

## Estienne de Klerk takes reins as SA REIT Association chair

Estienne de Klerk has been elected chair of the SA REIT Association, which represents the South African listed real estate investment trust (REIT) sector. De Klerk is SA CEO of Growthpoint Properties and has been involved in banking and listed property for nearly 25 years.



Estienne de Klerk is the new chairman of the SA REIT Association

De Klerk is a past president of the South African Property Owners Association (SAPOA) and represented the industry in the Property Sector Charter negotiations. De Klerk is a long-standing member of the SA REIT Association, having served on its executive committee and as chair of its taxation and regulatory committee since inception, where he laid the groundwork for the country's REIT framework.

### REITs misunderstood

De Klerk says that the property industry and REITs are often misunderstood. "Property is a distinctly unique asset class, and REITs are complex operating businesses. Local and international research shows that property portfolios perform better when professionally managed and that REITs outperform physical property portfolios. REITs are a liquid investment, which you can buy and sell cheaper and quicker than physical properties, and they offer a tax-efficient structure."

He adds, "REITs offer a unique investment proposition that satisfies both income investors seeking yield and equity capital investors seeking total return. While SA REITs are not immune to the struggling SA economy, they offer less volatility and their dividends are highly predictable and reliable with the potential for good medium- to long-term capital appreciation. A growing number of REITs have diversified internationally, offering an investment that is disconnected from the SA economy for those seeking this option."

De Klerk takes over from the association's immediate past chair Izak Petersen who is CEO of Dipula Income Fund. "Izak successfully steered the association through tumultuous times because of the tough economy and company-specific issues that impacted the sector and the association. We thank him for his valuable contribution over the past two years," notes De Klerk.

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