



3 December 2024

## SA LISTED PROPERTY REVIEW – NOVEMBER 2024

J803 SA All Property Total Return Index	November 2024	Year-to-Date	1 Year Rolling
	1.69%	28.37%	43.85%

### Still Running Up That Hill - SA Property Climbs Again in November

The South African listed property sector returned to positivity in November, rising by 1.69% (unfortunately Q4 2024 to-date remains negative at -1.05%). For the year to date the sector is up 28.37%, and on a one-year rolling period the index is up 43.85% as measured by the J803 All Property Total Return Index.

November proved to be a very busy month for the South African listed property sector, and the month was crammed with results presentations, trading updates, and capital market days. One UK based property company (Assura plc) conducted a secondary listing on the JSE, and Supermarket Income REIT plc is advanced on its plans to obtain a secondary listing on the JSE. Adding in the US election seeing Donald Trump elected, plus interest rate cuts in the USA, the UK, New Zealand, South Korea and South Africa, the month was certainly eventful.

The takeaway from the bulk of earnings releases and pre-close updates was that trading conditions for most SA listed property companies is improving, but that positive changes were slow, and that finance costs in particular still have a long path until real expense reductions are seen.

The top five performers during the month were more mixed than October, led by MAS plc (12.73%), Afine Investments (12.50%), Dipula Income Fund (11.89%), Balwin Properties (11.11%), and Schroder European Income REIT (9.63%). On the negative end of the table, Visual International Holdings' woes continued as it dropped rather precipitously (-50%), Delta Property (-26.92%), Safari Investments (-10.59%), Putprop (-8.14%), and Redefine (-7.16%) were the bottom 5 laggards.

The FTSE EPRA Nareit Global Index outperformed SA listed property for November, delivering 2.82% in USD and 2.68% in ZAR. South African listed property though remains ahead of global listed property for 2024, with the FTSE EPRA Nareit Global Index's TR of 9.38%, lagging the J803 TR Index by 18.99% in ZAR terms year-to-date.

While the additional SARB interest rate cut is positive for SA listed property, the potential inflationary impact of the incoming Trump administration's trade policies, and ZAR weakness may put further rate cuts at risk. As things stand, the South African property cycle remains positively in the Recovery Phase of the cycle, and is slowly improving. Q1 of 2025 will be vital to see what impact external political factors, Trump 2.0 and his impact on geopolitical factors (primarily Ukraine and the Middle East) have on South African economic growth, ZAR strength/weakness, and potential interest rate cuts. With one month of 2024 left, 2025 is shaping up to be an eventful year on many fronts.

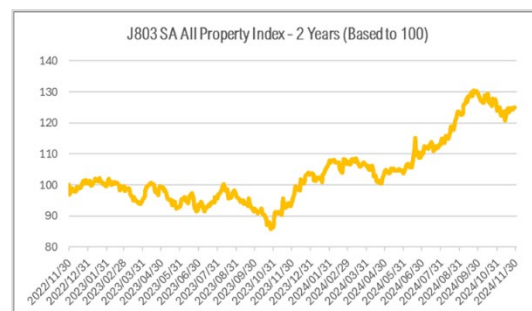


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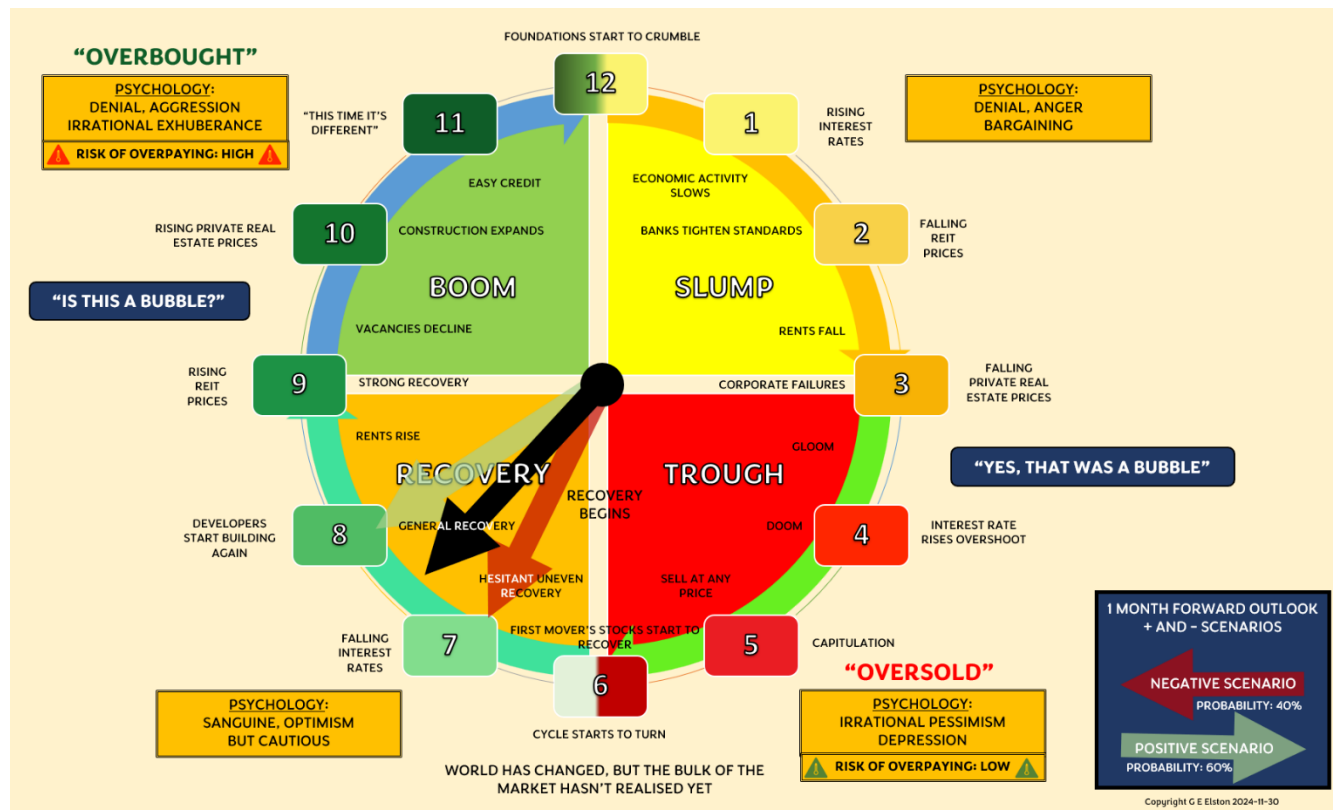
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Company	November 2024
MAS plc	12.73%
Afine	12.50%
Dipula	11.89%
Balwin	11.11%
Schroder Euro REIT	9.63%
Collins	7.67%
Hyprop	7.07%
Fairvest B	5.98%
Burstone	5.66%
Fortress	5.32%
Resilient	5.24%
Equites	3.21%
SA Corporate	2.47%
Emira	2.09%
<b>J803 TR Index</b>	<b>1.69%</b>
Acision	1.43%
NEPI Rockcastle	1.00%
Stor-Age	0.60%
Attacq	0.38%
Primary Health Properties	0.14%
aReit	0.00%
Castleview	0.00%
Deutsche Konsum	0.00%
Globe Trade Centre	0.00%
Heriot	0.00%
Newpark	0.00%
Oasis	0.00%
Texton	0.00%
Shaftesbury Capital	-0.19%
Octodec	-0.25%
Growthpoint	-0.46%
Lighthouse	-1.28%
Vukile	-1.61%
Sirius	-1.91%
Hammerson plc	-1.96%
Accelerate	-2.00%
Capital & Regional	-2.14%
Fairvest A	-2.80%
Spear	-3.23%
Exemplar	-4.35%
Redefine	-7.16%
Putprop	-8.14%
Safari	-10.59%
Delta	-26.92%
Visual	-50.00%



## South African Property – The Recovery Cycle Continues to Improve



## South African Listed Property Total Return Performance 2024 Year to Date

Company	YTD Total Return %
Collins	63.20%
Hyprop	53.35%
Fairvest B	51.69%
Attacq	51.56%
Fortress	50.79%
Globe Trade Centre	50.00%
Resilient	45.24%
Emira	43.91%
Dipula	42.16%
SA Corporate	36.58%
Vukile	35.79%
Texton	34.08%
Octodec	33.38%
Burstone	31.09%
Redefine	30.54%

Company	YTD Total Return %
Deutsche Konsum	30.00%
<b>J803 TR</b>	<b>28.37%</b>
Stor-Age	25.90%
Spear	24.18%
Growthpoint	22.28%
MAS	19.70%
aReit *	19.60%
NEPI Rockcastle	19.31%
Heriot	18.52%
Balwin	15.21%
Equites	14.26%
Lighthouse	11.86%
Safari	10.81%
Fairvest A	9.74%
Capital & Regional	7.71%

\* Suspended

Company	YTD Total Return %
Schroder Euro REIT	7.26%
Newpark	6.67%
Hammerson	3.82%
Acision	2.25%
Oasis	0.37%
Putprop	-0.97%
Shaftesbury Capital	-1.44%
Castleview	-3.53%
Exemplar	-4.35%
Sirius	-4.78%
Afine	-9.09%
Primary Health Properties	-17.31%
Delta	-17.39%
Accelerate	-22.55%
Visual	-33.33%

Source: JSE

**FTSE/JSE SA All Property Index Expansion Consultation (J803 / ALPI)** November +1.69%

The JSE is contemplating an expansion of its J803 SA All Property Index (ALPI) after criticism of the index's methodology.

