

Delta Property acquires property portfolio for R507m

Delta Property Fund (DLT) said on Tuesday it had acquired 15 property portfolio for R507m in a deal that will help diversify its geographic spread.

The property fund said the agreement offered redevelopment and letting opportunities that could lead to further value extraction for its shareholders.

Most of the properties, which were acquired from Orthotouch in Bloemfontein, are leased on a month-to-month basis to national and provincial government tenants at below market rentals.

The small-cap company said acquisition was yield accretive at 11.4% based on actual income and excluded any existing vacancies in the properties.

"Delta is of the opinion that it will be able to take advantage of this significant upside potential by filling these vacancies at market-related rates," it said in a statement.

The acquisition, which will be settled through debt funding and shares, will be effective from 1 August.

Source: [BDpro](#)

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