

## **TOWER PROPERTY FUND LIMITED**

(Incorporated in the Republic of South Africa)

(Registration number 2012/066457/06)

JSE share code: TWR ISIN: ZAE000179040

(Approved as a REIT by the JSE)

("Tower" or the "company")



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### **UPDATE ON THE REFURBISHMENT OF CAPE QUARTER AND NAPIER STREETS AND THE DISPOSAL OF THE MEADOWBROOK DISTRIBUTION CENTRE**

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Shareholders are referred to Tower's interim results for the six months ended 30 November 2018, wherein Tower updated shareholders on the status of the residential developments at 32 Napier Street and Old Cape Quarter.

Tower is pleased to announce that the 32 Napier Street redevelopment is now complete with the inaugural meeting for the body corporate taking place today. 11 apartments have been sold for selling prices of up to R90 000/ m<sup>2</sup>. The remaining 5 apartments have been retained for short-term rentals. Average occupation for short-term rentals, comprising the 5 apartments in 32 Napier Street and the 14 existing apartments at Cape Quarter Square, is 71% for the past twelve months. Profit on the entire development, being proceeds on the sale of apartments plus the valuation of the retained apartments and retail units less the cost to build, amounts to R16 million. Further profits could amount to R13 million dependent on the outcome of insurance claims.

Construction at the Old Cape Quarter redevelopment has commenced and is expected to be completed by January 2021. Tower has sold 5 apartments, at a total value of R60 million to date, including two penthouses, in a very slow residential market, realising the highest selling price for an apartment in the De Waterkant area to date.

In line with Tower's strategy to dispose of non-core properties, Tower is pleased to announce the disposal of the 14 219 m<sup>2</sup> Meadowbrook Distribution Centre, valued at R86 million at 31 May 2019, for a consideration of R91.6 million (R90.3 million net of costs) generating a profit of R4.3 million. The disposal is unconditional and Tower is awaiting transfer.

Tower will release its results for the year ended 31 May 2019 on 30 August 2019.

20 August 2019

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Sponsor

**JAVACAPITAL**