

More formal retail space available per 1,000 people in Pretoria East than other major cities

With its 50 shopping areas, Pretoria East has more formal retail space available per 1,000 people than other major cities. The area accounts for over 700,000m² of the ±3m-m² of formal retail space in the City of Tshwane and more are planned, posing the question, is this market oversupplied?

Retail space in close proximity to and within Pretoria East is set to increase even further with 11 proposed shopping centres, measuring a combined 555,459m², of which approximately 21% is situated in Pretoria East specifically, according to the Broll Pretoria East Retail Snapshot released in July 2016.



Elaine Wilson.

“The numbers suggest Pretoria East, much like the retail sector in South Africa, is perceived to be oversupplied, however, since the area is still developing, the impact of the proposed new centres (if and when they come to fruition) on existing centres remains to be seen,” says Elaine Wilson, divisional director for research at Broll Property Group.

People living in Pretoria East have a high amount of formal retail space available to them, in comparison to other major cities within South Africa, with approximately 3,827m² available per 1,000 people equating to 3.83m² of retail space available per person.

Small regional centres (25,000m²-49,999m²) make up the largest component of total retail GLA in the area, accounting for

around 26% of space, while local convenience centres (1,000m²-4,999m²) account for the least amount of total space (6%).

Wilson says Pretoria East has an approximate population of 201,510 people, with 61% aged below 40 and a high economically active percentage of 84.6%, which bodes well for the retail sector, as the more economically active people there are in an area, the more retail spending is likely to take place.

South Africa has a 23,046,181m² of formal shopping centre space, which comprises of close to 2,000 centres, with nearly 45% of this space in Gauteng, 15% in the Western Cape and 13% in KwaZulu-Natal.

Although Gauteng is the smallest province in terms of size, it has the highest population percentage and the most retail space. The City of Johannesburg's has formal retail space measuring roughly 4.5m-m² while the City of Tshwane has ±3m-m² of space, with Pretoria east accounting for around 771,098m² of that total.

Meanwhile, Cape Town and eThekweni's (Durban) formal retail space measure roughly 2.6m-m² and 1.7m-m² respectively.

"The City of Tshwane has the highest formal shopping centre density, compared to other major cities in the country, with 955m² of formal retail space available per 1,000 people. This is followed closely by the City of Johannesburg with 900m²/1,000 people, the City of Cape Town with 681m²/1,000 people and eThekweni with 473m²/1,000 people," concludes Wilson.

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