



Growthpoint Investor Showcase

2024

November 2024



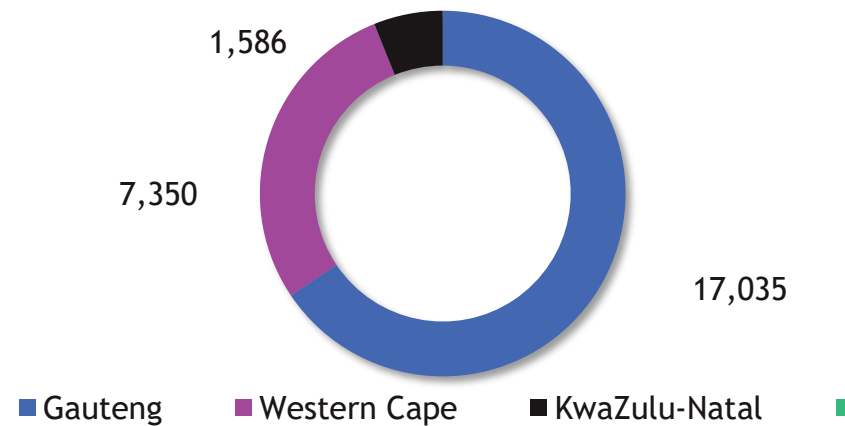
144 Oxford, Rosebank

PORTFOLIO COMPOSITION



	FY24	FY23	FY22	FY21	FY20
Number of properties	151	155	158	165	168
GLA (m ²)	1 613 572	1 650 192	1 669 867	1 705 846	1 672 009
Vacancy (m ²)	244 450	316 486	346 246	339 933	258 295
Valuation (R million)	26 502	25 868	25 999	27 642	29 793
Value per m ² (R)	15 796	15 140	15 073	15 721	17 201

Geographical split by value (R'm)



ASSET MANAGEMENT STRATEGY



Strategic imperatives for the 2025 financial year:

- Address the overweight investment in the office sector
- To optimise the performance of the Office Sector
- More active disposal strategy. Identification of likely purchasers and investors
- Rebalancing of nodal weighting, with a separate strategy per node and sub-node
- Core properties to be redeveloped, upgraded and repositioned
- Conversion of properties to alternate uses (residential, medical, education)
- Bring land to account
- Ongoing focus on sustainability

