

Flanagan & Gerard

Property Development & Investment

FEBRUARY 2014 - ISSUE 4



Heidelberg Mall

EXCEPTIONAL RETAIL FOR THE RESIDENTS OF HEIDELBERG, NIGEL, BALFOUR, GREYLINGSTAD, VILLIERS AND THE SURROUNDS.



VAAL MALL

VAAL MALL EXPANSION TO ENHANCE RETAIL EXPERIENCE.



EYETHU ORANGE FARM MALL, BRINGING MUCH NEEDED NATIONAL AND LOCAL RETAIL TO THE COMMUNITY OF ORANGE FARM.

YEARS OF EXPERIENCE,
PERSEVERANCE AND TEAM WORK
ARE A RESULT OF MANY
OPPORTUNITIES COMING
TO FRUITION AT
FLANAGAN & GERARD.

Message from F&G:

2013 was a year of results for Flanagan & Gerard despite the economic trends and negative press.



Flanagan & Gerard's portfolio has shown growth against the trend of stagnation within the industry. Nevertheless, it has been a tough year, as retailers have taken more time on reviewing the sustainability of their new real estate before committing to the space. This, together with the bank's more conservative nature to lending, has made it harder for developers to get new developments off the ground. Flanagan

& Gerard have been fortunate that we have had the support of the retailers and the banks, and we have embarked on two new regional centres in Heidelberg Mall and Eyethu Orange Farm Mall, as well as the expansion of Middelburg Mall. The long awaited expansion to Vaal Mall will commence in 2014 together with a few other exciting projects.

The F&G portfolio

The "platteland" centres have performed extremely well in relation to the IPD index. **Highveld Mall** was an exceptional performer with growth in the order of 21%. This was largely due to the incorporation of **Game and Hi Fi Corp** in phase 3, as well as the expansions of **Middelburg Mall's** full first year performance was way above market expectations, and has led to an immediate 12,000m² expansion, which is due to complete in October 2014. The major retailers driving the expansion are **Spar, Dis-Chem, the Cotton On Group, Toys R Us, Mr Price Sport**, as well as additional restaurants including the much anticipated **Wakaberry**.

Mall of the North has continued to thrive in the Limpopo market, and is showing double inflation growth throughout the mall, with the likes of Woolworths showing in excess of 30% year on year growth, particularly in the food category, which indicates convenience shopping.

Vaal Mall has continued to thrive. The mall opened its doors in April 2006 and shows an annual trading density of approximately R38,000/m². Vaal Mall will undergo an expansion in 2014. The expansion will right size the major retailers including **Woolworths, Edgars, Truworths, the Foschini Group, the Mr Price Group, the Cotton On Group and also include a Ster-Kinekor cinema and entertainment offering.**

Morningside Shopping Centre has been a stand out performer in its category with growth of 16% year on year and a trading density of R46,000/m² per annum. Major contributing categories are health and beauty, kids, restaurants, and general convenience shopping.

New developments

Flanagan & Gerard has embarked on a new regional shopping centre located on the corner of the N3 and R42 in Heidelberg, to be known as **Heidelberg Mall**. The development has progressed well on both the construction as well as leasing fronts, and will open its doors in October 2014.

Eyethu Orange Farm Mall is also due to open in October 2014, and will provide convenient shopping for the residents of Orange Farm and neighbouring townships. The mall is situated within the CBD of Orange Farm with medical, banking, postal and other services within or adjacent to the mall. The mall will also host 70,000 daily commuters via the Stretford station, which is accessed through the mall.

New kids on the block

Gareth Sanders joined the team from Steffannuti Stocks in mid 2013, and will be performing the role of development manager on all projects. He's an avid Cricketer and Golfer and an asset to have on any team, 4 ball and/or action cricket team and within the F&G Portfolio.

Joanne Johnson joined the team in late 2013, and will be assisting **Karyn Southgate** within the financial department. Joanne is married and has two young daughters, congratulations to Emily for celebrating her 3rd birthday in January.

We are also proud to announce the addition of yet another family member, **Jason Nel**. Jason will join the leasing team.

Another noteworthy performance outside of the property development arena came from **Chris Teague** who went to Columbia to perform in the 2013 World Games in the discipline of Canopy Piloting.

