, the Eagleby property was part of a seed portfolio of assets, including Masters Nowra (15 year lease guaranteed by Woolworths), that was earmarked for a new convenience retail property fund.

Through the process of establishing the fund, and following Woolworths announcement of its intention to exit its home improvements business, APN reviewed the range of options available for the seed portfolio with the objective of realising maximum value for APN shareholders.

APN concluded that exploring the sale of the seed assets was an attractive option given the current transaction market environment, after taking into account a number of other factors including the potential value of launching the fund as originally contemplated relative to the potential sale price of the seed portfolio.

Of the remaining seed assets, Masters Nowra is currently being marketed for sale while Hungry Jack's Nowra and the Shell Service Centre Nowra are expected to be marketed for sale in the coming months.

APN continues to believe that well-leased convenience retail property, financed with appropriate levels of debt, offers investors an attractive risk return profile.

ENDS

For further information, please contact:

Tim Slattery
Executive Director
T +613 8656 1000
M +61 400 444 864
E tim.slattery@apngroup.com.au

Michael Groth
Chief Financial Officer
T +613 8656 1000
M +61 409 936 104
E mgroth@apngroup.com.au

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.

www.apngroup.com.au