

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 4 of this Circular apply throughout this Circular, including this front cover.

Action required

- This Circular is important and should be read in its entirety, with particular attention to the section entitled "Action required by Shareholders", which commences on page 2.
- If you are in any doubt as to what action you should take, please consult your Broker, CSDP, banker, attorney or other professional adviser immediately.
- If you have disposed of all your Accelerate Property Fund Shares this Circular should be handed to the purchaser of such Accelerate Property Fund Shares or to the Broker, CSDP, banker or other agent through whom the disposal was effected.

Accelerate Property Fund does not accept responsibility, and will not be held liable, for any action of, or omission by, any Broker or CSDP including, without limitation, any failure on the part of the Broker or CSDP of any beneficial owner of Accelerate Property Fund Shares to notify such beneficial owner of the details set out in this Circular.



ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/015057/06)

Share code: APF ISIN: ZAE000185815

("Accelerate")

CIRCULAR TO SHAREHOLDERS

regarding:

- **the placing of 140 000 000 authorised but unissued Accelerate Property Fund Shares under the control of the Directors; and**
- **the authority to provide financial assistance to certain executive directors to facilitate their purchase of, or subscription for Accelerate shares.**

and incorporating:

- **a notice convening the General Meeting; and**
- **a form of proxy (blue) in respect of the General Meeting (for use by Certificated Shareholders only).**

Financial advisor and transaction sponsor

Out of the Ordinary[®]



Sponsor



Date of issue: Monday, 24 October 2016

Copies of this Circular, which are available in English only, may be obtained at the Company's registered office or at the office of the Transfer Secretaries, during normal business hours from 09:00 until 17:00, on Business Days, from Monday, 24 October 2016 until Tuesday, 22 November 2016. The addresses of the Company and the Transfer Secretaries are set out in the "Corporate information" section.

CORPORATE INFORMATION

Company secretary

TMF Corporate Services (South Africa) Proprietary Limited
(Registration number 2006/013631/07)
Represented by:
Ms Joanne Matisonn
3rd Floor, 200 on Main, Corner Main and Bowwood Roads
Claremont
7708

Registered office and postal address of the Fund

c/o Company Secretarial Services
Cedar Square Shopping Centre
Management Office
1st Floor, Corner Willow Avenue and Cedar Road
Fourways
2055

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg
2001
(PO Box 61051, Marshalltown, 2107)

Financial advisor and transaction sponsor

The Corporate Finance division of Investec Bank Limited
(Registration number 1969/004763/06)
2nd Floor
100 Grayston Drive
Sandown
Sandton, 2196
(PO Box 785700, Sandton, 2146)

Sponsor

The Standard Bank of South Africa Limited
(Registration number 1962/000738/06)
30 Baker Street
Rosebank, 2196
(PO Box 61344, Marshalltown, 2107)

Website: www.acceleratepf.co.za

Date and place of incorporation: 16 May 2005 – South Africa

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ACTION REQUIRED BY SHAREHOLDERS

This Circular is important and requires your immediate attention

Please take careful note of the following provisions regarding the action required by Accelerate Property Fund Shareholders. If you are in any doubt as to what actions to take, please consult your Broker, CSDP, banker, attorney, accountant or other professional adviser immediately.

If you have disposed of all of your Accelerate Property Fund Shares, this Circular should be handed to the purchaser of such Shares or to the Broker, CSDP, banker, attorney or other agent through whom the disposal was effected.

The General Meeting will be held at 10:00 on Tuesday, 22 November 2016, at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways for purposes of considering and, if deemed fit, passing the ordinary resolutions required to authorise the increase the number of shares under control of the Directors. The notice convening the General Meeting is attached to and forms part of this Circular.

1. DEMATERIALISED ACCELERATE PROPERTY FUND SHAREHOLDERS WHO ARE NOT OWN-NAME DEMATERIALISED ACCELERATE PROPERTY FUND SHAREHOLDERS

1.1 Voting at the General Meeting

1.1.1 Your Broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and should thereafter cast your vote in accordance with your instructions.

1.1.2 If you have not been contacted by your Broker or CSDP, it is advisable for you to contact your Broker or CSDP and furnish it with your voting instructions.

1.1.3 If your Broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your Broker or CSDP.

1.1.4 You must **not** complete the attached form of proxy.

1.2 Attendance and representation at the General Meeting

In accordance with the mandate between you and your Broker or CSDP, you must advise your Broker or CSDP if you wish to attend the General Meeting and if so, your Broker or CSDP will issue the necessary letter of representation to you to attend and vote at the General Meeting.

