

Herald Sun

Boutique Manager Ramps Up

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By **Olga Galacho**

BOUTIQUE listed property group Folkestone yesterday confirmed it would increase its full-year dividend by 5 per cent to 2.625c a share on the back of expectations for “sustainable growth”.

The payout will be fully franked. The fund’s manager and developer yesterday posted a net profit of \$3.2 million for six months to December, up 6 per cent from the previous corresponding half.

Folkestone, which has \$1.2 billion of assets under management, is joint developer behind residential estates in Officer, Truganina and Wollert, and various industrial parks in Altona North, Nunawading and Knoxfield. However, its biggest trust is used to develop early learning centres, a division that grew its asset valuation by 10 per cent to \$829 million during the latest half. The Folkestone Education Trust continued its active management of assets, buying two centres and six sites for new centres.

A review at 64 centres resulted in average increases of 4.9 per cent to rents compared with the previous year.

Delivering the results, managing director Greg Paramor said the group had a “number of transactions underway, which, due to timing will now contribute to earnings in the second half of 2017”. Folkestone is on track to launch two new funds – Wollert Development Fund and the Green Square Hotel Fund – in the present half.

The group’s \$25.7 million Seniors Living Fund, which bought a Sydney retirement village, closed oversubscribed during the half.

Folkestone securities closed 15c higher yesterday at 98.5c