

■ PROPERTY

# Rebosis is well advanced with disposal of commercial assets

**ROY COKAYNE**  
roy.cokayne@inl.co.za

REBOSIS, the listed real estate investment trust that previously indicated it planned to accelerate the disposal of its non-core office assets to become a retail-focused fund, reports that it is “well advanced” with the commercial property disposal programme.

The company currently owns six shopping malls valued at R8.1 billion, 42 predominantly A and B-grade office properties in nodes attractive to government tenants valued at R9.8bn that were largely let to the Department of Public Works, and a single-tenanted industrial warehouse valued at R185 000 that was let to an international listed blue chip company.

Rebosis founder Sisa Ngebulana, who was reappointed chief executive in April following the resignation of former chief executive Andile Mazwai, said yesterday that while the commercial portfolio was defensive in nature, management was focused on the disposal programme to achieve a loan-to-value ratio of less than 40 percent.

The group’s loan-to-value ratio increased to 49.4 percent in the year to August from 45.5 percent in the previous year.

Ngebulana said Rebosis’s borrowings increased to R10.7bn at end-August, because of additional funding provided to New Frontier to acquire an asset in Dublin, Ireland, the exercise of put options to acquire additional shares in New Frontier and additional loans advanced to New Frontier for capital requirements.

He said the group loan-to-value ratio increased to 51.6 percent from 45.5 percent, because of the additional funding and the simultaneous decrease in the value of investment property, but decreased to 49.4 percent

## Rebosis



after the disposal of the Boxwood transaction and the resultant decrease in asset and interest-bearing borrowing.

The Boxwood transaction involved the disposal of six Cape Town office properties for a total of R888 million to Boxwood Property Investment Funds.

The commercial and industrial portfolios were revalued by independent valuers, resulting in the value of the underlying portfolio declining by 3.9 percent to R18.09bn.

Ngebulana said Rebosis would continue to focus on operational efficiencies, particularly filling vacancies at its key retail centres.

Retail vacancies were at 1.8 percent at end-August compared with 5.5 percent for the total portfolio.

Rebosis yesterday reported a 5 percent growth in A-share dividends a share to 252.86c for the year to August and 27.7 percent decline in B-share dividends a share to 92.83c.

Shares in Rebosis tanked 23.46 percent on the JSE yesterday to close at R4.60.