2. CERTIFICATED ACCELERATE PROPERTY FUND SHAREHOLDERS AND DEMATERIALISED ACCELERATE PROPERTY FUND SHAREHOLDERS WHO ARE OWN-NAME DEMATERIALISED ACCELERATE PROPERTY FUND SHAREHOLDERS

2.1 Voting and attendance at the General Meeting

2.1.1 You may attend the General Meeting in person and may vote at the General Meeting.

2.1.2 Alternatively, you may appoint a proxy to represent you at the General Meeting by completing the attached form of proxy (*blue*) in accordance with the instructions contained therein and returning it to the Transfer Secretaries, to be received by them, for administrative purposes, by no later than 10:00 on Friday, 18 November 2016 (or alternatively to handed to the chairperson of the General Meeting prior to its commencement).

General

1. Dematerialisation

If you wish to dematerialise your Accelerate Property Fund Shares, please contact your Broker.

2. Electronic participation

Shareholders or their proxies may participate in (but not vote at) the General Meeting by way of a teleconference call. If you wish to do so, you must contact Accelerate Property Fund's Company Secretary and identify yourself to the satisfaction of the Company Secretary to obtain the dialing code and pin number. Shareholders participating in this manner will still have to appoint a proxy to vote on their behalf at the General Meeting. Access by means of electronic communication will be at the expense of the Shareholder.

SALIENT DATES AND TIMES

2016

Record date to be entitled to receive the Circular incorporating the notice convening the General Meeting on	Friday, 14 October
Circular and notice of General Meeting posted to Shareholders on	Monday, 24 October
Last day to trade in Shares in order to be recorded in Accelerate Property Fund's securities register to vote at the General Meeting on	Tuesday, 8 November
Record date to be entitled to attend, participate in and vote at the General Meeting by close of trading on	Friday, 11 November
Proxy forms for the General Meeting to be received, for administrative purposes, by 10:00 on	Friday, 18 November
General Meeting held at 10:00 on	Tuesday, 22 November
Results of the General Meeting released on SENS on	Tuesday, 22 November

Notes:

1. All dates and times may be changed by Accelerate Property Fund. Any change will be published on SENS.
2. Shareholders should note that as transactions in Accelerate Property Fund Shares are settled in the electronic settlement system used by Strate, and settlement of trades takes place three Business Days after such trade. Therefore, Shareholders who acquire Shares after Tuesday, 8 November 2016 will not be eligible to vote at the General Meeting.
3. All times given in this Circular are local times in South Africa.
4. If the General Meeting is adjourned or postponed, forms of proxy submitted for the initial General Meeting will remain valid in respect of any adjournment or postponement of the General Meeting.

DEFINITIONS AND INTERPRETATIONS

In this Circular, unless otherwise stated or the context indicates otherwise, the words and expressions in the first column shall have the meanings stated opposite them in the second column, and words and expressions in the singular shall include the plural and *vice versa*, words importing natural persons shall include juristic persons and unincorporated associations of persons and *vice versa*, and any reference to one gender shall include the other gender:

“Accelerate Property Fund”, “Accelerate”, “the Company” or “the Fund”	Accelerate Property Fund Limited (Registration number 2005/015057/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, and which is listed on the JSE;
“Accelerate Property Fund Shares” or “Shares”	the issued ordinary shares of no par value in the share capital of Accelerate Property Fund, created, allotted and issued by the Fund in terms of the MOI;
“Board” or “Directors”	the board of directors of Accelerate Property Fund, as set out on page 6 of this Circular;
“Broker”	any person registered as a broking member (equities) in terms of the rules of the JSE made in accordance with the provisions of the Financial Markets Act;
“Business Day”	any day other than a Saturday, Sunday or official public holiday in South Africa;
“Certificated Shareholders”	all registered holders of Certificated Shares;
“Certificated Shares”	Accelerate Property Fund Shares represented by share certificates or other written instruments, which have not been surrendered for dematerialisation in terms of the requirements of Strate;
“Circular”	this circular to Accelerate Property Fund shareholders, dated Monday, 24 October 2016, including the annexures hereto, the notice of the General Meeting and the form of proxy (<i>blue</i>) in respect of the General Meeting;
“Companies Act”	the Companies Act, 2008 (Act 71 of 2008), as amended;
“CSDP”	a person that holds in custody and administers securities or an interest in securities and that has been accepted by a central securities depository as a participant in terms of section 31 of the Financial Markets Act;
“Dematerialised Shareholders”	all registered holders of Dematerialised Shares;
“Dematerialised Shares”	Accelerate Property Fund Shares that have been dematerialised through a Broker or CSDP and are recorded in an uncertificated securities register forming part of Accelerate Property Fund’s securities register;
“€” or “Euro”	the official currency of the Eurozone;
“Eurozone”	monetary union of 19 of the 28 European Union member states which have adopted the Euro as their common currency and sole legal tender;
“Executive Directors”	the executive directors of Accelerate Property Fund, as set out on page 6 of this Circular;
“Financial Markets Act”	the Financial Markets Act, 2012 (Act 19 of 2012), as amended;
“General Meeting”	the general meeting of Accelerate Property Fund Shareholders to be held at 10:00 on Tuesday, 22 November 2016, at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways, for the purpose of considering and if deemed fit, passing the ordinary resolutions set out in the notice of General Meeting forming part of this Circular;
“Initial Portfolio”	an offshore portfolio of six well located retail warehouses in Austria and three well located retail warehouses in Slovakia that Accelerate intends to acquire;

