

Preliminary Valuations and Acquisition of Development Site

Preliminary Valuations

Aventus Retail Property Fund (ASX:AVN) (the Fund) announce that 11 properties (59% of the Portfolio) have been re-valued as at 30 June 2016 resulting in a \$63.0 million overall uplift for the Portfolio (adjusted to exclude development costs at Tuggerah, NSW) and a 9.34% increase on the prior values of these 11 properties as at 31 December 2015. These valuations are subject to final audit and will be confirmed in the FY16 full year results to be announced in August 2016.

Five valuations were independent valuations and six were internally completed and have been adopted as Directors' valuations.

This increases the value of the AVN Portfolio to \$1.269 billion with 20 centres nationally.

The balance of the AVN Portfolio assets were either valued at acquisition e.g. the Blackstone portfolio as at May 2016, late November 2015 (Epping Home and Gateway Belrose) or as at 31 December 2015.

The holding valuations for the period to 30 June 2016 are as follows:

Type	State	GLA (sqm)	Prior Value (A\$m)	Prior Cap rate	Updated 30 June 2016 Value (A\$m)	New cap rate 30 June 2016	\$/sqm	Net Variance \$	Net Variance %	Cap Rate Variance
Internal as at 30 June 2016		134,781	\$351.6	8.01%	\$368.6	7.64%	\$2,735	\$17.0	5%	-0.37%
Independent as at 30 June 2016*		133,646	\$323.0	7.78%	\$380.5	7.24%	\$2,847	\$46.0	14%	-0.54%
Portfolio Acquired in May 2016		86,813	\$219.0	7.38%	\$219.0	7.38%	\$2,523	\$0.0	0%	0.00%
External November 2015 or 31 December 2015		116,462	\$301.1	7.85%	\$301.1	7.85%	\$2,585	\$0.0	0%	0.00%
Total*		471,702	\$1,195	7.79%	\$1,269	7.52%	\$2,691	\$63.0	5.27%	-0.27%

* Variance excludes projects costs to show net valuation gain.

The weighted average capitalisation rate for the portfolio has tightened to 7.52% at 30 June 2016. Across the 11 properties being revalued as at 30 June 2016, the weighted average capitalization rate for these properties tightened by 47bps.

The preliminary valuation increase takes into account annual rent increases, annual market increases, completion of a number of positive asset management initiatives together with reductions in capitalisation rates which have been adjusted in line with broader market conditions.

Acquisition of Development Site

Today the Fund has acquired a 55,840 square metre development site opposite Tuggerah Super Centre, NSW. The site was acquired for \$3.75 million which represents an attractive rate of \$67 per square metre over the site area.

The site acquisition will increase the land holding in Tuggerah from 71,570 square metres to 127,410 square metres and will provide long term redevelopment and expansion potential.

The Fund has just completed a significant revitalisation and upgrade of Tuggerah Super Centre which is anchored by Bunnings, The Good Guys and Fantastic Furniture.

For further information:

Investor queries

Darren Holland or Lawrence Wong
Aventus Property
02 9285 6710

Media Queries

Fleur Jouault
GRACosway
02 8353 0419