

# Dipula boosts property portfolio

**TNA Reporter**

JSE-LISTED property company Dipula Income Fund announced on Friday that it was set to acquire four properties for total consideration of R326m which will boost its asset base to R3.4bn.

Through this transaction, the black economic empowerment (BEE) property player will be concluding its fourth major acquisition since listing on the JSE in August last year.

Dipula Income Fund is one of the few significantly empowered JSE listed property fund. It was established out of a merger between two fledging commercial property players, Mergence Africa Property Fund and Dipula Property Fund and now boasts the highest black shareholding in the SA listed property sector, of around 26%. In addition it is managed externally by Dipula Asset Management Trust a 100% BEE company.

Dipula Income Fund CEO Izak Petersen said the latest proposed acquisitions, further Dipula's strategy of improving the quality and average size of its portfolio on a yield-enhancing basis. "The transactions expand our geographic and sectoral diversification. The office properties also confirm the benefits of Dipula's black-owned external management company."



**EXPANDING: Dipula is boosting its assets base.** Picture: GALLO IMAGES

Dipula said it has signed agreements to acquire a portfolio of three government-tenanted office buildings for a total of R173m and Tower Mall, a 15 348m<sup>2</sup> retail mall under development in Jouberton in the North West Province, for R153m.

The group said the three office properties have relatively long government leases. They comprise the 3270m<sup>2</sup> Byron Place in Pretoria acquired for R38m, the 12 782m<sup>2</sup> Sterkolite building in Rosslyn, Pretoria for R78m, and 6909m<sup>2</sup> Elco building in East London for R57m.

The group said Tower Mall will be a rural shopping centre anchored by Shoprite, with a high proportion of national tenants. Petersen said the Tower Mall acquisition agreement ensures sustainable contribution to Dipula's rental income from the onset. The Tower mall development was expected to open in the final quarter of 2013. "Any un-let space will be subject to a five year head lease from the seller secured by the retention of part of the purchase price".

*business@thenewage.co.za*