

# Growthpoint set to launch into rest of Africa

By [Alistair Anderson](#)

15 Sep 2015

SA's largest listed real estate investment trust, Growthpoint Properties, is expected to launch a joint venture in its first foray into the rest of Africa before the end of this year.



© ratchanida thippayos – [123RF.com](#)

Market commentators have speculated that Growthpoint would need to partner with an asset manager based elsewhere on the continent as it looked to buy or develop properties in the rest of Africa.

MD Estienne de Klerk said last week that Growthpoint would announce when the fund was ready to do so.

A number of South African property companies, including listed ones, are buying assets in the rest of Africa - but only a few are building from scratch. In terms of developing greenfield projects, it is more likely that private equity companies will lead the way.

"Often the model has involved private equity companies going in and developing properties in Africa with the help of local partners and then exiting," Anthony Lewis, director for sub-Saharan capital markets at Jones Lang LaSalle SA, a real estate adviser, said last week.

"This method should persist for a while. Listed funds would need to partner with private equity groups or other companies that are already in (the rest of) Africa before entering the (property) market," he said.

Growthpoint has grown its asset base from R1.5bn to about R100bn in 14 years, much of the impetus coming through the acquisitions of South African property funds. It has amassed a portfolio valued at almost R80bn in SA. Growthpoint CEO Norbert Sasse said last month the fund needed to focus on new developments.

*Source: Business Day*

For more, visit: <https://www.bizcommunity.com>