



OVERVIEW

As part of our commitment to innovation, we are proud to offer the Old Mutual Triangle Core Property Fund, a fund offering that exemplifies the Fairbairn Capital difference – making the science of investing more accessible and rewarding to an elite market, making it count for private investors.

A BLUE CHIP PORTFOLIO FOR DISCERNING INVESTORS

Fairbairn Capital now offers individual investors the opportunity to invest in the Old Mutual Triangle Core Property Fund which consists of a select group of properties managed by Old Mutual Investment Group Property Investments (OMIGPI). This actively managed portfolio of real estate assets is made up of Old Mutual's flagship properties. The fund manager invests in blue chip properties with quality tenants which are likely to generate predictable and growing income streams.

INVESTMENT OBJECTIVES

The fund aims to generate a return (gross of fees) that exceeds CPI by at least 5.5% a year over rolling seven-year periods. In addition, it strives to achieve top quartile performance over each calendar year, relative to its peer group, as measured by the Investment Property Databank (IPD) Index for large funds.

INVESTMENT PHILOSOPHY

The properties held in the portfolio are quality real estate, selectively acquired for their ability to generate a growing income stream as well as long-term capital appreciation. The portfolio is adjusted with due consideration being given to the economic environment and property life cycle.

While the focus is primarily on direct property, up to 20% of assets may be invested in listed property and cash in order to facilitate liquidity. Underperforming assets are assessed on their turnaround opportunities and will either be refurbished or sold (to external buyers or the Triangle Development Fund).

Factors that influence the selection of properties

- Shopping centres that dominate their shopping surroundings (i.e. nodes)
- Appropriate sector diversification across Retail, Office and Industrial real estate
- Diversification according to property size
- Appropriate tenant mix

Fund valuation and reporting

All properties in the Old Mutual Triangle Core Property Fund portfolio are valued every quarter. Old Mutual Investment Group Property Investment's (OMIGPI) Valuation Division performs these valuations – visiting and inspecting the properties at least once a year, with the top ten properties being visited twice a year.

INVESTOR PROFILE

Investors who are wanting direct property investment, with liquidity and a good geographical spread, should consider the Old Mutual Triangle Core Property Fund. This choice should be made in conjunction with a financial adviser and should form part and parcel of an investor's financial objectives and personal circumstances.

The fund is available for retirement annuity investments in:

- Investment Frontiers Retirement Capital Portfolio
- Fairbairn Capital Retirement Annuity Plan

The fund is available for investment funded income (living annuity) investments in:

- Investment Frontiers Retirement Income Portfolio
- Fairbairn Capital Retirement Income Plan

The fund is available on preservation options in:

- Fairbairn Capital Preservation Pension and Provident Funds



FAIRBAIRN CAPITAL TRIANGLE CORE PROPERTY

BENEFITS

Geographical diversification

The fund has a wide geographical spread throughout South Africa with a presence in all major provinces. The geographic diversification is largely driven by the economic prosperity of the area and the fund is always assessing potential to increase exposure in other locations.

Presence in the market

OMIGPI is the largest property company in Africa with assets under management valued at approximately R30 billion and an exceptional long-term track record.

Liquidity

The fund addresses some of the potential stumbling blocks typically encountered by investors when investing in direct property, specifically lack of liquidity. Unlike some direct property funds there is no "notice period" imposed on investors and the fund remains a fully liquid, direct property fund.

Reliable, predictable growing income streams

The revenue stream from direct property typically remains consistent, regardless of short-term market volatility, with contractual lease agreements ensuring a growing rental income.

Quality tenants

Each property within the portfolio of the fund has quality key tenants. Large anchor tenants (i.e. national retailers) are vital in attracting strong trade.

Less volatility

A direct property investment offers diversification from the stock market and therefore performance that is not linked to the general market volatility, but rather reflects the underlying property cycle.

Exclusivity

Investors have access to a select portfolio of unlisted buildings which are not available anywhere else except in this fund.

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For Unit Trust funds only:

Unit trusts are generally medium to long-term investments. The value of the units may go down as well as up and past performance is not necessarily a guide to the future. Unit trusts are traded at ruling prices. A schedule of fees and charges and maximum commissions is available on request from the management company. Commission and incentives may be paid, and if so, would be included in the overall costs. Forward pricing is used. In the case of Money Market Funds, a constant unit price will be maintained.

Other funds:

These are generally medium to long-term investments. The value of the units may go down as well as up and past performance is not necessarily a guide to the future.

OMIS (Pty) Ltd is a member of the Old Mutual Group and is a licensed Administrative Financial Services Provider. Mutualpark, Jan Smuts Drive, Pinelands 7405. PO Box 617, Howard Place, Cape Town 7450. Tel 0860 300 000, Fax 0860 400 000. E-mail service@fairbairncapital.com, www.fairbairncapital.com