

14 November 2013

The Manager
Company Announcements Office
National Stock Exchange of Australia Limited
Level 2, 117 Scott Street
Newcastle, NSW 2300

APN Property Group Limited
ABN 30 109 846 068

Responsible Entity:
APN Funds Management Limited
ABN 60 080 674 479 AFSL No 237500

Level 30, 101 Collins Street
Melbourne, Victoria 3000 Australia

T +61 (0) 3 8656 1000
F +61 (0) 3 8656 1010
Investor Services 1800 996 456
Adviser Services 1300 027 636
W www.apngroup.com.au
E apnpg@apngroup.com.au

Correspondence to:
PO Box 18011
Melbourne Collins Street East
Victoria 8003

Dear Sir/Madam

APN Regional Property Fund (NSX code: APR)
ARSN: 110 488 821

Asset Disposal – Grafton Mall

APN Funds Management Limited as responsible entity for the APN Regional Property Fund (the Fund) is pleased to announce the sale of Grafton Mall.

The asset has been sold for \$10.5 million which reflects a 13.4% premium to the 30 June 2013 book value of \$9.3 million. Settlement is expected to occur 22 November 2013.

The sale is consistent with our previous stated strategy (see announcement of 5 September 2012). The current debt facility with CBA requires the Fund to apply 50% of net income to loan amortisation while gearing is above 55%. The current gearing is 57.1% and will fall below 55% on settlement of Grafton Mall. This should allow the Fund to distribute up to 100% of net income to unitholders.

The Responsible Entity will provide further information to unitholders on Net Tangible Asset Backing, Gearing Ratio and future distribution outlook after settlement has occurred.

Yours sincerely



John Freemantle
Company Secretary

About APN Property Group

APN Property Group Limited (ASX code: APD) is a specialist real estate investment manager.

Since 1996, APN has been actively investing in, developing and managing real estate and real estate securities on behalf of institutional and retail investors.

APN's focus is on delivering superior investment performance and outstanding service. Performance is underpinned by a highly disciplined investment approach and a deep understanding of commercial real estate.

apngroup.com.au