

Press Release

For immediate
release

23rd January 2012

Emira Property Fund disposes of properties worth R260m

Emira property Fund has raised in excess of R260m since the commencement of its 2012 financial year on 1 July 2011 through the sale of eleven, non-core, properties in its portfolio.

Included in the disposals was the 16 159m², B-Grade, Hurlingham Office Park off the William Nicol Highway in Sandton, which realised R113m and the 8 982m² Gift Acres shopping centre in Lynwood, Pretoria, which fetched R40m.

Emira says the proceeds from the sale of the properties will be used to fund some prestigious new developments it is currently embarking on, such as the Corobay and Podium office developments in Menlyn, Pretoria.

Some of the money may also be deployed to the Fund's participatory interest (PI's) repurchase programme which commenced late in 2011. The Fund is seeking to buy back its JSE-listed PI's up to a total value of R75m in a move which is expected to be earnings enhancing for existing Emira PI holders.

Emira CEO, James Templeton, says the Fund took the decision some time ago to dispose of various non-core properties in its portfolio with a view to improving the quality of the portfolio and, thereby, ultimately enhancing returns for investors.

The disposal campaign commenced some three years ago when a strategic review of the portfolio identified a number of properties from across the portfolio for sale. Most of these properties were subsequently disposed of.

Last year a further 16 properties were identified for disposal, of which nine have already been sold at prices on or near their asking prices.

Says the Fund's CEO, James Templeton:

“Largely through legacy reasons, Emira’s portfolio was heavily weighted towards B-Grade offices where office vacancies are running at exceptionally high rates, so we took the opportunity to diminish our weighting in this property category.”

Templeton says, on top of that, a disproportionate amount of time was being spent by the Emira property management team on managing certain small office assets, which have been subsequently sold. In future, he says, their time will be more productively spent on managing the fund’s higher value property assets.

Other properties disposed of by Emira in the most recent round of property disposals include the 2 450m², C-Grade industrial property, Starsky House in Kramerville, which sold for R7m; Dresdner House, in North Road, Dunkeld West, which, at 834 m² was Emira’s smallest office building, which went for R11.2m; the 1 524 m² Linkview office development in Kent Avenue, Randburg, which realised R7.3m and the 1 803 m² Ciro House off Homestead Road in Rivonia which sold for R9.7m.

The balance of the for-sale assets are being actively marketed.

Ends

ISSUED BY: GRAY CORPORATE & INVESTOR RELATIONS
Graham Fiford Tel: (011) 442 9019; Cell 083 391 2459

ON BEHALF OF: EMIRA PROPERTY FUND
James Templeton Tel: (011) 775 1320