



Rode

PROPERTY CONSULTANTS & VALUERS

Rode's
Retail Report

2023:1

Consumers are facing an uphill battle – p. 1



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Latest retail sales disappoint • Consumer spending hit by lower salaries, high inflation and interest rate hikes • Inflation pushed up by electricity crisis • Mall vacancy rates improve but remain high.

Rode's Retail Report

2023:1

Vol. 31 no. 1



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Annual digital subscription:

4 issues: R3.700 (excl. VAT)

Published by

Rode & Associates (Pty) Ltd.

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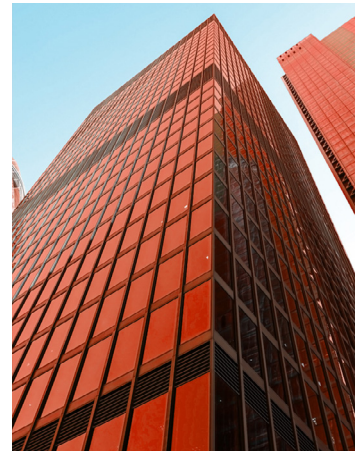
Rode Services

PROPERTY CONSULTANCY • REAL ESTATE VALUATIONS • REAL ESTATE ECONOMICS

Overview

As one of the large independent property valuation firms in South Africa, *Rode & Associates* offers the property industry:

- **Property journals** – Quarterly countrywide surveys which feed three research publications. One of the three publications contains 6-year forecasts of the crucial value-forming attributes of property in the major cities of South Africa. The forecasts are done using econometric models.
- **Time series database** – Over 7 000 property time series covering more than three decades. These time series are sourced from our quarterly surveys.
- **Property valuation** – Our valuations expertise cover retail, residential, commercial (including office buildings), industrial, agricultural and specialised properties such as hotels, hospitals, dormitories, self-storage facilities, airports, filling stations and the like
- **Property consultancy** – This covers a wide spectrum of areas.



Based in Cape Town, *Rode* serves clients from all over South Africa and Namibia (surveys in Windhoek only).

GROUNDBREAKING RESEARCH

Over the years, *Rode's* research has led to ground-breaking property models and methodologies. This includes the regular, rigorous surveying of market rental levels and capitalization rates through the expert-panel method of polling to provide more uniform and realistic market valuations. Other breakthroughs include:

- A unique econometric model to forecast the South African real estate market
- The statistical determination of standard capitalization rates
- Property demand forecasts
- The estimation of market rentals in shopping centres and for industrial premises of various sizes
- Special methodologies to value income-producing properties
- The development of regression models to estimate the capitalization rates of office properties, industrial properties and shopping centres
- The application of multiple regression techniques to value houses
- *Rode's* Valuation Method – also known as the opportunity cash flow (OCF) method – to value income-producing properties
- A further refinement to the valuation of land with residential township potential using the direct-comparison method
- A further refinement to the valuation of bare dominiums.



Rode Valuations

As one of South Africa's large valuation firms, *Rode* annually values property portfolios which include shopping centres, agricultural property, residential, commercial and industrial property. *Rode* also undertakes municipal property valuations, as well as specialized valuations such as hotels, hospitals, bare dominiums, airports, etc. *Rode* has been the annual overall top performer in the pmr.africa awards since 2016.

Rode's property valuation services are underpinned by the rigorous surveying of, *inter alia*, market rental levels and capitalization rates. *Rode's* valuation services also rely extensively on techniques such as regression models, as well as the opportunity cash flow (OCF) method. This ensures uniform and realistic market valuations and is *Rode's* competitive edge.



SHOPPING CENTRES

In the retail field, *Rode* is considered South Africa's premier shopping-centre valuer owing to the firm's technique of calculating market rentals and standard capitalization rates. The firm regresses actual rental rates of recently signed leases against their floor area size to determine the relationship between the market-rental rate and floor area. The latter is a useful tool which landlords can employ to their advantage when negotiating renewals.

FARM VALUATIONS

Rode specialises in the valuation of farms and smallholdings and understands the value-drivers within this sector.

SPECIALIST PROPERTIES

Rode Valuations has done pioneering research on several specialist-property typologies, and we regard ourselves as leading valuers with respect to hospitals, self-storage facilities, hotels, retirement villages, bare dominiums (leased fee estates in American parlance) and airports.

Rode Consult

Rode Consult renders property-related research services to the public and private sectors.

As consultants, *Rode & Associates* are often called upon to do difficult tasks. So, for instance in 1990 *Rode* analysed and forecast the property market in Maseru for the Lesotho National Development Corporation (LNDC). This project involved, *inter alia*, forecasting demand trends in Maseru. Another example is estimating the demand for housing, including retirement villages.

Studies often utilise econometric analysis to forecast trends.



Examples of other assignments include:

- Compiling a **macro overview** of the South African housing market for the national Department of Housing;
- **Demand forecasts** for specific office nodes, industrial townships, and flats markets;
- **Forecasts of rental levels** using econometric modelling;
- Property-portfolio analysis;
- **Long-term forecasts of property values** in South Africa;
- An analysis of the **property market in towns and municipalities**;
- Acting as an **expert witness** in arbitration and litigation;
- Assessment of **market potential for commercial property ventures** such as new or existing office complexes, retail centres, light industrial nodes, etc. To do this, property market indicators are identified and analyzed, e.g. supply and demand analysis (type & size), rentals (R/m²), selling prices, escalation rates (%), vacancies (%), take-up rates (%).
- **Advisory services** to implement the *Government Immovable Asset Management Act, Act 19 of 2007 (GIAMA)*;
- Research to determine the **highest and best use** for unused and underutilised government immovable assets.

Major recent clients of the division include: the City of Cape Town, the Western Cape Government, the Auditor-General of South Africa (AGSA), engineering firms and property developers.

Rode Publications

RODE'S REPORT ON THE SOUTH AFRICAN PROPERTY MARKET

Rode's Report analyses and reports on most sectors of the property market in the metropolitan areas and some secondary cities. It covers, inter alia, rental levels per m² by property type, grade, size and node/township; capitalization rates by type of property, grade and location; building costs by type; building activity; etc. It excludes the retail property market. The publication is updated quarterly and available only in digital format.

RODE'S RETAIL REPORT ON SOUTH AFRICA

Rode's Retail Report reports on the state of the retail property market by analysing the most recent retail sales and trading-density statistics. Retail property information includes street-front shop rentals per m² by size for about 120 street-front micro-locations in six metropolitan areas. The publication also reports on developments of new shopping centres and major extensions to existing shopping centres. The publication is updated quarterly and available only in digital format.

RODE'S SOUTH AFRICAN PROPERTY TRENDS

Trends contains forecasts of crucial property variables like rentals and capitalization rates by city, six years into the future. The forecasts are updated every six months using econometric models and cover the major South African metropolitan areas, thus giving a complete framework for property investment planning and viability studies. The publication is updated biannually and is available only in digital format.



TIME SERIES LITE

Use *Rode's* reliable historical data to aid your research, strategic decision-making and presentations. This digital database provides online access to more than 2 000 property-related time series – many going back more than three decades. The database includes key property time series like capitalization rates, and office and industrial rentals. The data covers all metropolitan areas and some secondary cities. It is updated quarterly and available only in digital format.

TIME SERIES PRO

This is an extension of *Rode's Time Series Lite* database and contains about 7 000 property-related time series – many going back more than three decades. A must for the serious property analyst. *Time Series* is updated quarterly and available only in digital format (Excel).

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Acknowledgements

The editor of *Rode's Retail Report* expresses his sincere thanks to:

1. All the panellists who so kindly gave of their time and expertise in responding to our surveys. The complete list of panellists who contribute to the RRR, together with their codes, appears on the following page. For each of the survey tables in the RRR you will find, listed against every node or area, the codes for all the panellists who contributed information this quarter.
2. Juwayra Januarie and Lynette Smit, who assisted me in compiling the data, formatting the tables, as well as their technical assistance in the layout of the publication.
3. Special thanks to Erwin Rode for his guidance.
4. Loraine West, who has the task of making sure the grammar and style are up to scratch.

Panellist codes

Code	Company	Telephone number
AP/OP	API Property Group/OfficePlace	0126440522
AP/OP	API Property Group/OfficePlace	0219112906
AP/OP	API Property Group/OfficePlace	0311008108
ARN	Arnie Katz Realty	0413731333
BP	Brickfield Properties	0723476703
BR	Broll Property Group	0514303008
BR	Broll Property Group	0413635559
CAP	CapProp	0837845895
DD	Diamond Properties	0214340001
DN	David Newham Property Management	0219480934
DW	Divaris Property Brokers	0215311551
ED	Edric Trust	0514489431
EK	Ellenberger & Kahts	0514301511
EQV	Equity Valuers	0514300907
ES	Eli Ströh	0152873300
GB	Galetti Corporate Real Estate	0117831195
GB	Galetti Corporate Real Estate	0214186308
GR	Grove Properties	0834561924
GW	Goldswain Investments	0437222876
KEL	Kellaprince Property Group	0137544400
MO	Moolman Group of Companies	0152914700
MPV	Masisizane Property Valuations	0834693555
MX	Maxprop Holdings	0312517300
MY	Mike Shefer Estates	0413738676
NR	National Real Estate	0514059990
OMN	Omnigro	0212762000
ORI	Oriprops	0137546562
PG	Pam Golding Properties Nelspruit	0137542300
PLA	Platinum Global	0514474711
PM	PDL Property Management	0137527333
PN	Properagation Property Solutions	0219146444
PVN	Property Valuations Namibia	0026461241100
SCM	Sotheby's Commercial	0217012446
SUM	Summerton Edelson Commercial	0415811768
TE	Trust & Estate Co.	0026461231224
TG	Theo Goosen Estate Agents	0152959014
TR	Trafalgar	0431250125
TR	Trafalgar	0413656840
WPM	Watchprop Property Management	0219819756

Glossary

BCI: Building Cost Index

BER: Bureau for Economic Research, University of Stellenbosch

CBD: Central business district

Stats SA: Statistics South Africa

Dec: Decentralized

Demand: Space occupied

Deseasonalized: Seasonal fluctuations have been removed

JSE: Johannesburg Stock Exchange

Mean: Average

Metro: Metropolitan

n: Number of respondents

n/a: Not available

Nominal: Actual values (i.e. not deflated)

Real: Deflated, i.e. values from which the relevant inflation has been removed

REIT: Real Estate Investment Trust

RR: *Rode's Report on the South African Property Market*

Sapoa: South African Property Owners Association

Standard deviation (SD): A measure of dispersion. For instance, assume a mean of R10 and an SD of R1,50. This means there is a 68% chance the values will lie between $R10 - R1,50 = R8,50$ and $R10 + R1,50 = R11,50$

Take-up: growth in demand

Year-on-year change: percentage by which figures have changed compared to the same month, quarter or year of the previous year

Shopping centre definitions

Super Regional: More than 100.000 rentable m²; more than 250 stores; comparison and specialised shopping very important; widest possible tenant mix with at least seven anchor tenants; large entertainment component such as cinema, electronic games, ice rinks. Examples are: Mall of Africa (Johannesburg); Menlyn Park (Pretoria), The Pavilion (Durban); Canal Walk (Cape Town).

Regional: 50.000-100.000 rentable m²; 150-250 stores; anchors in most cases two large supermarkets (more than 5.000 m²) or one large supermarket (8.000 m²); significant entertainment component like cinema, electronic games/games arcade. Examples are: Mall of the South (Johannesburg); Forest Hill (Pretoria); Tyger Valley and N1 City Mall (Cape Town); Loch Logan Waterfront (Bloemfontein); Hemingways (East London); Garden Route Mall (George).

Small Regional: 25.000-50.000 rentable m²; 75-150 stores; generally serves as larger community centre; some of these centres also address needs of a specific market segment; anchor tenant is large supermarket (bigger than approximately 4.000 m²); up to two or three food anchors can be on offer in one centre; focus of the tenant mix is on comparative shopping in clothing and household items; entertainment mainly focused on cinemas. Examples are: La Lucia Mall (Durban); Walmer Park (Gqeberha); Mimosa Mall (Bloemfontein); Langeberg Mall (Mossel Bay).

Community: 12.000-25.000 rentable m²; 50-150 stores; offers a wider tenant mix than a neighbourhood centre; anchor tenant one or two large supermarkets bigger than 2.500 m²; Dis-Chem and Clicks are popular tenants; some might have cinemas; Examples are: Cosmo Mall (Johannesburg); Middestad Mall (Cape Town); Mall@Lebo (Lebowakgomo, near Polokwane); Brandwag Centre (Bloemfontein); Beacon Bay Retail Park (East London).

Neighbourhood: 5.000-12.000 rentable m²; 25-50 stores; anchor tenant is well-known food retailer - could also be a combination of two food retailers; other tenant types are convenience retailers, such as a pharmacy, butchery, hairdresser, dry cleaner, liquor store; hardware store, small clothing stores, restaurants and takeaways, independent stores run by residents. Examples are: Kyalami on Main (Johannesburg); Jean Avenue (Pretoria), Platteklouf Village (Cape Town).

Local Convenience Centre: 1.000-5.000 rentable m²; 5-25 stores. caters mainly for daily milk and bread purchases; the principal tenant is a café or grocer like Kwik Spar or OK MiniMark; Could include takeaway foods, local restaurants, DVD stores, banks and ATM facilities. Examples are: Kenilworth Corner (Cape Town); Amalinda Square (East London).

Lifestyle Centre: 15.000-50.000 rentable m²; not a popular format in South Africa; role is to offer a unique retail shopping and entertainment experience in a relaxed and attractive environment. Characteristics are: a variety of dining options, inviting public spaces including fountains and street furniture, an upmarket tenant mix. Examples are: Lynnwood Bridge (Pretoria); The Palms Décor and Lifestyle Centre (Woodstock, Cape Town); Willowbridge (South) in Tyger Valley (Cape Town).

