

## ***Emira puts its faith in commercial property***

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### ***Business Day***

*Emira Property Fund announced that a large proportion of its portfolio would comprise commercial properties, an indication that its management is confident about the prospects of SA's office market.*

### ***By Nick Wilson***

*Emira Property Fund said in its prelisting statement that it would list on the JSE Securities Exchange SA on Friday .*

*Emira announced that commercial properties would make up 51% of the property value of the portfolio, while the retail and industrial sectors would make up 31% and 18% respectively.*

*Emira said it will have nearly R1,6bn in assets, made up of 77 properties. It will have a market capitalisation of about R1,35bn.*

*CEO Ron van der Bos said RMB Properties, part of the Firstrand Group, had been contracted to manage the fund.*

*Van der Bos said the "office component" was an opportunity as there were signs of improvement in respect of take-up of space and improvement in rentals.*

*The fund also said that it was positioned to take advantage of an upturn in the property market as its portfolio was "well diversified" and consisted of quality retail, commercial and industrial properties.*

*Mariette Warner, head of fund management at Standard Bank Properties and manager of the Standard Bank Property Income Fund, said Emira's portfolio was "better than average, although not prime" and was well-priced at a 12% forward yield.*

*Warner said Emira would also benefit from the expected recovery of the office market in the next two to three years.*

*"There are definite signs that the office market is turning," she said.*

*Warner also said it was a good time for new property listings.*

*"We are near the top of the property cycle in terms of listed property prices, but emerging from the bottom of the earnings cycle. Their (Emira's) timing is good."*

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