

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations contained on pages 5 to 7 of this Circular apply *mutatis mutandis* throughout this Circular, including this cover page.

Action required

This Circular is important and should be read in its entirety, with particular attention to the section entitled "Action required by Accelerate Shareholders" which commences on page 2.

If you are in any doubt as to what action you should take, please consult your Broker, banker, attorney, CSDP or other professional advisor immediately.

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



ACCELERATE PROPERTY FUND

Approved as a REIT by the JSE
(Incorporated in the Republic of South Africa)
(Registration number 2005/015057/06)
Share code: APF ISIN: ZAE000185815
("Accelerate" or "the Company")

Circular to Accelerate Shareholders

regarding:

- the placing of an additional 80,000,000 (eighty million) authorised but unissued Accelerate Shares (which equates to 12% of the current number of issued Accelerate Shares) under the control of the Directors for the purpose of issuing such Accelerate Shares in order to implement the Property acquisitions.

and incorporating:

- a notice convening a General Meeting of Accelerate Shareholders; and
- a form of proxy (*blue*) to vote at the General Meeting (for use by Certificated and "own-name" Dematerialised Accelerate Shareholders only).

Investment bank and transaction sponsor



Investec Bank Limited
(Registration number 1969/004763/06)

Legal advisors



Date of issue: Monday, 15 December 2014

Copies of this Circular, in English only, may be obtained at the Company's registered office or at the offices of the Transfer Secretaries, during normal business hours 08:00 to 16:00 or Accelerate's website www.acceleratepf.co.za from 15 December 2014 until 23 January 2015. The addresses of the Company and the Transfer Secretaries are set out in the "Corporate Information and Advisors" section.

CORPORATE INFORMATION AND ADVISORS

Registered office

Accelerate Property Fund
(Registration number 2005/015057/06)
Cedar Square Shopping Centre
Management Office, 1st Floor
Corner Willow Avenue and Cedar Road
Fourways
Johannesburg, 2055
(Place of incorporation: South Africa)

Investment bank 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)

Transfer secretaries

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

Company secretary

Joanne Matisonn
iThemba Governance and Statutory Solutions
Proprietary Limited
Monument Office Park
1st Floor, Suite 102
79 Steenbok Avenue
Monument Park
Pretoria
(PO Box 25160, Monument Park, 0105)

Legal advisors

Glyn Marais Incorporated
(Registration number 1990/000849/21)
2nd Floor, The Place
1 Sandton Drive
Sandton, 2196
(PO Box 652361, Benmore, 2010)

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Form of proxy (<i>blue</i>) (for use by Certificated Shareholders and "own-name" Dematerialised Shareholders only)	Attached

ACTION REQUIRED BY ACCELERATE SHAREHOLDERS

Please take careful note of the following provisions regarding the action to be taken by Accelerate Shareholders:

- If you are in any doubt as to what action you should take arising from this Circular, please consult your CSDP, Broker, banker, attorney, accountant or other professional advisor immediately.
- If you have disposed of all of your Accelerate Shares, please forward this Circular to the purchaser of such Accelerate Shares or the CSDP, Broker, banker or other agent through whom the disposal was effected.
- The General Meeting convened in terms of the notice to Accelerate Shareholders incorporated in this Circular will be held at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways at 10:00 on Friday, 23 January 2015 for the purpose of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions set out in the attached notice of General Meeting.

If you have Dematerialised your Accelerate Shares and have elected:

1. OWN-NAME REGISTRATION:

- 1.1 You are entitled to attend in person, or be represented by proxy, at the General Meeting.
- 1.2 If you are unable to attend the General Meeting but 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 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 on Thursday, 22 January 2015.

2. REGISTRATION OTHER THAN OWN-NAME REGISTRATION:

- 2.1 If you wish to attend or be represented at the General Meeting, you must advise your CSDP or Broker timeously that you wish to attend or be represented at the General Meeting, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker. These instructions must be provided to your CSDP or Broker by the cut-off date and time advised by your CSDP or Broker for instructions of this nature. Your CSDP or Broker will be required to issue the necessary letter of representation to you to enable you to attend or to be represented at the General Meeting.
- 2.2 If you do not wish to attend or be represented at the General Meeting but wish to vote, and your CSDP or Broker has not contacted you, you are advised to contact your CSDP or Broker and provide them with your voting instructions, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or Broker. These instructions must be provided to your CSDP or Broker by the cut-off date and time advised by your CSDP or Broker for instructions of this nature. If your CSDP or Broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them.
- 2.3 You must **not** complete the attached form of proxy (*blue*).