Over the years, FTSE/JSE has observed more market interest in the ALPI compared to the J800 and J805. With the declining number of property companies in the ALSI, the constituents in the ALPI have reduced from 33 constituents at launch date in 2017 to 20 constituents currently. Over the same period, the number of constituents in the ALSI has reduced from 166 to 123.

According to Section 4.5.15X of the Ground Rules, the ALPI consists of all constituents of the FTSE/JSE Shareholder Weighted All Share Index (SWIX ALSI/J403), which belong to the ICB Real Estate Industry Code 35. This means that when selecting the constituents of the ALPI, every SWIX ALSI constituent in the Real Estate Industry gets automatic inclusion into the ALPI. The index is capped quarterly at 15%. The first requirement of being in the ALPI is to meet the requirements of the SWIX All Share Index.

The requirements are quite broad and include:

- Free Float screen (a minimum global free float of 5%).
- Minimum Size screen: an investable market cap that is 0.5% or greater than the investable market capitalisation of the FTSE/JSE Small Cap Index on review cut date.
- Liquidity screen: non constituents must turnover at least 0.5% of their shares in issue, after the application of any free float restrictions, per month in at least 10 of the 12 months prior to a semi-annual review.
- Cumulative Market Representation screen: eligible companies must rank within the top 98.5% of the index universe by full market capital value (i.e. before the application of any investability weightings).

According to the market consultation published by the JSE, the proposed methodology suggests that listed property companies from the JSE fledgling index that meet liquidity requirements would also be eligible for inclusion in the all-property index.

Currently Spear, Octodec, Dipula, and Schroder European REIT do not meet the index's criteria due to liquidity issues or being too small, meaning fund managers are not required to invest in or focus on these stocks. However, if these companies are added to the index, fund managers would need to track them and potentially take positions in them.

Constituent Name	Current		Proposed	
	J803 Weight	Uncapped Weight	J803 Weight	Uncapped Weight
NEPI Rockcastle	15.74%	25.88%	15.72%	25.24%
Growthpoint Property	14.31%	13.93%	14.30%	13.59%
Redefine Properties	12.22%	10.52%	11.74%	10.26%
Fortress Real Estate	8.37%	7.20%	8.04%	7.03%
Vukile Property Fund	7.02%	6.04%	6.75%	5.90%
Resilient REIT	6.15%	5.30%	5.91%	5.17%
Hyprop Investments	5.76%	4.95%	5.53%	4.83%
Equites Property Fund	4.06%	3.50%	3.90%	3.41%
Sirius Real Estate	3.28%	2.83%	3.15%	2.76%
Attacq Limited	3.44%	2.96%	3.30%	2.89%
MAS plc	3.21%	2.76%	3.08%	2.69%
Lighthouse Properties plc	2.69%	2.32%	2.59%	2.26%
SA Corporate Real Estate Fund	2.55%	2.20%	2.45%	2.14%
Fairvest Limited B	2.26%	1.94%	2.17%	1.90%
Stor-Age Property REIT	2.17%	1.87%	2.08%	1.82%
Burstone Group	2.04%	1.76%	1.96%	1.71%
Hammerson plc	1.69%	1.46%	1.63%	1.42%
Shaftesbury Capital	1.37%	1.18%	1.31%	1.15%
Primary Health Properties	0.76%	0.65%	0.73%	0.63%
Emira Property Fund	0.90%	0.77%	0.86%	0.75%
Dipula Income Fund	-	-	1.45%	1.26%
Octodec Investments	-	-	0.69%	0.60%
Spear REIT	-	-	0.64%	0.56%
Schroder European REIT	-	-	0.03%	0.03%

The JSE's proposed methodology is aimed to keep the bulk of the All Property requirements as is, with the exception of the All Share requirement. This means that listed property constituents of the Fledgling Index (J204), which pass liquidity, would also qualify for inclusion into the ALPI.

The proposed change to the wording in the Ground Rules is in italics below:

- 4.5.15X. FTSE/JSE All Property Index (J803)
- The FTSE/JSE All Property Index consists of all constituents of the FTSE/JSE Shareholder Weighted All Share Index and FTSE/JSE Fledgling Index (that pass the liquidity requirement) which belong to the ICB real estate industry 35. Constituent weights will be capped at 15% on a quarterly basis after the application of corporate actions.

*“Under the new proposal, any company that is listed on the main board, belongs to the All Share Index or Fledgling Index and meets the liquidity requirement, will automatically be included in the All Property Index.”*

### Rate Cuts Continue

The Bank of England (BoE) and the USA's Federal Reserve cut rates in November. The BoE lowered its key interest rate, from 5% to 4.75% from 5%, its second cut in three meetings. The BoE forecast that inflation will fall to its target in early 2027, the decision was opposed by just one of its nine policymakers.

The Federal Reserve approved a quarter-point interest rate cut and signalled that there was now greater uncertainty over how rapidly it would continue lowering rates. Fed Chair Jerome Powell said the election wouldn't have any effect on the Fed's immediate policy decisions, and reaffirmed his intention to stay at the Fed until his four-year term as chair expires in May 2026, and clearly stated that he would refuse to step down if asked to resign with a simple "No" reply to the question.

The South African Reserve Bank at its final meeting for 2024 continued its over cautious approach to rate cuts, and only cut the South African repo rate by 0.25% to 7.75% on the 21<sup>st</sup> of November. A bit of relief for SA property owners and operators, but arguably nowhere near enough to significantly affect growth or reduce funding costs to a level to stimulate increased investment, and meaningful growth.

On the 27<sup>th</sup> of November, the Reserve Bank of New Zealand's Monetary Policy Committee its Official Cash Rate by 50 basis points to 4.25%, the third time in four months and flagged more substantial easing (Australia decided to hold its rate steady at 4.35% earlier in the month). The next day saw the Bank of Korea (BoK) unexpectedly cut interest rates as The BoK lowered its seven-day repurchase rate by a 25 basis points to 3%. Governor Rhee Chang-yong sounded concerns over the potential impact of Donald Trump's return to power on global trade.

The ECB is widely expected to cut rates again at its final 2024 meeting on the 12th of December.

### Accelerate Property Fund Ltd (APF) November -2.00%

In August Accelerate informed the market that Azrapart (Pty) Ltd, Flanagan & Gerard Frontiers (Pty) Ltd, Fourways Precinct (Pty) Ltd, Fourways Mall Managing Agent (Pty) Ltd and Luvon Investments (Pty) Ltd (part of the Moolman Group) had entered into a Property, Development and Asset Management Services Agreement, in relation to inter alia the appointment of Flanagan & Gerard and Luvon as the joint property and asset manager, as well as the development manager for the Fourways Mall. The parties were unable to fulfil the agreement's suspensive conditions on time and therefore the agreement is of no force and

effect. Flanagan & Gerard and Luvon are and continue to remain on site and continue to render the requisite services in respect of the Fourways Mall.

Accelerate is engaging with the various parties to the agreement in order to conclude a new agreement on the same or substantially the same terms as the previous agreement, which would include an extension of the time period for the fulfilment of the suspensive conditions.

Accelerate also announced that the composite settlement agreement of the respective claims of Accelerate against Mr. Michael Georgiou (and the entities under his control) and the claims by Mr Michael Georgiou (and the entities under the control of Mr Georgiou) against Accelerate and Azrapart Proprietary Limited (the developer of the Fourways Mall Shopping Centre) have not seen the suspensive conditions in the Settlement Agreement being fulfilled on time, and thus the Settlement Agreement is of no force and effect.

Accelerate will engage with the various parties to the Settlement Agreement in order to conclude a new agreement on the same or substantially the same terms as the Settlement Agreement, which would include an extension of the time period for the fulfilment of the suspensive conditions.

#### **Afine Investments Limited (ANI)** November +12.5%

Afine announced its unaudited interim financial results for the 6 Months Ended 31 August 2024. Afine is a property entity classified as a specialised REIT and holds a portfolio of properties focused primarily in the petroleum sector.

Afine's key financial performance indicators for the six months ended 31 August 2024 were:

	2024-08	2023-08	Change %
Revenue	R23 923 362	R23 887 848	0.15%
Profit from op activities	R21 926 693	R20 207 687	8.51%
Distributable earnings	R14 697 212	R13 610 891	7.98%
Basic and diluted eps (cents)	22.04	20.56	7.20%
Dividend per share (cents)	20.50	20.60	-0.49%
NAV per share	R4.07	R3.62	12.43%

Afine restated its lease income and fair value adjustments due to a calculation error in the underlying computations related to the independent valuation of investment property at 28 February 2023.