“JSE”	JSE Limited (Registration number 2005/022939/06), a public company duly registered and incorporated in accordance with the company laws of South Africa, and which is licensed to operate an exchange under the Financial Markets Act;
“Listings Requirements”	the Listings Requirements of the JSE;
“MOI”	the Memorandum of Incorporation of Accelerate Property Fund;
“Own-name Registration”	Dematerialised Shareholders who have instructed their CSDP to hold their Accelerate Property Fund Shares in their own name on the uncertificated securities registers of Accelerate Property Fund;
“Purchase Consideration”	the consideration to be paid to acquire the Initial Portfolio in the amount of €82.1 million;
“R”	South African Rand, the official currency of South Africa;
“SENS”	the Securities Exchange News Service, the news service operated by the JSE;
“Shareholders”	all Certificated Shareholders and Dematerialised Shareholders;
“South Africa”	the Republic of South Africa;
“Strate”	Strate Limited (Registration number 1998/022242/06), a private company duly registered and incorporated in accordance with the company laws of South Africa, and which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
“Supernova Group”	Supernova Privatstiftung and its subsidiaries, associates, joint venture partners, partnerships as the case may be;
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a private company duly registered and incorporated in accordance with the company laws of South Africa, the details of which are set out in the Corporate information section of this Circular; and
“Vendors”	the sellers of the respective properties making up the Initial Portfolio, in terms of transaction agreements, made up of various group companies and partnerships that form part of the Supernova Group.



ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/015057/06)

Share code: APF ISIN: ZAE000185815

("Accelerate")

Directors

Executive

Michael Georgiou (*Chief executive officer*)

Andrew Costa (*Chief operating officer*)

Dimitri Kyriakides (*Chief financial officer*)

John Paterson (*Executive director*)

Non-executive independent

Tito Titus Mboweni (*Chairperson*)

Gert Cruywagen

John Doidge

Tim Fearnhead

Kolosa Madikizela

Prof Francois Viruly

CIRCULAR TO SHAREHOLDERS

I. INTRODUCTION AND PURPOSE OF THIS CIRCULAR

Accelerate shareholders are referred to the announcement released on SENS on Monday, 24 October 2016 wherein it advised that Accelerate had concluded transaction pre-agreements with the Vendors, wherein it was agreed that the applicable Accelerate group entity (under incorporation) will enter into binding transaction agreements with the Vendors, the terms of which stipulate that Accelerate will acquire the Initial Portfolio for the Purchase Consideration. In terms of the JSE Listings Requirements, the transaction is a Category 2 transaction, and Shareholders are referred to the abovementioned SENS announcement (which has been included as **Annexure A** to this Circular) for more information on the salient details of the transaction.

As set out in the announcement, Accelerate may make use of an equity issuance, the proceeds of which will be applied towards the Purchase Consideration.

In order to do so the Company is required to convene a General Meeting of its Shareholders to obtain Shareholder approval to place the authorised but unissued Shares under the control of the Directors. In addition to authorised but unissued Shares to be placed under the Directors' control for the Purchase Consideration the Company is seeking to place further authorised but unissued Shares under the Directors' control for purposes of settling existing debt-to-equity bridging facilities, put in place for prior acquisitions which have subsequently transferred to Accelerate.

Pursuant to the above the Company is seeking to place 140 000 000 authorised but unissued Shares under the control of the Directors.

As part of Accelerate's strategy to retain and align key executive directors with Shareholders, the Company encourages the acquisition of Shares by Executive Directors who do not currently have a material shareholding in the Company. Pursuant to the above, certain Executive Directors that do not currently have a material shareholding in the Company will seek to acquire Accelerate Shares including participation in future equity issuances by the Company. To facilitate such executive buy-in, Accelerate is seeking to provide financial assistance to such directors through the

provision of a partial guarantee to the debt funders of such Executive Directors, where such debt proceeds are used by the Executive Directors to acquire Accelerate shares. Any such guarantees provided by Accelerate will be limited to 65% of such debt and for a duration of no longer than 10 years. In addition to the limitations set out above, a further limitation is that the aggregate amount of such funding utilised by such Executive Directors for the acquisition of Shares shall not exceed R205 million.

