
**FOLKESTONE'S LATEST DEVELOPMENT FUND CLOSES
SIGNIFICANTLY OVERSUBSCRIBED**

Folkestone Limited ("Folkestone") is pleased to announce that the Folkestone Wollert Development Fund ("Fund") has closed significantly oversubscribed one week after its launch.

The Fund has raised \$25.40 million comprising \$19.05 million of third party capital (75 per cent) and \$6.35 million of co-investment from Folkestone (25 per cent).

The Fund has an 80 per cent interest in a circa 42.2 hectare residential land subdivision known as Amber in Wollert ("Amber" or "Project"). Amber is located in Melbourne's northern growth corridor. The Fund will develop, in joint venture with ID-Land (20 per cent of the Project), approximately 560 residential lots providing a selection of lot sizes and price points to suit a range of buyers.

Folkestone's Managing Director, Mr Greg Paramor said, "the success of the capital raising demonstrates investors' appetite for quality real estate investments. The strong pre-sales we have achieved to date, its location in one of Australia's fastest growing areas¹, the forecast internal rate of return of 17.0 per cent and return on equity of 56.0 per cent (pre-tax, post fees) all contributed to the attractiveness of the Fund offer to our investor base."

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About Folkestone

Folkestone (ASX:FLK) is an ASX listed real estate funds manager and developer providing real estate wealth solutions. Folkestone's funds management platform, with \$1.2 billion under management, offers listed and unlisted real estate funds to private clients and select institutional investors, while its on balance sheet activities focus on value-add and opportunistic (development) real estate investments. www.folkestone.com.au

1. According to the latest ABS population figures for LGA's (ABS Cat. 3218.0), the City of Whittlesea was the 7th fast growing LGA in 2014-2015 at 4.6% and also recorded the 5th largest increase in population of 8,554.