Value centre: Multi-tenanted strip centre; 10.000-50.000 m²; warehouse type finishes to deliver lower prices to consumers. Examples are Fourways Crossing (Johannesburg); Moffet Retail Park (Gqeberha); Capegate Value Centre (Cape Town).

Big Box Retailer: Stand-alone; one or two tenants; 2.000-15.000 m²; air-conditioned, no ceiling, warehouse-like finishes, e.g. Makro, Builders Warehouse and Game.

Foreword

Dear Reader

Welcome to the first issue of *Rode's Retail Report (RRR)* for 2023. In this issue you will read that the retail property market started 2023 on a weak footing, with retail sales coming under pressure. This is no surprise as consumers are facing an uphill battle amid high inflation and elevated interest rates. On the retail supply side, you will read that several new malls are being built, mostly concentrated in Limpopo and North West, but, as a whole, new supply will remain low compared to historical levels.



Lynette Smit and Samantha Harkers-Kies oversee our survey panel. We appeal to all market participants who feel they have sufficient property-market knowledge to become a panellist, to please contact Lynette. Her cell no. is 082 323 5799 and her email lynette@rode.co.za. It's for the benefit of everyone in the industry. As a panellist you will also get invaluable exposure.

If you want to communicate with a specific niche market, you can also contact Lynette for RRR advertising rates.

Readers are welcome to contact me at kobus@rode.co.za or 071 410 7978 for any enquiries, comments or suggestions related to this publication.

Happy reading!

Kobus Lamprecht

Editor

28 April 2023

State of the retail property market

Kobus Lamprecht

In a nutshell:

- Latest retail sales disappoint.
- Consumer spending hit by lower salaries, high inflation and interest rate hikes.
- Inflation pushed up by electricity crisis.
- Mall vacancy rates improve but remain high.

The retail property market started 2023 on a weak footing, after a much-improved 2022. National retail sales fell by 0,6% year on year in *real* terms over the first two months of 2023 as consumer spending is coming under increasing pressure. This is no surprise as consumers are facing an uphill battle due to the higher cost of living, notably double-digit growth in food and electricity prices, and elevated interest rates.

That said, the consumer is still in a better position than during the financial crisis in 2008/09. But for how long? Looking at the remainder of 2023, the prospects for the retail property market remain dim:

1) **Global and domestic economic growth is expected to slow in 2023.** In April, the BER at Stellenbosch University forecasted SA's economy to grow by 0,2% in *real* terms in 2023, down from 2% in 2022. Economists have generally downgraded their growth expectations since the start of 2023. The BER, for example, in December 2022 still

expected the economy to grow by 0,9% in 2023.

2) **The impact of higher interest rates still has far to go.** The prime interest rate averaged 8,8% in 2022 but is set to average much higher in 2023. The Reserve Bank (SARB) surprised the markets in March with a 0,5% interest rate hike, while the US lifted its rate by 0,25% in the same month.¹ In SA, this move is the result of stubbornly high local inflation due to the upward pressure on production cost from load shedding, especially for food. This pushed up the prime rate to 11,25% from 10,75%, which is well above the pre-pandemic level of roughly 10% in 2019. That said, markets generally expect inflation to cool towards the end of 2023 and into 2024, which would bring some relief to consumers, with interest rates also likely to start moving lower. So, the crucial indicator to track is consumer price inflation (CPI).

3) **The electricity crisis.** Load shedding is pushing up inflation as producers (think

¹ Bear in mind that the US rate lift is off a much lower base than that of South Africa

manufacturing and farmers) and mall owners and retailers install costly alternative power sources, like solar or generators. At the same time, electricity prices are set to rise by 18,5% from July 2023 for municipal customers.

4) **The state of consumer finances.** Salaries continue to slide in *real* terms. This combined with elevated prices of food, fuel, electricity and water means consumers do not have much money left to spend. Thus, discretionary income is under severe pressure. Tight consumer pockets imply that household spending can be under sustained pressure in the short term.

Reflecting concerns about the outlook for the sector, retail confidence fell further to 34 index points in the first quarter of 2023 from 42 points in the fourth quarter of 2022, according to the BER. The neutral level is 50, which separates expansion from contraction.

As for shopping space, Rode's data shows that in 2023 new supply will decline from 2022 levels and remain low. Developers are concentrating on developments in towns and

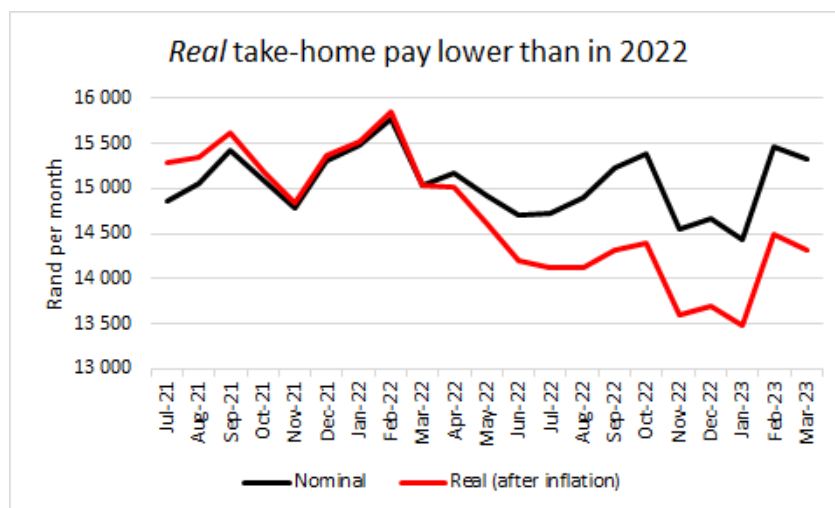
rural areas rather than the oversupplied urban areas.

In this article, we first focus on the demand for merchandise by analysing the ability of consumers to spend. We then delve deeper into the latest retail sales statistics and rental escalation rates before we give a brief overview of trading densities and vacancy rates. Lastly, the supply of new shopping centre space is considered.

Consumer spending and retail sales

A key factor that drives the change in retail sales is consumer or household spending, which in turn is related to the growth in disposable income relative to inflation (that is, *real* income), consumer confidence and access to credit.

The chart below shows the trend in average take-home pay as per BankservAfrica data. Nominal pay recovered somewhat in the first quarter of 2023, with the latest data for March showing growth of 1,8% compared to March 2022. In *real* terms, the *decline* was 4,8% year on year after deducting inflation.



Source of data: BankservAfrica

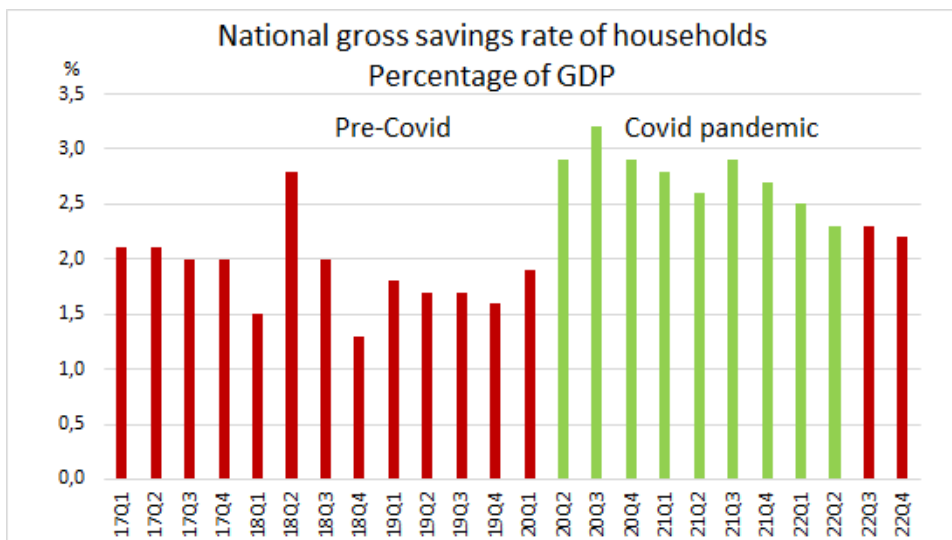
Turning to consumer spending, the latest SARB data for the fourth quarter shows that *real* expenditure of households, that means after inflation, increased by 0,9% on a quarter-on-quarter and seasonally adjusted basis. This compares with a 0,3% decrease recorded in the third quarter of 2022. The fourth-quarter real household spending level still exceeded the average 2019 (pre-Covid) level by 2,6%, which explains the better retail sales performance in 2022. This suggest that the consumer has weathered the rising cost of living reasonably well in 2022.

That said, the financial pressure on the consumer is increasing due to elevated fuel and food prices, higher interest rates, high unemployment and the electricity crisis, resulting in low consumer confidence. 'Low consumer confidence' is a learned phrase describing cautiousness among consumers due to concerns about the economic outlook and, therefore, job security and salary increases. The FNB/BER Consumer

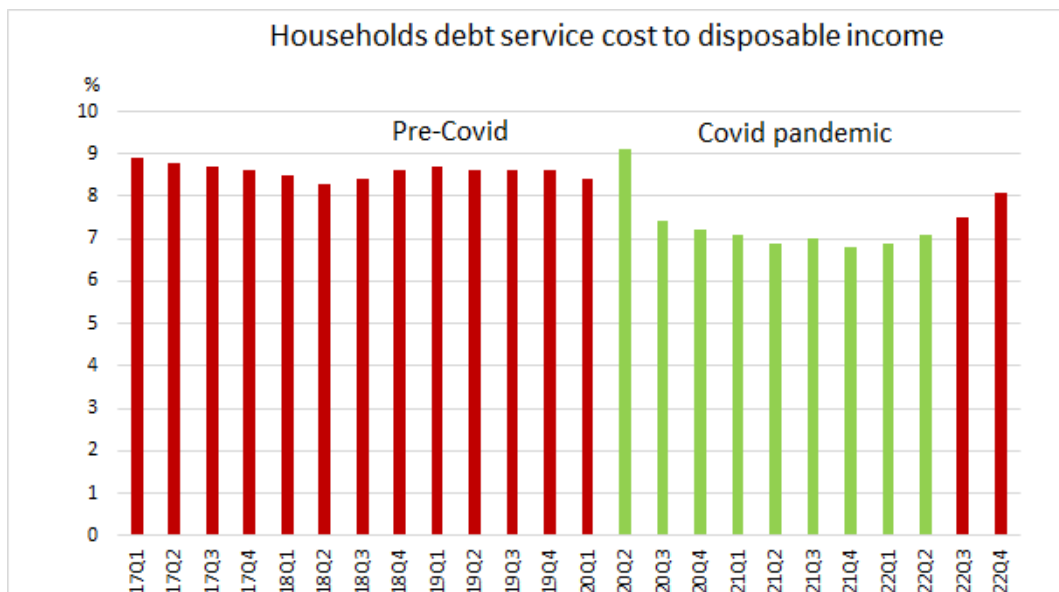
Confidence Index (CCI) plunged to -23 index points during the first quarter of 2023 from -8 in the fourth quarter, which is the third-lowest CCI reading on record since 1994.

These factors could slow consumer spending and retail sales further in the coming quarters. In fact, in April the BER forecasted that it expects *real* household spending growth to moderate to 1,2% in 2023, from 2,6% in 2022, but pick up slightly to 1,8% in 2024.

A worrying sign of future consumer spending is that consumers are saving less, probably due to the rising cost of living. The national savings rate for households declined to 2,2% in the fourth quarter of 2022, the lowest since the first quarter of 2020, before the pandemic started. This ratio averaged 2,3% in 2022 versus 2,8% in 2021. That said, the latest savings rate was still above the 1,9% pre-Covid average between 2017 and 2019 (see the chart below).



Source of data: SARB



Source of data: SARB

Credit extension has also boosted the recovery in consumer spending, with nominal credit granted to households rising by 7,8% year on year over the first two months of 2023. This follows a gain of 6,8% in 2022. In *real* terms, credit extension so far in 2023 has been at about the same level as in 2022 as the rise in retail inflation offset the increase in nominal credit extension. In *real* terms, credit extension has slowed significantly after growth of 1,4% in 2022 (see the chart on [page 6](#)) and remains above pre-Covid levels.

A positive for consumers during the pandemic was the sharp reduction in interest rates. The chart above shows the ratio of debt service cost to disposable income, according to SARB data. This metric declined in 2020 and 2021 due the lowering of the prime interest rate to as low as 7% to soften the Covid-19 blow.

However, the world and South Africa are currently in a rising interest rate cycle. To combat inflation, local interest rates had risen by 4,25% points to 11,25% by March

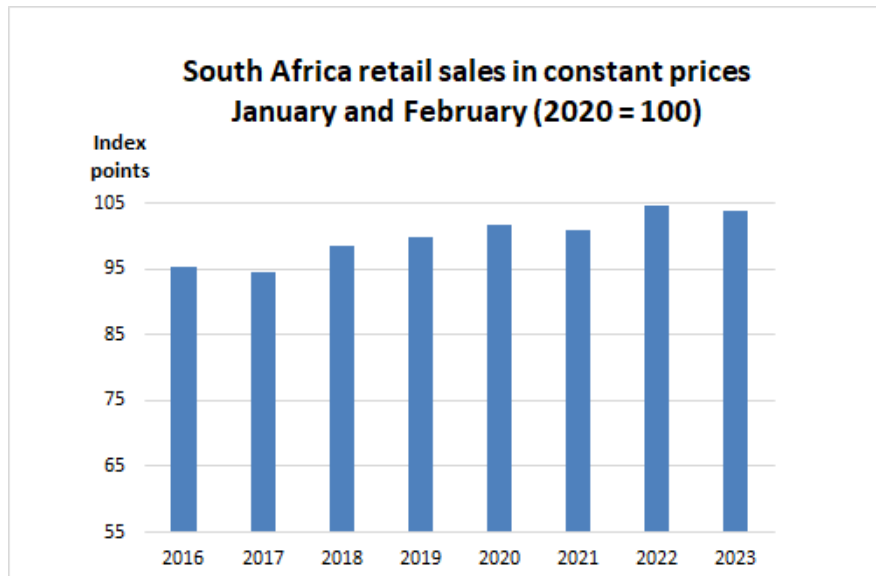
2023. The average consumer price inflation (CPI) of 6,9% in 2022 was the highest in 13 years. Higher interest rates have led to a pickup to 8,1% in the fourth quarter of 2022 in the ratio of debt service cost to disposable income. This is the highest since the second quarter of 2020 (see the chart). For comparative purposes, during the global financial crisis in 2008/09 this ratio averaged 11,6% – much higher than now – which indicates that the consumer is still better off at this stage based on this metric. But note the full impact of interest rate hikes is not yet in the data as it has risen by 0,75% points since the fourth quarter of 2022.

