SEPTEMBER 2017:
ACCELERATE PROPERTY FUND PRE-CLOSE UPDATE

In line with our vision "to be the most valued and respected company in the South African property sector by focusing on the business of tomorrow but not at the expense of the business of today or the communities in which we operate", our strategy focuses on inter alia:

1. growing our quality portfolio;
2. enhancing returns on our assets; and
3. optimising our funding.

1. GROWING OUR QUALITY PORTFOLIO

Accelerate is actively investing in quality property assets. In our drive for quality, the following value-adding acquisitions have successfully been concluded since 2016:

- Portside Tower
- Eden Meander
- CEE Acquisition, OBI portfolio
- Citibank
- Murray & Roberts, Foreshore

These acquisitions were undertaken with a defined asset management plan, allowing for significant upside potential through development opportunities, increased letting and/or an ultimate strategic disposal. The progress on these assets is set out below.

We continue to have exciting active asset management opportunities. (See attached Annexure A).

2. ENHANCING RETURNS ON ASSETS THROUGH ACTIVE ASSET MANAGEMENT

The Fund continues to make a concerted effort to extract maximum value from its local portfolio by developing, expanding and renovating its properties. These projects include work on the following properties; the Fourways Mall redevelopment, BMW bulk where a development of 8 400 m^2 for two motor dealerships has been agreed, Foreshore development, Eden Meander extension (additional retail of 3 085 m^2), Fourways View and Citibank. These projects will ensure maximum value is extracted from the portfolio. Please see further details on the next page.

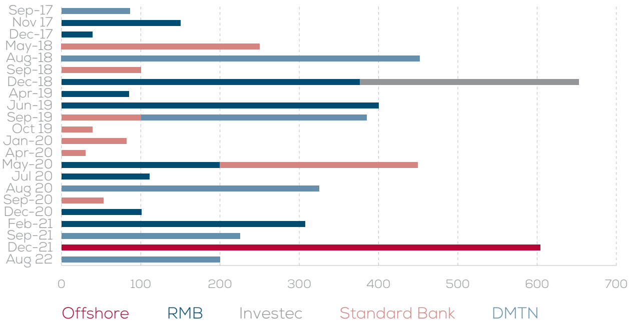
3. OPTIMISING OUR FUNDING

The Fund continues to diversify its funding base, proactively managing its cost of debt and interest rate risk.

During August 2017, we successfully accessed the debt capital markets (DCM) through our domestic medium-term note (DMTN) programme to refinance R264 million of DCM debt maturing in September 2017. Given demand and attractive pricing, a decision was made to increase the potential take up to R525 million to re-finance bank debt maturing in December 2017. Ultimately, favourable bids of R761 million were received. All funds were utilised to refinance maturing debt. R325 million of three-year debt at 189 bps and R200 million five-year debt at 214 bps above three-month Jibar was raised. The weighted average term of debt subsequently increased to 2,5 years. The weighted average cost of debt for the fund remains at 8,4%. We will continue to actively manage the cost and maturity profile of our debt.

In July 2017, the Fund also took out an additional R400 million three-year swap (three-year Jibar-linked) as part of our ongoing hedging strategy at a fixed rate of 6,88%. 82% of our debt is hedged with a weighted average swap maturity of 2,1 years.

Long-term debt funding expiry profile (R'm)



SOUTH AFRICA

The South African property market remains challenging reflecting tough trading conditions in a weak economy.

Within this environment, focus on tenant retention and protecting our income stream is imperative. As at end July we have achieved average positive rental reversions of 3,2%, with a tenant retention rate of approximately 90%.

Overall, the portfolio continues to perform favourably; with vacancies being relatively stable, cost to income down from 16,9% for FY17 to 15,9% (10,6% property expenses and 5,3% admin expenses) year-to-date (YTD). Encouragingly, arrears have come in with the completion of the lift installation at Oceana House and subsequent full settlement of their arrears; lease escalations are healthy and average approximately 7,5%, and our portfolio weighted average lease expiry (WALE) is still defensive being in excess of five years.

Retail

In general terms, subdued economic growth has constrained consumer demand resulting in a drop in disposable income for the retail sector. This, amongst other factors, has resulted in this segment of the market facing considerable headwinds. Accelerate is fortunate in that its primary retail offering (70% of total retail portfolio by income) is in the resilient Fourways Node.

