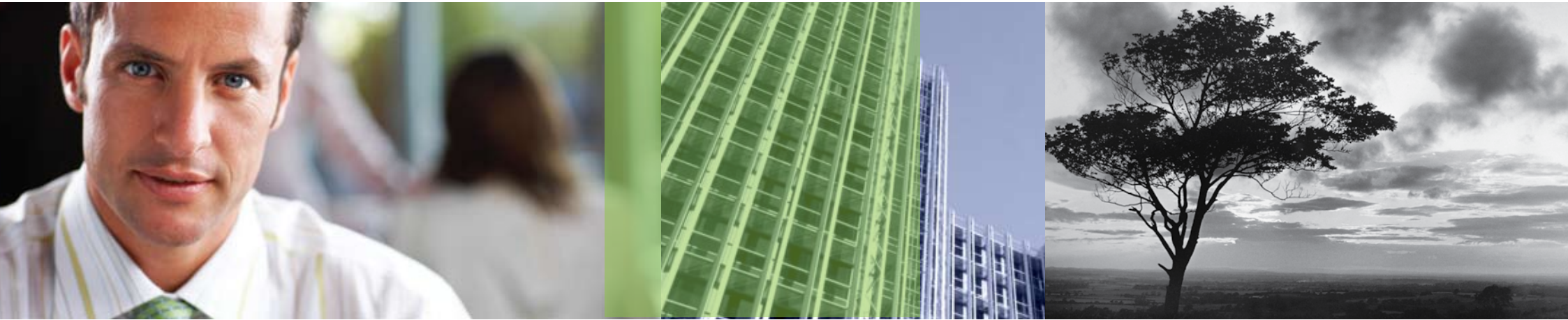


INTRODUCING THE OLD MUTUAL TRIANGLE CORE PROPERTY FUND



A SOUTH AFRICAN FIRST... NOW PRIVATE INVESTORS CAN INVEST IN A DIRECT PROPERTY PORTFOLIO MANAGED BY OLD MUTUAL INVESTMENT GROUP PROPERTY INVESTMENTS.

Until recently, only institutional investors could benefit from the exceptional performance of Old Mutual's sought-after properties. Now an exclusive investment opportunity is available to retail investors through Fairbairn Capital on the Investment Frontiers and Galaxy platforms.

Fairbairn Capital is Old Mutual's exclusive offering for premium investors. It provides high levels of service and expertise delivered to this discerning market through tailored single-premium investment solutions. 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 the science of investing more accessible and rewarding to an elite market.

THE OLD MUTUAL TRIANGLE CORE PROPERTY FUND

Investors have always held an affinity with property. Not only can it be a key part of a well-balanced and diversified portfolio, but it can also be a tangible, bricks and mortar investment if held directly. 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. The assets are registered in the name of Old Mutual Life Assurance Company (SA) Ltd and managed by Old Mutual Investment Group Property Investments (OMIGPI).

Fairbairn Capital caters for the investor who has a lump sum of R100 000 or more to invest. Like all Fairbairn Capital offerings it provides exceptional levels of investment reporting and service.

INVESTMENT OBJECTIVES

The fund aims to generate a return (gross of fees) that exceeds CPIX by at least 5.5% a year over rolling 7-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).

BENEFITS OF INVESTING IN THE OLD MUTUAL TRIANGLE CORE PROPERTY FUND

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

A select portfolio of unlisted buildings which are not available anywhere else except in this fund.

WHO SHOULD INVEST?

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**
- **Galaxy Retirement Annuity**

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

- **Investment Frontiers Retirement Income Portfolio**
- **Galaxy Underwritten Life Annuity**

The fund is available on preservation options in:

- **Galaxy Preservation Pension and Provident Funds**

Retirement annuity

Retirement annuities are an ideal way to save for your retirement because your contributions are tax deductible – within limits – and you cannot access your capital until you retire. In addition your investment is protected from creditors should you go insolvent.

Investment Funded Income (Living Annuity)

When you retire from a retirement fund such as a pension fund or retirement annuity, you are required to buy a living or life annuity that will provide you with an income during your retirement years.

Preservation Funds

With the Galaxy Preservation Pension and Provident Funds, you can protect your retirement investments from suffering any such losses by preserving these savings, should you withdraw from your employer's pension or provident fund.





PORTFOLIO COMPOSITION

Top Holdings	Location	Rentable Area	Sector
Menlyn Park shopping centre	Gauteng	118 952m ²	Retail
Gateway shopping centre	KZN	137 270m ²	Retail
Cavendish Square	W/Cape	44 467m ²	Retail
Riverside Mall shopping centre	Mpumalanga	50 643m ²	Retail
Phumelela Industrial	W/Cape	75 397m ²	Industrial
Vincent Park centre	E/Cape	36 260m ²	Retail
The Zone @ Rosebank	Gauteng	22 962m ²	Retail

Asset Sector	Min / Max Range	Portfolio Estimate	Benchmark (IPD*)
Direct property	80% - 100%	88%	90%
Listed property	0% - 20%	1%	10%
Cash		11%	0%
International property	0% -10%	0%	0%

*Investment Property Databank is a global business supplying market indices, portfolio benchmarks and performance analysis to the real estate industry.

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.** While the portfolio is biased towards the Retail sector, the portfolio managers ensure sufficient diversification by investing in the Office and Industrial sectors, tactically taking advantage of changes in the property cycle.
- **Diversification according to property size.** Within the Retail sector, the fund has sufficient exposure to regional and super-regional shopping centres. These are malls of 50 000 – 100 000m² or more. Super-regional shopping centres are resilient in any economic cycle, which makes the portfolio defensive. The fund's aim is to increase exposure to regional community centres. Diversification of regional malls offers a mix of shopping, leisure and relaxation. Community centres, on the other hand, are smaller and provide access to shops close to home.
- **Appropriate tenant mix.** We have a proven track record of getting an appropriate combination of quality national retailers along with niche/lifestyle stores, that together effectively attract high volumes of shoppers.

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. In addition, the OMIGPI Valuation Division employs external valuers to value all the properties over rolling 3-year periods. A minimum of three external valuers are selected to undertake this audit.



FEES DEDUCTED BY FUND MANAGER

Investment Frontiers 1.15% p.a.
Galaxy (all-in-fee) 2.86% p.a.*

*All-in-fee includes asset management fee, ongoing product administration fee of 0.86% p.a. (inc. VAT), and ongoing adviser fee of 0.86% p.a.(inc. VAT).

Please note: The opinions expressed in this brochure are not intended to serve as authoritative investment advice and should not be used in substitution for the exercise of own judgement.



Contact your Old Mutual financial adviser or your broker or call the Fairbairn Capital service centre on 0860 300 000.

www.fairbairncapital.com

Fairbairn Capital is an elite service offering brought to you by Old Mutual Investment Services (Pty) Ltd and Old Mutual, Licensed Financial Service Provider



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