In order for Accelerate to provide the financial assistance as set out above, shareholders are required to pass special resolution number 1.

The purpose of this Circular is to provide Shareholders with relevant information to enable them to make an informed decision as to whether or not they should vote in favour of the resolutions set out in the notice of General Meeting which forms part of this Circular.

2. **PLACING OF THE AUTHORISED BUT UNISSUED ACCELERATE PROPERTY FUND SHARES UNDER THE CONTROL OF THE DIRECTORS**

In terms of the MOI, Accelerate Property Fund requires approval from Shareholders to place 140 000 000 authorised but unissued Accelerate Property Fund Shares under the control of the Directors. This authority will remain valid until the later of Accelerate Property Fund's next Annual General Meeting or one month after the transaction is declared unconditional.

3. **OPINIONS AND RECOMMENDATIONS**

The Board recommends that Shareholders vote in favour of all the resolutions tabled in the notice of General Meeting which forms part of this Circular and advise that, in respect of their own shareholding in Accelerate Property Fund, they intend to vote in favour of all the resolutions contained in such notice.

4. **GENERAL MEETING OF SHAREHOLDERS**

A General Meeting will be held at 10:00 on Tuesday, 22 November 2016, at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways.

5. **EXPERT CONSENTS**

The financial advisor, sponsor, and the Transfer Secretaries have consented in writing to act in the capacities stated and to their names being stated in the Circular and have not withdrawn their consent prior to its publication.

6. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors, whose names are given on page 6 of this Circular, collectively and individually accept full responsibility for the accuracy of the information given in this Circular and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading, that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all information required by law and the JSE Listings Requirements, as applicable.

For and on behalf of

Accelerate Property Fund Limited

Johannesburg
24 October 2016



ACQUISITION OF OFFSHORE PROPERTY PORTFOLIO AND WITHDRAWAL OF CAUTIONARY

1. INTRODUCTION

Accelerate shareholders ("Shareholders") are referred to the most recent cautionary announcement dated 11 October 2016 in terms of which Shareholders were advised that negotiations relating to the acquisition of an offshore portfolio were ongoing. Accelerate is pleased to announce the conclusion of a pre-agreement with the applicable companies that form part of the Supernova Privatstiftung group ("Vendor") wherein it was agreed that the applicable Accelerate group entity (under incorporation) will enter into binding transaction agreements ("Transaction Agreements") with the Vendor (the timing of which is imminent). In terms of the Transaction Agreements Accelerate will acquire a portfolio of nine well located retail warehouse properties tenanted by OBI GmbH & Co. Deutschland KG's ("OBI") applicable subsidiaries (six properties in Austria and three in Slovakia) ("Initial Portfolio") for an aggregate acquisition value of €82.1 million ("Purchase Consideration") at a blended acquisition yield of 7.0% based on contractual rentals (the "Transaction").

OBI is the largest specialist do-it-yourself ("DIY") retailer in Central and Eastern Europe ("CEE") with total revenues of over €4 376 million and EBITDA of over €265 million.

2. RATIONALE FOR THE TRANSACTION

In the first quarter of 2016 the Accelerate board of directors approved a plan to invest in CEE by acquiring Euro or Euro linked real estate, based on a defined strategy ("Strategy") that matches Accelerate's focus in South Africa on quality retail and strategic nodes/properties.

The Strategy is underpinned by a defined investment philosophy to develop and acquire single tenant net leased properties that are strategic to blue-chip multinational or large regional tenants in countries that meet defined minimum investment criteria and that are considered core markets to such tenants (specialist focus within an established and defensive asset class and exposure to blue-chip investment grade tenants).

The Initial Portfolio is in line with the execution of the Strategy.

Austria and Slovakia are attractive investment destinations for Accelerate due to a range of positive underlying fundamentals. Austria has one of the highest GDP per capita figures in Europe with above average growth forecasts and low political risk. Slovakia is one of the fastest growing economies in Europe with rising real wage growth, rising disposable income, strong domestic private consumption and strong manufacturing and industrial activity.

3. INTRODUCTION TO ACCELERATE EUROPE

Accelerate has incorporated a Netherlands domiciled subsidiary ("Accelerate Europe") through which Accelerate will acquire the Initial Portfolio and execute the Strategy. Accelerate Europe has been integrated seamlessly into Accelerate's existing operating, investment, governance and reporting structure, including the retention of a committed and experienced local management team with significant local knowledge, experience, networks, relationships, deal flow and presence in the region. Management have significant experience in property development,

property acquisition, property asset management, tenant relations, finance, treasury, reporting and risk management having concluded in excess of €2.5 billion in property transactions across CEE. This significant experience and local knowledge provides access to networks and off-market acquisition and development opportunities and avoids the setup costs and pitfalls of investing in a new market.

