



**ON THE MOVE:** Damelin has leased 2 650m<sup>2</sup> at Faerie Glen Office Park in Pretoria.

## Emira boosts occupancy and quality of its portfolio

EMIRA Property Fund reports that vacancies in its property portfolio have dropped below 7 percent for the first time since 2008.

The fund achieved a vacancy level of 6.9 percent at the end of April. This is substantially down from 7.8 percent at the end of 2012, and a remarkable improvement compared with vacancies of 11.5 percent at its financial year-end on June 30, 2011.

Emira chief executive James Templeton says: "Proactive leasing and disposing of non-core assets resulted in our improved occupancy level. They also furthered our goal of

enhancing the quality of Emira's property portfolio. The full effects of the increased occupancy will come through in our 2014 financial year. It places Emira in a position to deliver heightened performance for investors."

Templeton adds that Emira aims to reduce its portfolio vacancies even further in the immediate future.

JSE-listed Emira Property Fund owns a diversified portfolio of office, retail and industrial properties. Its assets comprise 146 properties valued at R9.1 billion and listed investments of R600m. Emira has a market capitalisation of R7.7bn.

Emira's disposals of Montana Value Centre, Worldwear Fashion Mall and Fleetway House, for a total of R117.6m, are all proceeding. In addition, it has disposed of the remaining 10 sections of Georgian Place mini-unit and industrial park in Kelvin at a premium to book value, for R30.2m.

"Most of these proceeds will be reinvested in the portfolio, specifically our R513m capital investment in the 27 000m<sup>2</sup> extension of the successful Wonderpark Shopping Centre," says Templeton.

The project began in December 2012 and will be complete in May 2015 taking the centre to

about 90 000m<sup>2</sup>.

"The Wonderpark Shopping Centre extension is progressing on schedule and on budget. The first phase will include a new, bigger 4 100m<sup>2</sup> Woolworths with its latest department and food concept store as well as a larger Game. It will be income producing from November this year."

Among Emira's new leasing deals concluded in 2013, and it has secured several prime tenancies. Eskom signed the lease for Emira's 7 400m<sup>2</sup> 1 Kikuyu Street building in Sunninghill, Sandton. BMW leased 5 400m<sup>2</sup> from Emira for corporate offices at 500 Smuts Drive in

Midrand, and Damelin has leased 2 650m<sup>2</sup> at Faerie Glen Office Park in Pretoria.

Templeton says Emira will continue to focus on unlocking greater value from its portfolio of properties.

"In the present market, portfolio growth through acquisition is almost impossible, with quality investment property assets difficult to come by and often overpriced because of fierce competition," says Templeton. "Emira will continue investing in its portfolio of assets with redevelopments, extensions and refurbishments which offer better returns for investors."