If you hold Certificated Shares:

3. CERTIFICATED SHAREHOLDERS:

- 3.1 You are entitled to attend in person, or be represented by proxy, at the General Meeting.
- 3.2 If you are unable to attend the General Meeting but 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 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) by no later than 10:00 on Thursday, 22 January 2015.

General:

4. **DEMATERIALIZATION**

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

5. **ELECTRONIC PARTICIPATION**

Accelerate Shareholders wishing to participate electronically in the General Meeting are required by no later than 48 hours before the General Meeting to deliver written notice to the Accelerate company secretary at the offices of Accelerate at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways (marked for the attention of the Accelerate company secretary) that they wish to participate via electronic communication at the General Meeting ("Electronic Notice").

In order for the Electronic Notice to be valid it must contain: (a) if the Accelerate Shareholder is an individual, a certified copy of his/her identity document and/or passport; (b) if the Accelerate Shareholder is not an individual, a certified copy of a resolution or letter of representation by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution or signed the relevant letter of representation. The letter of representation or resolution must set out who from the relevant entity is authorised to represent the entity at the General Meeting via electronic communication; (c) a valid email address and/or facsimile number ("Contact Address/Number"); and (d) confirmation of whether the Accelerate Shareholder wishes to vote via electronic communication. By no later than 12 hours before the General Meeting, Accelerate shall use its reasonable endeavours to notify an Accelerate Shareholder at its Contact Address/Number who has delivered a valid Electronic Notice of the relevant details through which the Accelerate Shareholder can participate via electronic communication.

Should you wish to participate in the General Meeting by way of electronic communication as aforesaid, you, or your proxy, will be required to dial-in to the dial-in facility on the date of the General Meeting. The dial-in facility will be linked to the venue at which the General Meeting will take place on the date of, from the time of commencement of, and for the duration of, the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner (and as contemplated in section 63(2) of the Act) and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting. The costs borne by you or your proxy in relation to the dial-in facility will be for your own account.

SALIENT DATES AND TIMES

2014

Notice record date, being the date on which Accelerate Shareholders must be registered in the Securities Register in order to be entitled to receive the Circular	Friday, 5 December
Circular and notice of General Meeting posted to Accelerate Shareholders on	Monday, 15 December

2015

Last day to trade in Accelerate Shares in order to be entitled to attend, participate in and vote at the General Meeting	Friday, 9 January
Record date to be eligible to attend and vote at the General Meeting	Friday, 16 January
Last day for lodging forms of proxy for General Meeting by 10:00 on	Thursday, 22 January
General meeting of Accelerate Shareholders at 10:00 on	Friday, 23 January
Announcement of results of General Meeting released on SENS on	Friday, 23 January

Notes:

1. The dates and times are subject to change. Any changes will be announced on SENS and published in the South African press. All times referred to in this Circular are local times in South Africa.
2. Dematerialised Shareholders, other than those with "own-name" registration, must inform your Broker or CSDP of your intention to attend the General Meeting in order for such Broker or CSDP to be able to issue you with the necessary letter of representation to enable you to attend the General Meeting. Alternatively, should you wish to vote but not attend the General Meeting, you should provide your Broker or CSDP with your voting instructions. This must be effected in terms of the custody agreement entered into between the Dematerialised Shareholder and your Broker or CSDP.

