

ACCELERATE PROPERTY FUND LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2005/015057/06)
Share code: APF ISIN: ZAE000185815
Bond company code: APFE
("Accelerate", "APF" or the "Company")

THE DISPOSAL BY ACCELERATE OF ERF 4687, MONTAGUE GARDENS

1. INTRODUCTION

Shareholders are advised that the Accelerate ("**Seller**") has entered into a deed of sale of a rental enterprise as a going concern ("**the Agreement**") with Zelaprop 3 (Proprietary) Limited ("**Purchaser**"), to dispose of Erf 4687, Montague Gardens ("**the Property**") ("**the Transaction**").

2. THE PROPERTY

The property forming part of the rental enterprise is Erf 4687, Montague Gardens in extent of approximately 30,201m² situated at 1 Bolt Avenue, Montague Gardens, together with improvements thereon.

This Transaction does not include Erf 4912 in the extent of approximately 7,236 m² situated at 9 Bolt Avenue, Montague Gardens which was sold and transferred on 22 December 2020.

At 28 February 2021 the Property was independently valued at R96 659 000 and is being sold for R92 000 000 ("**Consideration**") and at a yield of 9%.

3. APPLICATION OF THE SALE PROCEEDS

The Consideration of R92 000 000 is in cash. APF intends to utilise the full sale proceeds towards the reduction of debt.

4. RATIONALE FOR THE TRANSACTION

The Company has earmarked non-core properties for sale, of which this property is included. It is the intention that the proceeds from the sale of these non-core properties will be used to reduce debt.

5. EFFECTIVE DATE AND KEY TRANSACTION TERMS

The effective date for the Transaction will be the date on which the last of the conditions precedent are fulfilled or waived, as the case may be, which is expected to be during May 2021.

6. CONDITIONS PRECEDENT

The closing of the Transaction is subject to the following conditions precedent:

- Successful due diligence within 20 business days, after signing of the Agreement;
- The Purchaser obtaining notification or the necessary funding of a minimum of 70% of the Consideration from a financial institution within 20 days of the due diligence completion; and
- Other necessary consents and approvals customary for a transaction of this nature.

7. INFORMATION RELATING TO THE PROPERTY

The details of the Property including location, gross lettable area ("GLA"), net rent, remaining lease term and valuation are as follows:

Property / Tenant	Location	GLA (m ²)	Net rent per m ² *	Disposal Price	Remaining lease term (years)	Last valuation (ZAR) **	Effective date of the valuation
Montague Gardens	Erf 4687	22,935 m ²	R30.09	R92 000 000	5.82 years	R96 659 000	28 February 2021

* The weighted average net rent per m² (also the profit attributable to the net assets of Erf 4687 Montague Gardens), billed to tenants as at the date of signature of the Agreement.

** Independent valuation as at 28 February 2021 (which the Company is satisfied with) based on cash flows and forward net income achieved by the property at valuation date. The valuation was prepared by Mills Fitchet Global Valuations (Pty) Ltd who is registered as a professional valuer in terms of the Property Valuers Profession Act, No. 47 of 2000.

8. WARRANTIES

The Seller has provided warranties and indemnities to the Purchaser that are standard for a transaction of this nature.

9. CATEGORISATION OF THE TRANSACTION

In terms of the Listings Requirements of the JSE Limited the Transaction is classified as a Category 2 transaction for APF and does not require shareholder approval.

Johannesburg

19 March 2021

Sponsor

The Standard Bank of South Africa Limited

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this announcement may be considered forward-looking. Although APF believes that the expectations reflected in any such forward-looking statements relating to the Transaction are reasonable. The information has not been reviewed or reported on by the reporting accountants and auditors and no assurance can be given by APF that such expectations will prove to be correct. APF does not undertake any obligation to publicly update or revise any of the information given in this announcement that may be deemed to be forward-looking.