

# Growthpoint Investec African Properties launched

 By [Sindy Peters](#)

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First announced in 2015, Growthpoint Investec African Properties (GIAP) is finally off the mark, commencing operations in the pan-African real estate market.

Managed by Growthpoint Investec African Property Management, MD Thomas Reilly explained that the past couple of years have been difficult for African markets, particularly oil exporting countries, negatively impacting the fair market price of real estate assets and the level of underlying tenant demand.

"We believe we are now starting to see a level of stabilisation in terms of tenant activity and rental pricing which directly impacts the level of demand for real estate. Countries such as Nigeria, as an example, who have managed to reduce their US dollar liquidity issues, buoyed by a rising oil price, and Ghana, whose government appears to be largely business friendly, has helped."

## Market realities

Commenting on some of the present realities of the African real estate market, Reilly said, "From a real estate perspective, Africa remains in a state where quality assets and skills are in short supply. Our entry in the space attempts to make strides in terms of developing not only the assets themselves, but also the broader capital markets for real estate. Developing people and their skillset goes hand-in-hand with that ambition."



Thomas Reilly, MD, Growthpoint Investec African Properties Management

With a focus on markets with sufficient scale and growth prospects to return acceptable risk-adjusted returns, Reilly says current focus for GIAP includes commercial real estate assets in countries such as Zambia, Kenya, Ghana and Morocco, spanning the retail, office and industrial sectors.

GIAP is an initiative of Growthpoint Properties and Investec Asset Management, in partnership with the International Finance Corporation (IFC). Capital commitments in excess of \$212m have been secured from several institutional and international investors.

## ABOUT SINDY PETERS

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