DEFINITIONS

In this Circular (inclusive of the pages preceding these definitions) and the appendices hereto, unless otherwise stated or clearly indicated by the context, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words incorporating one gender include the other gender and expressions denoting natural persons include juristic persons and associations of persons:

“Accelerate” or “the Company”	Accelerate Property Fund Limited (registration number 2005/015057/06), a public company incorporated in accordance with the laws of South Africa, the Shares of which are listed on the JSE under the share code APF;
“Accelerate Board”	collectively the Directors of Accelerate;
“Accelerate Shares” or “Shares”	ordinary shares having no par value in the issued stated capital of Accelerate, all of which shares are listed on the JSE, being 668,807,870, at the Last Practicable Date;
“Accelerate Shareholders” or “Shareholders”	collectively Dematerialised Shareholders and Certificated Shareholders;
“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, No. 19 of 2012, as amended;
“Business Day”	any day other than a Saturday, Sunday or public holiday in South Africa;
“C-Max”	C-Max Investments 300 Proprietary Limited (registration number 2003/009260/07), a private company incorporated in accordance with the laws of South Africa;
“Certificated Shares”	Accelerate Shares represented by a share certificate or other physical document of title, which have not been surrendered for Dematerialisation in terms of the requirements of Strate;
“Certificated Shareholders”	registered holders of the Certificated Shares;
“Circular”	this bound document, dated 15 December 2015, and the annexures hereto;
“Companies Act” or “Act”	the Companies Act, No 71 of 2008, as amended;
“Competition Authorities”	the commission established pursuant to Chapter 4, Part A of the Competition Act, the tribunal established pursuant to Chapter 4, Part B of the Competition Act and/or the appeal court established pursuant to Chapter 4, Part C of the Competition Act, as the case may be;
“CSDP”	the central securities depository participant, registered in terms of the Financial Markets Act, No. 19 of 2012, as amended or replaced from time to time and appointed by the respective Dematerialised Shareholders to record the ownership of their Dematerialised Shares in its sub-register;
“Dematerialise” or “Dematerialisation”	the process by which Certificated Shares are converted into electronic form as Dematerialised Shares and are recorded in the Uncertificated Securities Register forming part of Accelerate’s Securities Register;
“Dematerialised Shares”	Accelerate Shares that have been Dematerialised and are recorded in the Uncertificated Securities Register forming part of Accelerate’s Securities Register;
“Dematerialised Shareholders”	all registered holders of Dematerialised Shares;
“Directors”	means the directors of Accelerate at the Last Practicable Date, details of whom are set out on page 8 to this Circular;

“Effective Date”	the date of transfer of each of the letting enterprises comprising the Portfolio I Acquisition and the Shoprite Acquisition into the name of Accelerate;
“Financial Markets Act”	the Financial Markets Act, No. 19 of 2012, as amended or replaced from time to time;
“General Meeting”	the general meeting of Accelerate Shareholders to be held at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways on Friday, 23 January 2015 at 10:00;
“Investment Bank and Transaction Sponsor”	the corporate finance division of Investec Bank Limited (registration number 1969/004763/06), a public company incorporated in accordance with the laws of South Africa;
“JSE”	JSE Limited (registration number 2005/022939/06), a company duly registered and incorporated with limited liability under the laws of South Africa, listed on the JSE and licensed as an exchange under the Financial Markets Act, No. 19 of 2012, as amended or replaced from time to time;
“Last Practicable Date”	the last practicable date prior to finalisation of this Circular; being Friday, 12 December 2014;
“Listings Requirements”	the Listings Requirements of the JSE;
“MOI”	the memorandum of incorporation of Accelerate;
“Portfolio I”	the property portfolio of the following immovable properties and letting enterprise businesses: <ul style="list-style-type: none"> – Ptn 1 of Erf 53, Eastgate Township and Ptn 7 (a portion of Erf 5) of Erf 53, Eastgate Township (“the Ellerine Furnishers Letting Enterprise”); – Erf 30, Steeledale Township (“the Accentuate Letting Enterprise”); – Erf 315 Eastgate Ext 4 Township (“the MB Technologies Letting Enterprise”); – Erf 5880 Pietersburg Township (“the Edgars Letting Enterprise”); – Erf 3182 Bryanston Ext 7 Township, Erf 4146 and 4147 Bryanston Ext 13 Township (“the Bryanston Lodge Letting Enterprise”); and – Erf 3746 and Erf 3747 North End Township, Port Elizabeth (“the Pick ‘n Pay Letting Enterprise”);
“Portfolio I Acquisition”	the acquisition of Portfolio I from the relevant vendors whose names appear under the voluntary information disclosure relating to the Property Acquisitions;
“Property Acquisitions”	the acquisition of Portfolio I and the Shoprite Letting Enterprise;
“Rand” or “R”	South African Rand, the lawful currency of South Africa;
“REIT”	Real Estate Investment Trust;
“Securities Register”	the securities register of Accelerate Shareholders maintained by Accelerate in terms of the Companies Act including the register of Certificated Accelerate Shareholders and the sub-registers of Dematerialised Accelerate Shareholders maintained by the relevant CSDPs in accordance with the Companies Act;
“SENS”	the Stock Exchange News Service of the JSE;
“Shoprite Letting Enterprise”	the Shoprite distribution centre located on 4687 and 4912 Montague Gardens, Cape Town, together with all leases and assets, forming necessary parts of the letting enterprise as a going concern;
“Shoprite Acquisition”	the acquisition of the Shoprite Letting Enterprise from C-Max;

