

Press Release

For immediate release

10th April 2008

Emira Property Fund Securitises its debt

Emira Property Fund has recently replaced R650m of bank-sourced debt with funds raised in the debt capital market – thereby bringing down its cost of borrowings significantly.

The R650m deal, which was effective from 28 March 2008, represents the second series of Notes to be issued by Freestone Finance Company (Pty) Ltd, and was arranged by Rand Merchant Bank.

Damian Botoulas, of Rand Merchant Bank, said that the Notes, secured by R2bn worth of mortgages over 36 office, retail and industrial properties in the Emira portfolio, have been assigned a Aaa.za rating by Moody's Investors Service South Africa (Pty) Limited - the first commercial mortgage-backed securitisation to achieve such status for an entire debt issuance.

Emira estimates that the margin saving on its debt will save the Fund approximately R2,1m a year in interest charges – with the holders of Emira participatory interest units as the major beneficiaries.

Emira CEO, James Templeton, says a number of listed property companies have already taken steps to securitise their debt and bring down their average cost of borrowing, but Emira is the first Property Unit Trust (PUT) to go this route.

Taken with the R500m of Freestone Property Fund debt that was securitised by RMB in mid-2006 (Freestone property Fund was absorbed into Emira in April 2007), R1,15bn of Emira's total R1,3bn debt is now securitised.

According to Templeton, in addition to the annual interest charge saving, additional advantages of the debt securitisation are that the increased spread of investors improves Emira's ability to raise further capital in future and allows for more flexibility in funding the Fund's growth strategy.

"On top of that, as most of the cost is incurred in the initial setting up of the new debt structure, it is possible that we will be able to raise further cash at reduced margins through top ups to the existing series."

Ends

ISSUED BY: MOTIV INVESTOR COMMUNICATIONS
Graham Fiford Tel: (011) 305 7312

ON BEHALF OF: EMIRA PROPERTY FUND
James Templeton Tel: (011) 775 1320