Finally we would like to congratulate **Dominique Drok on becoming Dominique Scheel** in October 2013. We wish you all the best in your life together with Reeve.

In conclusion, we wish to thank our development, equity and retailer partners for their contributions towards the continued success of the Flanagan & Gerard business, and we wish you the best for 2014.

Paul Gerard



Heidelberg Mall

HEIDELBERG MALL'S EXCELLENT POSITION SECURES THE CONFIDENCE OF NATIONAL RETAILERS.

- Heidelberg Mall will be easily accessible from the N3 highway, at the corner of Groenfontein and Jacobs Roads.
- Jointly owned by Flanagan & Gerard Investments (Pty) Ltd and Dissilio Investments (Pty) Ltd
- Planned GLA of 34,000m².

Heidelberg Mall, due to open in October 2014, has attracted a top line-up of national retailers and it is already 85% let.

The mall's tenant mix includes big-name retailers **Checkers, Woolworths, Edgars, Game, Clicks and Dis-chem**. With less than a fifth of the mall's retail space still available, the developers aim to fill it with a thoughtful, focused and carefully selected retailers in the fashion, homeware and stationery categories, as well as beauty and healthcare services.

Lesedi Council and private developers, Flanagan & Gerard Property Investments have come together, facilitated by the council's joint venture partner Marble Gold (Pty) Ltd to develop the 34,000m² of exceptional retail, not only for Heidelberg residents, but shoppers from surrounding towns as well.

Early in 2013, Fernridge Consulting, a company that specialises in research for retail property developments, rated the mall as an "excellent retail development proposition".

Flanagan & Gerard executive director, Patrick Flanagan, says: "We're thrilled with the excellent leasing progress. With a high number of the major national retailers already secured, we

are going to be picky with the remaining opportunities as we believe in providing a top quality tenant mix which matches the shopping needs of Heidelberg and the surrounding region."

The mall's shoppers will come from its primary catchment area, incorporating Heidelberg, Nigel and southern Springs. It also captures smaller surrounding towns to the south such as Balfour, Grootvlei and Greylingstad and will also intercept traffic as far afield as Harrismith. Heidelberg's easy macro access via the N3 highway ensures it also acts as a central town serving the retail needs of towns such as Villiers, Frankfort, Cornelia and Vrede.

"In all these towns, there are no formal shopping centres," explains Flanagan. "Heidelberg Mall will to become a significant regional retail asset for these communities and will add a unique retail option to the entire region with a complete one-stop shopping variety under one roof, and it also complements the existing, smaller-scale retail".

Flanagan adds: "Another benefit to mall's prime location at the Jacobs Road interchange of the N3 is, of course, its high visibility. Making it easy for everyone to get to the mall, it will also include an integrated taxi rank."



While Heidelberg Mall will become the regions first regional shopping centre, saving many shoppers from the long trek to Johannesburg. It will provide a shopping experience, with a strong fashion focus.

Also, Heidelberg Mall has important added benefits for the local community. An estimated 1,900 to 2,100 construction jobs, 800 to 1,200 permanent positions and season employment opportunities have also been created. These will come from the local community wherever possible and, where available, construction materials will also be sourced locally.

Besides its anchor tenants, retailers already signed up for Heidelberg Mall include *Truworths, Ackermans, Identity, Pep, Pick n Pay Clothing, Cape Union Market, Old Khaki, BT Games, Toys R Us, Trappers Trading, Drimac, MTN, Bargain Books, Signature Cosmetics, Barber SA, Cappuccinos, Capitec Bank, Wimpy, Mugg and Bean and First National Bank.*



INTEGRITY, TEAM WORK AND
OUR **RELATIONSHIPS** WITH
SOUTH AFRICAN AND
INTERNATIONAL RETAILERS
ARE THE CORNERSTONES OF
OUR APPROACH TO **SHOPPING**
CENTRE DEVELOPMENT.



FLANAGAN & GERARD BRING SPECIALTY RETAIL AND DINING TO MENLYN MAINE.

Menlyn Maine is SA's first green living precinct – a mixed-use node based on densification, energy efficiency, sustainability and green building principles.

