



Economic Overview

The local currency came under increased pressure during the third quarter following an uptick in reported money supply. The RBZ Governor responded by releasing a Monetary Policy Committee Statement on the 27th of September, which included a raft of measures aimed at reducing the downward pressure on the Zimbabwe Gold (ZWG). Going forward, we forecast an improvement in macroeconomic conditions during Q4 on the back of rising commodity prices and anticipated La Niña conditions, which should anchor output in the agricultural sector over the 2024/25 season.

Property Market

We noted a buoyant real estate sector during the third quarter with many new projects in planning and development stage. The demand for value-preserving assets combined with exchange rate volatility has caused an upward shift in pricing across the real estate value chain including rental levels. However, as new property developments open to the public, the demand/ supply metric shifts in favour of the tenant. We believe that well located, quality assets will retain their premium rental status. Prudent operating cost management will ultimately determine the pattern of yields generated across the sector.

Property Portfolio Prospects

The acquisition of Highland Park Phase 2 by the Tigere REIT was approved by way of an Extra-Ordinary General Meeting of unitholders held on the 29th of August 2024. Consequently, income benefits accruing from the purchased asset began to take effect in September. The newly incorporated Phase 2 asset will bolster the yield and diversify the underlying portfolio, providing increased dividends to unitholders.

Occupancy at Highland Park Phase 1 and Chinamano Corner remained at 100% during the period under review. August saw record turnovers at Highland Park Shopping Centre with most tenants surpassing their December 2023 Turnover levels- this was owing to school holidays and a 5-weekend month which included the Heroes Holiday. The devaluation of the ZWG at the tail-end of the quarter has been well received by retailers and we foresee a recovery in the main anchor’s sales volumes during Q4. As we approach the festive season, an uplift in foot traffic at the food and beverage section of the mall is firmly anticipated- which should provide a decent Turnover rental boost to earnings.

Unaudited Performance Highlights

The unaudited performance for the quarter ended 30 September 2024 are as presented below:

Financial Highlights

	30-Sept-24	30-Sept-23
	US\$	US\$
Net Property Income	1 307 168	1 278 679
Total Comprehensive Income	854 413	804 899
Occupancy level %	100%	100%
Rent per m ²	\$19.24	\$17.75
	30-Sept-24	31-Dec-23
Net Asset Value	33 886 149	22 546 948

Dividend Announcement and Forecast

The REIT declared an interim dividend of USD 372,112 (being 0.03476 United States cents per unit) in respect of the period ended 30 September 2024. The dividend will be paid on or about 8 November 2024. The salient dates related to the dividend timeline are in the published dividend notice.

On behalf of the Asset Manager
18 October 2024