

MEDIA RELEASE

Fortius and Irongate secure premier retail assets in Adelaide CBD

- **Fortius and Irongate purchase Rundle Place affirming confidence in Adelaide's retail comeback**
- **Partnership to spearhead retail space upgrades and attract international brands to South Australian hub**
- **Fortius also acquire adjoining Grenfell Street Carpark to solidify commitment to Adelaide's CBD precinct**

28 April 2021, Sydney: Fortius, one of Australia's longest serving specialist property investors in partnership with the ASX-listed Irongate Group through their wholesale funds management platform, has today announced the acquisition of Rundle Place, a premium CBD retail shopping complex in the heart of Adelaide's Rundle Mall.

With more than 30 years' experience in Australia's commercial property market, Fortius recognised the opportunity to acquire one of the busiest shopping destinations in Australia, which is home to South Australia's only Apple store, the Adelaide City Library, a full line Coles supermarket, and more than 50 specialty shops.

The Irongate managed Irongate Templewater Australia Property Fund, an Australian and New Zealand focused real estate opportunity fund, came on as anchor investor to support Fortius' business plan, recognising the rare opportunity to acquire a prime asset at below land and replacement cost.

As part of the acquisition, Fortius has secured the adjoining Grenfell Street Carpark, on a current passing income of 5.8 per cent. Regarded as one of the strongest performing car parking stations in the CBD, with 500 car spaces over seven levels that directly integrates with the four-level retail centre and attracts a diverse mix of workers, local residents and shoppers.

Sam Sproats, Fortius' Chief Executive said the purchase of Rundle Place and Grenfell Carpark highlights the group's 30 year track record in identifying quality, well located assets underpinned by strong market fundamentals.

"The acquisition demonstrates our confidence of the value proposition in this transaction and we'll again roll the sleeves up to achieve our vision. There is resilience in the retail sector and it's bouncing back quickly, supported by an overwhelming amount of investor interest we have received," Mr Sproats said.

"We're excited to be working in partnership with Irongate to enhance what is the premier retail offering within the Adelaide CBD, and apply the Fortius skillset to revitalise the tenant mix and introduce leading national and international brands to Adelaide."

Graeme Katz, Irongate's Chief Executive, said Irongate are proud to have partnered with

Fortius on this acquisition in the heart of Adelaide's CBD.

"Rundle Place is a landmark asset and has been acquired by the Irongate Templewater Australia Property Fund. The acquisition of Rundle Place is another example of our focus on strong property fundamentals. Our wholesale funds management program allows us to take advantage of these kind of deep value opportunities and we look forward to working with Fortius on unlocking further value," Mr Katz said.

Adelaide's positive economic and retail recovery supports Fortius' planned upgrades to attract an array of customers as they continue to return to brick-and-mortar stores seeking unique experiences, convenience, and a diverse selection of retailers and service providers.

South Australia accounts for only 2% of the country's COVID-19 cases to date, resulting in the local economy re-opening ahead of expectations and eager consumers spending at Rundle Place.

McVay Real Estate's, Sam McVay – who alongside Knight Frank facilitated the deal – said Adelaide is realising notable growth which is appealing to investors.

"The city is witnessing a substantial increase in institutional interest off the back of a \$5 billion government project spend, zero stamp duty regime and rapidly developing CBD. This transaction is evidence of the increasing levels of investor demand for high quality retail assets in locations with strong fundamentals such as Adelaide." Mr McVay said.

Fortius' funds under management are now in excess of \$1.75 billion, with assets across urban retail, mixed-use, office and education sectors located in major capital cities and metropolitan markets along the eastern seaboard of Australia.

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About Fortius

Fortius is a private Australian Funds Management group with a proven track record in property funds management. Fortius's approach to real estate investment is driven by a greater understanding of the fundamentals and dynamics of real estate markets, and the ability to identify the potential of individual assets. Fortius has been investing in Australian commercial real estate for close to 30 years. In this time they have built up institutional grade investment processes, systems integration and a competitive edge in investment execution. For more information visit fortius.com.au.

About Irongate Group

Irongate has its origins as the Investec Group's Australian and New Zealand property investment and asset management business. Having invested in and managed over A\$3bn of assets for the Investec Group, the long-standing management team evolved to become the Irongate Group to continue its growth trajectory and expand its third-party funds management platform, which includes TAP.

Irongate's strength lies in its disciplined, measured and value-based approach to multi-sector property investment and asset management in Australia and New Zealand. It has dedicated teams that specialise in acquisitions, hands on active asset management, effective balance sheet management and developing trusted capital partnerships.

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