

Dear AvSuper Member

We are delighted to welcome AvSuper as investors in Investa Commercial Property Fund (ICPF) and have provided an outline of the Fund and strategy below for the information of AvSuper members.

### **About Investa Commercial Property Fund**

Established in 2002, ICPF is a core wholesale office fund with a portfolio of twelve prime office assets in Australia with a gross asset value of ~\$1.8 billion located in Australia's major CBD's. The Fund's portfolio of assets includes interests in some of Australia's leading office buildings, including Deutsche Bank Place at 126 Phillip Street Sydney and 120 Collins Street Melbourne and its investors comprise of the highest quality institutional investors in Australia and leading global institutions. A summary of the portfolio as at 30 September 2012 is provided below:

<b>As at</b>	<b>30-Sept-12</b>
Gross assets (\$m)	\$1,817.9
Number of assets	12
Portfolio occupancy (by area)	95%
Weighted Average Lease expiry profile (by income)	4.8 years
Debt drawn (\$m)	\$518.0
Gearing (Debt / Total Assets)	28.2%
Weighted av. portfolio cap rate	7.04%

### **Fund strategy**

ICPF aims to optimise total returns by implementing a low risk investment approach, focusing on prime grade Australian CBD office properties. The key strategic objectives are to:

- Achieve a high level of risk adjusted total return for investors through quality investments and proactive portfolio management;
- Reduce investment risk and provide long term liquidity to unitholders;
- Incorporate best practice governance;
- Apply active capital management to manage risk and maintain flexibility; and
- Maintain a sustainability focus

To this end, the Fund has executed a number of key initiatives and progressing others in line with strategy, through:

- Increasing exposure to dominant, traditional and well located CBD office assets which offer lower terminal yield risk;
- Targeting the sale of several assets that are considered tactical or non-core due to their suburban office and fringe CBD locations.
- Targeting tactical allocations into markets outside the core markets of Sydney and Melbourne CBD.

As a result of the asset quality and employed strategy the Fund is widely regarded as Australia's premier unlisted office fund and has seen significant fundraising support in recent years.

## Recent key operational achievements

A number of recent key operational achievements are outlined below:

- **Rezoning Kings Row:** Led by our development team, the Brisbane City Council recently approved an increase in developable area on the site from 20,000m<sup>2</sup> to over 85,000m<sup>2</sup>. The site will be subdivided into separate parcels and is planned to be sold during FY13 & 14;
- **Sale of 231 Elizabeth St, Sydney:** In line with strategy, the Fund is in advanced discussions with a purchaser to acquire the property. The sale would lower exposure to Telstra and the telecommunication sector and reduce lease exposure in 2020, a year in which a number of key leases expire. Settlement is expected in January 2013;
- **Debt refinancing:** Debt totalling \$230 million has been arranged or refinanced in the last 12 months, and ensured the fund's maturity and sources of debt remain well diversified;
- **Sustainability:** The Fund was ranked 4<sup>th</sup> globally in the recent Global Real Estate Sustainability Benchmark (GRESB) survey released in September 2012.

## About Investa

Investa Property Group is one of Australia's largest owners and managers of institutional grade office real estate, with a portfolio valued at over \$7 billion which spans across the private markets (ICPF), the listed markets (Investa Office Fund - IOF) and a company owned investment portfolio (Investa Property Trust).

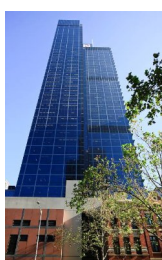
With a long history of managing institutional grade office buildings in core CBD markets around Australia, Investa controls more than one million square metres of office space which accommodates some of the world's leading companies.

Investa is unique in that it operates a comprehensive office management platform with an end-to-end service offering incorporating:

- Portfolio and asset management services
- Property services
- Development
- Sustainability, safety and environment
- In-house research

This integrated platform allows Investa to better manage office buildings to optimise performance, refurbish or redevelop sites to create value, and collaborate with tenants to deliver market leading property solutions.

Sustainability is a particular focus for the group, with Investa internationally recognised for leadership in the environmental management of buildings and for addressing climate change through sophisticated energy and water efficiency practices and innovative facilities management. While we remain committed to ever more stringent efficiency targets, our focus is increasingly on sustainability initiatives that complement other core strategies which are designed to attract and retain tenants, and ultimately deliver increased investment returns.



242 Exhibition Street



201 Kent Street



126 Phillip Street



120 Collins Street



40 Mount Street