

Atlantis City Shopping Centre sold for R334 million

Atlantis City Shopping Centre in the Western Cape has been acquired by Synergy Income Fund Limited for approximately R334 million, making it the fund's largest single property investment since listing in December 2011. The retail centre is expected to transfer on 1 September 2013.



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The 22,077sqm shopping mall will become its third biggest property asset, after Gugulethu Square in Cap Town and King Sensangakhona Shopping Centre in KwaZulu-Natal. The centre is dual anchored by Shopr and Pick n Pay and includes a full range of national retailer offerings within a modern enclosed mall.

William Brooks, CEO of Synergy, says, "Acquiring this centre continues the fund's strategy of growing a specialised retail property investment fund. It will enhance our well-diversified portfolio of properties located in strong demographic nodes with good growth opportunities. It also meets our objective of property portfolio growth with quality retail assets."

JSE-listed Synergy is a specialised retail property fund with a specific focus on mid-sized community and regional shopping centres in high-growth nodes. This acquisition takes its property portfolio to 15 shopping centres valued at approximately R2.1 billion. Commuter-oriented centres in township areas and rural towns dominate it. The property portfolio is geographically diverse, now owning property assets in seven provinces.

The transaction remains subject to various conditions, including Competition Commission approval. The pro forma financial effects of the acquisition will be published in due course, until which time the linked unit holders are advised to exercise caution when dealing in the company's linked units.

"This acquisition progresses the fund's growth strategy with a quality retail asset that meets our investment criteria. We will continue to identify further opportunities to grow our portfolio and provide sustainable and growing returns for our investors," concludes Brooks.