The company declared a gross interim cash dividend of 20.50 cents per share (which amounts to 101.18% of distributable profit), the dividend has been declared out of distributable reserves. The last date to trade is Tuesday, 3 December 2024, and the payment date is Monday, 9 December

**Assura plc (AHR)** November +8.7%

Assura plc has obtained a secondary listing on the JSE. Assura is a UK diversified healthcare property specialist and UK REIT listed on the Main Market of the London Stock Exchange (LSE). The JSE has granted approval to Assura for a secondary listing, by way of the fast-track listing process contemplated in Section 18 of the JSE Listings of all its issued ordinary shares, on the Main Board of the JSE in the Health Care REITs sub-sector, by way of introduction with the commencement of trading having commenced on 21 November 2024. The Financial Surveillance Department of the South African Reserve Bank has also approved the secondary listing which will be classified as “domestic.”

The fast-track listing process was introduced in 2014 by the JSE for companies seeking a secondary listing in South Africa. The process was designed to make it easier for companies already listed on an accredited exchange, such as the London Stock Exchange, to access the South African capital markets in a much shorter timeframe.

Assura is based in Altrincham, UK, with 625 healthcare buildings, from which over six million patients are served. The company is a constituent of the FTSE 250 and the EPRA indices. Assura will retain its primary listing on the Main Market of the LSE and shares traded on the JSE will be fully fungible with those on the LSE. Assura will have an anticipated market capitalisation of approximately £1.3 billion (R29.88 billion) on the Listing Date.

As at 30 September 2024, Assura’s portfolio was valued at £3.2 billion and the Group has been operating since 2003, initially listing on the Main Market of the LSE in November 2003. The Company converted to a UK REIT in 2013 and became a constituent of the FTSE 250 Index in 2015. The Company has its financial year-end at 31 March. The Company is domiciled in England.

**Assura Portfolio – Regions and Properties (30 September 2024)**

	Number of Properties	Total Value (£m)	Total Value %
Southern England	256	1 368.3	43%
Northern England	188	901.8	29%
Midlands, England	109	600.5	19%
Scotland/Ireland/Northern Ireland	28	151.1	5%
Wales	44	129.6	4%
<b>Total</b>	<b>625</b>	<b>3 151.3</b>	<b>100%</b>



The Company has a portfolio of 625 properties with an annualised rent roll of £179.1 million and recently completed the acquisition of 14 private hospitals for £500 million with day one rental income of £29.4 million.

The rationale for the secondary listing on the Main Board of the JSE is to:

- Broaden the Company's shareholder base with new South African investors.
- Give South African investors a local platform to more easily invest in and trade Assura shares.
- Increase liquidity for shareholders.
- Diversify the Company's shareholder base and position it for future growth.

#### **Burstone Group Ltd (BUR)** November +5.66%

Burstone announced that following the approval of all the resolutions relating to the Strategic Partnership with Blackstone Inc. in Europe, that at the General Meeting held on 28 October 2024, the Proposed Transaction was declared unconditional and successfully closed on Tuesday, 12 November 2024, in accordance with the terms of the sale agreement.

During November Burstone appointed Ms. Raisibe Morathi as an independent non-executive director to the Board. Ms. Morathi has also been appointed as a member of the Audit and Risk Committees. Raisibe is currently the CFO of the Vodacom Group Limited, and previously was the CFO at Nedbank. Ms. Morathi is a Chartered Accountant (South Africa), has completed the Advanced Management Programme at INSEAD, holds a Higher Diploma in Taxation from Wits University and an MPhil in Corporate Strategy from the University of Pretoria's Gordon Institute of Business Studies. Burstone also appointed Vuyisa Nkonyeni, currently an independent non-executive director, as a member of the Audit and Risk and Investment Committee of the Group.

BUR also released its interim results for the first six months of the 2025 financial year. Burstone's balance sheet was bolstered during the period and the company's LTV is expected to reduce to  $\pm 33.5\%$  post the implementation of the Blackstone Transaction, compared to the previous LTV of 44.0%. BUR refinancing of R6.6 billion of Group ZAR and EUR debt in August 2024 has improved margin, extended the debt profile and provided greater flexibility with respect to sales and facility settlement. The Group continued with its capital recycling programme, with  $\pm R0.3$  billion of sales unconditionally concluded during H1 2025 and a further R0.3 billion are awaiting transfer. The Group expects further asset sales to amount to between R1.0 billion to R1.2 billion over the next 12 months. NAV decreased by 9.7% to R13.95 per share from R15.45 largely because of a decrease in the on-balance sheet investment value and strengthening of the rand.



Distributable income per share declined by 3.0% to 49.53 cents per share (down from September 2023's 51.07 cents per share). The dividend payout ratio at H1 2025 was 90% with a total dividend of 44.58cps (down from 48.52 cents per share. The last day to trade is 10 December 2024 and dividend payment date is 17 December 2024.

#### Collins Property Group Ltd (CPP) November +7.67%

Collins released its interim results as at 31 August 2024. The group's South-African portfolio comprises 120 properties, with the bulk of the portfolio (66%) consisting of industrial properties and distribution centres, convenience retail properties (28%), and office buildings (6%).

The Group's assets at the reporting date are split across South Africa (83%), Namibia (6%), Europe (Austria and the Netherlands 7%) and in the rest of Africa (4%). Total assets amount to R12.1 billion down from R12.2 billion. Collins converted to a REIT in the second half of the previous financial year and is now listed on the JSE's Industrial REIT sector as one of two companies in this segment.

The company delivered distributable income per ordinary share of 54 cents, up 28.6% from 42 cents; the company has a vacancy rate of 3.0%; a weighted average lease expiry of 4.2 years (same as the previous period); the company's LTV is 50%; NAV per share rose to 18.9% to R15.01 from R12.62 (the increase can be mostly attributed to deferred tax previously raised on future capital gains of R667 million being written back on the conversion to a REIT); the Group reduced its vacancy rate from 3.9% to 3.0% at the end of the reporting period.

An interim dividend of 50 cents per ordinary share was declared, a 25% improvement from 40 cents. The last date to trade cum dividend was 19 November, and the payment date was 25 November 2024.

#### Capital and Regional plc (CRP) November -2.14%

CRP announced that CEO Lawrence Hutchings, will immediately commence garden leave and formally left the business on 15 November 2024, and ceased to be a Director of the Company following his resignation.

Stuart Wetherly, Group Finance Director, was appointed Acting CEO, assisted by James Ryman, Investment Director. This structure will remain in place at least until the completion of the recommended cash and share offer by NewRiver REIT plc for the Company.

CRP also announced the results of court meeting and Capital & Regional general meeting in connection with the recommended cash and share offer by NewRiver REIT plc for Capital & Regional saw all resolutions were duly passed, with over 99% support from shareholders on each resolution.

#### Delta Property Fund Ltd (DLT) November -26.92%

Delta advised that it has sold several properties during the month, these included:

- Beacon Hill building Corner Hargreaves and Hockley Close, Buffalo Industrial Area, King Williams Town. The property was sold for R13 million, -66.97% versus its last independent valuation of R39 million in February 2024.
- Thuto House building situated at 155 St. Andrews Street, Bloemfontein, for a cash consideration of R16 million, 4.58% above its R15.3 million independent valuation in 2024.

The proceeds from the disposals will be utilised by the Company to reduce debt and to reduce vacancy levels by 1.1% from 33.4% (as of 29 February 2024) to 32.3% (implying that 13 648 m<sup>2</sup> of vacant space will be disposed of).

Delta has been aggressively managing its portfolio and these disposals come after the disposals in May of 5 Walnut in Durban, Sediba, Fountain and VLU Buildings in Bloemfontein, and Cape Road in Gqeberha.

In the last week of November Delta released its interim results. Its net operating income improved 4.28% to R365.8 million from R350.8 million; LTV slightly improved to 58.5% from 59.4%, with an interest cover ratio of 1.4 times (2024: 1.3 times); vacancies while still very high, dipped to 30.9% from 33.4%); SA REIT FFO per share was flat at 8.1 cents

	2024	2023	% Change
Rental income (R million)	583.7	573.8	1.7%
Net operating income (R million)	365.8	350.8	4.3%
Profit for the period (R million)	29.5	56.4	-47.7%
Basic and diluted profit ps (cents)	4.1	9.5	-56.8%
Basic and diluted headline eps (cents)	5.1	9.6	-46.9%

Profit for the period declined -47.70% to R29.5 million from R56.4 million, due to a fair value adjustment loss of R31.0 million driven mainly by the decline in the share price of Grit Real Estate Income Group Ltd.

The company resolved not to declare an interim dividend.