Located in Pretoria's high-demand eastern suburb of Menlyn, Menlyn Maine is easily accessible to the upgraded Garsfontein and Atterbury interchanges off the N1 highway.

The 315,000m² precinct will include not only 250,000m² of prime office space and 24,000m² of specialty retail and dining, but also a 30,000m² residential component comprising 250 apartments.

Other key mixed-use elements include a *Sun Square hotel*, and a *Virgin Classic gym*. A key feature of Menlyn Maine is the 5,700m² indigenous park, which serves as a focal point around which development is planned.

Flanagan & Gerard are bringing best-of-brand retailers into the precinct with a careful balance of boutique, international and national fashion retail, supermarkets, unique gifting stores, and essential beauty, electronics and home décor options.

A vibrant mix of dining options is a core offering.

Construction of the retail component at Menlyn Maine has kicked off.

- Menlyn Maine will be developed in the heart of Pretoria's eastern suburbs.
- Jointly developed by Flanagan & Gerard Investments and Menlyn Maine Holdings.
- Planned specialty retail and dining GLA of 24,000m².





VAAL MALL EXPANSION TO ENHANCE RETAIL EXPERIENCE

Following seven successful years of being the premier shopping destination of Vanderbijlpark and the Vaal Triangle, **Vaal Mall** will undergo a substantial 20,000m² expansion in 2014.

Co-owned by Sycom Property Fund and Changing Tides, a Flanagan & Gerard Property Investment company, the R450 million project will see the centre expand from its present 50,000m² to 70,000m². The expansion will include upgrades to the existing mall, ensuring a consistent, fresh and modern look and feel throughout the centre.

David Falck of Sycom Property Fund explains: "Vaal Mall has been a flagship in the Sycom portfolio. This expansion will ensure that it remains the preferred and most dominant shopping centre destination in the greater Vaal area."

Vaal Mall's major retailers are growing with the centre. **Game, Edgars, Woolworths, Truworths, Foschini, Dis-Chem and Mr Price** will see a sizeable increase in floor space, offering shoppers greater variety and choice.

Adding to the already diverse tenant mix at Vaal Mall, **Ster-Kinekor will introduce a cinema complex**, offering visitors a welcome entertainment option.

Vaal Mall remains a popular choice for shoppers and retailers alike, and demand for space has risen steadily since the mall's opening in 2006.

Paul Gerard of Flanagan & Gerard Property Investment says: "The demand for retail space within Vaal Mall has been exceptional, with so many national retailers jumping at the chance to expand. This enables us to be selective with new tenants and amplify the retail mix with shops that are an excellent match for Vaal Mall's customers."

Vaal Mall's expansion will also see **Wakaberry** and the **Cotton On Group** make their debut in the centre.

Besides greater shopping variety, customers will also enjoy the convenience of a mezzanine parking level as well as rooftop parking for direct access to the cinemas.

Vaal Mall's strong financial performance, solid trading densities and footcount of nearly 10 million shoppers a year, growing by 6% year-on-year, underpinned the decision to expand the shopping centre.

Jacques Mizen of Acucap Management Services, general manager of Vaal Mall, says that feedback from the mall's valued and loyal shoppers over the years also served as an indication that the time was right to expand. "There is no doubt we're on the right track with the expansion and upgrade. It will offer bigger and better stores, a strong entertainment component consisting of cinemas and children's entertainment, more variety to create an even better shopping experience, added upmarket fashion stores, a more comfortable shopping experience, plenty of covered parking and a few extra surprises."

- Jointly developed and owned by Flanagan & Gerard and Sycom Property Fund.
- Planned specialty retail and dining GLA of 70,000m².



MIDDELBURG MALL EXPANDS BY 12,000M²

The fresh and modern *Middelburg Mall* in Mpumalanga's fastest growing town is expanding to open its second phase on 16 October 2014.

Owned by Flanagan & Gerard Property Investments and Moolman Group, construction of the R180 million extension began on 1 September 2013. It will add 12,000m² of prime retail space to accommodate several leading retailers that have been hunting for space in this popular mall for some time now.

Patrick Flanagan of Flanagan & Gerard says: "The Middelburg Mall's second phase responds to its successful performance, reflected in growing consumer support and substantial demand for space from retailers that weren't included in the original development."