Local inflation has been sticky as we expected in the previous *Rode's Retail Report*, notably due to the lift in production cost as a result of the cost of alternative power (think diesel, solar power, battery banks and inverters), while the 18,7% rise in electricity prices will also push up cost. The BER in April upgraded its consumer price inflation forecast for 2023 to 5,9% from the 5,4% expected in December 2022. This means that inflation will likely cool towards

the end of 2023, with the interest rate cycle also to start reversing. This could bring some relief to consumers down the line.

In sum, inflation will cool, but it will be a slow process. This means higher interest

rates will remain for the most part of 2023, which does not bode well for debt service cost and consumer spending over the short term. Looking further ahead into 2024, relief could well be on the cards in the form of lower interest rates.



Source of data: Stats SA

Table 1.1
Change in real retail sales by type of retailer
January and February 2023 compared to January and February 2022

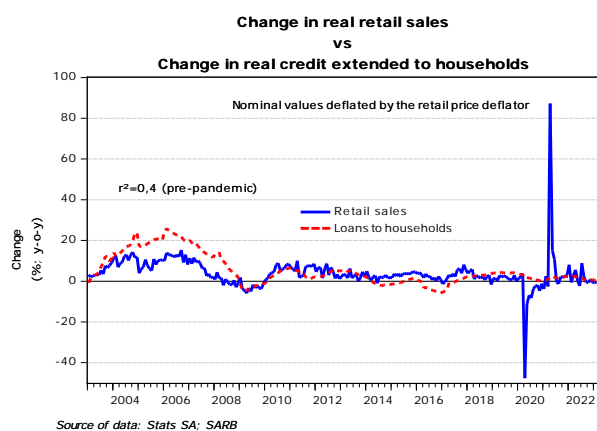
Retailer type	Change in real sales	Change in price deflator*
General dealers	-0,5%	11,0%
Food, beverages & tobacco in specialised stores	-3,2%	9,4%
Pharmaceutical & medical goods, cosmetics & toiletries	-2,9%	6,4%
Textiles, clothing, footwear & leather goods	3,9%	3,0%
Household furniture, appliances & equipment	-1,1%	2,2%
Hardware, paint & glass	-6,4%	7,8%
All other retailers†	-0,1%	3,8%
Total	-0,6%	7,7%

*The yearly change in the deflators used to deflate nominal retail sales, in other words, inflation.

†All 'other' retailers are retailers in reading matter and stationery; retailers in jewellery, watches and clocks; retailers in sports goods and entertainment requisites; retailers in 'Other' specialised stores; repair of personal and household goods; retail trade in second-hand goods in stores; and retail trade not in stores.

Source of data: Stats SA

With this as background, we turn to the latest retail sales data from Stats SA (see the chart and **Table 1.1**). A coefficient of determination (r^2) of 0,4 in the graph means that up to 40% of the changes in *real* retail sales are explained by changes in *real* credit extended to households, without controlling for other independent variables such as interest rates, inflation and disposable incomes. This relationship excludes the period since the pandemic started, which caused huge volatility in the data.

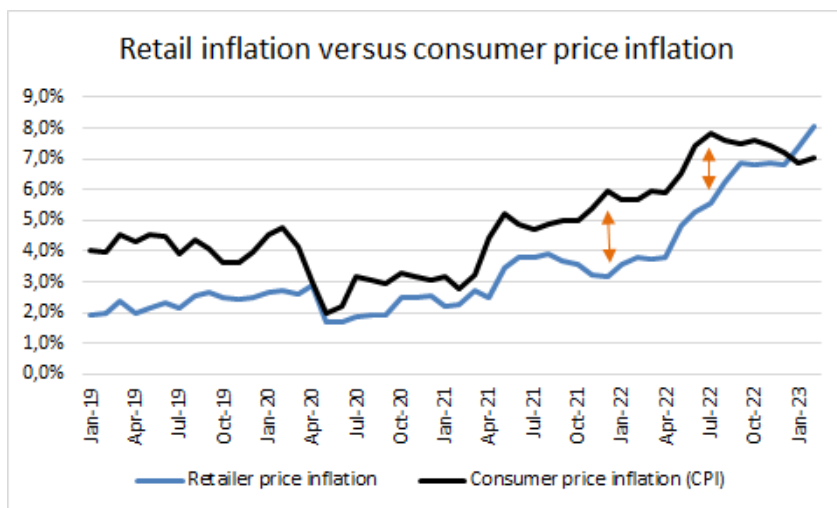


Nominal retail sales, that is before inflation, increased by a whopping 7% in the first two months of 2023 compared to the same period in 2022. In contrast, *real* sales fell by 0,6% due to the sharp increase in retail inflation. This comes after a real gain of 1,7% in 2022 and 6,3% in 2021, which clearly slows how sales have increasingly come under pressure.

The disappointing result illustrates that spending has continued to be negatively affected by the rising financial pressure experienced by consumers. Put simply, it is hard to lift spending if expenses rise more than salaries. And then there is the high expanded unemployment rate, which stood at 42,6% in the fourth quarter of 2022, according to Stats SA.

A positive for low-income consumers is the social relief of distress (SRD) grant of R350, which will run to March 2024. This grant was originally introduced to assist those who faced financial difficulties during the Covid pandemic and was supposed to come to an end in March 2023. There is a real risk that the Government will eventually make the SRD permanent, which would be a negative for the fiscus.

Also note in the chart that we show retail price inflation, which increased to 7,7% in the first two months of 2023 from 5,4% in 2022. Surprisingly, retail price inflation has even exceeded consumer inflation so far in 2023, which is not normally the case, as shown in the chart. Note in the chart the large 2,8% differential in December 2021 between the two variables and how the picture has changed since then. This shows that retailers have increasingly passed on cost increases to consumers.



Source of data: Stats SA; Rode & Associates' calculation

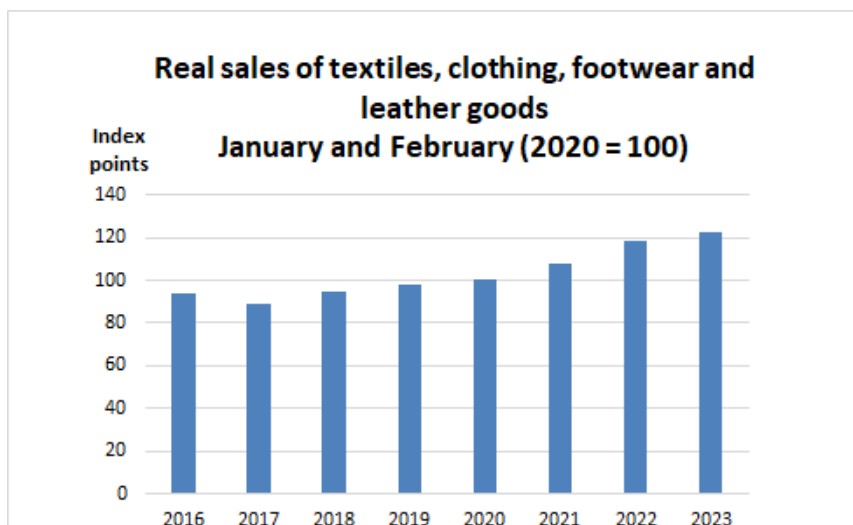
To put the sales performance over the first two months of 2023 in perspective, Rode compared the data with the same months (January to February) in every year since 2016 (see the chart on [page 5](#)). Real sales have declined by 0,6% so far in 2023 as mentioned above, but positively still exceeded the average pre-Covid level between 2018 and 2020 by 3,8% points. *Note that we chose the base year as January and February 2020 as the local Covid pandemic started in March 2020.*

We highlight some of the noteworthy sales trends by merchandise category in the text that follows.

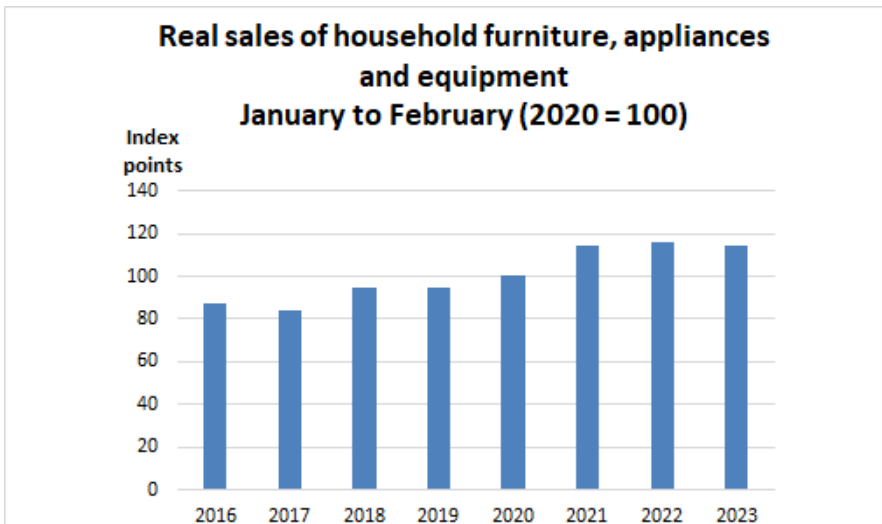
Table 1.1 shows sales of **Textiles, clothing, footwear and leather goods** (semi-durables) again performed the best of all categories

over the first two months of 2023, rising by 3,9% versus the same period in 2022. In fact, it was the only sales category to show an increase over this period. Sales in this category were up 26% compared to the average sales level in the three years before the pandemic – again the best of all categories. Price increases were meagre at 3% year to date, which could have boosted sales.

Unsurprisingly, the latest trading density data from SAPOA/MSCI also shows that the **Apparel** category performed well in all shopping centre types in 2022. Noteworthy is that nominal trading density growth in the larger format shopping centres was in the double digits, while the community and neighbourhood centres saw single-digit growth.



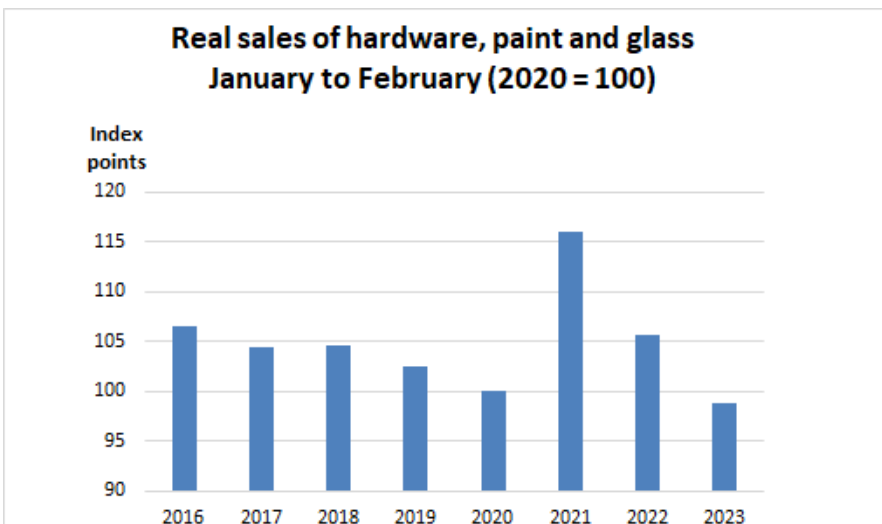
Source of data: Stats SA



Source of data: Stats SA

Sales of **Household furniture, appliances and equipment** (durables) also performed strongly with *real* sales over the first two months of 2023 up 18,4% compared to the three-year pre-Covid average – the second-most of all categories. The stellar growth could probably be attributed to subdued price increases, lay-by sales and pent-up demand. To illustrate,

price growth has been only 2,2% for the year to date. However, sales have come under pressure so far in 2023, declining by 1,1% compared to January and February 2022. This is due to weaker demand for discretionary items as consumers battle financially due to higher living costs and increased interest rates.



Source of data: Stats SA

Hardware, paint and glass sales decreased by 6,4% in the first two months of 2023 – the worst performance of all categories. The DIY during the initial pandemic restrictions,

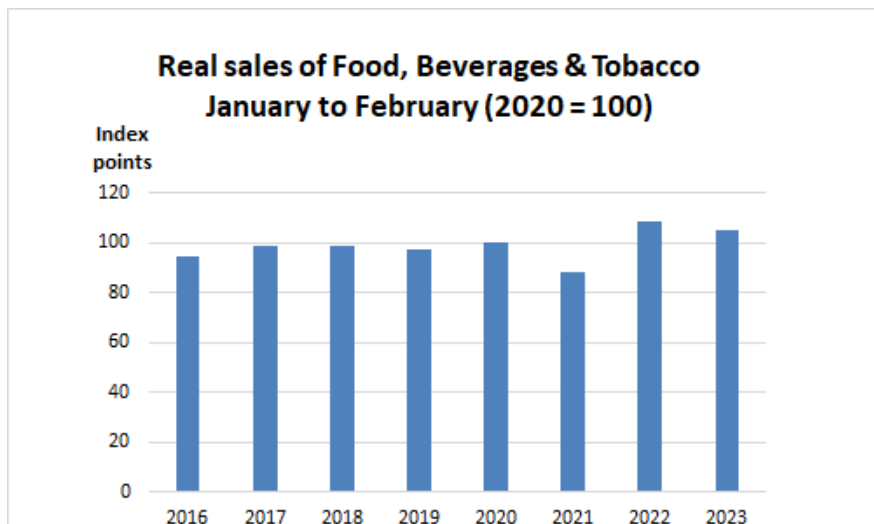
which led to a strong jump in people working from home, boosted sales at the time, but this impact has faded significantly as more workers have returned to offices. Let's also

remember that building activity generally remains under pressure. Year-to-date price growth in this category averages 7,8%, up from 5,8% over the full 2022.