**Dipula Income Fund (DIB)** November +11.89%

Dipula, a Diversified REIT focussed on Gauteng (58% of portfolio), released its annual results during the month. The company's portfolio is 65% Retail, 6% Office, 15% Industrial and 4% Residential.

Revenue was up 7% to R1 487 million from 2023's R1 395 million; NAV per share rose 5.2% to R6.98 from R6.64; headline earnings per ordinary share was down at 49.32 cents compared to 55.78 cents; basic earnings per ordinary share rose to 84.95 cents from 65.41 cents; and attributable comprehensive income was up to R774 million from R588 million.

The company's LTV was flat, remaining at 35.7%.

DIB's performance was adversely affected by a 15% increase in property related expenses to R553 million, primarily driven by municipal tariff hikes, higher maintenance and tenant installation costs.

The company approved a final gross dividend of 24.37996 cents per ordinary share, taking the full year dividend per ordinary share down -4.5% to 48.95631 cents compared to last year's 51.26488 cents.

The company approved a final gross dividend of 24.37996 cents per ordinary share, taking full year dividend per ordinary share down -4.5% to 48.95631 cents compared to last year's 51.26488 cents. The last day to trade cum dividend is 3 December 2024, and the payment date will be 9 December 2024.

Dipula also notified that it has received notification from Fairvest Limited that Fairvest now holds 26.290% of Dipula's total issued ordinary shares (as a result of Coronation Asset Management (Pty) Ltd disposing of its entire shareholding in Dipula (21.24%) such that Coronation now holds no Dipula ordinary shares.

**Emira Property Fund (EMI)** November +2.09%

Emira released its interim results for the 2025 financial year. Revenue went down 1.7% to R928.6 million (2023: R944.6 million); profit before finance costs jumping to R1.7 billion (2023: R390.2 million). Profit for the period totalled to R1.4 billion (2023: R113.6 million) and total profit for the year attributable to shareholders rose to R1.5 billion (2023: R84.2 million). Headline earnings per share ended on 213.26 cents per share (up markedly from 7.31c per share). Earnings per share, increased by 1,624.1% to 300.70 cents compared to 17.44 cents for the comparative period; and distributable earnings for the current reporting period is R332 million compared to R310,7m for the prior period.

NAV per share increased by 12.3% to 1945 cents compared to 1733 cents for the comparative period.  
LTV decreased slightly from 42.4% to 42%.

The Board approved a final gross dividend of 62.39 cents per share payable on Monday, 9 December 2024. It is an 1.1% increase on the previous dividend of 61.74 cents.

EMI's management stated that the fund is on track to achieve its objectives for the year, and as previously advised, distributable income for the year ended 31 March 2025 is expected to be marginally higher when compared to FY2024.

#### Equites Property Fund Ltd (EQU) November +3.21%

Equites announced that the Basingstoke and Dean Borough Council has granted full planning permission which will enable the development of 85 471 m<sup>2</sup> of developable bulk on its Basingstoke Property. This approval is subject to the fulfilment of several conditions, which Equites is confident it will achieve within 12 months. With planning permission, the Property's fair value will increase, and currently Equites carries the Property at cost plus capitalised interest (±£31 million), without recognition of its increase in fair value. As the fair value of the Property exceeds its carrying value, Equites will continue to capitalise interest on the Property at the group's cost of debt. If Equites sells the Property, the profit will contribute positively to Equites' NAV per share. As a capital profit, it would not be included in Equites' distributable earnings. Equites makes no change to its guidance on distribution per share for FY25.

Equites, through its Isle of Man based wholly owned subsidiary, Equites International Limited concluded a sale agreement in which Equites International will sell a distribution centre situated at Waterworth Road, Alwalton Hill, Peterborough, United Kingdom to Amazon UK Services Limited, a subsidiary of Amazon.com Inc for a cash consideration of £38.5 million (exclusive of VAT), equating to a transaction yield of 5.17%, a premium of 0.79% to the last independent valuation of £38.2 million.

The transaction will release net cash proceeds of approximately £21.3 million (R490 million) from a purchase price of £38.5 million which was paid to Equites on Friday, 22 November 2024. There are no outstanding conditions precedent, and the transaction exchanged and completed on transfer date.

The disposal will reduce the LTV ratio, with proceeds initially being used to reduce both GBP and ZAR debt, and thereafter be invested in accretive projects within South Africa. The transaction will decrease the Group LTV ratio by approximately 1.9%, thereby reducing LTV to below ±39.1% (interim LTV was 41.0%).

**Exemplar REITail Ltd (EXP)** November -4.35%

Exemplar released its interim results for the six months ended 31 August 2024. Exemplar is a Real Estate Investment Trust whose core focus is the provision and management of retail services across five provinces of South Africa and is the only South African fund focused purely on rural and township retail.

EXP currently has 26 retail assets in the portfolio with a combined GLA of 414 555m<sup>2</sup>, and 27 000 m<sup>2</sup> under development.

Net property income grew 12.15% from to R408 187 000 from R363 965 000; Basic eps was up 3.03% to 111.99 cents from 108.69 cents, and Headline EPS was up 28.48% to 62.47 cents from 48.62 cents.

Rental and recovery income has grown by 9.12% (9.15% on a like-for-like basis). The growth was driven primarily by escalations in rentals and increases in turnover-linked rentals as well as the recovery of property operating costs which increased by 5.85% from R217 558 000 to R230 284 000, and the current cost-to-income ratio is 38.4%.

Net finance costs increased by 26.2%. to R159.419 million from R126.335 million. Following the half-year end, facilities maturing on or before 4 November 2025 and amounting to R1.602 billion were refinanced. The new facilities were executed at a weighted average margin of 1.43% with a weighted average tenor of three years. A new interest rate swap of R500 million was executed after the half year end at a rate of 7.004% (capped at 8.200%). EXP's LTV rose from 36.5% to 37.9%.

NAV per share improved from R14.34 to R15.26, and the board approved an interim dividend of 70.24654 cents per share for the six months. The last date to trade cum dividend was 19 November, and the payment was made on 25 November 2024.

**Fairvest (FTA/FTB)** November FTA -2.80% FTB +5.98%

Fairvest released its annual results for 2024, reporting a 5.0% growth in distributable income; distributable income of 138.34 cents per A share and distributable income of 43.29 cents per B (which exceeded guidance by 1.9%). The company saw like-for-like net property income increasing by 7.2%, while vacancies reduced to 4.3%, and tenant retention was 85.7%. FVT maintained its prudent LTV at 33.3%. Fairvest holds a portfolio of 128 retail, office and industrial properties valued at R12.3 billion (held directly and through subsidiaries), with an average value per direct property held as at 30 September 2024 of R96.1 million.

	2024	2023	% Change
Revenue (excl. straight-line rental R'000)	2 034 340	1 920 938	5.9%
Basic eps per A share (cents)	152.23	89.12	70.8%
Basic eps per B share (cents)	58.00	2.80	>100%
Headline eps per A share (cents)	137.13	124.84	9.8%
Headline eps per B share (cents)	42.91	38.52	11.4%
Net asset value per A share (cents)	1 611.62	1 407.38	14.5%
Net asset value per B share (cents)	485.69	477.71	1.7%
Annual dividend per A share (cents)	138.34	132.53	4.4%
Annual dividend per B share (cents)	43.29	41.29	4.8%

Guidance for distributable earnings per B share is expected to be between 45.00 cents and 46.00 cents per share, an increase of between 4.0% and 6.3%, for the 2025 financial year (September 2024: 43.29 cents per share). Distribution per A share will increase by the lesser of 5% or the most recent Consumer Price Index. The company will maintain the current dividend pay-out ratio of 100% of distributable earnings as a dividend. Fairvest stated that it expects net property income growth from all sectors on a like-for-like basis for the 2025 financial year. The Group remains committed to its strategic objective of transitioning towards a retail focused fund, by disposing of non-core assets and investing in retail assets.

A final dividend of 70.51767 cents per A share, and 22.05167 cents per B share was declared (100% of the distributable income for the period). The last date to trade cum distribution is 20 December 2024, and the payment date is 30 December 2024.

During the month Fairvest acquired 193 754 733 ordinary shares in Dipula Income Fund Limited from Coronation Asset Management (Pty) Ltd, in consideration for which Fairvest issued 203 733 518 Fairvest B shares. Coronation Asset Management (Pty) Ltd, on behalf of its clients, now holds 13.60% of Fairvest's total B shares in issue.

Fairvest has stated that its strategy is to become a retail-only REIT servicing low-income communities in South Africa, and to implement this strategy Fairvest intends to expand its asset base, and to acquire a greater shareholding in Dipula who owns a portfolio of property assets located throughout South Africa, with the majority of its assets located in Gauteng. Fairvest has been a DIB shareholder since 2014. Fairvest is now the largest shareholder in Dipula and holds 26.3% of the company.

Fairvest also informed the market that the Public Investment Corporation (PIC) now holds 18.95% of Fairvest's total B shares in issue.