Accelerate will seek to create an independent listing for Accelerate Europe (subject to market conditions) on a recognised stock exchange once the appropriate scale and asset/country diversification is achieved thereby providing Accelerate and Accelerate's shareholders with an opportunity to realise significant benefit from the further capitalisation rate compression on Accelerate Europe's future acquisitions and developments.

4. **KEY TRANSACTION AND FUNDING TERMS**

Subject to the fulfilment of the conditions precedent contemplated below, Accelerate Europe will acquire the Initial Portfolio through the acquisition of nine special purpose vehicles ("SPVs") which in turn will hold the properties in question.

The effective date for the Transaction will be the date on which the last of the conditions precedent are fulfilled, expected to be in or about November 2016.

The Purchase Consideration for the nine SPVs is subject to an appropriate working capital adjustment at closing which is expected to be immaterial.

The Purchase Consideration will be fully settled in cash through a combination of non-recourse euro-denominated debt funding against the Initial Portfolio and an issue of new Accelerate shares by way of a vendor placement, or rights offer or an issue of shares for cash.

The Initial Portfolio generates net operating income of €5.7 million.

5. **CONDITIONS PRECEDENT**

The Transaction is subject to the fulfilment of, *inter alia*, the following conditions:

- All regulatory approvals required for the implementation of the Transaction;
- Local bank financing being finalised on terms acceptable to Accelerate Europe;
- The successful completion of a final confirmatory due diligence by Accelerate Europe;
- The conclusion of service agreements with the current property manager of the Initial Portfolio; and
- Other necessary consents and approvals customary for a Transaction of this nature.

6. **INFORMATION RELATING TO THE INITIAL PORTFOLIO**

The Initial Portfolio includes nine big-box DIY retail stores (six in Austria and three in Slovakia) tenanted by OBI, the largest DIY retailer in the CEE with a weighted average lease expiry ("WALE") of 12.9 years. The portfolio is characterised by coveted locations with good access, exceptional visibility and situated in established retail nodes within a large catchment area or close proximity to retail that is complementary to DIY ie: shopping centres, food retail, furniture retail, convenience retail etc. Included in the Initial Portfolio is the flagship and largest OBI store in Austria. The flagship store has an independent valuation of €41 million and accounts for 47% of the Initial Portfolio.

Independent valuations have been completed by CBRE which indicate the significant off-market nature of the Transaction as the Initial Portfolio is priced at a 6.7% discount to market value (€5.9 million discount). The simple warehouse construction and loading capabilities provide opportunity for conversion to other value retail/logistics if required.

All leases are guaranteed by OBI with escalations at 75% of Austrian CPI once a threshold of cumulative Austrian CPI of 10% is achieved. For a selection of Austrian stores (see* in the table below), from 2019 onwards, rentals will be adjusted to 8% of net sales with a floor of 84.3% and a cap of 102.5% of current fixed rent. Per OBI's guidance, 8% of the current and projected trading figures for these stores would result in an increase of current fixed rent.

The details of the Initial Portfolio including location, gross lettable area ("GLA"), net operating income, purchase price, acquisition yield, remaining lease term, independent CBRE valuation and discount to market value per property are as follows:

Property	Location	GLA (m ²)	Net operating income (€)	Net operating income per m ² per month (€)	Purchase price (€'000)	Acquisition yield (%)	Remaining lease term (years)	Independent CBRE valuation (€'000)	Discount to independent valuation (%)
Vienna	Austria	16 357	2 475 645	13	37 783	6.6	10.6	40 910	7.6
Mauthausen/ Oberösterreich*	Austria	5 146	518 435	8	6 824	7.6	14.5	7 210	5.4
Mürzzuschlag*	Austria	5 822	505 338	7	6 715	7.5	14.5	7 434	9.7
Bruck/Mur*	Austria	6 823	462 587	6	6 174	7.5	14.5	6 584	6.2
Rosental*	Austria	3 316	252 852	6	3 421	7.4	14.5	3 688	7.2
Hallein/Salzburg*	Austria	3 739	211 583	5	2 702	7.8	14.5	3 118	13.3
Nitra	Slovakia	8 687	478 390	5	6 842	7.0	14.5	7 088	3.5
Martin	Slovakia	7 950	422 204	4	5 932	7.1	14.5	6 001	1.1
Kosice	Slovakia	8 054	406 050	4	5 707	7.1	14.5	5 920	3.6
Total		65 894	5 733 084		82 100	7.0	12.9	87 953	6.7

7. INCENTIVISATION AND ALIGNMENT

In order to align local management with the interests of shareholders, Accelerate Europe have introduced a long-term share incentive scheme which encourages key individuals responsible for Accelerate Europe to “outperform” and to create shareholder value in a “paid for performance” manner. The scheme includes both retention and performance elements with value creation achieved through capitalisation rate compression.

