

# Building industry expects steady growth in 2015

Nu-Hold, the holding company of Krisp Properties and Nu-Way Housing Developments, is anticipating further growth - both for itself and within the industry at large - during 2015.



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This comes on the back of a report by professional network services provider PwC stating that after an average increase of new construction work of 3.5% in 2014, the construction industry is growing stronger and looks poised to support the country's infrastructure development.

The company's portfolio has been boosted by the interest in its 21,000m<sup>2</sup> gross leasable area (GLA) Clearwater Office Park development in Johannesburg, adjacent to the planned OR Tambo Aerotropolis precinct. From January next year Pepsi - through its South African company Simba - will be headquartered at Clearwater, along with a host of other high profile blue-chip enterprises.

## Railside shopping centre

Other Nu-Hold projects set to come on stream next year include the country's latest railside shopping centre in Cape Town's Langa township. When it opens next March, Langa Shopping Centre will boast a 5,100m<sup>2</sup> specially tailored pedestrianised shopping centre to cater for the more than 45,000 commuters who use the station daily.

Also hitting its stride in 2015 are plans for the company's flagship development, Coega Ridge on the outskirts of Port Elizabeth, which aims to be South Africa's largest holistic housing estate with up to 40,000 housing units being built at a cost of R6.5bn. After being given the green light to proceed with the development in August this year, Nu-Hold subsidiary Nu-Way will commence with town planning next year, hoping to break ground by mid-2016.

"This is essentially a satellite city with light industrial space, a regional shopping centre, supportive community facilities such as schools, a university and a technical college, a hospital and commercial opportunities," Nu-Hold executive director, Jordan Mann, said.

Mann said other projects in the pipeline included 39 cluster homes in Pretoria's prestigious Waterkloof Heights suburb; a 5,500m<sup>2</sup> hotel at Clearwater; a 35,000m<sup>2</sup> office park in Bryanston; a 9,000m<sup>2</sup> shopping centre in Olievenhoutbos in Midrand; and an industrial development in Olifantsfontein.

## Increased demand

Referring to the demand for AAA-grade space within its Clearwater Office Park, Mann said: "We have found that there is increasing demand for top-class developments whose location has been carefully plotted and which have cutting-edge design and finishes."

The custom-built R70m Pepsi headquarters joins those of other South African blue-chip companies, including Michelin Africa, Discovery Health, Barloworld, Old Mutual, ABSA Bank and Bidvest Air Cargo.

So great is the demand that the office park is having to almost triple in size. The future expansion, according to Mann, will more than double the size of the existing office park, taking it from 21,000m<sup>2</sup> GLA to 60,000m<sup>2</sup> GLA over the medium term. The company has added an average of 6,000m<sup>2</sup> of commercial space per year at the office park.

"Given the strong demand for our developments this year, we are anticipating solid growth during 2015 as the construction industry begins to recover along with the economy, and as many of our developments begin to come to fruition," said Mann.

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