



## MEDIA RELEASE FROM EMIRA PROPERTY FUND

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### **Emira's asset growth expands performance horizons**

With 12 key property assets acquired so far in 2014, resulting in a R1,6 billion increase to its portfolio value in the past 12 months, Emira Property Fund has boosted its future earnings growth for the medium term.

Already earning rental income, all properties, bar one, have transferred to Emira. They are portfolio enhancing, and represent combined a forward yield of 9.1%. The assets have raised Emira's portfolio value by in excess of 15%.

The acquisitions were more than 80% debt financed with long term facilities of between three and four years, with close to 90% of the debt having been completely hedged out for a similar duration.

CEO of Emira, James Templeton, explains this means that the growing income streams from the portfolio of assets acquired, combined with the substantial level of long-term, fixed debt, results in a geared benefit that drops through to Emira's bottom line in future years.

Templeton says: "These strategic acquisitions will support the growth of the fund's earnings over the next few years. They have improved the quality of our portfolio and brought high-quality tenants on long-term leases into the Emira fold. They also increase the average value of Emira's properties."

The properties include the R614 million prestigious, fully-let 25,767m<sup>2</sup> Menlyn Corporate Park in Pretoria, which is expected to yield 8.6% for Emira in its first year. This prime-grade asset is the largest single acquisition Emira has made to date.

Templeton notes: "Menlyn Corporate Park is a prime contemporary office property at the heart of a massive growth node." It is directly opposite the site for the newly approved R3-billion urban entertainment destination to be developed for Sun International.

Added to this, Emira acquired a R830 million diversified portfolio of eight properties, of which six are in the Western Cape, strategically enhancing its exposure to the province, where Emira has historically been under-exposed. Retail and industrial properties comprise 63% of this portfolio by value, which also has a favourable weighted average lease period of 5.5 years, and healthy lease escalation rates from high quality tenants.

Templeton adds: "We will continue to identify and pursue strategic acquisitions and development opportunities that support Emira's strategy and performance, and will fund them in a manner that enhances future earnings."



Emira Property Fund is a JSE-listed REIT. It is invested in a diversified portfolio of office, retail and industrial properties. Its assets comprise 147 properties valued at R11,471 billion. Emira is also internationally diversified through its direct interest in ASX-listed Growthpoint Properties Australia (GOZ), valued at R666 million at 30 June 2014, with total assets now at R12,5 billion.

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Released on behalf of:  
Emira Property Fund  
James Templeton, CEO  
Tel: +27 11 028 3100

Distributed by:  
Marketing Concepts  
Suren Naidoo  
Tel: +27 11 783 0700