“South Africa”	the Republic of South Africa;
“Strate”	Strate Proprietary Limited (registration number 1998/022242/06), a limited liability private company duly incorporated in accordance with the laws of South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
“Transfer Secretaries”	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a private company registered and incorporated in accordance with the laws of South Africa, full details of which are set out in the corporate information and advisors section of this Circular;
“Uncertificated Securities Register”	the sub-register of Accelerate Dematerialised Shareholders forming part of the Accelerate Securities Register and maintained by the relevant CSDPs in accordance with the Companies Act; and
“VWAP”	volume weighted average price.



ACCELERATE PROPERTY FUND

(Incorporated in the Republic of South Africa)
(Registration number 2005/015057/06)
Share code: APF ISIN: ZAE000185815
("Accelerate" or "the Company")

Directors of Accelerate

Executive

M Georgiou (*Chief Executive Officer*)
A Costa (*Chief Operating Officer*)
D Kyriakides (*Chief Financial Officer*)
J Paterson (*Executive Director*)

Non-executive

T Mboweni (*Chairman*)*
G Cruywagen*
J Doidge*
T Fearnhead*
K Madikizela*
Prof F Viruly*

* *Independent*

CIRCULAR TO ACCELERATE SHAREHOLDERS

I. INTRODUCTION

I.1 Background and introduction

Accelerate Shareholders are referred the announcement released by Accelerate on SENS on 20 November 2014 regarding the Property Acquisitions. The Portfolio I Acquisition and the Shoprite Acquisition are not inter-conditional on one another and constitute separate transactions. The acquisition of the separate letting enterprises constituting the Portfolio I Acquisition, set out in paragraph 3 below, are each independent acquisitions which are not linked to each other and the transfer of each letting enterprise may take place independently of each other.

The aggregate purchase consideration for the Portfolio I Acquisition and the Shoprite Acquisition is R615 million.

I.2 Rationale for the Property Acquisitions

The Property Acquisitions are consistent with Accelerate's strategy to build a quality property portfolio that offers long-term distribution and capital growth underpinned by strong underlying contractual cash flows. It presents an opportunity for Accelerate to:

- purchase a sizeable property portfolio with long-term leases underpinned by single tenants;
- whilst still maintaining its strong retail bias, increase its portfolio weighting within the industrial sector and improve its geographical spread;

- further increase its presence in specific strategic nodes – the Ellerine Furnishers Letting Enterprise and MB Technologies Letting Enterprise are within the Charles Crescent Precinct, a strategic node identified by Accelerate; and
- increase the potential development/re-development opportunities available to it.

2. **PURPOSE OF THIS CIRCULAR**

The purpose of this Circular is to provide Accelerate Shareholders with information relating to the Property Acquisitions and to convene a General Meeting of Accelerate Shareholders to be held at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways on Friday, 23 January 2015, in order to consider and, if deemed fit, to pass the resolutions set out in the notice of General Meeting which forms a part of this Circular to place an additional 80,000,000 (eighty million) Accelerate Shares under the control of the Directors to implement the Property Acquisitions.

3. **VOLUNTARY INFORMATION RELATING TO THE PROPERTY ACQUISITIONS**

The Property I Acquisition is considered a category 2 transaction for Accelerate, while the Shoprite Acquisition is less than 5% of Accelerate's market capitalisation for purposes of the Listings Requirements and is not required to be disclosed. Accordingly the below summarised information relating to the Shoprite Acquisition is included for information purposes only.