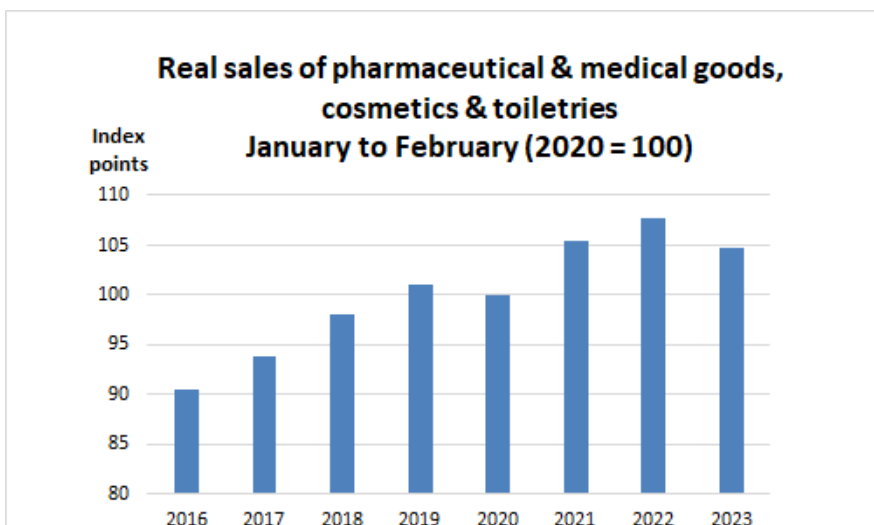
Sales of **Food, beverages & tobacco** (non-durables) decreased by 3,2% year on year in the first two months of 2023. Sales were slightly above pre-Covid levels, as shown in the chart. Inflation in this category remains high and has accelerated to an average of 9,4% so far in 2023, up from 7,4% over the full 2022. This might have contributed to the lower sales of late.

The price of local food rose by 14,4% year on year in March 2023 (see **CPI Tables**), according to official inflation data from Stats SA. This was largely due to local factors as the weak rand has pushed up import cost and the power crisis lifted production cost.

A slight support for local food prices has been the decline in international food prices as measured by the United Nations Food and Agriculture Organisation. This global food index fell by 21% in March 2023 compared to March 2022, when it peaked due to the Russia-Ukraine war, lockdowns in China and drought in parts of the world.



Source of data: Stats SA



Source of data: Stats SA

Another category that has seen sales decline (down 2,9%) so far in 2023 is **Pharmaceutical & medical goods, cosmetics & toiletries**, as shown in the chart on the previous page. Sales in this category were still up 5% compared to the average between 2018 and 2020, despite the recent weakening.

In the short term, we expect *real* retail sales to increase slowly, held back by poor consumer finances due to subdued income levels, higher interest rates and elevated household expenses, notably:

- 1) **Fuel** – The Gauteng price of petrol² was R22,97/ℓ for April 2023, which implies that prices are down 2% compared to the end of 2022. However, prices are still high after increases of 40% and 16% in 2021 and 2022 respectively. The diesel³ price was R20,97/ℓ, down 13% year to date, but also up significantly compared to 2021 and 2022 prices.
- 2) **Food** – The price of food rose by 14,4% year on year in March 2023, as discussed above. Load shedding should continue to put upward pressure on inflation as it curbs production of food and increases the cost of doing business. Farmers have been hit hard, which poses a risk to food security.

- 3) **Electricity** – Electricity – The National Energy Regulator of SA (NERSA) granted the loss-making Eskom a huge tariff increase for the 2023/24 year of 18% to 19%. Importantly, Eskom's increases are needed, even with the government set to take over R254 billion of Eskom's debt. The dire situation will put sharp upward pressure on inflation and hit consumers' pockets.

Rental escalation rates

Table 1.2 on the next page shows the average escalation rate (on new or renegotiated leases) in the first quarter of 2023, according to Rode's survey results. Escalation rates on new leases generally averaged between 7% and 8%, but there were some cities that bucked this trend (like Gqeberha and Polokwane).

It is important to distinguish between a market growth rate and escalation rate. Rode defines a market growth rate as the percentage by which market values or market rentals (as the case may be) change over a given period based on market dynamics. An escalated rental is the rate by which a rental is hiked once a year in terms of a lease. The ruling market escalation rate can be seen as an attempt by the market to forecast the growth in market rentals over the duration of the lease, but this attempt is obviously rarely successful.

² Petrol pump prices: 95 Unleaded - Gauteng

³ Wholesale prices of diesel for Gauteng: 0,005% Sulphur

Table 1.2
Street-front shops
Rental escalation rates on new leases (%)
Average escalation rate on net rentals for quarter 2023:1

	Mean
Bloemfontein CBD prime location	7,5
Bloemfontein CBD secondary location	7,4
Cape Town Southern Suburbs	-
Cape Town Central	7,4
Cape Town Tygerberg	7,6
East London	5,5
Johannesburg CBD	8,0
Johannesburg Northern Suburbs	-
Mbombela (Nelspruit)	6,9
Pietermaritzburg CBD	-
Pietermaritzburg, Raisethorpe	-
Durban CBD core location	8,0
Durban CBD off-core location	8,0
Polokwane Central	6,5
Gqeberha (Port Elizabeth)	6,5
Pretoria CBD prime location	8,0
Pretoria CBD secondary location	8,0
Pretoria CBD prime commuter location	8,0
Pretoria decentralised	8,0
Windhoek	5,0

Source of data: Rode's Time Series

Mall trading densities and vacancy rates

Nominal trading densities (sales/m²) rose by 12,5% in the fourth quarter of 2022 on an annualised basis, well above pre-Covid levels, according to SAPOA/MSCI data. This suggests that malls are outperforming the broader market based on a comparison with Stats SA data, which shows sales grew at about half the pace.

Key to the strong density growth was an increase in the number of shoppers visiting malls and a rise in the expenditure per shopper, which both contributed equally to the headline trading density number. The improvement in spending per head is

important to note as it was under significant pressure during the pandemic. It is also significant that the overall foot count per square metre remained about 15% below pre-pandemic levels.

Encouragingly, all shopping centre types saw nominal trading densities exceed pre-Covid levels. The Community Centre category performed the best, with trading densities up 19,7% from pre-Covid levels. These types of centres benefit from people working from home and from high fuel prices, which both mean that shoppers prefer to shop closer to home. Super Regional malls made a strong comeback in 2022, with their trading density in the fourth quarter 16,2% higher than their pre-Covid level – the second-best

performance of the different shopping centre types. This implies that more shoppers returned to the larger malls, which had struggled significantly during the black days of the pandemic.

Shopping centre vacancy rates have generally improved, with the latest vacancy rate at 5% in the fourth quarter of 2022, down from the peak of 7% in the first quarter of 2021. However, the latest rate of 5% is still up from the pre-pandemic level of roughly 4%. This shows that shopping centres are generally still under pressure. From this, the reader will deduce that a lower vacancy rate in malls came at the cost of some rental growth.

All centre types have seen vacancy rates improve since the middle of 2021, with the largest improvement at the larger malls, namely the Super Regional and Regional centres (both around 2% points better). These centres had a vacancy rate of 5,2% and 3,8% respectively in the fourth quarter of 2022. This makes sense given the reversal of the Covid pandemic trend, which benefited the smaller centres, relatively speaking.

In contrast, the smaller Community centres (5,5%) and Neighbourhood centres (9,1%) had higher vacancy rates. Noteworthy is that neighbourhood centres saw their vacancy rate rise by 0,9% compared to the third quarter of 2022, the most of all shopping centre types. But to give some perspective, all shopping centre types still had vacancy rates that were higher than the pre-Covid level.

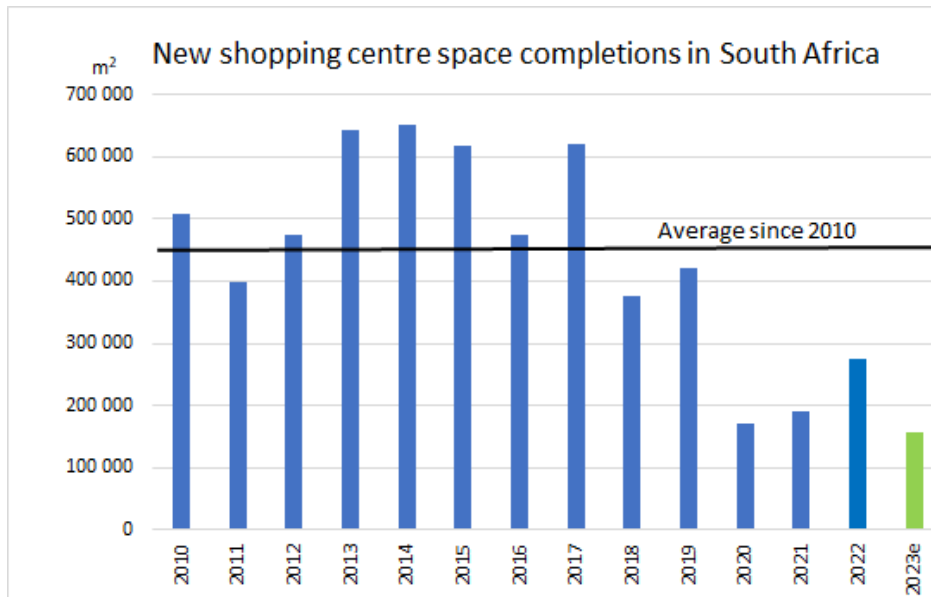
A positive is that the annualised cost of occupancy⁴ for malls of all types declined further to 7,1% in the fourth quarter of 2022 on the back of strong sales and sluggish rental growth, after it peaked at 9,5% in the first quarter of 2021. This was the lowest level since the third quarter of 2017. Encouragingly, MSCI noted that for the quarter ended December 2022 gross nominal retail rentals moved into positive territory, growing by 2% year on year.

Supply of new shopping centre space

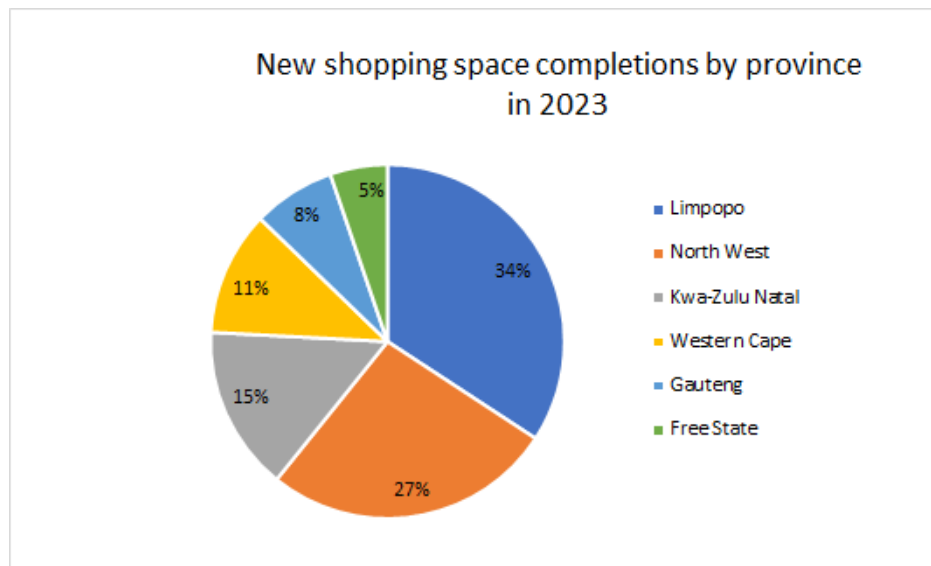
As for the supply side of the retail property market, **Table 1.3** shows a breakdown by year and by geographic area of space completed for shopping centres larger than 5 000 m², including major extensions. The total square metres of retail space completed in 2022 were 44% higher compared to the low 2021 base, according to Rode's research. However, the 2022 total of 274 000 m² was still well below the average completed level of around 450 000 m² since 2010 (see chart).

Turning to 2023, the total square metres scheduled for completion are only about 160 000 m² based on shopping centres where construction has started as of April 2023. But, as always, we caution that the data can still change as the construction of more centres could be started. Almost all new space (86%) is in towns or rural areas, which generally do not have the oversupply problem seen in the major urban areas.

⁴ Retailer cost of occupancy is defined as the ratio of gross rental to sales (turnover).



Source of data: Rode's Shopping Centre Database



Source of data: Rode's Shopping Centre Database

The largest 2023 projects to be completed are the 22 000 m² Mompoti Mall (Vryburg, North West), the 20 000 m² Autumn Leaf Mall (Zeerust; North West) and the 18 000 m² De Zwartland Markt (Malmesbury, Western Cape). Interestingly, on a provincial level, almost 60% of new shopping space is in the Limpopo and the North West (see chart).

The relatively low magnitude of mall completions in 2023 is no doubt (a) the lagged result of the poor state of the economy in 2020 and 2021, thereby

reflecting the long gestation period of malls, as well as (b) the oversupplied situation in the urban areas.

The outlook for growth in construction activity over the medium term is clouded by slow prospective economic growth, the current poor state of consumer finances, and the healthy growth in online sales.