**Globe Trade Centre SA (GTC)** November Unchanged

Globe Trade Centre SA announced that the company entered into a series of share purchase agreements with, inter alia, Peach Property Group AG and LFH Portfolio Acquico SÀRL, as the sellers, leading to the acquisition of a portfolio of residential assets in Germany currently held by Peach Property Group AG.

The envisaged Transaction assumes that the Company will indirectly acquire:

- From Peach Property Group AG 89.9% of the limited liability partnerships: Kaiserslautern I GmbH & Co. KG and Kaiserslautern II GmbH & Co. KG, and
- From LFH Portfolio Acquico SÀRL, and from ZNL Investment SÀRL, as a result of a series of transactions, up to 89.9% of the limited liability companies: Portfolio Kaiserslautern III GmbH, Portfolio KL Betzenberg IV GmbH, Portfolio KL Betzenberg V GmbH, Portfolio Kaiserslautern VI GmbH, Portfolio Heidenheim I GmbH, Portfolio Kaiserslautern VII GmbH and Portfolio Helmstedt GmbH, at an adjusted property value of approximately € 448 million based on 100% ownership of the Portfolio.

As the first tranche, the Company, indirectly through its subsidiary, GTC Paula SÀRL, will acquire 89.9% of the shares in the portfolio partnerships and 79.8% of the shares in the portfolio companies for a total consideration comprising € 167 million in cash and the Participating Notes with a total nominal value of approximately € 42 million subject to adjustments. Peach Property Group AG will retain a 10.1% stake in the portfolio partnerships and the portfolio companies, while co-investors, ZNL Investment SÀRL and LFH Portfolio Acquico SÀRL, will retain remaining specified shares. The Company will also be granted an option to purchase additional 10.1% of the portfolio companies. Consequently, the company will acquire 89.9% of the portfolio partnerships and up to 89.9% of the portfolio companies.

The portfolio is centred around three cities in Germany: Kaiserslautern, Helmstedt, and Heidenheim. It has a residential share of close to 100% and an occupancy rate of around 87.4%. In total, the portfolio comprises 5 165 residential, 47 commercial units, 71 other units, and 2 108 parking units with a total lettable area of 324 167m<sup>2</sup>. The main asset classes by year of construction are properties built in 1950-1969 and newer properties built in 1970-1984.



**Growthpoint Properties Ltd (GRT)** November -0.46%

Growthpoint provided an investor update for the three months ended 30 September 2024. GRT announced that they are targeting  $\pm$ R2.8 billion of asset disposals for the year ending 30 June 2025, primarily to decrease their exposure to the office sector, disposing of older industrial assets and selling non-core retail assets in deteriorating central business districts. The company will invest  $\pm$ R2.2 billion in the core portfolio (excluding Growthpoint Investment Partners) and intends to increase their investments in the logistics and retail sectors, particularly in the Western Cape.

During the past quarter, vacancies improved to 8.2% from 8.7% at FY24, driven by strong leasing activity. A total of 339 204m<sup>2</sup> of space was let, including 209 374m<sup>2</sup> of renewals and 129 830m<sup>2</sup> of new lets. Renewal rental growth rates also showed improvement across all sectors, with renewal rates improving from -6.0% at FY24 to -0.4%. However, the lease renewal success rate reduced from 76.3% at FY24 to 72.8%. The average lease term for renewals was consistent at 3.7 years. Rental escalations for renewals increased slightly from 6.9% at FY24 to 7.0%.

GRT sold and transferred five non-core properties for R404.8 million, at a combined R1 million below book value, there are also signed sale agreements for an additional R2.5 billion of properties awaiting transfer with another R0.4 billion of properties approved for sale.

Retail vacancies, including office space at the centres, increased slightly from 5.5% at FY24 to 5.9%, primarily due to the renewal success rate decreasing from 86.4% at FY24 to 77.0%, mainly as a result of non-renewals in the Gauteng portfolio at Alberton City and Northgate Mall. There were reduced vacancies at Bayside Mall and Brooklyn Mall, where further reductions are expected as FY25 progresses. Core retail vacancies remain low at 4.6%. Retail trading density growth for the twelve months ended 30 September 2024 was 5.3%, supporting rental reversions which improved from -2.1% at FY24 to -0.5%.

The Office sector saw vacancies in KwaZulu-Natal at a low rate of less than 1.0%, while the Western Cape improved from 5.3% at FY24 to 5.1%. The inland portfolio's vacancies decreased from 19.3% at FY24 to 18.1%.

The Logistics and Industrial sector saw vacancies improved from 5.2% at FY24 to 4.5%, primarily due to the successful leasing of new speculative developments. Tenant retention decreased slightly from 78.3% at FY24 to 77.2%, and rental reversions increased from -3.3% at FY24 to 1.7%. The Western Cape portfolio achieved positive rental growth of 8.8% on renewals, driven by high demand and limited supply. In Gauteng and KZN, rent reversions remain negative at -1.8% each.

Growthpoint commenced Phase 2 of Arterial Industrial Estate, and this phase will add 20 000m<sup>2</sup> of logistics space to the portfolio, with completion expected by the end of March 2025.

The V&A Waterfront saw earnings before interest and tax grow by 20% compared to the same quarter in 2023, driven by successfully completing the development of Investec, the Helistop, Timeout Market and converting two previously leased hotels, the Commodore and Portswood Hotels, into V&A-operated hotels with management outsourced to Legacy under a management agreement. Strong demand for office space and near-zero vacancies within the precinct contributed to performance. Demand for office space is high, as are retail sales, which in turn boosted retail turnover rental.

As regards Growthpoint investments, there are now R18.0 billion of gross assets under management across three funds (Growthpoint Healthcare Property Holdings, GSAH and Lango Real Estate Limited. These three investment streams contribute ±R200 million per annum to distributable income. Post the last annual results Lango concluded a USD200 million retail real estate portfolio acquisition from Hyprop Investments Ltd and Attacq Ltd. Lango now has ±US\$875 million of assets under management across four countries.

Growthpoint has conditionally agreed to dispose of its entire shareholding in Capital & Regional, comprising 160 648 081 CRP shares which represent 68.95% of CRP's issued ordinary share capital. Growthpoint will receive ±GBP101.4 million (R2.326 billion) made up of GBP50.7m in cash and 67.4 million new NewRiver shares. Post the transaction, Growthpoint is expected to hold approximately 14% of NewRiver. Growthpoint has undertaken not to sell its NewRiver shares for a period of five months post the implementation of the transaction without the prior written consent of NewRiver.

GRT's total nominal SA debt reduced marginally from R40.4 billion at FY24 to R40.3 billion. This movement is predominately due to the strengthening of the rand against the euro and US dollar. This was offset by issuing a R750 million 10-year listed private placement bond (GRT66) in July 2024 at three-month JIBAR plus 1.83%, reduced by a partial R700 million early redemption of unlisted bonds.

Growthpoint had access to R6.2 billion of unutilised committed facilities at 30 September 2024. The weighted average term of liabilities reduced to 3.9 years, and the weighted average rand cost of funding decreased to 9.3%.

Distributable income per share growth in FY25 is still expected to decline by 2% to 5%, and Growthpoint only expects positive DIPS growth to resume in Financial Year 2026.

Growthpoint will release its half-year results for the six months from 1 July 2024 to 31 December 2024 on 12 March 2025.

**Hammerson plc (HMN)** November -1.96%

Hammerson has acquired the remaining 50% stake in Westquay Mall in Southampton for £ 135 million. The consideration will be funded by the proceeds received from Hammerson's recent disposal of its stake in Value Retail.

Westquay has 94 400 m<sup>2</sup> of internal lettable area, and attracts over 17 million visitors a year.

**Hyprop Investments Ltd (HYP)** November +7.07%

GCR Ratings has affirmed Hyprop's long-term international and national issuer ratings of BB- and A+(ZA) respectively, with a stable outlook. The short term international and national issuer ratings were also affirmed at B and A1(ZA) respectively, also with a stable outlook.

GCR noted the following:

- Hyprop has made substantial progress on its portfolio repositioning and re-tenanting programme to improve the quality and growth profile in its core South Africa and Eastern European retail property portfolios.
- Hyprop has a strong liquidity position, with R2.8 billion available in cash and committed facilities at 30 June 2024.
- Hyprop has a well-laddered debt maturity profile, with most facilities maturing in the medium to long term.

GCR expects Hyprop's operational performance to remain strong, whilst the LTV will remain in management's target 35% to 40% range and that interest coverage will be between 2.5X and 2.8X over the rating horizon.

GCR also stated that an upgrade is unlikely in the near term, given the HYP's high property concentrations. It did though state that over time, upward pressure could emerge if the REIT significantly improves the diversity of its asset base and expands geographic exposure into lower-risk jurisdictions, yielding quality, sustainable cashflows. A stronger financial profile, with the LTV sustaining below 35% and net interest cover above 3x on a consistent basis could also result in an upgrade.

GCR warned that it could downgrade Hyprop's rating if the financial and operating profiles weaken, such that the LTV trends above 40% and net interest cover dips below 2.2X for a sustained period.