Constantia Office Park, Roodepoort

MARKET



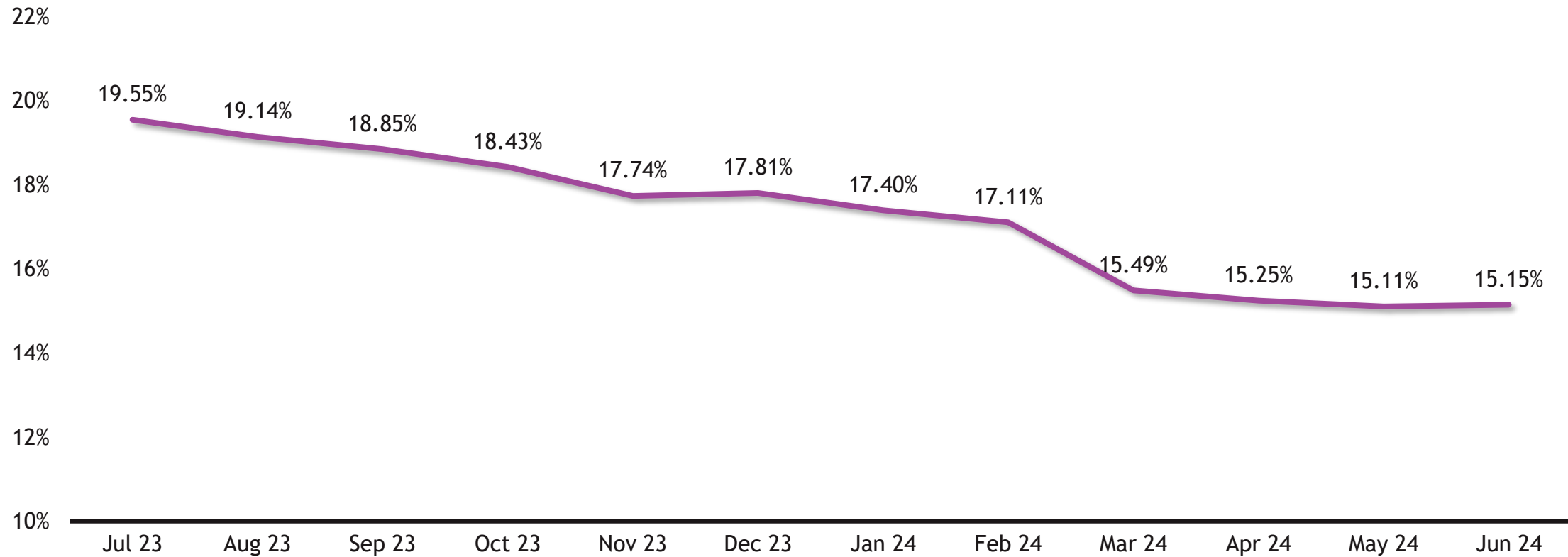
The Place, Sandton

- Recognition of the role of Offices in for improving productivity, collaborative working, mentoring and the attraction of skills
- Tenants are returning to offices, but most are working on a hybrid basis, coming in 3 or 4 times a week - employers want staff to return, but staff want to retain some flexibility - staff do not want to “HotDesk”
- This has resulted in many smaller tenants coming back into the market
- Tenants are looking for buildings with amenities, to encourage staff to return
- Tenants are also looking for flexibility, as they are not all sure how they will use office space in the future
- Sentiment in the sector has improved, with many more enquiries being fielded

The trend back to work is tempered by the slow economic growth, high interest rates, and high utility costs, constraining a rapid reduction in vacancies

VACANCIES

ACTUAL VACANCIES - FY24



LETTING



Inanda Greens, Wierda Valley, Johannesburg

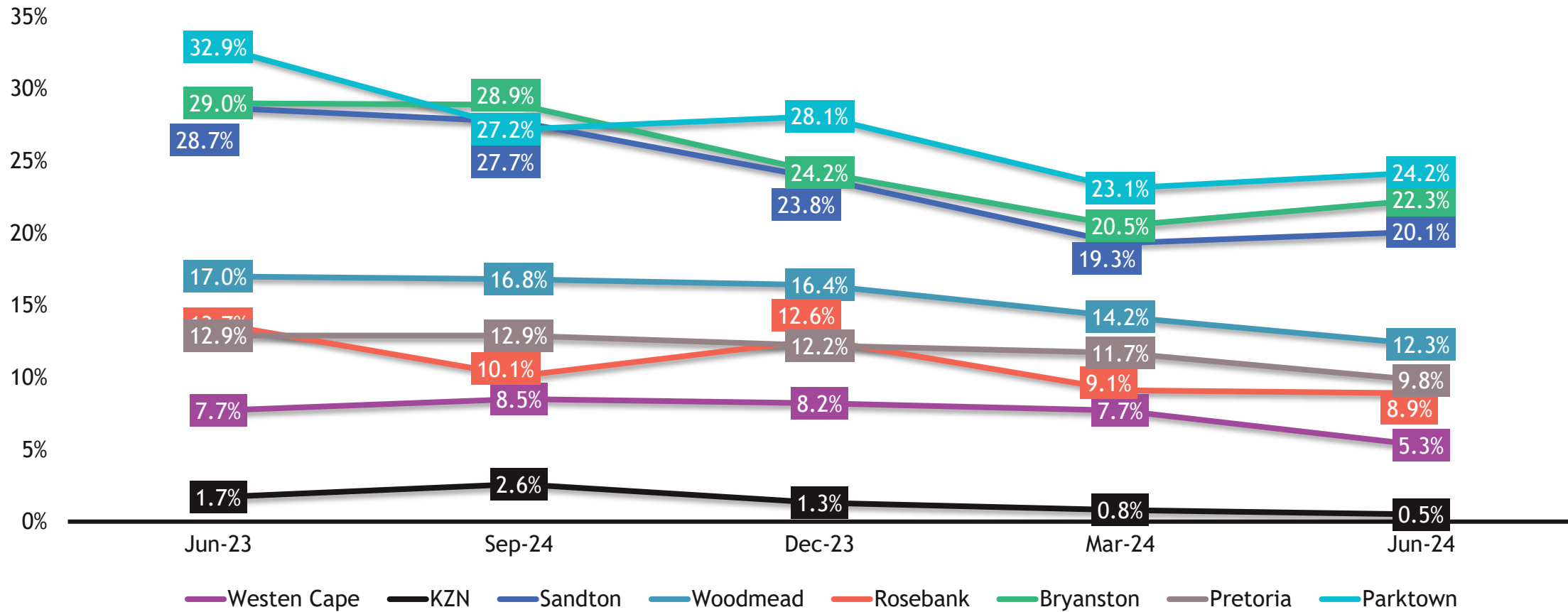
During FY24, vacancies reduced from 316 000m² to 244 000m², a reduction of more than 72 000m²

This was primarily achieved as follows:

- Of the 263 000m² of space that expired, we renewed 163 000m² (62.0%)
- A further 183 000m² of space was let
- Disposals and adjustments reduced the vacancy by 33 000m²
- 44 000m² of occupancy (2.6% of the portfolio) was lost to terminations
- Weighted Average Renewal period - 3.5 years
- Weighted Ave Future Escalations - 7.22%