Turning to Stats SA data, plans passed in square metres declined by 17,3% in the 12 months to February 2023 compared to the

12 months to February 2022. This implies that construction activity will remain low.

In sum ...

The retail property market has managed to stage a strong recovery in 2022 from its pandemic lows. However, the sector performed worse in the first two months of 2023 and short-term prospects are poor as growth in household spending is set to slow

further, held back by poor consumer finances due to subdued income levels, higher interest rates and elevated expenses. The electricity disaster, which has reached crisis levels, has worsened the outlook further.

On the supply side, the market still has too much shopping space. A slight positive for the sector's prospects is that new supply is expected to remain low. ■

Table 1.3

New shopping centre completions (m²)

Excluding refurbishments and minor extensions
to centres smaller than 5.000 m²

	2020	2021	2022*#	2023*#
Cape Town	7.500	0	10.800	0
Reef	109.644	63.500	45.557	11.900
Pretoria	23.000	0	36.200	0
Durban	0	21.000	33.000	0
Pietermaritzburg	0	0	0	0
Gqeberha	0	0	14.200	0
East London	0	0	0	0
Mbombela	16.700	0	0	0
Polokwane	0	0	0	11.000
Bloemfontein	0	0	0	0
Kimberley	0	0	0	0
Cities	156.844	84.500	139.757	22.900
Smaller towns/rural areas in:				
Eastern Cape	0	35.500	25.800	0
Free State	10.800	0	6.600	8.300
KwaZulu-Natal	0	-4.208#	0	23.800
Limpopo	0	8.500	32.496	43.100
Mpumalanga	0	26.000	38.100	0
Northern Cape	0	0	0	0
Vaal Triangle	0	0	0	0
North West	4.000	40.000	32.000	42.000
Western Cape	0	0	0	18.000
Smaller towns/rural areas	14.800	105.792	134.996	135.200
Total	171.644	190.292	274.753	158.100

* Estimated

Only includes centres where construction has started

≠ Conversion of Ballito Bay Mall (23 000 m²) into Ballito Vitality & Retail Centre (8 500 m²) resulted in less space

Source of data: Rode's Shopping Centre Database

New shopping centres

Explanatory notes for new shopping centre data table

Developer/Owner/ Contact:	Company that handles the development/ownership/leasing/ management of the centre
Telephone:	Telephone number of developer/owner/contact
Anchor tenant/s:	Major tenants at the centre
C/S/M:	C - Completed; the centre has been completed S - Started; building has commenced on the project M - Mooted; this means that the project has been planned, but the continuation thereof is either uncertain, or it is still in the pipeline
Centre:	Shopping centre name
Start (qtr):	Planned/actual commencement date for the project
End (qtr):	Planned/actual date of completion
Area/City:	Geographic area/town or suburb in which the centre is located
Street address:	Street address of shopping centre development
n/a:	Information not available or not applicable
Retail m²:	Total rentable retail space within the centre
Retail extension m²:	Size of extension only
Office m²:	Size of office only (where applicable)
Total m²:	Total rentable space within the centre
Retail floors:	Number of retail floors/levels

Anchor codes

Code	Retail outlet	Code	Retail outlet	Code	Retail outlet
711	7 Eleven (OK)	FNB	First National Bank	Pep	Pep Stores
Abs	ABSA	Ftn	Fontana	Pic	Picardi Rebel
Ack	Ackermans	Gme	Game	PnP	Pick 'n Pay
AmS	American Swiss	Guc	Gucci	PO	Post Office
Ath	@Home	Han	Hang Ten	Qpk	Queenspark
Aut	Autopage	Hom	Homemark	Ran	Ranch Meat Market
Bdm	Boardmans	Hou	House & Home	Reg	Reggies
Bea	Bears	Htl	Hotel	Rus	Russels
Blw	Bradlows	Hub	The Hub	Res	Restaurant
Bks	Book store	Inc	Incredible Connection	Sdl	Saddles
Box	Boxer	Inp	Interpark	Sho	Shoerama
Cam	Cambridge Food	Jet	Jet Stores	Shr	Shoprite
Cas	Cash Converters	Jum	Jumbo Cash & Carry	Smt	Smart Centre
Ccr	Cash Crusaders	Kws	Kwikspar	Spr	Spar
C.U.M	C.U.M. Books	LBH	Lion Bridge Hardware	Spu	Spur
Cap	Cape Union Mart	Liq	Liquor Store	Std	Standard Bank
Cel	Cell C	Lws	Lewis Stores	StK	Ster-Kinekor
Chk	Checkers/Chk Hyper	MCr	Medi-Cross	Stn	Sterns
Clk	Clicks	Mil	Milady's	THG	The Heaven Group
Crd	Cardies	Mkh	Markhams	Thp	Thrupps
CtG	City Girl	Mkr	Makro	Tht	Theatre
Dio	Dion Wired	Mlk	Milky Lane	TrC	Trade Centre
Dis	Dischem	MrP	Mr Price	TRU	Toys-R-Us
Don	Donna	MTN	MTN	TwS	Truworths
Edg	Edgars	MtW	Mattress Warehouse	Usa	Usave
Ent	Entertainment	Mus	Musica	Ver	Verimark
Exa	Exact	Naa	Naartjie	Vid	Vida e Caffé
Exc	Exclusive Books	Nan	Nandos	Vit	Vital Health Foods
Fch	Foschini	Ned	Nedbank	Vod	Vodacom
Fct	Furniture City	NuM	Nu Metro	Wmp	Wimpy
FLM	Food Lover's Market	OKB	Ok Bazaars	Wws	Woolworths

Shopping Centres completed the past two years											
Area/City	Centre	Street Address	Contact	Contact Number	Retail m ²	Office m ²	Total m ²	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Cape Town											
Somerset West, Helderberg	Somerset Crossing	Next to the N2	AJ Property Holdings	0312071360	10800		10800	2021:2	2022:1	1	
Eastern Cape											
Bizana	Bizana Walk		AJ Property Holdings	0312071360	6800		6800	2022:1	2022:4	1	
Flagstaff	Flagstaff Square		McCormick Property Development	0126546330	10500		10500	2020:3	2021:3	2	Shr
Mt Frere	KwaBhaca Mall		McCormick Property Development	0126546330	19000		19000	2021:1	2022:4	2	Shr Box
Uitenhage	Corkwood Square Mall	Between Uitenhage, Dispatch & Kwanobuhle	RVN Properties	0315664662	25000		25000	2020:3	2021:4	1	Chk Dis Wws
Free State											
Parys	The Rivershed	Cnr Grens & Breë St	VDH QS & Project Managers	0824451866	8300		8300	2022:1	2023:1	1	Chk
Sasolburg	Grootfontein Village		Retail Africa	0100201810	6600		6600	2021:2	2022:1	1	
KwaZulu-Natal											
Hilton	The Avenues: Ph 1		Retail Africa	0100201810	8500		8500	2020:3	2021:3		Dis PnP
Newlands, Durban	Midway Crossing	MR577 & Newlands	Fundamentum Asset Management	0315661716	21000		21000	2019:4	2021:3	1	PnP Shr
Tongaat	oThongathi Mall	Gopalall Hurbans Rd	BBB Properties		17300		17300	2022:1	2023:1		Chk Shr
Umhlanga	Oceans Mall		Edison Property Group	0315669500	33000		33000	2021:1	2022:4	3	Chk Wws
Umgeni	Umgeni Deco and Lifestyle Park: Jonssons		Eris Property Group	0123650760	1792		1792	2020:2	2021:1		

Area/City	Centre	Street Address	Contact	Contact Number	Retail m ²	Office m ²	Total m ²	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Limpopo											
Makhado	Nkuna Kraal: Ph 1		Illungile Consulting Services	0123464744	10000		10000	2021:3	2022:2	1	Shr
Siloam	Mphephu Plaza		Illungile Consulting Services	0123464744	8500		8500	2019:4	2021:1	1	Shr
Zeekoeifontein	Mamaila Mall		GMI Property Group	0123452997	12496		12496	2021:3	2022:4	1	Shr
Mpumalanga											
Ermelo	Merino Mall	Showgrounds, Voortrekker St	Moolman Group	0123617970	27000		27000	2021:3	2022:4	2	Chk PnP Wws
Secunda	Ekhaya Mall: Ph 1 & 2	Intersection of R580 & R546	S-Identity Holdings	0100203670	14000		14000	2019:4	2021:2		
North West											
*Hebron	Hebron Mall	Hebron Rd	Twin City		23000		23000	2021:3	2022:4	1	Box Shr
Mimabatho	Morena Mall		Illungile Consulting Services	0123464744	9000		9000	2021:2	2022:2	1	Shr
Rustenburg	Rustenburg Mall: Ph 1		Moolman Group	0123617970	40000		40000	2019:3	2021:2		Chk Dis Shr Wws
Pretoria											
Irene	Irene Link	Alexander Rd	Abland	0115109999	15000		15000	2021:2	2022:3	1	Chk Dis
Mamelodi	Mamelodi Square	Tsamaya Ave	McCormick Property Development	0126546330	16200		16200	2021:2	2022:4	1	Shr
Reef											
Benmore, Sandton	Acsiopolis	Benmore Dr	Acscion	0126568957	5000	1000	67000	2016:3	2022:3		
Dainfern	Chartwell Corner		Retail Africa	0100201810	8500		8500	2021:2	2021:3		Chk Dis
Fourways	Leroy Merlin Fourways	Bordered by Fourways Blvd, Roos & Short St	Redefine Properties	0112830000	17000		17000	2019:1	2021:2	1	

Area/City	Centre	Street Address	Contact	Contact Number	Retail m ²	Office m ²	Total m ²	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Reef (continued)											
Katlehong	Katlehong Crossing	Cnr Kaunda St & Venus Dr	Abland	0115109999	8000		8000	2022:1	2022:4	1	Clk Shr
Kempton Park	Harvest Place	off Monument Rd	Retail Network Services	0118076995	17557		17557	2020:3	2022:2	2	Chk FLM
Northriding	Jackal Creek Corner	Boundary Rd	Abland	0115109999	14000		14000	2019:4	2021:1	1	PnP
Randburg	Olivedale SC		Retail Africa	0100201810	5000		5000	2022:1	2022:3	1	
Randfontein	Umphakathi Mall: Ph 1	Cnr R559 and R28 (Main Reef Rd)	Ancora Group		12000		12000	2019:3	2021:2	1	PnP
Roodepoort	Kwena Square	Cnr Hendrik Potgieter & Johan Rd	Redefine Properties		10000		10000	2021:3	2022:2		Chk Clk
Waterfall, Midrand	Waterfall Ridge	Cnr Waterfall Ridge Blvd & Pretorius Rd	Abland	0115109999	12000		12000	2019:4	2021:1	2	FLM

Centres under construction											
Area/City	Centre	Street Address	Contact	Contact Number	Retail m ²	Office m ²	Total m ² when complete	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Eastern Cape											
Idutywa	Mbashe LG Mall		McCormick Property Development	0126546330	20500		20500	2022:4	2024:3	1	Box Shr
KwaZulu-Natal											
eMondlo	Emondlo SC	Cnr Main & Duma St	Graham Projects	0322525732	6500		6500	2023:1	2023:4	1	
Limpopo											
Hoedspruit	The Hoedspruit Mall: Ph 1		Bruce Kirchmann Construction	0117873069	12500		12500	2022:3	2023:3		
Makhado	Madombidzha Mall		McCormick Property Development	0126546330	10600		10600	2023:1	2024:3	1	Shr
Marble Hall	Leeufontein Crossing		McCormick Property Development	0126546330	12900		12900	2023:1	2024:3	1	Shr
Mehlareng	Mehlareng Mall		McCormick Property Development	0126546330	12200		12200	2023:1	2024:3	1	Shr
Polokwane	The Greenery	Cnr Grobler & Oost St	Moolman Group	0123617970	11000		11000	2022:3	2023:4	1	Chk Clk
Thohoyandou	Tshakhuma Corner		McCormick Property Development	0126546330	12100		12100	2022:1	2023:3	1	Shr
Thohoyandou	Vuwani Mall		McCormick Property Development	0126546330	21800		21800	2022:4	2024:3	1	Shr Spr
North West											
Vryburg	Mompoti Mall	Cnr Voortrekker & N18	Retail Network Services	0118076995	22000		22000	2022:4	2023:4	1	
Zeerust	Autumn Leaf Mall	N4	Akani Properties	0115785338	20000		20000	2021:4	2023:2	1	
Reef											
Sandton	Barlow Park	Katherine St	Atterbury	0124711600	5500		5500	2022:3	2024:1	1	Chk Clk Spr

Area/City	Centre	Street Address	Contact	Contact Number	Retail m ²	Office m ²	Total m ² when complete	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Reef (continued)											
Soweto	Eyethu SC	Mofolo Central	Abland	0115109999	10000		10000	2022:4	2023:4	2	Clk Shr
WC, Swartland											
Malmesbury	De Zwartland Markt	N7	Devmark Property Group	0219483502	18000		36000	2022:4	2023:4	2	

Extensions completed

Area/City	Centre	Street Address	Contact	Contact Number	Retail extension m ²	Total m ²	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Eastern Cape										
Summerstrand, Gqeberha	Boardwalk Mall	Marine Dr	Flanagan & Gerard	0105904867	14200	26000	2021:2	2022:3	2	
Limpopo										
Elim	Elim Mall	Cnr Giyani & Levubu Rds	Twin City	0124609226	10000	30000	2021	2022:4	1	Spr
Mpumalanga										
Bushbuckridge	Bushbuckridge Mall	Cnr R40 & R533	Illungile Consulting Services	0123464744	2000	20000	2020:3	2021:4	1	PnP Shr
Piet Retief	N2 Woodhill SC	Theo Mocke St	Ancora Group		10000	14000	2020:4	2021:4	1	Chk
Schoemansdal	Matsamo Mall	Cnr R570 & R323	Moolman Group	0123617970	11100	18500	2021:4	2022:4	1	Box Clk Shr
Pretoria										
Atteridgeville	Nkomo Village		Safari Investments	0123651889	5000	28000	2022:2	2022:4	1	MrP Shr
Faerie Glen	Glen Village Mall (North side)	Cnr Hans Strydom & Olympus Dr	Akani Properties	0115785338			2023:1	2023:3		
Faerie Glen	Glen Village Mall (South side)	Cnr Hans Strydom & Olympus Dr	Akani Properties	0115785338			2021:4	2022:4		

