

SA REITs rank high among Top 100 Companies on JSE

South African real estate investment trusts (REITs) ranked high this year on the list of the Top 100 Companies on the Johannesburg Stock Exchange, based on performance. They made up a significant 12% of the companies listed over five years based on a compound annual growth rate.



Izak Petersen, chairman, SA REIT Association

“The sector has held up well, despite the current negative sentiment. It remains the best income producer, a defensive investment through cycles and a powerful shield against inflation,” reports Izak Petersen, chairman of the SA REIT Association. Currently, there are 31 SA REITs listed on the JSE, which represent a market capitalisation of over R422bn.

Leading the listed property sector, and third overall, Fortress Income Fund delivered a compound growth rate of 47.53%. Other top performing SA REITs to be included in the Top 100 Companies are Resilient REIT, Fairvest Property Holdings, Dipula Income Fund B, SA Corporate Real Estate Fund, Hyprop Investments, Arrowhead Properties, Oasis Crescent Property Fund, Hospitality Fund B, Octodec Investments, Redefine Properties and Emira Property Fund.

SA REIT Association research

The prolific presence of SA REITs among South Africa's Top 100 companies is supported by SA REIT Association research, conducted by Bridge Fund Managers, which shows SA REITs have again delivered healthy positive performance in 2017. For this year to the end of October, SA REITs delivered total returns of 7.2%, and outclassed cash at 6.30% and SA bonds at 5.37%. Its performance was only second to SA stocks.

The Top 100 Companies awards acknowledges those listed companies that have created the most wealth and value for shareholders. The share price performance of every company listed on the JSE, which forms the basis of its research, is calculated using a hypothetical initial investment of R10,000 in each share over five years, from 1 September 2012 to 31 August 2017. Companies are ranked according to their share price performance, as calculated by IRESS. The results were recently published in the Top 100 Companies survey carried out by the *Sunday Times Business Times*.

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