Middelburg Mall opened in April 2012. In June 2013, Middelburg Mall recorded growth in shoppers of 10% year-on-year.

Middelburg Mall Phase Two will be anchored by a **3,750m² Spar with a 250m² Tops at Spar**. It will also feature an **800m² Ackermans**.

The extension adds to the overall retail variety at the mall and introduces four first-time retailers to Middelburg. **Dis-Chem will open a 1,500m² store and Mr Price Sport will welcome shoppers in a 700m² store**. Popular Australian retail brand **Cotton On** will bring shoppers fresh fashion in a **400m² store**.

The extension will link seamlessly with all the convenience of 90 retailers already at Middelburg Mall, including leading South African grocery and department stores **Checkers, Woolworths, Edgars, Pick n Pay and Game, as well as a full house of local banks**.

Moolman Group's Jannie Moolman notes the larger retail offering at Middelburg Mall will be supported by more services, like parking, ensuring customers continue to enjoy a pleasant, convenient and complete shopping experience.

Easy access to Middelburg Mall has always been a strong advantage for its customers. The landmark shopping centre is right off the N4 highway, and easy to reach from both the Fontein Street and Tswelopele Avenue off-ramps.

Middelburg Mall Centre Manager Mike Tammadge says: "The new phase means even more shopping under one roof at Middelburg Mall. After the expansion, the mall will total 55 500m² of quality retail variety and it will open in time for this year's festive season, with minimal disruption."

- Middelburg Mall opened for trade in April 2012.
- Jointly owned by Flanagan & Gerard Property Investments, East & West Investments and Mobe Investments.
- Current GLA of 43,000m² and to increase to 55,000m² on completion of phase 2 in October 2014.

**Middelburg
Mall**




EYETHU ORANGE FARM MALL, BRINGING MUCH NEEDED NATIONAL AND LOCAL RETAIL TO THE COMMUNITY OF ORANGE FARM.



ORANGE FARM MALL



Eyethu Orange Farm Mall is located in the heart of Orange Farm, between Johannesburg and Vereeniging. The site is accessible from the N1 via the Golden Highway and the Orange Farm link road. The location of the mall is unique in its own right, linking into the busy Stretford Station, with 70 000 commuters using the station daily. This creating high footfall and increased retail opportunity.

Orange Farm and Evaton currently have a population of some 400 000 people and have shown major residential growth during the last 7-8 years.

The Golden Highway corridor as well as the rail corridor feeding Stretford Station have been identified as the primary growth node of the Greater Sebokeng area.

There are over 110 000 households, within the trade area, some 50 000 households within the immediate vicinity. Further growth will be in close proximity to the eastern border of the site, known

as Savanna City. This is a private greenfields development located adjacent to Eyethu Orange Farm Mall and owned by Basil Read and Old Mutual, who will be complying with the requirements of the financial sector, to develop a mix use, sustainable integrated housing development consisting of over 18 000 houses, a number of schools and business districts.

Eyethu Orange Farm Mall is scheduled to **open for trade on 28 October 2014**, and currently 94% let with support of over 75% national tenancy. The mix is made up of **Pick n Pay & Shoprite both accompanied by their respective liquor stores. Edgars, Truworths, Foschini, Mr Price and Ackermans** anchor the fashion category and are complimented with national fashion traders like **Studio 88, Pep, Markham, Total Sports, Legit, Identity, Fashion Express**, as well as a selection of quality independents. **All of the major banks, the Post Office, Roots and Nizams** will provide daily convenience for the local consumers. **KFC, Debonairs, Chicken Licken and Fishaways** are supported by a variety of food options for the commuter as well as the shoppers.



- Eyethu Orange Farm Mall will be developed in Orange Farm, mid-way between the Johannesburg and Vereeniging CBD's.
- Jointly owned by Flanagan & Gerard Investments (Pty) Ltd, Stretford Land Developments (Pty) Ltd, Dipula Income Fund and the Orange Farm Community Trust.
- Planned GLA of 27,000m².

Projects developed, leased and co-owned by Flanagan & Gerard



Projects currently in planning and under construction



Flanagan & Gerard

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