

APPLICABLE PRICING SUPPLEMENT

VUKILE PROPERTY FUND LIMITED

(the "Issuer")

*(Incorporated in South Africa with limited liability under registration number
2002/027194/06)*

**Issue of ZAR100,000,000 Senior Unsecured Floating Rate Listed Notes with a
Stock Code VKC24**

Under its ZAR5 000 000 000 Domestic Medium Term Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by the Issuer dated 4 May 2012, as may be amended or supplemented from time to time. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum contains all information required by Applicable Law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in the Programme Memorandum, the Applicable Pricing Supplements and the annual financial



statements and any amendments to the annual financial statements or any supplements from time to time, except as otherwise stated therein.

The JSE assumes no responsibility or liability of whatsoever nature for the contents of the Programme Memorandum or this Applicable Pricing Supplement or the annual financial statements or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time), and the JSE makes no representation as to the accuracy or completeness of the Programme Memorandum or this Applicable Pricing Supplement, the annual financial statements or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time). The JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum or this Applicable Pricing Supplement or the annual financial statements or any other information incorporated by reference into this Programme Memorandum (as amended or restated from time to time).

DESCRIPTION OF THE NOTES

1. Issuer	Vukile Property Fund Limited
2. Status of the Notes	Senior Notes
3. Security	Unsecured
4. Listed/Unlisted	Listed – JSE Limited (Interest Rate Market)
5. Group number, if secured	N/A
6. Series number	30
7. Tranche number	1
8. Aggregate Principal Amount of this Tranche	ZAR100,000,000
9. Interest/Payment Basis	Floating Rate
10. Issue Date(s)	20 February 2018
11. Minimum Denomination per Note	ZAR1 000 000

12. Specified Denomination (Principal Amount per Note)	ZAR1 000 000
13. Issue Price(s)	100% of the Principal Amount of each Note
14. Applicable Business Day Convention, if different to that specified in the Terms and Conditions	Modified Following Business Day
15. Interest Commencement Date(s)	20 February 2018
16. Step-Up Date	N/A
17. Final Redemption Date	20 February 2019
18. Specified Currency	ZAR
19. Additional Business Centre	N/A
20. Maturity Amount	100% of the Principal Amount of each Note
21. Set out the relevant description of any additional/other Terms and Conditions relating to the Notes (including additional covenants)	N/A

FIXED RATE NOTES

N/A

FLOATING RATE NOTES

22. Interest Payment Date(s)	20 May 2018, 20 August 2018, 20 November 2018 and 20 February 2019 (being the Final Redemption Date)
23. Interest Period(s)	From (and including) 20 February 2018 to (but excluding) 20 May 2018, from (and including) 20 May 2018 to (but excluding) 20 August 2018, from (and including) 20 August 2018 to (but excluding) 20 November 2018 and from (and including) 20 November 2018 to (but excluding) 20 February 2019 (in each case subject to the

Following Business Day Convention in relation to the Interest Payment Dates)

24. Manner in which the Interest Rate is to be determined Screen Rate Determination/other (insert details) plus Margin/Spread for the Interest Rate
25. Margin/Spread for the Interest Rate 110 bps per annum to be added to the relevant Reference Rate
26. Margin/Spread for the Step-Up Rate N/A
27. If Screen Determination
- (a) Reference Rate (including relevant 3 month JIBAR period by reference to which the Interest Rate is to be calculated)
 - (b) Rate Determination Date(s) The first rate determination being 15 February 2018 for the first Interest Period, and the first Business Day of each Interest Period thereafter
 - (c) Relevant Screen page and Reference Code Reuters page 0#SFXMM or successor page
28. If Interest Rate to be calculated otherwise than by reference to Screen Rate Determination, insert basis for determining Interest Rate/Margin/Fall back provisions N/A
29. Any other terms relating to the particular method of calculating interest N/A

ZERO COUPON NOTES

N/A

INDEXED NOTES

N/A

OTHER NOTES

N/A

**PROVISIONS REGARDING REDEMPTION/
MATURITY**

30. Redemption at the option of the Issuer: if yes: No
- (a) Optional Redemption Date(s) N/A
- (b) Optional Redemption Amount(s) and N/A method, if any, of calculation of such amount(s)
- (c) Minimum period of notice N/A
- (d) If redeemable in part:
- Minimum Redemption Amount(s) N/A
- Higher Redemption Amount(s) N/A
- (e) Other terms applicable on Redemption N/A
31. Redemption at the option of the holders of the Senior Notes (Put Option): if yes No
- (a) Optional Redemption Date(s) (Put) N/A
- (b) Optional Redemption Amount(s) (Put) N/A and method, if any, of calculation of such amount(s)
- (c) Minimum period of notice N/A
- (d) If redeemable in part: N/A
- Minimum Redemption Amount(s) N/A
- Higher Redemption Amount(s) N/A
- (e) Other terms applicable on Redemption N/A
32. Redemption at the option of the holders of the Senior Notes upon the occurrence of a Put Event in terms of Condition 8.6:

