

SA retail REIT raises R250m in new equity

JSE-listed Fairvest Property recently announced that it has raised some R250m in new equity at R2.20 per share. The retail REIT focuses on rural and community shopping centres servicing lower income markets.



Darren Wilder, CEO, Fairvest Property

CEO Darren Wilder said that the transaction was heavily oversubscribed and that the company had increased the amount raised due to strong support from a range of large property funds.

Positive local outlook

"We are pleased with the outcome of the capital raise. Fairvest is one of the few remaining property funds that are focused purely on the South African market and recent political and economic developments have created a favourable outlook for the country over the short to medium term.

"Investors have also recognised Fairvest's consistent performance and are eager to participate in a growth stock. The stock has returned more than 31% per annum for the last two years and is the top performing REIT over five years."

The Fairvest property portfolio consists of 43 properties, with 229,175m² of lettable area and valued at R2.80bn. The cash raised will be partially utilised towards the Barra Precinct acquisition which was announced in December 2017 and to provide headroom for further yield accretive acquisitions.

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