

MEDIA RELEASE

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Investec Property Fund invests R450 million in new property acquisitions

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Six of these properties, representing approximately 50% of the value of the acquisitions, are “big box” retail properties with long leases ranging from four to nine years occupied by quality tenants including Masscash, Cashbuild, Boxer, Fruit and Veg City and the well-established national Devland Group. The two largest properties are located in the core retail node of Boksburg and Silverlakes Pretoria.

The seventh is a small retail property in Khayelitsha anchored by a Pick n Pay franchise store and strategically situated adjacent to Nonkqubela Mall owned by the Fund.

The final two properties, which fall into the industrial and office categories, comprise 20% and 30% respectively by value and are both tenanted on 10 year triple net leases. The office property is the Head Office of the leading national Bigen Engineering Group situated in Pretoria’s Innovation Hub precinct. The Isando located industrial property is the pet food manufacturing facility of Martin and Martin South Africa, a subsidiary of Bob Martin UK Limited.

Sam Leon CEO of the Investec Property Fund said: “These acquisitions are consistent with the Fund’s clearly stated investment strategy of growth based on sound underlying property fundamentals. The Fund remains highly acquisitive but is also patient in securing the right properties”.

“The Fund is managed by Investec Property, and these quality acquisitions once again demonstrate the added value of their network to the Fund,” he added.

The aggregate purchase price of R452,9 million will be funded by debt, taking the Fund’s gearing to 18%, leaving substantial headroom for further acquisitions.

The Fund has invested a total of R710,5 million in new properties in the first few months of the current financial year, increasing the value of the portfolio by 17%.