



MEDIA RELEASE FROM EMIRA PROPERTY FUND

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Emira launches major R795 million Knightsbridge redevelopment in Bryanston

Emira Property Fund is undertaking a major R795 million redevelopment of its Knightsbridge Manor office park in Bryanston, Johannesburg, into a P-grade and leading-edge Green Star SA rated office complex.

The three-phase redevelopment of the prime located office park will see it more than tripling in size to 29,352sqm in terms of GLA office space. As part of the landmark project, Emira is renaming the park simply, Knightsbridge.

The Knightsbridge development, located in Sloane Street opposite the Didata Campus, started in November (2015). It is being undertaken in phases, with the first of seven new buildings set to be complete in May 2017. The new office park will boast a minimum 4-Star Green Star SA rating from the Green Building Council South Africa.

Geoff Jennett, CEO of Emira Property Fund, comments: "Our groundbreaking redevelopment of Knightsbridge supports Emira's strategy of improving the quality of certain B-grade office stock. It will significantly increase the value, attractiveness and competitiveness of this excellently located property. The new Knightsbridge is going to be a P-grade, resource-efficient and green rated office complex."

The project is portfolio enhancing. In addition, the entire office park is designed to achieve a 4-Star Green Star SA rating, supporting Emira's principles of responsible investment.

Jennett reports that Emira's Knightsbridge development responds to demand for offices in the Bryanston area. It also leverages the park's prime location in this growing business hub. Being on Sloane Street, one of Bryanston's key arterial roads, Knightsbridge has quick access to the N1 highway.

"Bryanston is fast becoming the preferred alternative to Sandton for blue-chip businesses and large A-grade and P-grade office users," says Jennett.

Bryanston is the fourth largest office node in Johannesburg after the CBD, Sandton and Midrand. It has relatively high office occupancies. According to SAPOA, Bryanston's office vacancies were 7.2% for Q4:2015, compared with a national average of 10.5%. P-grade office vacancies are at a low 1.7%. Bryanston is also an area that is upgrading and developing, especially around Nicolway Bryanston shopping centre, Ballyclare Drive and Main Road. New offices are quickly finding tenants.

Welcome news for anyone who uses the roads in this area, Emira's project will result in the upgrade of the intersection of Sloane Street and William Nicol Drive. This strategic upgrade will also benefit Emira's nearby Epsom Downs Shopping Centre and Office Park.



Originally built in the mid 1980's, Emira acquired Knightsbridge Manor in 2003. Despite cosmetic refurbishments, the park's buildings have dated and are attracting B-grade rentals in an area characterised by A-grade and P-grade offices.

Jennett explains: "While Emira initially considered an upgrade for the park, it quickly became clear its complete demolition and redevelopment would be a much better option to boost its value and performance."

The redevelopment will increase its size by a massive 19,334sqm, from its current 9,884sqm, and sufficient power has been confirmed for the site.

The new generation Knightsbridge business park will be defined by quality design, materials and finishes, and will feature standby generators and back-up water supply. This will be complemented by resource-efficient state-of-the-art mechanical and electrical installations including a chilled water system, lighting sensors, access control, CCTV and rainwater harvesting for irrigation. It will also have the built-in capacity to place PV panels on the roofs and offer its users generous parking.

While the buildings are ideal for large corporates, they are designed with flexible floorplates to provide the best size for different kinds of businesses.

"The redevelopment will take place in three phases to spread letting risk. This also ensures as much of the property as possible continues to produce income throughout the development," says Jennett.

He adds: "This major investment in the redevelopment and expansion of Knightsbridge is an excellent example of how Emira is achieving growth by harnessing the potential in our standing portfolio of assets. We will continue to find exciting ways to grow and create value for investors."

Emira is a JSE-listed REIT that is invested in a quality diversified portfolio of office, retail and industrial properties. Its assets comprise 145 properties valued at R12.7 billion. Emira is also internationally diversified through its direct interest in ASX-listed Growthpoint Properties Australia (GOZ), valued in excess of R796 million, with total property assets now at R13.5 billion.

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