Fourways Mall – The redevelopment remains a core focus and is now in its final year with the construction expected to be completed at the end of the third quarter of 2018. As a management team, we are extremely excited for this transformative re-development to be completed and remain confident that the Super Regional mall will securely anchor the Fund and the Fourways Node, and provide the catalyst for future value creation for shareholders.

Importantly, whilst having the "typical" offerings of a Super Regional, Fourways Mall will proactively differentiate itself by way of its children's entertainment offering, enhancing dwell time and expanding our natural catchment area by making it a destination of choice for families:

- Bounce – 4 700 m^2:
  Bounce Fourways (the flagship store in South Africa) is a massive indoor trampoline park that provides an adrenaline rush for all ages. This trampoline centre is decked out with more than 100 interconnected trampolines and giant air bags with slam-dunk arenas, wall-running and dodgeball courts. It also features a climbing wall and an adventure course. www.youtube.com/watch?v=8hEtDbxV3YY
- Kidzania – 8 000 m^2:
  Kidzania is a safe, unique and interactive city built entirely for children, which blends learning and reality with entertainment. Children learn by doing, and in Kidzania children of all ages can independently explore over 60 real-life activities and test their skills in a variety of professions. Kidzania is educational entertainment and provides a dynamic way to learn and develop essential life skills while having fun. www.youtube.com/watch?v=Ref67eUjl2o&t=11s)

Fourways view: Artist impression of the interior after refurbishments.

Other developments in the Fourways Node – In addition to the completed extension of Woolworths (additional 3 000 m² of GLA) at Cedar Square, we continue to invest in the node including:

- the Fourways View upgrade which is now well underway and will ensure the look and feel of the total mall will be carried throughout; and
- The BMW Bulk development (8 400 m² of GLA).

A recent comparative analysis undertaken by Urban Studies (Dr Dirk Prinsloo) states the following:

"The Fourways Node is experiencing strong development growth which is dominated by the extension of Fourways Mall to > 170 000 m². The retail offering will further be strengthened by the flagship representation of Leroy Merlin at 17 000 m². **With the extension and additional retail supplied, the Fourways Node will be the most dominant retail market in South Africa**. (Our emphasis)

The super-regional status of Fourways Mall will act as a catalyst for additional urban growth. The growth of the node is underpinned by the infrastructure development linked to road access and public transport. The road access will provide seamless movement from the three main arterial roads (William Nicol Dr, Witkoppen Rd and Cedar Rd) into Fourways Mall. The public transport infrastructure will include a Gautrain Station adjacent to Fourways Mall as well as an integrated taxi drop-off and pick-up in the super basement of Fourways Mall."

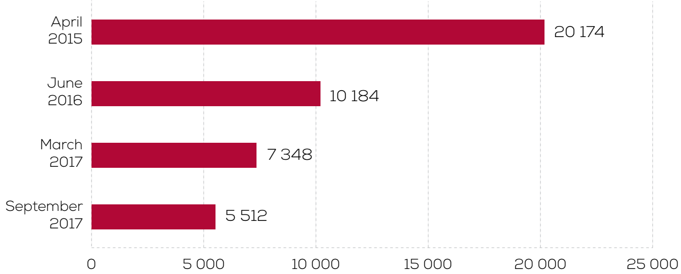
The report highlights the following key findings regarding the Fourways Node relative to two of our adjacent nodes:

Office

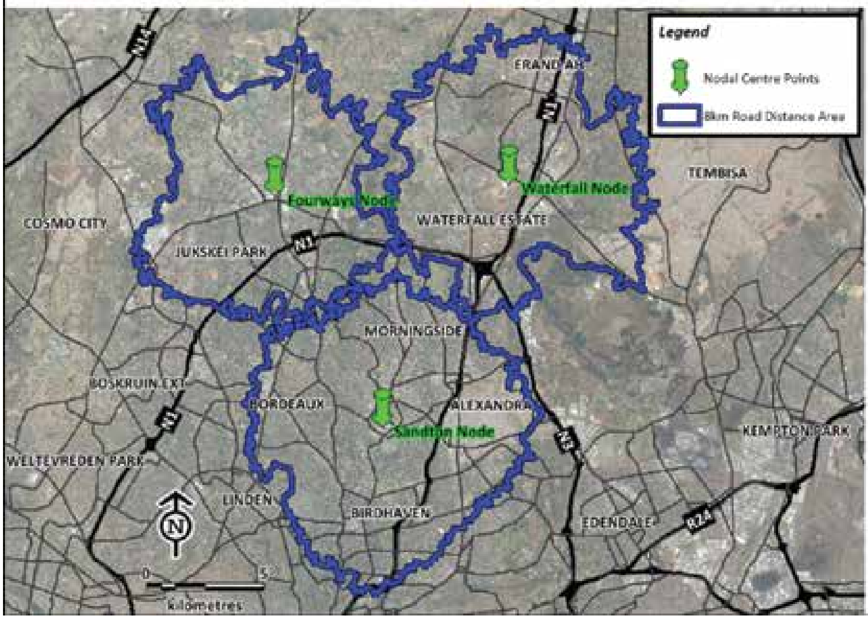
The South African office sector is extremely competitive at present, with developments throughout the country arguably creating a false perception of new net demand. Against this backdrop, Accelerate has seen significant progress in its core office portfolio comprising: the KPMG portfolio (various geographies), Cape Town's Foreshore and Citibank (Sandton) (constitutes 76,7% of total office portfolio by income).

