

# Fountainhead to buy retail centre

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**LISTED** property unit trust Fountainhead is continuing its strategy of buying quality retail assets in strong retail nodes, announcing yesterday it had reached an agreement to acquire Access Park, in Cape Town, for R419m.

Fountainhead said it planned to grow its portfolio, which has a 75% exposure in retail, by between R1bn and R2bn in the next 18 months.

The fund was looking at other opportunities across all sectors, though the retail sector remained an attractive investment because it had generally weathered the economic storm better than others.

Fountainhead's focus would remain in Gauteng, KwaZulu-Natal and the Western Cape.

The fund said there were a few

## FOUNTAINHEAD

Annual	2010	2009
Income (Rm)	845,96	785,120
Operating profit (Rm)	625,98	590,116
Net profit (Rm)	549,35	617,025
HEPS (c)	55,53	53,66
Distribution PS (c)	54,08	52,00

opportunities in the pipeline, but emphasised it would buy only good-quality assets to grow the portfolio.

The latest acquisition is subject to certain conditions, and is expected to be effective by June.

"The acquisition is in line with Fountainhead's strategy of acquiring quality retail assets which are located in strong retail nodes and possess good future growth prospects," MD Anton Raubenheimer said.

Access Park, a value-orientated retail centre, is located in the popular area of Kenilworth, in the southern suburbs of Cape Town.

"It has a proven track record having recorded strong growth throughout its history," Mr Raubenheimer said.

The centre was expected to complement Fountainhead's already strong retail portfolio. Access Park offers a mix of branded outlet stores and discount retailers. Some of the tenants include Fruit & Veg City Nike, Adidas, Puma and Mr Price.

Fountainhead's portfolio consists of 74% retail, 15% offices, 7% industrial and 4% specialised properties. Its property exposure is in established regional shopping centres such as Centurion Mall, near Pretoria, NI City Mall in Cape Town, and Southgate Mall in Johannesburg.

The fund's total portfolio vacancy factor is 7%, while the vacancy factor by sector is 5% retail, 10% industrial and 12% offices.

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