Extensions under construction										
Area/City	Centre	Street Address	Contact	Contact Number	Retail extension m ²	Total m ² when complete	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Free State										
Witsieshoek	Setsing Plaza	Mopoi St	Illungile Consulting Services	0123464744	26000	51000	2022:1	2024:2	1	Box Shr
Limpopo										
Makhado	Nkuna Kraal:Ph 2		Illungile Consulting Services	0123464744	18500	28500	2022:2	2023:2	1	Spr
Reef										
Alberton	Mall at Newmarket	Cnr Heidelberg & Ring Rd East	Moolman Group	0123617970	1900	42115	2023:1	2023:4	1	Chk
Wynberg	Pan Africa Mall: Ph 1 & 2	Cnr 3rd Ave & Watt St	Atterbury	0124711600	9000	25000	2021:4	2024:4	3	Clk Dis PnP

Mooted (Planning phase/currently on hold)									
Area/City	Centre	Street Address	Contact	Contact Number	New/Extens./Refurb	Retail m ²	Total m ² when complete	Retail Floors	Anchor Tenant/s
Eastern Cape									
Ngcobo	eNgcobo Mall		Billion Group	0115115335	New	21000	21000	1	Shr
Free State									
Bloemfontein	Northridge Mall	Eupees Rd	Moolman Group	0123617970	Ext	18000	48052	1	Clk PnP Wws
KwaZulu-Nata									
Amanzimtoti	Kingsburgh Junction	Seadoone Rd	AJ Property Holdings	0312071360	New	9000	9000		
Cato Ridge	Inchanga Plaza		EMRE	0824551202	New	10000	10000		Shr
Durban	Umlazi Station Mall		EMRE	0824551202	New	10000	10000		Shr
Durban Point, Durban	Precinct 2: Ph 1	Adjacent to uShaka Marine World	Durban Point Development Company	0313373460	New	48000	48000	3	
Ladysmith	Uitval SC		Graham Projects	0325255732	New	8000	8000	1	
Newcastle	Theku Plaza: Ph 2	Portion 121 of farm Blauwbosch Laaghte	McCormick Property Development	0126546330	Ext	7754	23010	1	
Ntshongweni	Mall of the West	N3, Ntshongweni Urban Development	Fundamentum Asset Management	0315661716	New	85000	85000		
Limpopo									
Lebowakgomo	Mall@Lebo	Cnr R518 & R579	Acscion	0126568957	Ext	2000	25000		
Mankweng	Mankweng Square	University Rd	Ancora Group		New	7200	7200	1	
Mohlalareng	Sunnyside Junction	Ramamela Main Rd	Ancora Group		New	8500	8500	1	
Tzaneen	Dan City Mall		McCormick Property Development	0126546330	New	29450	29450		
Mpumalanga									
Kabokweni	Kabokweni Mall		EMRE	0824551202	New	7556	7556	1	Spr
Karino	Karino Crossing	Cnr R538 & KaNyamazane Rd	RVN Properties	0315664662	New	20000	20000	1	

Area/City	Centre	Street Address	Contact	Contact Number	New/Extens./Refurb	Retail m ²	Total m ² when complete	Retail Floors	Anchor Tenant/s
Mpumalanga (continued)									
Marite	Marite Shopping Centre		Ancora Group		New	15000	15000		
Phola	Lelapa Retail Corner: Ph 1	N12	Abland	0115109999	New	14000	14000	1	Shr
Secunda	Ekhaya Mall: Ph 3	Intersection of R580 & R546	S-Identity Holdings	0100203670	Ext	14000	15800		
Siyabuswa	Siyabuswa Plaza		EMIRE	0824551202	New	10000	10000	1	Spr
Standerton	Standerton SC	Cnr Krogh & Walter Sisulu Rd	Ancora Group		New	20000	20000		
Volkstrust	Red Hill Mall		VDH QS & Project Managers	0824451866	New	8000	8000		Chk Clk
North West									
Hebron	Hebron Mall: Ph 2	Hebron Rd	Twin City		Ext	7014	30014	1	
Rustenburg	Clearview Square	166 Kock St	Ancora Group		New	7200	7200	1	
Northern Cape									
Kuruman	Kuruman Square	1 Begonia St	Ancora Group		New	5500	5500	1	
Pretoria									
Mamelodi	Denlyn Shopping Centre	Cnr Waltloo & Stormvoël Rd	Safari Investments	0123651881	Ref	31239	31239		Shr Spr
Monavoni	Forest Hill City Value Centre	R55 turnoff, Voor-trekker Rd	Billion Group	0115115335	Ext	20000	93000	1	
Monavoni	Mall@55	Cnr R55 & Marais Rd	Acision	0126568957	Ext	10000	25000		
Monavoni	Trade 55: Ph 1	Cnr R55 & Marais Rd	Acision	0126568957	New	10000	10000		
Pretoria North	Crescent Corner: Ph 1	M1 Paul Kruger Ext	Retail Network Services	0118076995	New	8200	8200	1	
Pretoria North	Rainbow Junction	M1 Paul Kruger Ext	Retail Network Services	0118076995	New	60000	60000	3	

Area/City	Centre	Street Address	Contact	Contact Number	New/Extens./Refurb	Retail m ²	Total m ² when complete	Retail Floors	Anchor Tenant/s
Pretoria (continued)									
Pretoria West	Capital Mall: Ph1		McCormick Property Development	0126546330	New	60000	60000		
Soshanguve South	Sosh Mall	Eastern entrance of R80 Mabopane Highway	New Africa Development		New	40000	40000		Shr Spr
Reef									
Alberton	Newmarket Lifestyle Centre	Cnr Heidelberg & Ring Rd East	Retail Network Services	0118076995	New	30000	30000	1	
Boskruin	Silva Terrace		Retail Africa	0100201810	New	6600	6600		
Boksburg	Parkdene Junction: Ph 1	Rondebult Rd	Abland		Ext & Ref	25000	44000	1	Chk
Brakpan	Mall@Carnival: Ph 5	Cnr Heidelberg & Airport	Acson	0126568957	Ext	2500	87000	2	
Fleurhof	Fleurhof Mall		Illungile Consulting Services	0123464744	New	18500	18500	1	Shr PnP
Germiston	Rondebult SC	Cnr Heidelberg & Van Dyk Rd	Retail Network Services	0118076995	New	21700	21700	1	Shr Box
Kagiso	Leratong City Mall: Ph 1	Cnr Randfontein Rd & R558	McCormick Property Development	0126546330	New	26307	26307	1	PnP Shr
Lenasia	Lenz Quarter		Retail Network Services	0118076995	New	12102	12102	1	
Orange Farm	Lakeside Town Centre		EMIRE	0824551202	New	10000	10000		PnP
Soweto	Dobson Place: Ph 1		McCormick Property Development	0126546330	New	22383	22383		
Soweto	Masingita City Mall	Junction of N12 and R58	Illungile Consulting Services	0123464744	New	55000	55000	1	Chk Shr PnP
Springs	Springs Retail Centre: Ph 2	Cnr Wit Rd & Jan Smuts Rd	Ancora Group		Ext	28959	28959	1	

Area/City	Centre	Street Address	Contact	Contact Number	New/Extens./Refurb	Retail m ²	Total m ² when complete	Retail Floors	Anchor Tenant/s
Reef (continued)									
Springs	iTonka Square (Tonk Metre Crossing redevelopment)	Tonk Meter Rd & Rhokana Ave	Retail Network Services	0118076995	Ext	12000	20000		
Springs	Springs Retail Centre: Ph 1	Cnr Wit Rd & Jan Smuts Rd	Ancora Group		New	28959	28959	1	FLM
Waterfall, Midrand	The Market (Waterfall Ridge Ph 2)	Allandale Rd	Abland	0115109999	New	9000	9000	2	Chk Clk
WC, Cape Town									
Durbanville	Phesantekraal Convenience SC		Abland	0115109999	New	19000	19000	1	
Durbanville	Phesantekraal Lifestyle Centre		Abland	0115109999	New	15000	15000	1	

Refurbishments											
Area/City	Centre	Street Address	Contact	Contact Number	Retail m ²	Office m ²	Total m ² when complete	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
KwaZulu-Natal											
Ballito	The Odyssey (was Ballito Bay Mall)		RVN Properties	0315664662	8500		8500	2019:4	2021:1		
Ballito	Ballito Junction	Cnr Ballito & Leonora Dr	Flanagan & Gerard	0105904867	82000		82000	2023:1	2023:4	3	
Umhlanga Rocks, Durban	Gateway Theatre of Shopping	1 Palm Boulevard	Old Mutual Properties	0313043581	176000		176000	2022:4	2023:1	2	
Limpopo											
Polokwane	Polokwane Checkers Centre	Cnr Biccard & Hans van Rensburg St	Moolman Group	0123617970	10000		10000	2022:1	2023:1	1	Chk Clk
Mpumalanga											
Bushbuckridge	Bushbuckridge Mall	Cnr R40 & R533	Illungile Consulting Services	0123464744	18000		20000	2020:3	2021:4	1	Pnp Shr
Pretoria											
Atteridgeville	Nkomo Village		Safari Investments	0123651889			28000	2022:2	2022:4		Mrp Shr
Faerie Glen	Glen Village Mall (North side)	Cnr Hans Strydom & Olympus Drs	Akani Properties	0115785338	14173		14173	2023:1	2023:3		
Faerie Glen	Glen Village Mall (South side)	Cnr Hans Strydom & Olympus Drs	Akani Properties	0115785338	14173		14173	2021:4	2022:4		
Pretoria	Madelief SC	Cnr Bokmakierie & Daan De Wet Nel Dr	Retail Africa	0100201810	6500		6500	2022:2	2023:2	1	
Reef											
Alberton	Mall At Newmarket	Cnr Heidelberg & Ring Rd East	Moolman Group	0123617970			42115	2023:1	2023:4	1	Chk

Area/City	Centre	Street Address	Contact	Contact Number	Retail m ²	Office m ²	Total m ² when complete	Start (qtr)	End (qtr)	Retail Floors	Anchor Tenant/s
Reef (continued)											
Boksburg	Parkdene Junction: Ph 1	Rondebult Rd	Abland				44000	2023:2	2024:4	1	Chk
Heidelberg	Victorian Village	Cnr Jordaan & Voortrekker St	Safari Investments	0123651889	12013		12013	2021	2023:2	2	Clk Ned Spu
Honeydew	Blueberry Square	Cnr Blueberry St & Beyers Naude Dr	Retail Network Services	0118076995	16000		16000	2020	2021:3		
Kempton Park	Bredell Square	169th, 3rd Rd	Ancora Group				5207	2022:1	2022:2	1	
Meadowdale, Germiston	Meadowdale Value Centre	Cnr Hyperama Link & Dick Kemp Rd	Moolman Group	0123617970	18532		18532	2022:1	2022:4	1	
Roodepoort	Ridgeview SC (was Westways)		Retail Africa	0100201810	9500		9500	2022:2	2023:3		
Wynberg	Pan Africa Mall: Ph 1 & 2	Cnr 3rd Ave & Watt St	Atterbury	0124711600			26000	2021:4	2024:4	3	Clk Dis PnP
WC, Cape Town											
Brackenfell	Brackenfell Corner	Frans Conradie Dr	Retail Africa	0100201810	8000		8000	2021:1	2021:4		Dis Spr WWS

Our heartfelt thanks to the companies that contributed to the retail-market survey. By clicking on their logos, you will learn more about these panellists.



Trust & Estate Co.