- | | | |
|-----|---|-----|
| (a) | Delisting of the Notes of this Tranche | Yes |
| (b) | Change of Control Event | Yes |
| (c) | Downgrade or withdrawal of the Rating of the Issuer | Yes |

33. Early Redemption Amount(s) payable on redemption for Taxation reasons in terms of Condition 8.3 or early redemption following an Event of Default in terms of Condition 11 or early redemption at the option of Noteholders in terms of Condition 8.6: if yes

Early Redemption Amount and method, if any, as per Condition 8.7 of calculation of such amount

GENERAL

- | | | |
|-----|---|---|
| 34. | Additional selling restrictions | N/A |
| 35. | International Securities Numbering (ISIN) | ZAG000149774 |
| 36. | Stock Code | VKC24 |
| 37. | Financial Exchange | Interest Rate Market of the JSE |
| 38. | Dealer(s) | Rand Merchant Bank, a division of FirstRand Bank Limited |
| 39. | If syndicated, names of Lead Manager(s) | N/A |
| 40. | Method of distribution | Private placement |
| 41. | Rating assigned to the Issuer of Notes and date for review of such rating | Short term A1 _(ZA) , assigned as at March 2017 and will be reviewed annually |
| 42. | Rating Agency (if any) | Global Credit Ratings |
| 43. | Governing Law | South Africa |

44. Last Day to Register by 17h00 on, 9 May 2018, 9 August 2018, 9 November 2018 and 9 February 2019, being the Business Day preceding the Books Closed Period
45. Books Closed Period The register will be closed from (and including) 10 May 2018 to (but excluding) 20 May 2018, from (and including) 10 August 2018 to (but excluding) 20 August 2018, from (and including) 10 November 2018 to (but excluding) 20 November 2018 and from (and including) 10 February 2019 to (but excluding) 20 February 2019 (being the Final Redemption Date)
46. Calculation Agent Rand Merchant Bank, a division of FirstRand Bank Limited
47. Specified Office of the Calculation Agent 1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton
2196
48. Transfer Agent Rand Merchant Bank, a division of FirstRand Bank Limited
49. Specified Office of the Transfer Agent 1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton
2196
50. Debt Sponsor Java Capital
51. Issuer's Settlement Agent Rand Merchant Bank, a division of FirstRand Bank Limited
52. Specified Office of the Issuer's Settlement Agent 1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton
2196
53. Stabilisation Manager, if any N/A

54. Programme Amount ZAR5 000 000 000
55. Aggregate Outstanding Principal Amount of ZAR1,749,000,000, excluding this Tranche
Notes in issue on the Issue Date of this Tranche of Notes and any other Tranche(s) of Notes
to be issued on the Issue Date
56. Aggregate Outstanding Principal Amount of ZARnil, excluding this Tranche of Notes
Notes in issue in respect of the Series on the Issue Date of this Tranche and any other Tranche(s) of Notes to be
issued in respect of the Series on the Issue
Date
57. Aggregate Outstanding Principal Amount of N/A
Notes in issue in respect of the Group on the
Issue Date of this Tranche
58. Additional Events of Default N/A
59. Other provisions Additional Terms and Conditions relating to
the notes – see Appendix B



DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE
COMMERCIAL PAPER REGULATIONS – SEE APPENDIX "A"

The issuance of the Notes contemplated in this Applicable Pricing Supplement will not result in the authorised amount contained in the Programme Memorandum being exceeded.

Application is hereby made to list this Tranche of the Notes, as from 20 February 2018, pursuant to the Vukile Property Fund Limited Domestic Medium Term Note Programme. The Programme has been registered with the JSE.

VUKILE PROPERTY FUND LIMITED

Signed at Johannesburg on behalf of Vukile Property Fund Limited,
on _____ 2018


Chief Executive Officer

Signed at Johannesburg on behalf of Vukile Property Fund Limited,
on _____ 2018


Financial Director

APPENDIX "A"**Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations**

At the date of this Applicable Pricing Supplement:

Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

Paragraph 3(5)(c)

The auditor of the Issuer is Grant Thornton.