Portside Tower – vacancies have reduced from 74,1% (June 2016) to 21,0% (September 2017). Recent increased letting activity can partially be attributed to letting smaller boxes whilst still maintaining our target rentals and escalations (average rental R179/m² gross on office space and R227/m² on retail space, average escalations 8,4% with a WALE of 2,8 years). Demand for P-grade green buildings continues to be relatively strong in the Cape Town CBD, and we expect to see this improved letting trend to continue.

Portside vacancies (m²)



RETAIL DEMAND COMPARISON



- The map shows the 8km Road Distance Area of Fourways, Waterfall, and Sandton;
- Limited overlap exist indicating different geographic trade areas;
- Secondary inflow exist in all cases driven by office workers, tourists and destination pull.

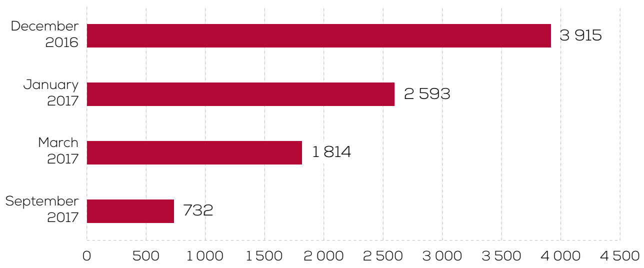
	Fourways Node	Waterfall Node	Sandton Node
Households 2017	75 558	49 179	81 453
Households 2022	87 592	57 012	85 608
Annual Growth Rate	3%	3%	1%
LSM (%)			
LSM 1-4	18	14	23
LSM 5	6	6	9
LSM 6-7	8	10	9
LSM 8-9	15	19	14
LSM 10	22	25	18
LSM 10+	31	26	27
Monthly Retail Market Size	R584,9 mil.	R370,8 mil.	R645,1 mil.

* *please note the Fourways Node data utilised in the report does not include the demographic statistics for Steyn City which we believe forms part of our natural Catchment Area.*

Citibank – In February 2017, Accelerate acquired the Citibank building in the Sandton CBD. The acquisition represented an opportunity to purchase an A-grade office building, anchored by Citibank, situated in a prime location, and to be the first strategic move in a broader strategy. The property is directly adjacent to Nelson Mandela Square and is 300 metres from the Sandton Gautrain. At acquisition (January 17) the property was 22,9% vacant (2 593 m^2) with an acquisition yield of 5,50% (excl. any vacancy assumptions). Per Rode, as at March 2017 vacancies in the Sandton area were approximately 13% for A-Grade office.

Given the attributes of the building, together with an agreed capex spend on upgrading the building (included in the purchase price), management was confident it would be able to reduce vacancies. Within seven months of acquisition, vacancies have decreased to 5,9% (732 m^2) with a WALE of 6,01 years and a yield of 8,3%.

Citibank vacancies (m^2)



* *Includes certain leases committed by Citibank but awaiting finalisation*

KPMG

KPMG has come under significant, well publicised pressure of late. We have been in regular contact with KPMG management and will continue to keep active lines of communication.

The tenants under the KPMG lease agreement are collectively KPMG Inc and KPMG Services (Pty) Ltd. As a professional partnership, which has been incorporated, in terms of section 19(3) of the Companies Act, each of the directors and past directors of KPMG Inc. are jointly and severally liable, together with KPMG Inc., for any debts and liabilities contracted during their respective periods of office.