8. WARRANTIES

The Vendor has provided warranties and indemnities to Accelerate that are standard for a transaction of this nature.

9. VALUATION

The board of directors of Accelerate is satisfied that the aggregate value of the Initial Portfolio as shown above is in line with the Directors' own assessment of the aggregate value of the portfolio and the purchase price being paid by Accelerate.

10. **CATEGORISATION**

The Initial Portfolio acquisition is classified as a Category 2 transaction in terms of the JSE Listings Requirements and accordingly, is not subject to approval by Accelerate's shareholders.

11. **WITHDRAWAL OF CAUTIONARY**

Following the release of this announcement, the cautionary announcements published on the Stock Exchange News Service of the JSE Limited, the most recent being on 11 October 2016, are withdrawn and caution is no longer required to be exercised by shareholders when dealing in their Accelerate shares.

Johannesburg
24 October 2016

**Financial advisor
and transaction sponsor**

Investec Specialist Bank

Sponsor

Standard Bank

Legal advisor

Partos & Noblet
Hogan Lovells



ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/015057/06)

Share code: APF ISIN: ZAE000185815

("Accelerate")

NOTICE OF GENERAL MEETING

All terms defined in the Circular to which this notice of General Meeting is attached shall bear the same meanings when used in this notice of General Meeting.

Notice is hereby given that a General Meeting of the Shareholders will be held at Accelerate's registered office at 10:00 on Tuesday, 22 November 2016, at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways.

The record date on which Shareholders must be recorded as such in the securities register maintained by the Transfer Secretaries of Accelerate Property Fund for the purposes of being entitled to attend and vote at the General Meeting is Friday, 11 November 2016. Accordingly, the last day to trade to be eligible to attend and vote at the General Meeting is Tuesday, 8 November 2016.

In terms of section 63(1) of the Companies Act, any person attending or participating in a meeting of shareholders must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of any person to participate in and vote (whether as Shareholder or as proxy for a Shareholder) has been reasonably verified. Accordingly, all Shareholders will be required to provide identification reasonably satisfactory to the chairman of the General Meeting in order to participate in and vote at the General Meeting.

The purpose of the meeting is to transact the business set out below, and to consider and, if deemed fit, to pass, with or without modification, the ordinary resolutions set out below:

ORDINARY RESOLUTION NUMBER 1

"RESOLVED THAT an additional 140 000 000 authorised but unissued Accelerate Property Fund Shares, be and are hereby placed under the control of the Directors, until the later of the next Annual General Meeting and that they be and are hereby authorised to issue any such Accelerate Property Fund Shares as the Directors may deem fit, subject to the Companies Act of 2008 (Act 71 of 2008), as amended, the MOI and the provisions of the Listings Requirements."

ORDINARY RESOLUTION NUMBER 2

"RESOLVED THAT any Director of Accelerate Property Fund be and is hereby authorised to do all such things and sign all such documents as are necessary to give effect to the resolutions proposed at the General Meeting at which this ordinary resolution is proposed."

In order to be adopted, each of the abovementioned ordinary resolutions must be supported by more than 50% of the voting rights exercised on such resolutions.

SPECIAL RESOLUTION NUMBER 1

"RESOLVED THAT, in addition to the special resolution adopted pursuant to section 45 of the Companies Act at Accelerate's annual general meeting on 28 July 2016, for the purposes of section 45 of the Companies Act, the Directors of Accelerate, at any time and from time to time during the period of 2 (two) years commencing on the date of this special resolution, be and are hereby authorised (subject to compliance with the requirements of the company's constitutional

documents and the Companies Act, each as presently constituted and as amended from time to time) to grant direct or indirect financial assistance, as contemplated in section 45 of the Companies Act, to a Director on such terms and conditions as set out in the introduction and purpose of this circular."

In order to be adopted, the abovementioned special resolution must be supported by more than 75% of the voting rights exercised on said resolution.

VOTING

On a show of hands, every Shareholder who is present in person, by proxy or represented at the General Meeting shall have one vote (irrespective of the number of Shares held) and on a poll, every Shareholder shall have one vote for each and every Share held by him.