Paragraph 3(5)(d)

As at the date of this issue:

(a) the Issuer has issued Notes with an aggregate Outstanding Principal Amount of ZAR1,749,000,000 (excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date); and


(b) it is anticipated that the Issuer will issue an additional ZAR77,000,000 of Notes during the remainder of its current financial year, ending 31 March 2018.

Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes.

Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.



Paragraph 3(5)(g)

The Notes issued will be listed, as stated in the Applicable Pricing Supplement.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

Paragraph 3(5)(i)

The Notes are unsecured.

Paragraph 3(5)(j)

Grant Thornton, the auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations (Government Notice 2172 in Government Gazette No, 16167 of 14 December 1994) published under Paragraph (cc) of the definition of the “business of a bank” in terms of Section 1 of the Banks Act, 1990.

Handwritten signature and initials in the bottom right corner of the page.

APPENDIX “B”

Additional Terms and Conditions relating to the Notes of the Series

COVENANTS

The Terms and Conditions set out in the Programme Memorandum are amended in relation the Notes of this Tranche by the insertion of the following additional Condition 23 (Covenants):

23 Condition 23 – Covenants

- 23.1 The Issuer must ensure that the Loan to Valuation Ratio of the Vukile Group Property Portfolio does not exceed 50% at any time, based on the most recent Open Market Valuation.
- 23.2 The covenant shall be tested on the last day of each financial year and half financial year of the Issuer by reference to the audited consolidated financial statements of the Issuer on that date, or, if not available, then the unaudited consolidated financial statements of the Issuer on that date.
- 23.3 A compliance certificate in respect of the covenant, signed by 2 duly authorised directors of the Issuer, will be available for inspection by Noteholders, during normal office hours, at the Specified Offices of the Issuer, within 90 days of the last day of each financial year and half financial year of the Issuer.

ADDITIONAL DEFINITIONS IN RESPECT OF THE NOTES

The Terms and Conditions set out in the Programme Memorandum are amended in relation to the Notes of this Tranche by the insertion of the following additional Condition 24 (Additional Definitions in respect of the Notes):

24 Condition 24 – Additional Definitions in respect of the Notes

Terms and expressions set out below will have the meanings set out below in the Terms and Conditions of the Notes of this Tranche:

- 24.1 **Institute of Valuers** means The South African Institute of Valuers, founded in 1909, the national society of professional real estate valuers, or its successor;

- 24.2 **Loan to Valuation Ratio** means at any time, in respect of the Notes, the ratio as expressed as follows:
- 24.2.1 $\text{Loan to Valuation Ratio} = L \text{ divided by } V$
- Where:
- 24.2.2 L = means any secured or unsecured indebtedness of the Vukile Group (whether principal, premium, interest or other amounts) for or in respect of (i) monies borrowed, or (ii) liabilities under any acceptance or acceptance credit, or (iii) any bonds, notes, debentures, loan stock or other debt securities, or (iv) any guarantees or indemnities given, whether present or future, actual or contingent; and
- 24.2.3 V = the sum of (i) the amount of the most recent Open Market Valuation of all the Properties in the Vukile Group Property Portfolio, on a consolidated basis and (ii) the market value of the equity accounted investments;
- 24.3 **Open Market Valuation** means in respect of the Properties in the Vukile Group Property Portfolio, the annual property valuation undertaken and prepared at the instance of the Issuer in regard to all the Properties in the Vukile Group Property Portfolio, which in relation to a minimum of 1/3 of the Properties in the Vukile Group Property Portfolio, shall be undertaken by a Valuer or Valuers appointed by the Issuer and conducted in accordance with the valuation methodology approved by the Institute of Valuers from time to time; provided that in respect of any 3 year period all of the Properties in the Vukile Group Property Portfolio will have been valued, in accordance with the valuation methodology approved by the Institute of Valuers from time to time or such other methodology approved in writing by Valuers approved by the Issuer;
- 24.4 **Properties** means the properties in the Vukile Group Property Portfolio;
- 24.5 **Valuer** means an accredited property valuer registered as such in terms of the Valuer's Act, 1982, who is independent of the Issuer and any property manager;

- 24.6 **Vukile Group Property Portfolio** means the fixed, immovable properties registered in the name of any member of the Vukile Group (in each case, as sole owner or co-owner, as the case may be) or in respect of which the Vukile Group has registered leasehold rights, from time to time.

A handwritten signature in black ink, consisting of stylized, cursive letters, likely representing the initials 'AN'.