



# INDLUPLACE

## DWELLING ON RESIDENTIAL

(Incorporated in the Republic of South Africa)

(Registration number 2013/226082/06)

(Approved as a REIT by the JSE)

JSE share code: "ILU" ISIN: ZAE000201125

### **IndluPlace portfolio fulfils vital role during lockdown**

#### *Prudent balance sheet management underpins positioning*

**Wednesday, 20 May 2020** – Having entered the Covid-19 pandemic in a strong financial position, IndluPlace, on track to deliver earnings in line with guidance, announced an 8,8% decline in distributable income per share for the six months ended 31 March 2020 to 34,17 cents from 37,49 cents in the prior comparable period. The environment changed dramatically since the company entered the second half of its current financial year and therefore withdrew guidance and postponed its interim dividend payment as per the Trading Statement released on 23 April 2020.

The bolstering of its head office team with highly skilled and experienced individuals during 2019 served the company well. Extremely proud of the team, Carel de Wit, CEO of IndluPlace commented: *"I am very proud of the way the team has adapted to the unprecedented circumstances. Everyone has been set up to work from home prior to entering the lockdown period and their ongoing commitment and drive towards innovation is highly appreciated."*

With its focus on providing homes for working families, the IndluPlace portfolio played a vital role during lockdown. The basic need for accommodation remains a constant and the company's occupation rate going into lockdown was at its best levels for years. Vacancies improved from 8,5% to 5,5% during the period under review due to the excellent progress made at the letting of units at Highveld View, now over 95% let. The remainder of the portfolio has also performed well and remains stable.

*"Some tenants have been negatively impacted by the weight of the impact the virus has had on the South African economy and their employers having suspended operations, unable to continue to pay salaries. Despite this collections remained relatively good during April and May thus far. Conscious of the impact on our tenants' livelihoods and financial circumstances, the team has adopted innovative approaches to work with tenants on a case-by-case basis to structure payment plans,"* said De Wit.

Bad debts prior to lockdown was stable at around 1% but the lockdown is expected to have a substantial impact on this. The approach to credit control had to be softened with the tenants



## **NOTE TO EDITORS:**

### **Indluplace Properties Limited**

Indluplace Properties was the first REIT listed on the main board of the JSE to focus exclusively on rental residential property. Since its listing it has increased the value of its properties to R4.1 billion and currently owns 147 residential properties consisting of 9 668 residential units and about 18 834m<sup>2</sup> retail space, spread mainly across Gauteng.

Indluplace is growing a diverse portfolio by focusing on acquiring yield enhancing properties and portfolios that provide income from date of acquisition. This will be achieved by investing in rental housing at the more affordable end of the market, where a proven demand exists, generally in larger urban centres close to work opportunities and transport infrastructure.

Indluplace offers an exit for developers or owners of residential stock or portfolios and utilises specialist outsourced property managers for the appropriate portfolios.

### **Leadership and Management Team**

Indluplace is led by an experienced management team, with strong credentials, who has extensive experience in the sector. Executive directors include Chief Executive Officer Carel de Wit, Financial Director Terry Kaplan and Grant Harris, Chief Operational Officer.

#### **Executive Directors**

- Carel de Wit Chief Executive Officer
- Terry Kaplan Financial Director
- Grant Harris Chief Operational Officer

#### **Non-executive Directors**

- Taffy Adler Non-executive director (Chairman)
- Selwyn Noik Non-executive director

#### **Independent Non-Executive Directors**

- Clifford Abrams Independent non-executive director
- Ayesha Rehman Independent non-executive director
- Nindiphiwe Tetyana Independent non-executive director