ELECTRONIC PARTICIPATION

Shareholders or their proxies may participate in (but not vote at) the General Meeting by way of a teleconference call. If they wish to do so, they must contact Accelerate Property Fund's Company Secretary and identify themselves to the satisfaction of the Company Secretary to obtain the dialing code and pin number. Shareholders participating in this manner will still have to appoint a proxy to vote on their behalf at the General Meeting. Access by means of electronic communication will be at the expense of the Shareholder.

PROXIES

A Shareholder entitled to attend and vote at the General Meeting may appoint one or more persons as its proxy to attend, speak and vote in its stead. A proxy need not be a Shareholder. Shareholders are referred to the attached form of proxy (*blue*) in this regard.

If you are a Certificated Shareholder or a Dematerialised Shareholder with Own-name Registration and are unable to attend the General Meeting and wish to be represented thereat, you must complete and return the attached form of proxy (*blue*) in accordance with the instructions contained therein to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, at Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 10:00 on Friday, 18 November 2016 for administrative purposes (or alternatively to handed to the chairperson of the General Meeting prior to its commencement).

If you have dematerialised your Accelerate Property Fund Shares with a Broker or CSDP, other than with Own-name Registration, you must arrange with them to provide you with the necessary letter of representation to attend the General Meeting or you must instruct them as to how you wish to vote in this regard. This must be done in terms of the agreement entered into between you and the Broker or CSDP, in the manner and cut-off time stipulated therein.

By order of the board

Michael Georgiou

Chief executive officer

24 October 2016

Registered office

Management office

1st Floor, Cedar Square Shopping Centre

Corner Willow Avenue and Cedar Road

Fourways

Gauteng, South Africa



ACCELERATE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2005/015057/06)

Share code: APF ISIN: ZAE000185815

("Accelerate")

FORM OF PROXY – GENERAL MEETING

For use by Certificated Shareholders or Dematerialised Shareholders with Own-name Registration at the General Meeting to be held at 10:00 on Tuesday, 22 November 2016, at the registered office of Accelerate Property Fund, Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways.

The definitions and interpretations commencing on page 4 of the Circular to which this form of proxy is attached also apply to this form of proxy.

If Shareholders have dematerialised their Shares with a Broker or CSDP, other than with Own-name Registration, they must arrange with the Broker or CSDP to provide them with the necessary letter of representation to attend the General Meeting or the Shareholder must instruct them as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the Shareholder and the Broker or CSDP, in the manner and cut-off time stipulated therein.

Please read the notes on the reverse hereof carefully, which, amongst other things, set out the rights of Shareholders in terms of section 58 of the Companies Act with regard to the appointment of proxies.

For the General Meeting

I/We (Name/s in BLOCK LETTERS)

of (Address in BLOCK LETTERS)

being a shareholder of Accelerate Property Fund and holding Shares, and entitled to vote, do hereby appoint (refer to note 1 at the end of this form of proxy):

or, failing him/her,

the Chairman of the General Meeting as my/our proxy(ies) to vote on my/our behalf at the General Meeting to be held at 10:00 on Tuesday, 22 November 2016 and at any postponement or adjournment thereof.

Please indicate with an "X" in the spaces below how you wish your proxy to vote in respect of the resolutions to be proposed, as contained in the notice of the abovementioned General Meeting.

*I/We desire my/our proxy to vote on the resolutions to be proposed, as follows:

	For	Against	Abstain
Ordinary resolution number 1 (140 000 000 authorised but unissued Accelerate Property Fund Shares are placed under the control of the Directors)			
Ordinary resolution number 2 (any Director is authorised to do all such things and sign all such documents necessary to give effect to the resolutions proposed at the General Meeting at which this ordinary resolution is proposed)			
Special resolution number 1 (Accelerate entitled to grant direct or indirect financial assistance, as contemplated in section 45 of the Companies Act, to a Director)			

Signed by me/us this _____ day of _____ 2016

Signature _____

Assisted by me (where applicable) (see note 12 on reverse of this form of proxy) _____

Full name/s of signatory if signing in a representative capacity (see note 11 on reverse of this form of proxy) _____

* If this form of proxy is returned without any indication of how the proxy should vote, the proxy will exercise his/her discretion both as to how he/she votes and as to whether or not he/she abstains from voting.