3.1 **Overview of the Portfolio I Acquisition**

Portfolio I consists of six single-tenanted buildings with long term lease profiles in excess of five years for five of the six letting enterprises.

Accelerate has agreed the terms, on an exclusive basis, with the vendors (set out in the table below), to acquire the six properties together with all leases and assets, forming necessary parts of the letting enterprises as a going concern. The details of the Portfolio I Acquisition are set out below:

Property (letting enterprise)	Seller	Location	Description	Purchase consideration (Rmil)	GLA (m ²)	Net income (PA) Rmil	Yield (%)	Gross rental per m ² (R/m ²)	Lease expiry
Ellerines ¹	Amnem Investments (Pty) Ltd	Charles Crescent Eastgate, Sandton, Johannesburg	B+ grade office with onsite parking	150.00	9,074	13.70	9.13	134.79	31/03/19
Accentuate ²	Gsix Props (Pty) Ltd	Steeldale, Johannesburg	Industrial complex housing Accentuate companies	87.00	12,000	8.65	9.95	66.59	30/10/20
MB Technologies ³	Jason & Amy Property Developing (Pty) Ltd	8 Charles Crescent Eastgate, Sandton, Johannesburg	Modern warehouse building with offices	97.00	6,000	8.24	8.50	115.3	21/10/21
Edgars ⁴	Jason & Amy Property Developing (Pty) Ltd	Pietersburg	CBD double story retail with street frontage	45.00	4,500	3.85	8.55	79.2	31/10/20
Bryanston Lodge ⁵	KOPF Electronics CC	Bryanston, Johannesburg	Residential retirement lodge with future development potential	32.00	12,000	2.63	8.22	19.2	31/01/23
Pick 'n Pay ⁶	Silver Blade Investments 17 (Pty) Ltd	North End, Port Elizabeth	Modern distribution centre	57.00	7,983	5.78	10.14	55.83	28/02/20
				468.00	51,557	42.90	9.16		

Notes:

All Letting Enterprises are single-tenanted buildings with zero vacancies.

- The Ellerine Furnishers Letting Enterprise lease escalates at 8% per annum and has four years and four months remaining on such lease, which terminates on 31 March 2019. The seller will provide a head lease on the same conditions as the existing Ellerines lease for a period of not less than two years from transfer of the Ellerines Furnishers Letting Enterprise to Accelerate. As additional security, the seller will pledge R30 million of Accelerate ordinary shares of no par value ("Accelerate Shares") that it receives as part settlement of the purchase consideration, which pledge will be released once all obligations have been met.
- The Accentuate Letting Enterprise lease escalates at 6% per annum and has five years and 11 months remaining on such lease, which terminates on 30 October 2020.
- The MB Technologies Letting Enterprise lease escalates at 8% per annum and has six years and 11 months remaining on such lease, which terminates on 31 October 2021.
- The Edgars Letting Enterprise lease escalates at 6% per annum and has five years and 11 months remaining on such lease, which terminates on 31 October 2020.
- The Bryanston Lodge Letting Enterprise lease escalates at 8% per annum and has eight years and two months remaining on such lease, which terminates on 31 January 2023.
- The Pick 'n Pay Letting Enterprise lease escalates at 6.5% per annum and has five years and three months remaining on such lease, which terminates on 28 February 2020.

The above costs exclude third party and necessary regulatory costs relating to the fulfilment of these transactions.

3.2 Proposed funding of the Portfolio I Acquisition

The purchase consideration of R468 million may be settled as follows:

- On each Effective Date of the Portfolio I Acquisition, Accelerate will settle the outstanding mortgage bonds totalling (approximately R170 million as at the signature date of the Portfolio I Acquisition – being 19 November 2014 in cash (through debt facilities and/or Accelerate Shares by way of a vendor placement), (“**Cash Consideration**”); and
- The balance of the purchase consideration of approximately R298 million shall be settled by the allotment and issue of new Accelerate Shares to the vendors (at an issue price being the 30-day volume weighted average price (VWAP) of Accelerate Shares immediately preceding the Effective Date) to the sellers (“**Share Consideration**”).

