

25 July 16

## **The Stables Property Fund Minimum Subscription Date Achieved Early**

Placer Property is pleased to announce The Stables Property Fund (“Fund”) has received strong support from investors and the Minimum Subscription Amount of \$3.5 million has been achieved well ahead of schedule.

Placer Property Joint Managing Director Mario Papaleo said, “We are pleased with the level of support we have received from both financial advisers and investors, who have responded positively to the quality of the property and the Fund.” Mr. Papaleo went on to say; “The Fund’s high initial forecast distribution rate of 7.60% p.a. is attractive when compared to the current low cash rate of 1.75% and bank deposit rates”.

The Fund was officially launched 18 May 2016 and owns a recently developed, neighbourhood shopping centre in the Adelaide suburb of Golden Grove. The Stables Shopping Centre is anchored by Woolworths Supermarket and BWS, which account for 61% of the gross property income. Other tenants include HealthSense Medical Centre and Chemmart Pharmacy, and a number of specialty shops. The property boasts a long weighted average lease expiry of 11 years by income. The Fund is seeking to raise \$16.5 million.

Mario Papaleo, Joint Managing Director said, “The Stables Property Fund is a solid investment. The 7.60% distribution is paid quarterly and is supported by long-term leases. The property is located in the affluent suburb of Golden Grove, Adelaide, and has limited retail competition, with the closest full line supermarket 5.1 km away by car. The initial gearing is 45%, with 100% of the interest rate exposure hedged for the term of the debt facility of four years, adding further stability and reliability to the investment return. “

### **Key investment highlights**

- 7.60% FY17 forecast annualised distribution with an initial NTA per Unit is \$0.95.
- Long term leases to Woolworths and BWS, HealthSense Medical Centre, and Chemmart Pharmacy, which together provide 77% of the property income.
- 93% leased, with a two-year cash backed rental guarantee over the current vacant space, effectively making the property 100% leased at the date of the PDS.
- Fund gearing is 43.4% with the interest rate exposure fully hedged through to June 2020.

### **About The Stables Property Fund**

The Stables Property Fund (Fund) owns The Stables Shopping Centre (Centre), a new 5,606 square metre convenience based, neighbourhood shopping centre anchored by a full line Woolworths supermarket and BWS liquor outlet. The Stables Shopping Centre also accommodates a medical centre and pharmacy, and a range of specialty tenants including cafes, a hairdresser, and take away food outlets. The Centre provides parking for 260 cars directly in front of the Centre.

The Stables Shopping Centre is located in Golden Grove, approximately 22 kilometres northeast of the Adelaide CBD. It is located on a highly visible corner site at the intersection of Golden Grove Road and Crouch Road in an affluent trade area.

### **About Placer Property**

Placer Property Limited holds an Australian Financial Services License (AFSL 442806) by the Australian Securities and Investment Commission.

Placer was formed in 2013 and has two funds under management totaling approximately \$80 million including The Stables Property Fund and The NewActon East Property Fund.

As a specialist property fund manager, the primary objective of Placer Property is to facilitate quality property investment opportunities for investors seeking regular and reliable income derived from the ownership of commercial property.

Placer Property draws on the skills and knowledge of senior management who are specialists in unlisted property funds management and the extensive experience of its Directors.

Placer Property is focused on Australian property investment opportunities, primarily in the office and retail sectors.

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