***Street-front rental
surveys***

Market rental survey of street-front shops
Cape Town
Street-front shop rental Survey: March 2023
Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT										Op. costs per m ² excl. VAT			Panellist codes
	50m ²		100m ²		500m ²		Mean	SD	Mean	SD	Mean	SD		
	Mean	SD	Mean	SD	Mean	SD								
CBD														
Adderley Street (Between Wale & Longmarket)	Low	R180,00	-	R180,00	-	R180,00	-	R180,00	-	R20,00	-	-	-	AP
	High	R250,00	-	R250,00	-	R250,00	-	R250,00	-	R20,00	-	-	-	-
Adderley Street (Between Longmarket & Riebeeck)	Low	R200,00	-	R200,00	R0,00	R175,00	R25,00	R40,00	R15,00	R40,00	R15,00	R15,00	AP,DD	
	High	-	-	R315,00	R35,00	R315,00	R35,00	R20,00	-	R20,00	-	-	-	
St George's Mall (Between Wale & Longmarket)	Low	R190,00	R10,00	R180,00	-	R180,00	-	R20,00	-	R25,00	-	-	AP,DN	
	High	R235,00	R15,00	R215,00	R35,00	-	-	R200,00	-	R25,00	-	-	-	
St George's Mall (Between Longmarket & Riebeeck)	Low	R200,00	-	R200,00	-	R200,00	-	R280,00	-	R25,00	-	-	AP	
	High	R280,00	-	R280,00	-	R280,00	-	R25,00	-	R25,00	-	-	-	
Longmarket Street (Between Plein & Adderley (Church Square area))	Low	R150,00	-	R150,00	-	R150,00	-	R150,00	-	R20,00	-	-	AP	
	High	R250,00	-	R250,00	-	R250,00	-	R20,00	-	R20,00	-	-	-	
Station Forecourt	Low	R150,00	-	R150,00	-	R150,00	-	R150,00	-	R25,00	-	-	AP	
	High	R250,00	-	R250,00	-	R250,00	-	R25,00	-	R25,00	-	-	-	
Burg Street (Between Wale & Shortmarket)	Low	R180,00	-	R180,00	-	R180,00	-	R180,00	-	R25,00	-	-	AP	
	High	R280,00	-	R280,00	-	R280,00	-	R25,00	-	R25,00	-	-	-	
Burg Street (Between Shortmarket & Strand)	Low	R170,00	-	R170,00	-	R170,00	-	R170,00	-	R25,00	-	-	AP	
	High	R250,00	-	R250,00	-	R250,00	-	R25,00	-	R25,00	-	-	-	
Long Street (Between Wale & Longmarket)	Low	R200,00	-	R200,00	-	R200,00	-	R200,00	-	R25,00	-	-	AP	
	High	R250,00	-	R250,00	-	R250,00	-	R25,00	-	R25,00	-	-	-	
Long Street (Between Longmarket & Waterkant)	Low	R200,00	-	R200,00	-	R200,00	-	R200,00	-	R25,00	-	-	AP	
	High	R280,00	-	R280,00	-	R280,00	-	R280,00	-	R25,00	-	-	-	
Long Street (Between Wale & Buitensingel)	Low	R200,00	-	R200,00	-	R200,00	-	R200,00	-	R25,00	-	-	AP	
	High	R320,00	-	R320,00	-	R320,00	-	R320,00	-	R25,00	-	-	-	
Loop Street (Between Wale & Hout)	Low	R150,00	-	R150,00	-	R150,00	-	R150,00	-	R25,00	-	-	AP	
	High	R200,00	-	R200,00	-	R200,00	-	R200,00	-	R25,00	-	-	-	
Loop Street (Between Hout & Waterkant)	Low	R180,00	-	R180,00	-	R180,00	-	R180,00	-	R25,00	-	-	AP	
	High	R280,00	-	R280,00	-	R280,00	-	R280,00	-	R25,00	-	-	-	

Market rental survey of street-front shops

Cape Town

Street-front shop rental Survey: March 2023

Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT						Op. costs per m ² excl. VAT			Panellist codes		
	50m ²		100m ²		500m ²		Mean	SD	Mean		SD	
	Mean	SD	Mean	SD	Mean	SD						
CBD (continued)												
Loop Street (Between Wale & Buitensingel)	Low	R150,00	-	R150,00	-	R150,00	-	R25,00	-	R25,00	-	AP
	High	R250,00	-	R250,00	-	R250,00	-					
Bree Street (Between Strand & Wale)	Low	R200,00	-	R200,00	-	R200,00	-	R30,00	-	R30,00	-	AP
(Heritage Square area)	High	R350,00	-	R350,00	-	R350,00	-					
Strand Street (Between Adderley & Long)	Low	R200,00	-	R200,00	-	R200,00	-	R25,00	-	R25,00	-	AP
	High	R280,00	-	R280,00	-	R280,00	-					
Strand Street (Between Long & Bree)	Low	R200,00	-	R200,00	-	R200,00	-	R25,00	-	R25,00	-	AP
	High	R280,00	-	R280,00	-	R280,00	-					
Parliament Street (Between Church Square & Strand)	Low	R200,00	-	R200,00	-	R200,00	-	R25,00	-	R25,00	-	AP
	High	R300,00	-	R300,00	-	R300,00	-					
Plein Street (Between Darling & Spin)	Low	R150,00	-	R150,00	-	R150,00	-	R25,00	-	R25,00	-	AP
	High	R250,00	-	R250,00	-	R250,00	-					
Darling Street (Between Grand Parade & Adderley)	Low	R180,00	-	R180,00	-	R180,00	-	-	-	-	-	AP
	High	R250,00	-	R250,00	-	R250,00	-					
Roeland Street (Between Plein & De Villiers)	Low	R180,00	-	R180,00	-	R150,00	-	-	-	-	-	AP
	High	R200,00	-	R250,00	-	R200,00	-					
Buitenkant Street (Between Roeland & Darling)	Low	-	-	-	-	-	-	-	-	-	-	AP
	High	-	-	-	-	-	-					
Christiaan Barnard Street (Between Hertzog Blvd & N1)	Low	R180,00	-	R180,00	-	R180,00	-	-	-	-	-	AP
	High	R280,00	-	R280,00	-	R280,00	-					
Heerengracht (Between Hans Strijdom Ave, Lower Long St & Walter Sisulu)	Low	R150,00	-	R150,00	-	R150,00	-	-	-	-	-	AP
	High	R250,00	-	R250,00	-	R250,00	-					
DF Malan Street (Between Hertzog Blvd & Bartholomeu Dias Blvd)	Low	-	-	-	-	-	-	-	-	-	-	-
	High	-	-	-	-	-	-					

Market rental survey of street-front shops

Cape Town

Street-front shop rental Survey: March 2023

Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT						Op. costs per m ² excl. VAT		Panellist codes	
	50m ²		100m ²		500m ²		Mean	SD		
	Mean	SD	Mean	SD	Mean	SD				
Wynberg (continued)										
Main Road (Between Station & Lower Piers)	Low	-	-	-	-	-	-	-	-	
	High	-	-	-	-	-	-	-	-	
Main Road (Between Lower Piers & Park)	Low	-	-	-	-	-	-	-	-	
	High	-	-	-	-	-	-	-	-	
Tygerberg										
Bellville										
Voortrekker Road (Between Boston & Durban)	Low	R80,00	-	R80,00	-	R70,00	-	R25,00	-	AP
	High	R100,00	-	R100,00	-	R100,00	-	-	-	-
Voortrekker Road (Between Durban & Blanckenberg)	Low	R100,00	R0,00	R100,00	-	R90,00	R10,00	R25,00	-	AP, DN
	High	R165,00	R15,00	R165,00	R15,00	R125,00	R25,00	-	-	-
Voortrekker Road (Between Blanckenberg & Modderdam)	Low	R77,50	R12,50	R77,50	R12,50	R73,00	R17,00	R20,00	-	AP, DN
	High	R100,00	R0,00	R100,00	R0,00	R80,00	R0,00	-	-	-
Tygervally area	Low	-	-	R123,87	R21,25	R100,00	R20,00	R49,94	R24,94	AP, DN, PN
	High	R185,25	R31,14	-	-	R158,89	R35,94	-	-	-
Parow										
Voortrekker Road (East) (Between Fritz Spilhaus & Station)	Low	R77,50	R2,50	R77,50	R2,50	R62,00	R22,00	R20,00	-	AP, DN
	High	R100,00	R0,00	R100,00	R0,00	R80,00	R20,00	-	-	-
Voortrekker Road (West) (Between Station & Jan Van Riebeeck)	Low	R60,00	R10,00	R60,00	R10,00	R55,00	R15,00	R20,00	-	AP, DN
	High	R102,50	R22,50	R102,50	R22,50	R92,50	R32,50	-	-	-
Goodwood										
Voortrekker Road (Libertas Centre to Vasco Boulevard)	Low	R72,50	R12,50	R72,50	R12,50	R67,50	R17,50	R25,00	-	AP, DN
	High	R100,00	R0,00	R100,00	R0,00	R80,00	R20,00	-	-	-
Durbanville										
Wellington Road	Low	R100,00	-	R100,00	-	R100,00	-	-	-	DN
	High	R150,00	-	R100,00	-	R100,00	-	-	-	-

Market rental survey of street-front shops

Free State

Street-front shop rental Survey: March 2023

Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT						Op. costs per m ² excl. VAT			Panellist codes	
	50m ²		100m ²		500m ²		Mean	SD	Mean		SD
	Mean	SD	Mean	SD	Mean	SD					
Bloemfontein											
CBD prime location											
Maitland Street (Between East Burger & Aliwal)	Low	R115,33	R11,12	R104,33	R14,06	R89,00	R13,49	R28,67	R9,67	BR,ED,EK,EQV	
	High	R161,00	R21,95	R143,00	R16,67	R119,00	R1,41				
West Burger Street (Between St Andrew & Charles)	Low	R120,75	R18,21	R97,75	R9,36	R78,00	R6,28	R28,67	R9,67	BR,ED,EK,EQV	
	High	R145,00	R10,80	R139,75	R12,05	R112,00	R8,49				
St Andrew Street (Between West Burger & Aliwal)	Low	R109,33	R7,36	R101,00	R13,49	R77,33	R7,13	R29,67	R10,50	BR,ED,EK,EQV	
	High	R155,00	R20,41	R133,33	R12,47	R114,00	R5,35				
Floreat Lane	Low	R161,00	R31,44	R127,67	R17,25	R98,67	R16,13	R24,25	R7,29	BR,ED,EK,EQV	
	High	R218,67	R31,26	R169,67	R29,89	R137,00	R34,32				
Fichardt Arcade	Low	R165,33	R26,40	R122,33	R20,27	R112,50	R7,50	R26,25	R7,85	BR,ED,EK,EQV	
	High	R225,67	R58,52	R186,33	R51,45	R180,00	-				
Southern Plaza Arcade	Low	R199,33	R36,16	R140,67	R8,22	R120,00	R10,00	R28,00	R8,03	BR,ED,EK,EQV	
	High	R253,67	R70,99	R215,00	R35,00	R200,00	R0,00				
CBD secondary location											
Charles Street (Between East Burger & West Burger)	Low	R127,33	R10,37	R98,00	R11,31	R70,00	R10,00	R33,50	R3,50	BR,ED,EK,EQV	
	High	R162,00	R13,59	R134,00	R13,37	R110,00	R10,00				
East Burger Street (Between St Andrew & Charles)	Low	R122,00	R10,71	R101,33	R9,84	R77,50	R7,50	R25,33	R11,12	BR,ED,EK,EQV	
	High	R160,00	R14,14	R137,33	R14,06	R120,00	R0,00				

Market rental survey of street-front shops Gauteng

Street-front shop rental Survey: March 2023
Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT										Op. costs per m ² excl. VAT		Panellist codes
	50m ²		100m ²		500m ²		Mean	SD	Mean	SD	Mean	SD	
	Mean	SD	Mean	SD	Mean	SD							
CBD secondary location													
CBD North (Bounded by Boom, Kgosi Mampuru, Struben & Thabo Schume)	Low	R90,00	-	R95,00	-	R45,00	-	R20,00	-	-	R20,00	-	AP
	High	R120,00	-	R160,00	-	R90,00	-	-	-	-	-	-	-
Paul Kruger (Between Boom & Mansfield)	Low	R95,00	-	R70,00	-	R60,00	-	R20,00	-	-	R20,00	-	AP
	High	R160,00	-	R120,00	-	R90,00	-	-	-	-	-	-	-
CBD West (Bounded by Sophie de Bruyn, Paul Kruger, Madiba & Frances Baard)	Low	R80,00	-	R85,00	-	R40,00	-	R20,00	-	-	R20,00	-	AP
	High	R90,00	-	R100,00	-	R95,00	-	-	-	-	-	-	-
CBD East (Bounded by Sisulu, Frances Baard, Du Toit & Johannes Ramokhoase)	Low	R120,00	-	R60,00	-	R40,00	-	R20,00	-	-	R20,00	-	AP
	High	R160,00	-	R90,00	-	R95,00	-	-	-	-	-	-	-
CBD prime commuter location													
Sisulu Street (Between Bloed & Johannes Ramokhoase)	Low	R185,00	-	R100,00	-	R70,00	-	R20,00	-	-	R20,00	-	AP
	High	R220,00	-	R220,00	-	R90,00	-	-	-	-	-	-	-
Lilian Ngoyi Street (Between Boom & Johannes Ramokhoase)	Low	R120,00	-	R70,00	-	R35,00	-	R20,00	-	-	R20,00	-	AP
	High	R220,00	-	R120,00	-	R60,00	-	-	-	-	-	-	-
Bloed Street (Between Sisulu & Thabo Sehume)	Low	R65,00	-	R80,00	-	R40,00	-	R20,00	-	-	R20,00	-	AP
	High	R140,00	-	R90,00	-	R90,00	-	-	-	-	-	-	-
Pretoria decentralised													
Arcadia													
Du Toit Street (Between Nana Sita & Struben)	Low	R40,00	-	R90,00	-	R40,00	-	R20,00	-	-	R20,00	-	AP
	High	R50,00	-	R120,00	-	R120,00	-	-	-	-	-	-	-
Madiba Street (Between Du Toit & Steve Biko Street)	Low	R90,00	-	R60,00	-	R40,00	-	R20,00	-	-	R20,00	-	AP
	High	R180,00	-	R120,00	-	R90,00	-	-	-	-	-	-	-
Steve Biko Street (Between Frances Baard & Johannes Ramokhoase)	Low	R60,00	-	R80,00	-	R40,00	-	R20,00	-	-	R20,00	-	AP
	High	R120,00	-	R120,00	-	R75,00	-	-	-	-	-	-	-
Church Street (Between Du Toit & Hamilton)	Low	R100,00	-	R120,00	-	R60,00	-	R20,00	-	-	R20,00	-	AP
	High	R120,00	-	R180,00	-	R90,00	-	-	-	-	-	-	-

Market rental survey of street-front shops

Gauteng

Street-front shop rental Survey: March 2023

Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT						Op. costs per m ² excl. VAT			Panellist codes	
	50m ²		100m ²		500m ²		Mean	SD	Mean		SD
	Mean	SD	Mean	SD	Mean	SD					
Arcadia (continued)											
Pretorius Street (Between Hamilton & Du Toit)	Low	R60,00	-	R90,00	-	R60,00	-	R20,00	-	AP	
	High	R120,00	-	R120,00	-	R95,00	-				
Sunnyside											
Robert Sobukwe Street (Between Leyds & Greeff)	Low	R100,00	-	R80,00	-	R30,00	-	R17,00	-	AP	
	High	R130,00	-	R120,00	-	R60,00	-				
Gezina/Wonderboom South											
Steve Biko Road (Between Steve Biko Academic Hospital & Magaliesberg)	Low	R80,00	-	R60,00	-	R40,00	-	-	-	AP	
	High	R120,00	-	R80,00	-	R60,00	-				
Hatfield											
Burnett Street	Low	R120,00	-	R90,00	-	R100,00	-	R22,00	-	AP	
	High	R140,00	-	R150,00	-	R140,00	-				
Silverton											
Pretoria Street	Low	R60,00	-	R60,00	-	R60,00	-	R11,00	-	AP	
	High	R130,00	-	R130,00	-	R130,00	-				
Menlopark											
Lynnwood Road (Between Ox & Brooklyn)	Low	R140,00	-	R120,00	-	R110,00	-	R25,00	-	AP	
	High	R165,00	-	R160,00	-	R160,00	-				
Wierdapark											
Wierda Square (Ground floor only)	Low	R85,00	-	R65,00	-	R65,00	-	R20,00	-	AP	
	High	R100,00	-	R95,00	-	R85,00	-				