3.3 Conditions precedent to the Portfolio I Acquisition

The Portfolio I Acquisition is subject to the fulfilment of, *inter alia*, the following conditions precedent:

- if Accelerate chooses to utilise debt facilities for the Cash Consideration, Accelerate obtaining the necessary funding from a registered bank or financial institution to settle the Cash Consideration;
- Accelerate shareholder approval for placing additional Accelerate Shares under the control of Accelerate's directors for the allotment and issue of new Accelerate Shares to settle the Share Consideration; and
- approval by the Competition Authorities of the acquisition of the Ellerine Furnishers Letting Enterprise, the Accentuate Letting Enterprise and the MB Technologies Letting Enterprise.

3.4 Overview of the Shoprite Acquisition

Accelerate has agreed the terms, on an exclusive basis, with C-Max Investments to acquire the Shoprite Distribution Centre.

The Shoprite Distribution Centre is a well located multipurpose property with good facilities. The Shoprite lease has five years and three months remaining on such lease, which terminates on 28 February 2017.

The effective date of the Shoprite Acquisition will be the date of transfer of the Shoprite Distribution Centre into the name of Accelerate.

The details of the Shoprite Distribution Centre are set out below:

Property (letting enterprise)	Seller	Location	Description	Purchase consideration (Rmil)	GLA (m ²)	Net income (PA) Rmil	Yield	Gross rental per m ² (R/m ²)	Lease expiry
Shoprite	C-Max Investments 300 (Pty) Ltd	Montague Gardens, Cape Town	Modern distribution centre with coldroom facilities	147.00	26,135	20.30	13.81%	60.85	28/02/2017

3.5 Proposed funding of the Shoprite Acquisition

The purchase consideration of R147 million may be settled fully in cash (through a combination of Accelerate Shares by way of a vendor placement and/or debt facilities) on the date of registration of transfer of the Shoprite Letting Enterprise into Accelerate's name.

3.6 Conditions precedent to the Portfolio I Acquisition

The Shoprite Acquisition is subject to, *inter alia*, the approval by the Competition Authorities.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, whose names are set out on page 8 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no other facts the omission of which, would make any statement false or misleading and that they have made all reasonable enquiries to ascertain such facts have been made and that this Circular contains all the information required by law and the Listings Requirements.

5. **OPINIONS AND RECOMMENDATIONS**

The Accelerate Board has considered the terms and conditions of the Property Acquisitions and is of the opinion that the terms and conditions thereof are fair to Accelerate Shareholders. The Accelerate Board accordingly recommends that Accelerate Shareholders vote in favour of all the resolutions as tabled in the notice of General Meeting which forms a part of this Circular and advise that, in respect of their own shareholding in Accelerate, they intend to vote in favour of all the resolutions contained in such notice.

6. **NOTICE OF GENERAL MEETING**

A General Meeting of Accelerate Shareholders will be held on Friday, 23 January 2015, at 10:00, to consider, and, if deemed fit, pass, with or without modification, the resolutions contained in the notice of General Meeting.

A notice convening the General Meeting and a form of proxy (*blue*), for use by Shareholders holding Certificated Shares and Dematerialised Shares with "own-name" registration, are attached to and form part of this Circular. Duly completed forms of proxy (*blue*) must be received by the Transfer Secretaries by no later than 10:00 on, Thursday, 22 January 2015.

7. **CONSENTS**

The Investment Bank and Transaction Sponsor, Legal Advisors and Transfer Secretaries have all consented, in writing, to act in the capacities stated and to their names being used in this Circular and have not withdrawn their consents prior to the publication of this Circular.

8. **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents, or copies thereof, will be available for inspection by the Shareholders at the registered offices of Accelerate during business hours from 08:00 until 17:00, at the address set out in the "Corporate information and advisors" section of this Circular:

- the MOI of Accelerate;
- the audited annual financial statements of Accelerate for the financial year ended 31 March 2014, and the unaudited interim results for the six months ended 30 September 2014;
- the letters of consent referred to in paragraph 7 above; and
- a signed copy of this Circular.

