

## On Emira

Emira Property Fund has confirmed that it is set to increase its growth in distribution per share to 7,5% for its full year to 30 June 2014, and outperform its 6,5% half year distribution growth.

James Templeton, CEO of Emira, explains there are several factors driving this outperformance. "Our improved portfolio occupancy levels made a significant contribution. Emira is achieving net property income above budget, largely due to better than expected levels of gross income.

"We've also gained savings on the fund's management expenses with attentive and focused management initiatives. The fund also benefited from the better than expected performance of its investment in Growthpoint Properties Australia (GOZ) because of, amongst other things, rand weakness."

Emira's total portfolio vacancies have improved considerably during the year from 5,6% in June 2013 to 5% at the end of April 2014. "Emira is performing well in a tough office sector," notes Templeton.

### Phase two of Emira's R540 million Wonderpark Shopping Centre expansion complete

The second phase of JSE Securities Exchange-Listed Emira's massive R540 million expansion of its flagship



Wonderpark Shopping Centre

Wonderpark Shopping Centre in Pretoria has opened to the public.

It was completed in April and now the third phase of the current expansion is set to be complete by November, in time for the festive season.

"This represents the group's biggest capital expenditure on the most valuable asset in its property portfolio," says Templeton.

The expansion is as a result of strong demand from existing and new retailers wanting to come into the shopping centre. Construction as part of the upgrade, which will increase the centre's size by more than 30%, started in November 2012 and the first phase opened last November.

"The opening of the second phase marks another milestone in this significant expansion project. It gives the centre an exciting and more extensive tenant mix, with an enlarged Game and Edgars, as well as a brand new Dis-Chem, amongst others, opening to the public in April," says Templeton.

"When the overall extension is complete in November this year, the size of Wonderpark will reach the 90 000 m<sup>2</sup> mark. The centre was around 63 000 m<sup>2</sup> when the upgrade began. This expansion and substantial redevelopment will transform it from a regional shopping centre to a 'super-regional' in Pretoria."

The centre is the largest and most valuable property asset in Emira's R10,2 billion portfolio.

"When the expansion is complete, our flagship property will be worth around R1,4 billion," says Templeton.

Preliminary feedback from tenants has been exceptionally positive. Woolworths and Truworths opened as part of the first phase in November 2013, with both stores showing exceptional year-on-year growth in turnover of 50% to 60% in the six months to April 2014.

The retail sector is the top performing sector in the South African commercial property market and represents more than half of the listed property sector on the JSE Securities Exchange. Emira's exposure to the retail sector sits at 36% and will increase with the expansion at its flagship centre.