

Freedom Property Fund Limited
(Incorporated in the Republic of South Africa)
(Registration No. 2012/129186/06)
Share code: FDP
ISIN: ZAE000185260
("Freedom" or the "Company" or the "Group")

DISPOSAL OF WEST PARK PALMS SITUATED ON ERF 5679 KROONSTAD (EXTENSION 50)

1. INTRODUCTION

Shareholders are advised that a wholly owned subsidiary of Freedom, Ivory Sun Trading 115 Proprietary Limited (the "Seller") has entered into a sale agreement ("Sale Agreement") with K2016357129 (SOUTH AFRICA) Proprietary Limited trading as Global Kingdom Business International (the "Purchaser") in terms of which the Purchaser will acquire (the "Sale") Erf 5679 (Extension 50) in the district of Kroonstad in the Orange Free State (the "Property"), for a total consideration of R6,000,000.00 (six million Rand) in cash ("Cash Consideration").

2. RATIONALE FOR THE SALE

The Sale is in line with Freedom's strategy of divesting of non-core assets as set out in an announcement released on the Securities Exchange News Service of JSE Limited (the "JSE") on 15 March 2016 (the "Announcement"). The proceeds will be applied within the Group in accordance with the details set out in the Announcement.

3. BACKGROUND TO THE SELLER AND THE PURCHASERS

3.1. The Company

The Seller is a wholly owned subsidiary of Freedom and the owner of the Property.

3.2. The Purchaser

The Purchaser is a private company incorporated in South Africa.

4. MATERIAL TERMS OF THE SALE AGREEMENT

4.1. Conditions Precedent

All conditions precedent to the Sale, including approval by the board of directors of each of the Seller and other than:

- the completion of a satisfactory due diligence ("Due Diligence") by the Purchaser within 30 business days of the receipt of information relevant to the Due Diligence;
- the raising of a private loan facility (the "Loan Facility") by the Purchaser within 30 business days of the satisfactory completion of the Due Diligence; and
- the transfer of the Property from the Seller to the Purchaser, have been fulfilled.

4.2. Sale Consideration

The Cash Consideration will be payable to the Seller on the transfer of the Property.

4.3. Effective Date

The effective date of the Sale Agreement will be the date of fulfilment (or waiver, as the case may be) of all of the conditions precedent set out in paragraph 4.1 above.

4.4. Other

Freedom and the Purchaser have each provided warranties that are standard to a transaction of this nature.

5. VALUE AND PROFITS ATTRIBUTABLE TO THE PROPERTY

The value of the Property, effective as of 28 February 2015, and as determined by an external valuer to the Company, Mr JS Bosman (M.I.V) (SA), is as set out below:

Title deed number:	T3984/2014
Location:	Kroonstad, Orange Free State
Sector:	Residential
Original purchase price:	R 9,840,280.00 (nine million eight hundred and forty thousand two hundred and eighty Rand)
Valuation (2015):	R 8,450,000.00 (eight million four hundred and fifty thousand Rand)
Gross lettable area:	829sqm
Weighted average rental per square meter:	R70.54/sqm
Gross rental income per month:	R57,072.00

The Property contributed a net loss of R1,312,771.00 (one million three hundred and twelve thousand seven hundred and seventy-one Rand) and R77,509.00 (seventy-seven thousand five hundred and nine Rand) to the Group's earnings and headline earnings respectively for the year ended 28 February 2015.

6. CATEGORISATION

Due to its relative size to the market capitalisation of Freedom, the Sale is deemed to constitute a Category 2 transaction under the JSE Listings Requirements.

Johannesburg
6 September 2016

Sponsor
Bravura Capital Proprietary Limited