By order of the board

Michael Georgiou
Chief Executive Officer

12 December 2014
Sandton



ACCELERATE PROPERTY FUND

(Incorporated in the Republic of South Africa)
(Registration number 2005/015057/06)
Share code: APF ISIN: ZAE000185815
("Accelerate" or "the Company")

NOTICE OF GENERAL MEETING

All terms in the Circular on pages 5 to 7 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 members of Accelerate will be held at 10:00 on Friday, 23 January 2015 at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways to consider and, if deemed fit, pass, with or without modification, the resolutions set out below.

The record date on which Accelerate Shareholders must be recorded in the Securities Register maintained by the Transfer Secretaries for the purposes of being entitled to attend and vote at the General Meeting is Friday, 16 January 2015. Accordingly, the last day to trade to be eligible to attend and vote at the General Meeting is Friday, 9 January 2015.

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 a shareholder or a proxy of a shareholder) has been reasonably verified. Accordingly, all Accelerate Shareholders will be required to provide identification reasonably satisfactory to the chairman of the General Meeting on order to participate in and vote at the General Meeting.

ORDINARY RESOLUTION NUMBER 1:

"RESOLVED THAT, in addition to any authority to place authorised but unissued Accelerate Shares under the control of the Directors at any other general meeting of Accelerate Shareholders, an additional 80,000,000 (eighty million) authorised but unissued Accelerate Shares, be and are hereby placed under the control of the Directors for the sole purpose of issuing and allotting such additional shares as consideration for the Property Acquisitions, and that they be and are hereby authorised to issue any such Accelerate Shares as the Directors may deem fit for the specific purpose stated above, subject to the Companies Act, the MOI and the provisions of the Listings Requirements."

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

ORDINARY RESOLUTION NUMBER 2:

"RESOLVED THAT any Director or the company secretary of Accelerate be and is hereby authorised to do all such things and sign all such documents as are necessary to give effect to the ordinary resolution number 1."

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

VOTING

On a show of hands, every Accelerate Shareholder who is present in person, by proxy or represented at the General Meeting shall have one vote (irrespective of the number of Accelerate Shares held) and on a poll, every Accelerate Shareholder shall have for each share held by him that proportion of the total votes in Accelerate which the aggregate amount of the nominal value of that share held by him bears to the aggregate of the nominal value of all shares issued by Accelerate.

ELECTRONIC PARTICIPATION

Accelerate Shareholders wishing to participate electronically in the General Meeting are required by no later than Thursday, 22 January 2015 to deliver written notice to Accelerate at Accelerate's offices, Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways (marked for the attention of the Accelerate company secretary) that they wish to participate via electronic communication at the General Meeting ("**Electronic Notice**").

In order for the Electronic Notice to be valid it must contain: (a) if the Accelerate Shareholder is an individual, a certified copy of his/her identity document and/or passport; (b) if the Accelerate Shareholder is not an individual, a certified copy of a resolution or letter of representation by the relevant entity and a certified copy of the identity documents and/or passports of the persons who passed the relevant resolution or signed the relevant letter of representation. The letter of representation or resolution must set out who from the relevant entity is authorised to represent the entity at the General Meeting via electronic communication; (c) a valid email address and/or facsimile number ("**Contact Address/Number**"); and (d) confirmation of whether the Accelerate Shareholder wishes to vote via electronic communication. By no later than 12 hours before the General Meeting, Accelerate shall use its reasonable endeavours to notify an Accelerate Shareholder at its Contact Address/Number who has delivered a valid Electronic Notice of the relevant details through which the Accelerate Shareholder can participate via electronic communication.

Should you wish to participate in the General Meeting by way of electronic communication as aforesaid, you, or your proxy, will be required to dial-in to the dial-in facility on the date of the General Meeting. The dial-in facility will be linked to the venue at which the General Meeting will take place on the date of, from the time of commencement of, and for the duration of the General Meeting. The dial-in facility will enable all persons to participate electronically in the General Meeting in this manner (and as contemplated in section 63(2) of the Act) and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the General Meeting. The costs borne by you or your proxy in relation to the dial-in facility will be for your own account.

PROXIES

An Accelerate 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 of Accelerate.

