

Rejuvenated Sandton City to see more global brands

More global brands are set to feature in Sandton City and the adjacent Nelson Mandela Square as the centre's redevelopment caters to SA's aspirational consumers.



Though there is little respite on the horizon from lower utility costs or easier credit, the propensity to shop - particularly for clothing and footwear - endures.

Nelson Mandela Square is being refurbished for the first time in 20 years, gaining a fresher-looking piazza and dining area. Its R300m makeover will see US fashion brand Forever 21 become one of the centre's new anchor tenants.

Increasing consumerism, as well as mall culture, presented a compelling investment case for international players looking at rising emerging-market wealth to offset tepid growth in traditional economies.

There is more activity on Africa's richest square mile as Liberty Group and Pareto, the owners of Sandton City, are set to unveil an ultra-deluxe R185m extension, Diamond Walk, at the end of next month. "We constantly do research on what type of retailers shoppers in our market want," Alex Phakathi, the Liberty Property Portfolio fund manager for Stanlib Direct Property Investments, said last week. "You need to up your game in terms of your offering."

The reconfigured space on the centre's upper level links with the Sandton Sun and InterContinental Johannesburg Sandton Towers hotels, ensuring a flow of tourists. Comparative pricing, along with SA's golfing and gaming infrastructure, have made it a preferred destination for both wealthy Asian and African visitors.

SA, with its array of malls, remains the continent's most developed luxury retail sector as infrastructure bottlenecks and red tape hamper growth in the continent's up-and-coming powerhouses. Louis Vuitton and Gucci are enlarging their outlets to form part of Diamond Walk.

International designer brands such as Dolce & Gabbana, Armani, Burberry, Ermenegildo Zegna, Jimmy Choo and Tod's will also open stores at the centre. Liberty is not the only property player improving its malls. Last year, Hyprop added a "Fashion Court" to house brands including Versace in Hyde Park Corner.

Hyprop's R1bn redevelopment of Rosebank Mall was also concluded last year. It is believed Swedish retailer H&M will soon open a store in Sandton City's upper level, in the space which Toys R Us vacated.

Source: Business Day