Industrial

Accelerate's industrial portfolio comprises a relatively small portion of our portfolio (6,1% by income). The bulk of our industrial properties are underpinned by triple-net leases with strong blue-chip tenants including Checkers, Pick n Pay and Meshcape. We continue to look for quality industrial opportunities.

CEE

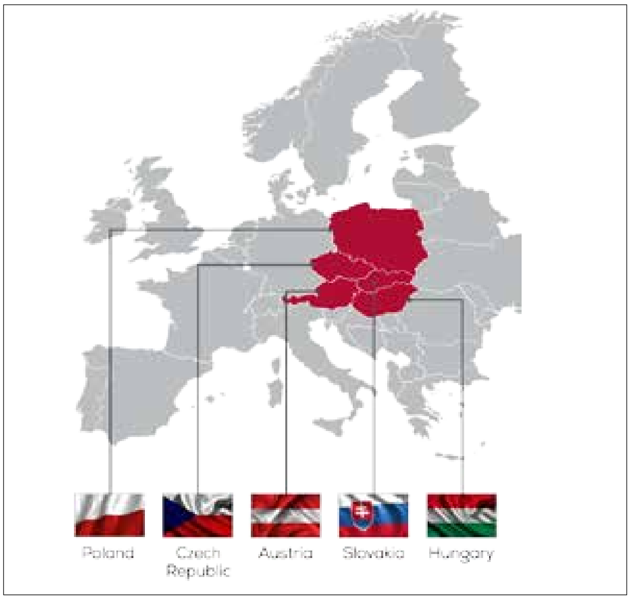
During 2016, Accelerate launched its single-tenant long-term lease platform. This strategy is defined as: "to develop and acquire long-term single-tenant, net-lease properties that are strategic to blue-chip multinational or large regional tenants in countries that meet defined minimum investment criteria 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 fund initiated this strategy with an acquisition of a portfolio of nine well-located retail properties in Austria and Slovakia tenanted by OBI the largest DIY retailer in Central and Eastern Europe. The properties were recently (June 2017) independently valued at €89,2 million (8,7% increase post acquisition).

In July we had our second meeting with OBI Management in Dusseldorf. On a corporate level, OBI continues to perform well across its various markets. Our OBI stores are also performing well in particular, the flagship store in Vienna (comprises 43% of our portfolio by income) which is currently trading at approximately an 8% growth year on year, well above budgeted growth. The remaining stores in both Austria and Slovakia are trading at a respectable 2% to 3% growth year on year with the exception of the Mauthaussen store which is at negative 4% (comprises 9% of our total portfolio by income). In addition to our regular interaction with the various store managers, we intend to meet with OBI management at least annually.

In line with this investment strategy Accelerate is in discussions to acquire five well located, newly built light industrial properties in CEE backed by strong covenants and long-term leases which will provide tenant and geographic diversification to the existing strategy.

We are also actively exploring the acquisition of a portfolio of multi-tenanted high-quality shopping centres in primary locations (predominantly capital cities) in Europe. These properties allow for development opportunities and importantly, the vendor and current property manager will be an equal co-investor.



* *single-tenant focus jurisdictions.*

ANNEXURE A
POTENTIAL ACCELERATE THREE-YEAR HORIZON ASSET MANAGEMENT FOCUS

Strategic sales

Buzz Bulk: *
Description – Sale/joint venture on bulk for residential development

BEE deal: *
Sale of non-core assets approximately R1,2 billion

Recycling of assets: *
Approximately R1 billion

Developments

Eden Meander expansion:
Description – retail development (funded)

Fourways View redevelopment:
Description – retail development (funded)

BMW Bulk:
Description – two motor dealerships

Charles Crescent:
Description – transformative potential mixed use or residential joint venture

Foreshore commercial:
Description – long-term lease, blue chip, single-tenant office

Foreshore residential: *
Description – residential

Acquisitions

Offshore single-tenant
Description – single-tenant light-industrial, strong covenants, well-located

Offshore multi-tenant Phase 1
Description – retail, high-quality regional shopping centres in primary locations with significant development upside

Offshore multi-tenant Phase 2
Description – retail, high-quality regional shopping centres in primary locations with significant development upside

Equalisation

Fourways equalisation:
Approximate value – R 800 million
Yield – 8% (market-related yield approximately 6,25%)
Description – super regional retail

* *proceeds to be used to lower LTV and/or fund developments.*

The information contained in this slide has not been reviewed or reported on by the company's auditors.