Market rental survey of street-front shops

Limpopo

Street-front shop rental Survey: March 2023

Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT						Op. costs per m ² excl. VAT			Panellist codes	
	50m ²		100m ²		500m ²		Mean	SD	Mean		SD
	Mean	SD	Mean	SD	Mean	SD					
Polokwane Central											
Landdros Maré Street (Between Thabo Mbeki & Grobler Street)	Low	R375,00	-	R297,50	R22,50	R170,00	R15,00	R20,00	R0,00	MO,TG	
	High	R430,00	-	R415,00	R35,00	R260,00	R40,00				
Landdros Maré Street (Between Grobler & Jorissen Street)	Low	R220,00	-	R140,00	-	R130,00	R10,00	R19,00	R1,00	MO,TG	
	High	R280,00	-	R200,00	-	R155,00	R5,00				
Landdros Maré Street (Between Jorissen & Excelsior Street)	Low	R120,00	-	R97,50	R2,50	R90,00	-	R19,00	R1,00	MO,TG	
	High	R160,00	-	R122,50	R2,50	R110,00	-				
Market Street (Between Jorissen & Devenish)	Low	-	-	R120,00	-	R120,00	-	R17,00	R1,00	MO,TG	
	High	-	-	R160,00	R30,00	R155,00	-				

Market rental survey of street-front shops

Mpumalanga

Street-front shop rental Survey: March 2023

Area	Achievable gross rental per rentable m ² excl. VAT						Op. costs per m ² excl. VAT			Panellist codes	
	50m ²		100m ²		500m ²		Mean	SD	Mean		SD
	Mean	SD	Mean	SD	Mean	SD					
Mbombela											
Voortrekker, Bester, Paul Kruger, Brown & Louis Trichardt Streets (both sides)	Low	R87,50	R12,50	R87,50	R12,50	R72,50	R2,50	R25,00	R5,00	KEL,MPV,ORI,PG,PM	
	High	R172,50	R2,50	R197,50	R22,50	R143,50	R31,50				
Cameron, Louis Trichardt & Bell (including South side) Streets	Low	R67,50	R7,50	R67,50	R2,50	R45,00	R5,00	R20,00	-	KEL,MPV,ORI,PG,PM	
	High	R85,00	R25,00	R85,00	R5,00	R73,00	R3,00				
Currie, Louis Trichardt, Henslow, Andrew & Paul Kruger Streets	Low	R75,00	R0,00	R87,50	R12,50	R70,00	R5,00	R25,00	-	KEL,MPV,ORI,PG,PM	
	High	R130,00	R10,00	R130,00	R10,00	R120,00	R20,00				
Paul Kruger, Andrew, Spruit, Anderson & Bester (both sides) Streets	Low	R55,00	R10,00	R57,50	R7,50	R47,50	R2,50	R30,00	-	KEL,MPV,ORI,PG,PM	
	High	R107,50	R32,50	R100,00	R40,00	R142,50	R2,50				

Market rental survey of street-front shops

Windhoek

Street-front shop rental Survey: March 2023

Assuming best location

Area	Achievable gross rental per rentable m ² excl. VAT						Op. costs per m ² excl. VAT			Panellist codes	
	50m ²		100m ²		500m ²		Mean	SD	Mean		SD
	Mean	SD	Mean	SD	Mean	SD					
Windhoek											
Independence Ave (Sam Nujoma to John Meinert)	Low	R225,00	R25,00	R194,00	R6,00	R164,00	R16,00	R27,50	R16,00	-	PVN,TE
	High	R315,00	R35,00	R204,00	R16,00	R171,50	R23,50				
Stübel Street (Sam Nujoma to John Meinert)	Low	R165,00	R5,00	R160,00	R10,00	R125,00	R5,00	R27,50	R5,00	-	PVN,TE
	High	R255,00	R25,00	R190,00	R10,00	R162,50	R17,50				

Consumer price indices

Consumer Price Indices (COICOP) (Dec 2021 = 100)**CPI: Headline (all urban areas) (incl. VAT)**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2019	87,9	88,6	89,4	89,9	90,2	90,5	90,8	91,1	91,3	91,3	91,4	91,6	90,3
%ch	4,0	4,1	4,5	4,4	4,5	4,5	4,0	4,3	4,1	3,7	3,6	4,0	4,1
2020	91,9	92,8	93,1	92,6	92,0	92,5	93,7	93,9	94,0	94,3	94,3	94,4	93,3
%ch	4,5	4,6	4,1	3,0	2,1	2,2	3,2	3,1	3,0	3,3	3,2	3,1	3,3
2021	94,8	95,4	96,1	96,7	96,8	97,0	98,1	98,5	98,7	99,0	99,4	100,0	97,5
%ch	3,2	2,9	3,2	4,4	5,2	4,9	4,6	4,9	5,0	5,0	5,5	5,9	4,5
2022	100,2	100,8	101,8	102,4	103,1	104,2	105,8	106,0	106,1	106,5	106,8	107,2	104,2
%ch	5,7	5,7	5,9	5,9	6,5	7,4	7,8	7,6	7,5	7,6	7,4	7,2	6,9
2023	107,1	107,9	109,0										
%ch	6,9	7,0	7,1										

Source of data: Stats SA

Consumer Price Indices (COICOP) (Dec 2021 = 100)**CPI: Food (all urban areas) (incl. VAT)**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2019	86,8	86,8	86,9	87,0	87,3	87,6	87,6	88,0	88,3	88,3	88,6	88,9	87,7
%ch	2,4	2,4	2,4	2,4	2,8	3,2	2,9	3,8	3,8	3,5	3,5	3,9	3,1
2020	90,0	90,4	90,7	91,0	91,5	91,6	91,7	91,8	92,0	93,2	93,9	94,4	91,9
%ch	3,7	4,1	4,4	4,6	4,8	4,6	4,7	4,3	4,2	5,5	6,0	6,2	4,8
2021	95,1	95,3	96,1	97,0	97,8	98,0	98,2	98,6	98,5	99,4	99,5	100,0	97,8
%ch	5,7	5,4	6,0	6,6	6,9	7,0	7,1	7,4	7,1	6,7	6,0	5,9	6,5
2022	101,0	101,7	102,4	103,1	105,4	106,8	108,1	109,9	110,6	111,6	112,2	112,7	107,1
%ch	6,2	6,7	6,6	6,3	7,8	9,0	10,1	11,5	12,3	12,3	12,8	12,7	9,5
2023	114,9	115,9	117,1										
%ch	13,8	14,0	14,4										

Source of data: Stats SA

Consumer Price Indices (COICOP) (Dec 2021 = 100)													
CPI: Meat (all urban areas) (incl. VAT)													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2019	85,1	83,8	83,4	83,4	83,8	84,5	84,6	85,1	84,9	85,1	85,4	85,8	84,6
%ch	0,7	-0,6	-1,1	-1,2	-0,9	0,2	0,2	0,7	1,1	1,2	1,9	2,0	0,4
2020	87,2	87,3	87,6	88,5	88,4	88,9	88,9	88,6	88,7	90,1	91,0	92,1	88,9
%ch	2,5	4,2	5,0	6,1	5,5	5,2	5,1	4,1	4,5	5,9	6,6	7,3	5,2
2021	93,5	93,2	93,5	94,8	95,9	96,6	97,2	98,0	97,8	98,3	98,8	100,0	96,5
%ch	7,2	6,8	6,7	7,1	8,5	8,7	9,3	10,6	10,3	9,1	8,6	8,6	8,5
2022	101,2	101,2	101,9	102,9	104,9	105,8	106,3	107,0	107,5	108,6	109,2	109,7	105,5
%ch	8,2	8,6	9,0	8,5	9,4	9,5	9,4	9,2	9,9	10,5	10,5	9,7	9,4
2023	112,5	112,7	112,7										
%ch	11,2	11,4	10,6										

Source of data: Stats SA

Consumer Price Indices (COICOP) (Dec 2021 = 100)													
CPI: Non-alcoholic beverages (all urban areas) (incl. VAT)													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2019	92,0	92,3	93,4	93,6	93,6	94,7	94,1	94,9	95,4	94,5	94,2	94,3	93,9
%ch	8,7	8,7	10,1	7,5	7,0	7,4	5,4	5,3	5,2	4,7	3,4	4,3	6,5
2020	95,7	95,5	95,4	96,7	94,4	95,9	96,4	95,9	96,5	97,6	98,4	98,6	96,4
%ch	4,0	3,5	2,1	3,3	0,9	1,3	2,4	1,1	1,2	3,3	4,5	4,6	2,7
2021	99,1	99,3	99,6	99,5	99,4	99,7	99,4	99,2	99,1	99,8	99,9	100,0	99,5
%ch	3,6	4,0	4,4	2,9	5,3	4,0	3,1	3,4	2,7	2,3	1,5	1,4	3,2
2022	100,2	102,1	102,7	103,4	104,3	105,2	105,7	108,0	107,8	108,9	109,5	109,7	105,6
%ch	1,1	2,8	3,1	3,9	4,9	5,5	6,3	8,9	8,8	9,1	9,6	9,7	6,2
2023	110,5	112,3	113,3										
%ch	10,3	10,0	10,3										

Source of data: Stats SA

Consumer Price Indices (COICOP) (Dec 2021 = 100)													
CPI: Alcoholic beverages (all urban areas) (incl. VAT)													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2019	88,4	88,6	90,4	91,3	91,6	92,0	92,2	92,2	92,3	92,3	92,2	92,1	91,3
%ch	6,0	5,6	6,5	5,8	5,3	5,9	6,0	6,5	6,5	5,7	5,0	4,5	5,8
2020	92,6	92,7	93,4	92,9	92,3	92,8	93,9	94,9	94,9	94,9	94,9	94,9	93,8
%ch	4,8	4,6	3,3	1,8	0,8	0,9	1,8	2,9	2,8	2,8	2,9	3,0	2,7
2021	95,3	96,0	96,4	97,0	97,3	97,2	98,9	99,6	99,7	100,0	99,9	100,0	98,1
%ch	2,9	3,6	3,2	4,4	5,4	4,7	5,3	5,0	5,1	5,4	5,3	5,4	4,6
2022	100,1	101,0	103,1	103,7	104,5	104,6	104,4	104,8	106,1	106,7	106,9	106,6	104,4
%ch	5,0	5,2	7,0	6,9	7,4	7,6	5,6	5,2	6,4	6,7	7,0	6,6	6,4
2023	107,1	107,5	110,0										
%ch	7,0	6,4	6,7										

Source of data: Stats SA

Consumer Price Indices (COICOP) (Dec 2021 = 100)													
CPI: House contents & equipment (all urban areas) (incl. VAT)													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2019	93,9	94,1	94,7	94,8	94,8	95,5	95,5	95,6	96,2	95,9	96,0	96,3	95,3
%ch	3,4	3,5	3,5	3,2	3,3	3,0	2,9	3,2	3,2	3,0	2,9	2,8	3,2
2020	96,4	96,3	97,2	97,1	96,7	97,1	97,2	97,4	97,6	97,7	97,8	97,9	97,2
%ch	2,7	2,3	2,6	2,4	2,0	1,7	1,8	1,9	1,5	1,9	1,9	1,7	2,0
2021	98,2	97,9	97,9	97,9	97,6	98,4	98,5	98,7	99,4	99,5	99,6	100,0	98,6
%ch	1,9	1,7	0,7	0,8	0,9	1,3	1,3	1,3	1,8	1,8	1,8	2,1	1,5
2022	100,4	100,4	100,8	101,1	101,8	103,0	103,3	103,7	104,5	105,0	105,2	106,1	102,9
%ch	2,2	2,6	3,0	3,3	4,3	4,7	4,9	5,1	5,1	5,5	5,6	6,1	4,4
2023	106,6	106,6	107,8										
%ch	6,2	6,2	6,9										

Source of data: Stats SA

Consumer Price Indices (COICOP) (Dec 2021 = 100)													
CPI: Clothing & footwear (all urban areas) (incl. VAT)													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
2019	96,0	96,2	96,4	96,6	96,9	97,0	97,1	97,5	97,7	97,8	98,0	98,1	97,1
%ch	1,7	1,8	1,9	1,9	2,0	1,9	1,9	2,1	2,2	2,3	2,4	2,4	2,0
2020	98,1	98,4	98,6	98,0	97,4	97,6	97,5	97,7	97,9	98,0	98,1	98,3	98,0
%ch	2,2	2,3	2,3	1,4	0,5	0,6	0,4	0,2	0,2	0,2	0,1	0,2	0,9
2021	98,7	98,7	98,9	99,0	99,2	99,3	99,3	99,6	99,7	99,8	99,9	100,0	99,3
%ch	0,6	0,3	0,3	1,0	1,8	1,7	1,8	1,9	1,8	1,8	1,8	1,7	1,4
2022	100,2	100,3	100,5	100,7	100,9	101,3	101,6	102,1	102,5	102,6	102,6	102,8	101,5
%ch	1,5	1,6	1,6	1,7	1,7	2,0	2,3	2,5	2,8	2,8	2,7	2,8	2,2
2023	102,9	103,5	103,4										
%ch	2,7	3,2	2,9										

Source of data: Stats SA