Hyprop provided a trading update in the last week of November for the four months ended October 31. The improving trend in rent reversions continued, with a positive weighted average reversion rate of 6.7% (FY2024: 5.8%) during the period. Retail vacancies were 2% and Office vacancies improved to 17.7%, from 27.4% for the comparative period. Tenant's turnover improved by 5.2% for the 4-month period, and trading density was up 3.9%. Foot count versus 2023 was down by -0.2% and vacancies are at 2% as at end October.

The Eastern European portfolio achieved strong growth to 31 October 2024, notably in tenants' turnover (up 11.5%), trading density was up 9.4%, and foot count up 1.6%. As at 31 October 2024, the portfolio's retail vacancy rate was very low at 0.2%.

During the period, the company completed the disposal of the sub-Saharan Africa portfolio to Growthpoint's Lango Real Estate Ltd. This resulted in an improvement in the 30 June 2024 LTV ratio from 36.4% to 35.2%, and the interest cover ratio for the year ended 30 June 2024 increased from 2.47X to 2.62X. HYP was also released from all guarantees provided to lenders to the sub-Saharan portfolio.

HYP's liquidity position remains strong with R575 million of cash on hand and R1.2 billion of available bank facilities at the end of the period (after payment of the FY2024 dividend of R1.06 billion). The company's €20 million term facility which matures in December 2024 is in the process of being refinanced with a new euro revolving credit facility, which should be implemented before the end of December. Various early refinance initiatives are underway to extend the maturity dates of R1 billion of facilities as well as reduce the margins on these facilities by between 17 and 100 bps (average reduction of 51 bps). 83% of the Group's interest rate exposure was hedged at 31 October 2024 with an average duration of 1.7 years. 62% of rand interest rate hedges comprise interest rate caps and collars, with the remainder of the hedges being swaps.

A total of R550 million was approved by the board for capital expenditure in the South African portfolio for FY2025. Hyprop commenced new projects totalling R301 million, with R131 million spent to date.

The company will release their FY2025 interim results for the six months ended 31 December 2024 in March 2025.

#### **Lighthouse Properties plc (LTE)** November -1.28%

Lighthouse and Vukile highlighted the potential risk of the potential changes to Spain's SOCIMI legislation from the leftist PSOE and Sumar coalition party. There was the potential to amend or eliminate the tax benefits of SOCIMIs. Any changes would require Spanish congressional approval of which PSOE and

Sumar collectively have 147 out of 350 seats. On the 21st of November, the Spanish congress voted to reject the proposals regarding changes to the SOCIMI tax regime.

Accordingly, the status quo in respect of the SOCIMI tax legislation will remain for Lighthouse's Spanish investments, and Vukile's 99.5% held subsidiary, Castellana Properties, will therefore continue to operate with all of the benefits and obligations of a Spanish SOCIMI. SOCIMIs pay 0% corporate tax but pay a 19% special levy on gross dividends.

Spain currently represents 42% of Lighthouse's assets, and Vukile's Spanish investments are 61% of assets.

#### **MAS plc (MSP)** November +12.73%

MAS has entered into negotiations with Prime Kapital about the acquisition by MAS of Prime Kapital's 60% interest in PKM Development Ltd joint venture and therefore effectively terminate the JV arrangements. Any transaction agreed between the parties will be subject to approval by shareholders in a general meeting.

This transaction would give MAS full ownership and control of the assets in the JV. These assets include Carolina Mall (Alba Iulia, Romania), Arges Mall (Pitesti, Romania) and Mall Moldova (Iasi, Romania, currently under development and expected to be completed in April 2025). MAS expects other benefits to include improved credit rating prospects for MAS and improved access to debt, as well as a simplified structure. The process is expected to conclude by the end of the 2024.

#### **NEPI Rockcastle NV (NRP)** November +1.00%

NEPI provided a business update in November, NEPI Rockcastle achieved a 12.3% growth in net operating income (up 8.4% like-for-like) to €411 million in the first nine months of 2024 versus the same period of 2023. Tenant sales increased by 9.0%, and footfall was up by 1.4%, and the vacancy rate dropped to 2.3% (down from 2.7%). Rent collection was 99% at the end of October 2024.

LTV was down to 30.7% at the end of September and decreased further in October to an LTV of 29.2%.

NEPI Rockcastle also announced several major events that occurred the interim period:

- On 1 October, the group completed the acquisition of Magnolia Park, a shopping centre with a GLA of 100 000 m<sup>2</sup> in Wroclaw, Poland, for a total cash consideration paid of €353 million.

- On 7 October it disposed of the company's last remaining property in Serbia, Promenada Novi Sad, for cash proceeds amounting to €177 million.
- Shareholders were offered an option to receive scrip for the first half 2024 dividend distribution, which saw a 39% take-up rate, with no discount being offered for this option.
- On 17 October 2024, NEPI Rockcastle successfully raised €300 million through an issue of new shares, for a price per share of R137.85 (€7.19), representing a discount of less than 1% compared to the last reported net reinstatement value per share.

The value of the investment portfolio was €7.1 billion on 30 September 2024 (with Promenada Novi Sad still on the Group's balance sheet, as the effective disposal date was in October, and without Magnolia Park effectively under Group's ownership from 1 October 2024). Following the events in October, the value of the investment portfolio including acquisitions, disposals, and developments is €7.4 billion (R140.96 billion).

#### Octodec Investments Ltd (OCT) November -0.25%

OCT released their annual financial statements for the year ended 31 August 2024. Octodec has a diversified portfolio of 234 residential, retail, office and industrial properties situated in Tshwane and Johannesburg, with a lettable area of 1 524 479 m<sup>2</sup> and is valued at R11.2 billion.

Distributable income after tax fell 07.44% to R421.9 million from R455.8 million; distributable income per share in cents fell -7.42% to 158.5 from 171.2. The company's NAV per share declined -1.11% to R23.97 from R24.24, and vacancies also rose slightly to 14.9% from 14.2%

LTV increased to 39.2% from 37.7%, and the company's weighted average cost of funding increased slightly to 9.5% from 9.2%. NAV per share fell -1.1% to 23.97 from 24.24.

	2024	2023	% Change
Revenue (R'000)	2 076 143	1 982 537	4.7%
Basic and diluted eps (cents)	81.1	229.3	-64.6%%
Headline and diluted eps (cents)	141.9	162.9	-12.9%
Distributable eps (cents)	158.5	171.2	-7.4%
Distribution per share (cents)	125.0	135.0	-7.4%

The company declared a cash dividend of 65 cents per share for the six months ended 31 August 2024, payable out of the company's distributable income. The last day to trade cum dividend is 10 December, and the payment date is 17 December. The full year dividend fell 7.41% to 125 cents from 135 cents.

The board of Octodec has appointed Riaan Erasmus as the deputy chief executive officer of Octodec in addition to his role as the executive financial director and debt officer with both appointments effective from 30 November 2024. Mr. Erasmus' responsibilities in this new role will include the optimisation of the Group's property portfolio and the assessing of the merits of the internalisation of the asset and property management services currently provided by City Property Administration (Pty) Ltd. He will be employed by Octodec on a full-time basis as contemplated in the Asset and Property Management Agreement between Octodec and City Property.

### **Redefine Properties Ltd (RDF)** November -7.16%

Redefine released its annual results for the year ending 31 August 2024. RDF now has total assets of R101.9 billion, up from R99.4 billion; NAV per share increased by 2.9% to 788.28 cents, from 765.95 cents; LTV of 42.3% is up from 2023's 41.1%; Occupancy is intrinsically flat at 93.2% versus 93.0%; headline earnings per share rose 57.3% to 33.06 cents from 21.01 cents; and FFO per share declined to 51.31 from 53.74.

Redefine's weighted average debt margin decreased by 32 bps to 182 bps, and group weighted average cost of debt increased to 7.5% from 7.1%, with an average weighted term of 3.7 years. Portfolio GLA vacancies were flat at 6.8%, Retail is at 5.0%, Industrial at 5.5%, and office vacancies remain stubbornly high at 11.2%.

A dividend was declared of 42.52 cents per share, down from 43.80 cents per share in 2023. The last day to trade was 26 November, and the payment date was on 2 December 2024.

Redefine also opened the newly expanded Pan Africa Mall in Alexandra. The expansion added 9 000m<sup>2</sup> of additional retail space, increasing the mall's total GLA to over 25 000m<sup>2</sup>. The mall is co-owned by Redefine Properties and Talis Property Fund.

New tenants include W.Edit, Sportscene, Pick n Pay Clothing, Jam Clothing, Hungry Lion, Vision Works, The HUB, Selfast, Nizams, Clothing Junction, and Tekkie Town.

The centre was the first of its kind in South Africa built with fully integrated public transport, which includes a 50 000m<sup>2</sup> taxi facility. Street hawkers are now being offered permanent stalls managed by the Alexandra Taxi Association.



