



To whom it may concern,

29 June 2018

**COMPLIANCE WITH THE MINIMUM FINANCIAL COVENANT REQUIREMENTS AS AT 31 MARCH 2018**

Hospitality Property Fund Limited's (HPF) financial covenant requirements as measured at 30 September and 31 March for the corporate notes in issue, is required to be as follows:

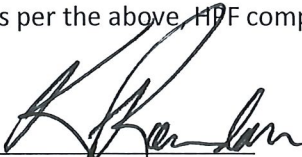
1. Loan to Value Ratio does not exceed 45%; and
2. Interest Cover Ratio is not less than 2:1.

The financial covenants as at 31 March 2018, were as follows:

<b>Loan to Value Ratio</b>	<b>Group R'000</b>	<b>Secured Property Portfolio Value R'000</b>
Total facility outstanding	1,936,071	1,856,071
Total property value	12,599,570	9,337,104
<b>Loan to Value Ratio</b>	<b>15.4%</b>	<b>19.9%</b>

<b>Interest Cover Ratio</b>	<b>Group R'000</b>	<b>Secured Property Portfolio Value R'000</b>
Rental Income	866,501	639,869
Operating expenditure	(46,555)	(34,379)
<b>Net rental income</b>	<b>819,946</b>	<b>605,490</b>
Net finance cost	(164,063)	(155,882)
<b>Interest Cover Ratio</b>	<b>5.00</b>	<b>3.88</b>

As per the above HPF complied with the minimum required financial covenants.

  
 Keith Randall  
 Director

  
 Mara de Lima  
 Director

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Hospitality Property Fund Ltd. Reg No 2005/014211/06

Directors: J A Copelyn (Chairman)\*, G A Nelson (Lead Independent Director)\*, K G Randall (CEO), M de Lima (FD), D G Bowden\*, J Booysen\*

M S I Gani\*, Z J Kganyago\*, Z N Kubukeli\*, S A Halliday\*, L McDonald\*, J R Nicoletta\*, Z N Malinga\*

\* non-executive

Company Secretary: L R van Onselen for HPF Management (Pty) Ltd. Reg No. 2009/021472/07