

29 November 2017

## ASX ANNOUNCEMENT

### PORTFOLIO ENHANCED BY 31 DECEMBER 2017 PRELIMINARY VALUATIONS

Aventus Retail Property Fund (ASX:AVN) (the Fund) announced today that the revaluation of the Portfolio as at 31 December 2017 has resulted in a \$53 million net valuation uplift in the value of the Portfolio.

The value of the AVN Portfolio increased to \$1.905 billion during the period. Capital expenditure and the acquisitions of Sydney centres at Castle Hill and Marsden Park that settled in July 2017 also contributed to the portfolio's growth, as outlined in the table below.

| Investment Property Portfolio Valuation                | (\$Am)       |
|--|--------------|
| <b>30 June 2017 Portfolio Valuation</b>                | <b>1,395</b> |
| Capital Expenditure <sup>1</sup>                       | 21           |
| Net Valuation Increase <sup>1,2</sup>                  | 53           |
| Acquisitions   | 436          |
| <b>31 December 2017 Portfolio Valuation</b>            | <b>1,905</b> |
| <b>Valuation Weighted Average Capitalisation Rates</b> |              |
| 30 June 2017 Weighted Capitalisation Rate <sup>3</sup> | 6.85%        |
| 31 December 2017 Weighted Average Capitalisation Rate  | 6.72%        |

#### Notes

1. Numbers are subject to change upon finalisation of AVN's financial statements for the half year ending 31 December 2017.
2. Valuation increases exclude straight-lining adjustments and amortisation of rental guarantees.
3. Calculation includes Castle Hill and Marsden Park which settled in July 2017.

Eight of the valuations undertaken were independent valuations and fourteen were completed internally and have been adopted as Directors' valuations. The properties independently valued for the half contributed approximately \$44m of the \$74m gross valuation increase, showing a circa 7% increase over the six months since 30 June 2017.

The weighted average capitalisation rate for the portfolio has tightened by 20bps to 6.72% at 31 December 2017 compared to 6.85% at 30 June 2017.

Aventus Property Group CEO Darren Holland commented, "The portfolio value increase reflects annual rent increases, market rent increases and the completion of value-adding developments that are accretive to both the amenity and value of our Centres. Over the past six months we have undertaken a number of projects including building our first childcare centre at Cranbourne Home along with a number of tenant remixing opportunities. We continue to see investor demand for well-located large format centres which has contributed to the tightening of capitalisation rates for a number of centres across the portfolio."

Mary Weaver  
Company Secretary