**Shaftesbury Capital plc (SHC)** November -0.19%

Shaftesbury Capital provided a trading update for the period of 1 July to 11 November 2024. Highlights included £15.9 million of new leases and renewals in H2 to date, 9% ahead of June 2024 and 7% ahead of the previous passing rent. Vacancies are at 2.1% down from June 2024's 2.7%. £240 million of asset disposals were completed over the last 18 months, of which £152 million completed in 2024, and SHC sold its 50% interest in Longmartin to their joint venture partner for net cash consideration of £94 million. The company's LTV is 29%, slightly down from June 2024's 30%. Shaftesbury has access to over £550 million of liquidity (June 2024: £579 million), with debt at £1.4 billion.

Shaftesbury reported strong Retail and Hospitality leasing with 48 new openings since July 2024. It also reported that positive leasing momentum for prime Office space is continuing. Signings include recent refurbishments at 22 Ganton Street and The Hide, at rents in excess of £100 per ft<sup>2</sup>. The residential portfolio continues to let well, delivering rental growth and limited vacancy, with only nine units available.

Since the Capco and Shaftesbury merger, proceeds of £240 million have been realised from asset sales, £152 million of which completed this year to date including the majority of Fitzrovia. £86 million has been reinvested in targeted acquisitions.

Shaftesbury Capital's portfolio is currently valued at £4.8 billion (R110.11 billion), extends to 2.7 million ft<sup>2</sup> (±250,000 m<sup>2</sup>) of lettable space in London's West End.

**Sirius Real Estate (SRE)** November -1.91%

Sirius has completed the acquisition of a multi-let light industrial park in Carnforth, Lancashire, for £9.05 million, at an 11.4% net initial yield including acquisition costs. The acquisition will add about 16 000 m<sup>2</sup> of light industrial space to the group's UK portfolio and was made utilising proceeds from July 2024's capital raise.

The freehold asset is fully let to eight tenants on full repairing and insuring leases, producing net operating income of £1.1 million a year. The site comes with planning permission for about 3 250 m<sup>2</sup> of new industrial space.

Sirius also reported that it has completed the €3 million acquisition of a nine-acre land parcel adjacent to its 77 600 m<sup>2</sup> Oberhausen multi-use business park in the Ruhr area of Northwest Germany.

During the month Sirius announced its interim results for the six months ended 30 September 2024. SRE saw an 11.7% increase in total revenue to €156.5 million from €140.1 million; Net operating income rose 13.7% to €92.4 million from €81.3 million; profit before tax was significantly up to €61.2 million, 53.8% from 2023's €39.8 million; adjusted profit before tax was up 17.0% increasing to €58.4 million from €49.9 million (excluding property valuations); adjusted EPS was slightly down -0.5% 4.19 cents per share (primarily driven by the dilutive effect of the equity raises in 2023-11 and 2024-07).

FFO was up 14.5% to €60.7 million from €53.0 million, and NAV per share was up 112.49 cents from 111.12 cents per share.

Like-for-like occupancy remained stable at 84.1%, with Germany at 83.6%, and the UK at 86.6%.

Sirius' weighted average cost of debt remained the same at 2.1%, with a weighted average debt expiry of 3.5 years (down from 4.0 years). LTV remains low, and improved to 30.5% from 33.9%. SRE delivered a small 2.0% increase in dividend per share to 3.06 cents (30 September 2023: 3.00 cents), the last day to trade cum dividend is Wednesday, 11 December 2024. The payment date is Thursday, 23 January 2025.

#### **Spear REIT Ltd (SEA)** November -3.23%

Spear REIT announced on 29 November 2024 that the finalisation of the disposal of the property known as Erf 23427 Parow, City of Cape Town, situated at 100 Fairway Close, Parow Golf Course, Cape Town, for a disposal consideration of R160 million. On 29<sup>th</sup> the transfer of ownership of the Property was registered and Spear received the disposal consideration.

Spear had no debt drawn against the Property and the full proceeds were utilised to reduce Spear's existing debt facilities, following this, the company's LTV is now between 28% and 29%.

#### **Stor-Age Property REIT Ltd. (SSS)** November +0.60%

Stor-Age released its interim results, and key highlights included: distributable income per share up 3.5% to 63.51 cents; same-store net property operating income was up 9.6%; and net investment property value up 5.4% to R11.5 billion.

SSS added 10 properties, with the portfolio including the pipeline and ongoing developments now exceeding 680 000 m<sup>2</sup>, and the company's total number of properties now stands at 107. The growth includes five new developments, four third-party managed properties in the UK, and the acquisition of Extra

Attic in South Africa in September 2024. The company entered a third-party management agreement with Hines in May 2024, and now has a total of 26 properties under third-party management. The company's combined portfolio value, including JV partnerships properties, is R17.4 billion.

The South African portfolio saw storage rental income up to R575.4 million from R507.2 million. Average occupancy increased slightly from 91% to 92.1%, and GLA was up to 391 900 m<sup>2</sup> from 387 100 m<sup>2</sup>. In the UK rental income increased by 6.8%, with average occupancy and rental rates up 4.3% and 2.4% year-on-year respectively. Occupancy in the owned portfolio increased by 3 300 m<sup>2</sup> year-on-year and net property operating income was up 7.4% compared to the prior year. UK occupancy declined to 83.5% from 84.2%.

During the interim period (April 2024) SSS held a successful debt auction that raised R500 million. The company's LTV is 31.3%, with 81.2% of net debt hedged.

NAV per share was up 6.7% to R16.14.

The company declared an interim dividend of 57.16 cents per share (a 90% payout ratio). Guidance for the full year was provided for distributable income per share (before applying a payout ratio) to be approximately 122 to 126 cents. The last day to trade was 26 November, and the payment date was on 2 December 2024.

### Supermarket Income REIT (SUPR) Pre-Listing

Supermarket Income REIT, listed on the London Stock Exchange, and a constituent of the FTSE 250 Index, stated that it has made progress towards a secondary listing on the Johannesburg Stock Exchange. Company management met with the JSE in November, but the potential listing date is not clear yet.

### Visual International Holdings (VIS) November -50.00%

Visual provided interim results that showed a reduction in revenue of -98.8% from R1 072 656 to R13 092. The operating loss increased -37.3% from R3.75 million to R5.15 million, per share this was -37.3% down from -0.63 cents to -0.93 cents per share. NAV improved from -R5.43 to -R2.23. No dividend was declared.

The Company has been negatively impacted by the impact of the delay in the commencement of the further development of their Stellendale property due to a number of constraints. During the period under review,

the building of Phase 1, The Knysna was completed, and twenty-four apartments were transferred. In terms of the development agreement for Stellendale Junction, Visual earns a 50% profit share, with a minimum of R35 000 in certain instances. Due to various delays with the first apartment block, it is unlikely that a profit will be realised. As there still are apartments to be sold, or rented, at The Knysna, the profit share has still to be determined, and the timing of the revenue recognition determined. There are a further six apartment blocks to be constructed at Stellendale Junction. VIS' current liabilities exceed the current assets by eighty-four times, but the company believes it remains a going concern.

#### Vukile Property Fund Ltd (VKE) November -1.61%

Vukile released its interim results for the group, which saw the company continuing to deliver strong results. The company has available cash balances of R5.1 billion (up from R993 million at September 2023) and undrawn debt facilities of R1.3 billion (down from R2.9 billion in March 2024). Its LTV reduced significantly to 35.4% from 40.7% (March 2024), and the interest cover ratio has increase to 2.5X. The group's average cost of debt rose to 5.7% from 5.5%. During the period VKE raised R2 billion from new share issuances. The company's corporate long-term credit rating of AA(ZA) was reaffirmed by GCR, with the outlook being upgraded from stable to positive. VKE's FFO fell -3.0%, to 82.40 cents per share from 84.99 cents per share.

	2024	2023	% Change
Gross property revenue (R million)	2 120	2 003	5.8%
Operating profit before finance (R million)	1 765	1 216	45.1%
Profit for the period (R million)	1 244	1 174	6.0%
Basic earnings per share (cents)	109.82	113.43	-3.2%
Headline eps (cents)	87.40	83.00	5.3%
NAV R per share	21.17	21.55	-1.8%
Direct prop investments (R million)	36 433	36 612	-0.5%
Indirect listed holdings (R million)	3 732	3 680	1.4%

An interim dividend of 55.18051 cents per share was declared, up 5.95% from the prior period's 52.1 cents. The last day to trade will be 10 December, and the payment date will be 17 December 2024.