NODAL VACANCIES

ACTUAL VACANCIES - FY24



LETTING STRATEGY



V&A, Cape Town

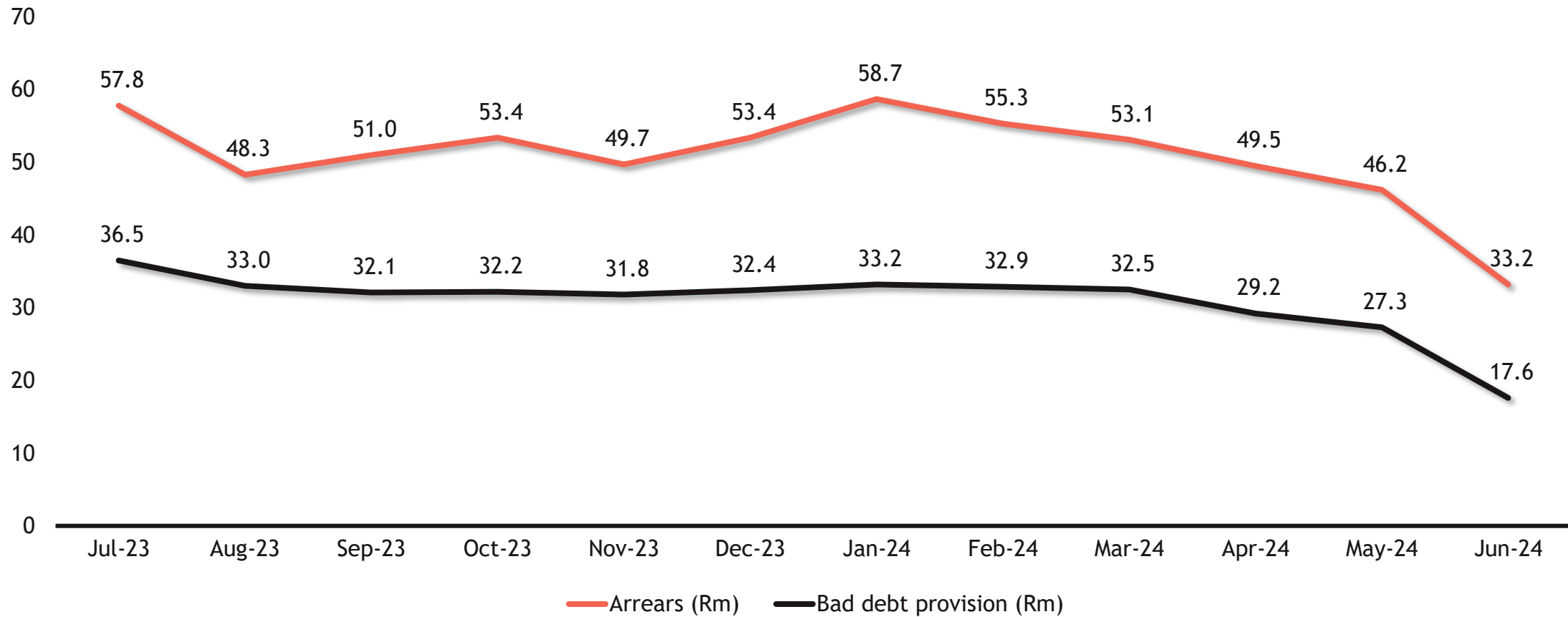
Reduction of vacancy through:

- Continued provision of sustainable, efficient well-maintained buildings with backup services
- Targeted letting (BPO's and growth industries)
- Incentives
- Provision of amenities
- Innovative products (Workagility)
- Customising each deal

ARREARS

Arrears is 8.81% of collectables

ARREARS & BAD DEBT PROVISION



SALES TO DATE, AND FUTURE SALES

Sales of a further R102m have transferred since year end, with agreements signed for a further R592m, subject to various suspensive conditions

Purchaser	Building name	Location	Cost plus capex	Book value	Selling price	Transferred
	103 Central Park	Houghton	17 063 888	18 085 887	18 000 000	07/08/2023
Owner occupier	15 Georgian Crescent	Bryanston	98 948 119	39 011 639	40 000 000	19/12/2023
	257 Oxford	Illovo	21 216 024	32 502 763	32 500 000	30/05/2023
	Total		137 228 030	89 600 288	90 500 000	

VALUATIONS



V&A Waterfront, Cape Town

- Like on like valuation as at June 2024 increased by 1.2% (R318 million) to R25 992 million
- The devaluation to June 23 was 0.9%, with the portfolio having lost over 20% in value since 2019
- This increase in value is despite small increases in Discount Rate, Cap Rate and Reversionary Cap Rate
- The increase in value is the result of the decreasing vacancies, and a reduction in the assumptions on the lag to rent vacant space
- Nodal valuation changes are as follows:
 - KZN up 3.61%
 - Western Cape down 0.63%
 - Gauteng up 0.09%

DEVELOPMENTS





THANK YOU

QUESTIONS