Notes:

1. A Shareholder entitled to attend and vote at the abovementioned meeting is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in his/her stead or abstain from voting. The proxy need not be a member of Accelerate Property Fund. A Shareholder may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different Accelerate Property Fund Shares held by the Shareholder.
 2. A proxy may delegate the proxy's authority to act on behalf of the Shareholder to another person.
 3. The completion and lodging of this form of proxy will not preclude the relevant Shareholder from attending the General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so. Accordingly, the appointment of a proxy in terms hereof is suspended at any time and to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder.
 4. A proxy is entitled to exercise, or abstain from exercising, any voting right of the Shareholder without direction, except to the extent that the voting instructions are set out in the relevant section of the form proxy.
 5. The appointment of a proxy shall remain valid until the end of the meeting contemplated in this appointment (including in respect of any adjournment or postponement of the General Meeting), unless revoked in the manner contemplated in note 6 below.
 6. A Shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy, and (ii) delivering a copy of the revocation instrument to the proxy and to Accelerate Property Fund. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of (i) the date stated in the revocation instrument, if any, or (ii) the date on which the revocation instrument was delivered to Accelerate Property Fund.
 7. Please insert the number of Accelerate Property Fund Shares in the relevant spaces according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of Accelerate Property Fund Shares, exercisable by you, insert the number of Accelerate Property Fund Shares held in respect of which you wish to vote. Failure to comply with the above will be deemed to authorise and compel the chairman, if the chairman is an authorised proxy, to vote in favour of the resolutions, or to authorise any other proxy to vote for or against the resolutions or abstain from voting as he/she deems fit, in respect of all the Shareholder's votes exercisable thereat. A Shareholder or its/his/her proxy is not obliged to use all the votes exercisable by the Shareholder or its/his/her proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the Shareholder or its/his/her proxy.
 8. To be valid, this form of proxy must be completed and returned to Accelerate Property Fund's Transfer Secretaries, Computershare Investor Services Proprietary Limited, at Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than 10:00 on Friday, 18 November 2016 for administrative purposes (or alternatively to handed to the chairperson of the General Meeting prior to its commencement).
 9. Any alteration or correction made to this form of proxy must be initialled by the signatory(ies).
 10. In the case of a joint holding, the first-named only is required to sign.
 11. The authority of a person signing a proxy in a representative capacity must be attached to the form of proxy unless that authority has already been recorded by Accelerate Property Fund.
 12. A minor or any other person under legal incapacity must be assisted by his/her parent or guardian as applicable, unless the relevant documents establishing capacity are produced or have been registered with the Transfer Secretaries.
 13. If the instrument appointing a proxy or proxies has been delivered to Accelerate Property Fund, as long as that appointment remains in effect, any notice that is required by the Companies Act or Accelerate Property Fund's Memorandum of Incorporation to be delivered by Accelerate Property Fund to the Shareholder must be delivered by Accelerate Property Fund to (i) the Shareholder or (ii) the proxy or proxies, if the Shareholder has directed Accelerate Property Fund in writing to do so and paid any reasonable fee charged by Accelerate Property Fund for doing so.
1. At any time, a shareholder of a company is entitled to appoint an individual, including an individual who is not a shareholder of that Company, as a proxy, to participate in, and speak and vote at, a shareholders' meeting on behalf of the shareholder.
 2. A proxy appointment must be in writing, dated and signed by the relevant shareholder, and such proxy appointment remains valid for one year after the date upon which the proxy was signed, or any longer or shorter period expressly set out in the appointment, unless it is revoked in a manner contemplated in section 58(4)(c) of the Companies Act or expires earlier as contemplated in section 58(8)(d) of the Companies Act.
 3. Except to the extent that the Memorandum of Incorporation of a company provides otherwise:
 - 3.1 a shareholder of the relevant Company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder;
 - 3.2 a proxy may delegate his authority to act on behalf of a shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and
 - 3.3 a copy of the instrument appointing a proxy must be delivered to the relevant Company, or to any other person on behalf of the relevant Company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
 4. Irrespective of the form of instrument used to appoint a proxy, the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company.
 5. Unless the proxy appointment expressly states otherwise, the appointment of a proxy is revocable. If the appointment of a proxy is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the Company.
 6. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date: (a) stated in the revocation instrument, if any; or (b) upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
 7. If the instrument appointing a proxy or proxies has been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's Memorandum of Incorporation to be delivered by such company to the shareholder, must be delivered by such company to the shareholder, or to the proxy or proxies, if the shareholder has directed the relevant company to do so in writing and paid any reasonable fee charged by the Company for doing so.
 8. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation, or the instrument appointing the proxy provide otherwise.
 9. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
 - 9.1 such invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;
 - 9.2 the invitation, or form of instrument supplied by the relevant company, must: (a) bear a reasonably prominent summary of the rights established in section 58 of the Companies Act; (b) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by such shareholder; and (c) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour or against the applicable resolution/s to be put at the relevant meeting, or is to abstain from voting;
 - 9.3 the Company must not require that the proxy appointment be made irrevocable; and
 - 9.4 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

Summary of the rights established in terms of section 58 of the Companies Act

For purposes of this summary, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Companies Act.