### Upcoming Dividends – Pertinent Dates

Company	Dividend Type	Ex Dividend Date	Record Date	Payment Date	Amount Gross	Adjustment Net	Type
Sirius	Cash	12-Dec-2024	13-Dec-2024	23-Jan-2025	0.011915 EUR	0.009532	Extra
Sirius	Cash	12-Dec-2024	13-Dec-2024	23-Jan-2025	0.018686 EUR	0.018686	Interim
Vukile	Cash	11-Dec-2024	13-Dec-2024	17-Dec-2024	0.551805 ZAR	0.441444	Interim
Octodec	Cash	11-Dec-2024	13-Dec-2024	17-Dec-2024	0.650000 ZAR	0.520000	Final
Burstone	Cash	11-Dec-2024	13-Dec-2024	17-Dec-2024	0.445803 ZAR	0.356643	Interim
Afine	Cash	04-Dec-2024	06-Dec-2024	09-Dec-2024	0.205000 ZAR	0.164000	Interim
Dipula	Cash	04-Dec-2024	06-Dec-2024	09-Dec-2024	0.243800 ZAR	0.195040	Final
Emira	Cash	04-Dec-2024	06-Dec-2024	09-Dec-2024	0.623900 ZAR	0.499120	Interim
Oasis	Cash	04-Dec-2024	06-Dec-2024	09-Dec-2024	0.593579 ZAR	0.474863	Interim
Stor-Age	Cash	27-Nov-2024	29-Nov-2024	02-Dec-2024	0.571600 ZAR	0.457280	Interim
Redefine	Cash	27-Nov-2024	29-Nov-2024	02-Dec-2024	0.222511 ZAR	0.178009	Final

### Upcoming Year End and Interim Periods

Company	Next Period End Month	Type	Company	Next Period End Month	Type
aReit Prop Ltd	31-Dec	Annual	Acision Ltd	28-Feb	Annual
Assura plc	31-Dec	Annual	Afine Investments Ltd	28-Feb	Annual
Attacq Ltd	31-Dec	Interim	Collins Property Group Ltd	28-Feb	Annual
Capital & Regional plc	31-Dec	Annual	Delta Property Fund Ltd	28-Feb	Annual
Fortress Real Estate Investments Ltd	31-Dec	Interim	Exemplar REITail Ltd	28-Feb	Annual
Globe Trade Centre SA	31-Dec	Annual	Newpark REIT Ltd	28-Feb	Annual
Growthpoint Properties Ltd	31-Dec	Interim	Balwin Properties Ltd	28-Feb	Annual
Hammerson plc	31-Dec	Annual	Dipula Income Fund Ltd	28-Feb	Interim
Heriot REIT Ltd	31-Dec	Interim	Equites Property Fund Ltd	28-Feb	Annual
Hyprop Investments Ltd	31-Dec	Interim	Octodec Investments Ltd	28-Feb	Interim
Lighthouse Properties plc	31-Dec	Annual	Redefine Properties Ltd	28-Feb	Interim
Mas plc	31-Dec	Interim	Spear REIT Ltd	28-Feb	Annual
NEPI Rockcastle NV	31-Dec	Annual	Visual International Holdings Ltd	28-Feb	Annual
Primary Health Properties plc	31-Dec	Annual			
Putprop Ltd	31-Dec	Interim	Accelerate Property Fund Ltd	31-Mar	Annual
Resilient Reit Ltd	31-Dec	Annual	Burstone Group Ltd	31-Mar	Annual
SA Corporate Real Estate Ltd	31-Dec	Annual	Castleview Property Fund Ltd	31-Mar	Annual
Safari Investments Ltd	31-Dec	Interim	Deutsche Konsum REIT AG	31-Mar	Interim
Shaftesbury Capital plc	31-Dec	Annual	Emira Property Fund Ltd	31-Mar	Annual
Texton Property Fund Ltd	31-Dec	Interim	Fairvest Ltd	31-Mar	Interim
			Oasis Crescent Property Fund	31-Mar	Annual
			Schroder European REIT plc	31-Mar	Interim
			Sirius Real Estate Ltd	31-Mar	Annual
			Stor-Age Property REIT Ltd	31-Mar	Annual
			Vukile Property Fund Ltd	31-Mar	Interim



### South African Listed Property Funds Overview

November saw South African Listed Property Funds deliver a 1.78% weighted average increase, with 29 out of 48 funds outperforming the J803 Total Return Index's 1.69% return for the month, and pleasingly all funds had positive returns.

On a year-to-date basis there are 11 funds outperforming the J803 Index's 28.37% total return, and the top 6 performing funds are actively managed funds. Only 1 of the top ten funds is an Index based fund (10X SA Property Index Fund). All funds remain positive for the year, with the performance differential between the top performing GTC Real Estate Fund (+30.18%) and the bottom Oasis Property Equity (+15.65%) a substantial 14.53%.

SA LISTED PROPERTY FUND PERFORMANCE NOVEMBER 2024			
Arysteq Property Fund	3.20%	10X SA Property Index Fund	1.70%
Catalyst SCI Flexible Property Prescient Fund	3.09%	FNB Multi Manager Property Fund	1.70%
GTC Real Estate Fund	2.73%	Discovery Flexible Property Fund	1.69%
Catalyst SCI SA Property Equity Fund Prescient	2.34%	STANLIB Property Income Fund	1.69%
Anchor BCI Property Fund	2.33%	<b>J803 TR Index</b>	<b>1.69%</b>
SIM Property Fund	2.30%	Momentum Real Growth Property Index Fund	1.63%
Curate Momentum Flexible Property Fund	2.25%	Ci Property Fund	1.62%
M&G Property Fund	2.20%	Ninety One Property Equity Fund	1.61%
Terebinth SCI SA Property Fund	2.06%	Satrix Property Index Fund	1.59%
NGI Private Wealth Property Fund	2.05%	MSM Property ACI Fund	1.50%
Coronation Property Equity Fund	1.96%	Momentum Property Fund	1.45%
Investec BCI Property Fund	1.94%	Citadel SA Property H4 Fund	1.43%
Prescient Property Equity Fund	1.91%	Plexus Wealth BCI Property Fund	1.43%
Sygnia Listed Property Index Fund	1.84%	Palmyra BCI Property Fund	1.41%
PortfolioMetrix BCI SA Property Fund	1.84%	Metope MET Property Fund	1.39%
Standard STANLIB Property Fund	1.81%	SIM Property Equity Fund	1.38%
AF Investments Property Equity Unit Trust	1.79%	Momentum SA Real Growth Property Fund	1.34%
All Weather BCI Property Fund	1.79%	Nedgroup Investments Property Fund	1.34%
Sesfikile BCI Property Fund	1.78%	Starfunds.ai BCI Property FoF	1.24%
Mazi Capital Prime Property Fund	1.78%	Marriott Property Income Fund	1.12%
Ampersand BCI Property Fund	1.76%	Old Mutual SA Quoted Property Fund	0.92%
Holland BCI Property Fund	1.75%	Visio BCI SA Property Fund	0.78%
Ashburton Property Fund	1.74%	Oasis Property Equity Unitrust Fund	0.22%
Metope Property Income Prescient Fund	1.74%	Noble PP BCI Property Fund	0.20%
Harvard House BCI Property Fund	1.72%		

SA LISTED PROPERTY FUND PERFORMANCE 2024 YEAR-TO-DATE			
GTC Real Estate Fund	30.18%	Starfunds.ai BCI Property FoF	26.52%
PortfolioMetrix BCI SA Property Fund	30.01%	Harvard House BCI Property Fund	26.26%
Prescient Property Equity Fund	29.82%	Coronation Property Equity Fund	26.18%
Catalyst SCI SA Property Equity Fund Prescient	29.69%	Citadel SA Property H4 Fund	26.15%
SIM Property Equity Fund	29.67%	Plexus Wealth BCI Property Fund	26.09%
Standard STANLIB Property Fund	29.17%	Ninety One Property Equity Fund	25.84%
10X SA Property Index Fund	28.99%	Metope MET Property Fund	25.45%
Sesfikile BCI Property Fund	28.97%	Momentum Property Fund	25.23%
M&G Property Fund	28.80%	STANLIB Property Income Fund	25.17%
Metope Property Income Prescient Fund	28.54%	Visio BCI SA Property Fund	25.01%
Sygnia Listed Property Index Fund	28.37%	Investec BCI Property Fund	24.94%
<b>J803 TR Index</b>	<b>28.37%</b>	Momentum SA Real Growth Property Fund	24.69%
Momentum Real Growth Property Index Fund	28.22%	Old Mutual SA Quoted Property Fund	24.53%
NGI Private Wealth Property Fund	28.14%	MSM Property ACI Fund	24.52%
Holland BCI Property Fund	28.07%	Discovery Flexible Property Fund	24.30%
SIM Property Fund	27.98%	Nedgroup Investments Property Fund	22.55%
AF Investments Property Equity Unit Trust	27.80%	Palmyra BCI Property Fund	22.29%
Satrix Property Index Fund	27.76%	Catalyst SCI Flexible Property Prescient Fund	19.65%
Ci Property Fund	27.24%	Noble PP BCI Property Fund	19.59%
Ampersand BCI Property Fund	27.11%	Marriott Property Income Fund	18.83%
Mazi Capital Prime Property Fund	26.91%	Anchor BCI Property Fund	17.89%
Ashburton Property Fund	26.81%	Oasis Property Equity Unitrust Fund	15.65%
FNB Multi Manager Property Fund	26.78%		

Source: MoneyMate

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