

Equities acquires Coventry property

By [Alistair Anderson](#)

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Equites Property Fund, the high-end industrial property owner, has strengthened its UK portfolio with a deal worth nearly R700m. The group has bought a 19,909m² cross docking distribution centre in Coventry, England, for £41m. This means Equites now owns four distribution centres in the UK worth about £104m.



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The Coventry transaction was subject to the seller entering into a 15-year lease with a Swiss based global transport and logistics company. The seller concluded this lease last Friday.

Equites recently announced financial results in which it said it had achieved a 12.02% increase in half-year dividends to August, making it one of the few double-digit income providers in 2017.

Since listing in 2014, it has increased its portfolio of industrial and mainly logistics assets in SA and the UK from R1bn to R6.8bn. It was one of the best performing real estate investment trusts (Reits) listed on the JSE, when measured by its annualised return of 28% over the past three years.

CEO Andrea Taverna-Turisan said he invested in the UK because he wanted to get exposure to the strong online shopping market there.

Equites would buy premium logistics distribution centres in key nodes, built to institutional specifications and let these to tenants, such as Amazon, who needed to hold stock on longdated upward-only leases.

“The UK shift is low risk and will feed off growing e-retail demand in the country,” said Len van Niekerk, senior property analyst at Nedbank CIB.

Taverna-Turisan said he and his team had strong relationships with industrial property developers in the UK. In 1998, he and some business partners launched Italian food import venture Rialto Foods, which is now a Woolworths supplier.

At Rialto, Taverna-Turisan developed two warehouses for the business and then created an industrial development company in 2006. He listed Equites Property Fund in June 2014, as one of few specialist industrial property owners on the bourse.

Source: Business Day

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