Accelerate 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 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 therein to be received by the Transfer Secretaries, Computershare Investor Services Proprietary Limited, at 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), by no later than Thursday, 22 January 2015. If you have Dematerialised your shares with a CSDP or Broker, 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 CSDP or Broker, in the manner and cut-off time stipulated therein.

Additional proxy forms are obtainable from Accelerate's company secretary and must be deposited at the Transfer Secretaries not less than 48 hours before the meeting.

By order of the board

Registered office

Cedar Square Shopping Centre
Management Office, 1st Floor, Corner Willow Avenue and Cedar Road
Fourways
Johannesburg, 2055

15 December 2014



ACCELERATE PROPERTY FUND

(Incorporated in the Republic of South Africa)
 (Registration number 2005/015057/06)
 Share code: APF ISIN: ZAE000185815
 ("Accelerate" or "the Company")

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 Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways on Friday, 23 January 2015 at 10:00.

If Accelerate Shareholders have Dematerialised their shares with a CSDP or Broker, other than with own-name Registration, they must arrange with the CSDP or Broker to provide them with the necessary letter of representation to attend the General Meeting or the Accelerate 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 Accelerate Shareholder and the CSDP or Broker, 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 Accelerate Shareholders 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 and holding shares in Accelerate, and entitled to vote, do hereby appoint (refer to note 1 at the end of this proxy form):

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the chairman of the General Meeting as my/our proxy(ies),

to vote on a poll on my/our behalf at the General Meeting of Accelerate to be held at Cedar Square Shopping Centre, Management Office, 1st Floor, Corner Willow Avenue and Cedar Road, Fourways on Friday, 23 January 2015 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 1: an additional 80,000,000 authorised but unissued Accelerate Shares to be placed under the control of the Directors			
Ordinary resolution 2: seeking the approval to authorise any Director or the company secretary to do all such things and sign all such documents as are necessary to give effect to the ordinary resolutions proposed at the General Meeting			

Signed by me/us this day _____ of _____ 2014

Signature _____

Assisted by me (where applicable) (see note 9 on reverse of proxy form) _____

Full name/s of signatory if signing in a representative capacity (see note 8 on reverse of proxy form) _____

Telephone number/Cell phone number: _____

* 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. An Accelerate 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 shareholder of Accelerate. An Accelerate 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 Shares held by the Accelerate Shareholder.
2. A proxy may delegate the proxy's authority to act on behalf of the Accelerate Shareholder to another person, subject to any restriction set out in the instrument appointing the proxy.
3. The completion and lodging of this form of proxy will not preclude the relevant Accelerate 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 Accelerate 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 Accelerate Shareholder chooses to act directly and in person in the exercise of any rights as an Accelerate Shareholder.
4. A proxy is entitled to exercise, or abstain from exercising, any voting right of the Accelerate Shareholder without direction, except to the extent that the instrument appointing the proxy provides otherwise.
5. The appointment of a proxy shall remain valid until the end of the meeting contemplated in this appointment, unless revoked in the manner contemplated in 6 below.
6. An Accelerate 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. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Accelerate 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.
7. Please insert the number of Accelerate 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 Shares exercisable by you, insert the number of Accelerate 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 Accelerate Shareholder's votes exercisable thereat. An Accelerate Shareholder or its/his/her proxy is not obliged to use all the votes exercisable by the Accelerate 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 Accelerate Shareholder or its/his/her proxy.
8. To be valid, this form of proxy must be completed and returned to Accelerate's Transfer Secretaries, Computershare Investor Services Proprietary Limited, at 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to be received by not later Thursday, 22 January 2015.
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 proxy unless that authority has already been recorded by Accelerate.
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, as long as that appointment remains in effect, any notice that is required by the Companies Act or Accelerate's MOI to be delivered by Accelerate to the Accelerate Shareholder must be delivered by Accelerate to (i) the Accelerate Shareholder or (ii) the proxy or proxies, if the Accelerate Shareholder has directed Accelerate in writing to do so and paid any reasonable fee charged by Accelerate for doing so.

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

For purposes of this summary, "shareholder" shall have the meaning ascribed thereto in the Act.

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 Act or expires earlier as contemplated in section 58(8)(d) of the 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 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 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 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 Act.