

Press Release

For immediate
release

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Emira gives its Podium at Menlyn development the green light

Emira Property Fund has decided to go ahead with its prestigious Podium at Menlyn development in Menlyn, Pretoria, to take advantage of the growing interest in the Menlyn area as a new development node.

Podium at Menlyn is located at the intersection of Atterbury and Lois Streets, directly across the street from Menlyn Mall. It is the gateway to the Menlyn node, which is to become an A-Grade business hub with in excess of 300 000m² of mixed use development including retail, offices, hotels and residential units being planned.

Recent successful development activity in the area, including a number of major office lets that have been done at prime rentals, as well as feedback from brokers operating in the node have convinced the Fund to accelerate its development plans for the site.

Says Emira Property Fund CEO, James Templeton:

“With corporate demand picking up in the Menlyn node we believe that we should be taking full advantage of the current conditions. In addition, the contracting market is favourable at the moment with extremely competitive tender pricing.”

However, to ameliorate its risk to some extent, Emira has decided to develop the property in two phases. Phase One of the development, which will comprise 9,200 m² of prime offices and 508 parking bays, will commence next month at a cost of R176m.

Phase Two of the development will start as soon as Phase One has already been substantially let, which the developers anticipate will either be during or shortly after the completion of Phase One in early 2012. Phase Two will comprise 6 785 m² of office and 282 parking bays and is estimated to cost R122m.

Asking rentals on completion of around R125/ m² are being factored into the development's feasibility calculations and the development has been designed to be let either to a single tenant for each phase or for multi-tenant users with minimum space configurations of 500 m².

Templeton says leasing agents have advised that tenant interest in the project is likely to pick up as building activity commences. Projected rental levels, he says, are very favourable when compared with recent lets concluded in the Menlyn vicinity which have ranged from R117/ m² to R130 m².

End

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