

Design Square, Brooklyn Mall merge to create larger retail experience

Brooklyn Mall and Design Square will be merged to create a single, larger and more diverse retail experience at the mall.



Announcing the merger, Growthpoint Properties and Atterbury Property Group stated that this innovative asset swap transaction results in 75% ownership of the new mega-mall for Growthpoint Properties and a 25% stake for Atterbury held by its subsidiary Abacus Property Holdings. The value of the consolidated mall is R1.7 billion.

The dining at Design Square and its décor offering will now complement Brooklyn Mall's diverse retail. The shopping will come together with the food and leisure area, creating an improved overall retail experience. Its owners are confident this will translate into longer shopper dwell-times with more reasons to visit the centre.

Mall upgrade

The deal has also resulted in the opportunity to upgrade and expand the mall, while enhancing the link between the two centres. Atterbury will manage the project, ensuring seamless integration. Part of the repositioning of the centre will entail the development of some 6000 sqm of additional leasable retail area growing the mall to over 72 000 sqm.

Stephan le Roux, Growthpoint Properties retail division director describes this as a win-win transaction. "Both parties benefit and both centres benefit. The transaction is a good fit, with both owners bringing excellent skills and experience to the table. Atterbury's development track record makes it an ideal partner for this transaction."

Leasing manager of Atterbury Group, Johan Roets, notes that Design Square is a natural extension of Brooklyn Mall. "By working together, the companies are creating a retail asset that is more valuable to its owners, retailers and shoppers than could be achieved independently. The extensive refurbishment will capitalise on the advantages of combining the malls."

Figure 8 encourages flow

Besides broader retail variety, shoppers will also benefit from a fresh, modern shopping experience, which is easy to navigate. The refurbishment project will also introduce a sought-after 'figure 8' mall, which will improve shopper flows and ensure that customers are never far from any single point in the mall. Extra parking will add further ease to the shopping experience.

The upgrade will change the face of retail in the mall, by introducing more variety and exciting new brands,

including South Africa's third Gap brand store, after Cape Town and Sandton. The new design also create defined retail category focus areas to make comparative shopping easier.

The project should be complete in April 2013. Work to link the two malls began behind the scenes last year but has not affected trading. The existing link between the two malls will be complemented by another link through the current Mr Price Home store, which will be relocated. The mall's management offices will also move.

New retailers on board

With over a year before opening, heavyweight retailers are already eager to take up space and leasing of the extension is oversubscribed. These include Trenery/Country Road and new generation Mr Price Weekend and Mr Price Home stores.

Le Roux says, "We are carefully selecting retailers to enhance the centre's current tenant mix, ensuring continued shopper satisfaction. Merging, growing and revamping the centre will ensure it continues to meet the needs of its shopper market, which expects the highest retail standards and enjoys interesting retail concepts. This transaction adds value and sustained relevance to an exceptional property asset."

Roets adds, "Brooklyn Mall already has a huge pull in its catchment area and its added size means it will function as a super-regional mall. Strong, affluent residential nodes support its location and artificial built barriers do not constrict it. This transaction guarantees a high-end super-regional mall featuring many of the best fashion retailers and restaurants that Pretoria has to offer."

Growthpoint Properties is one of the largest South African listed property companies, with a market capitalisation of R31.6 billion and property assets over R50 billion. Growthpoint is included in the JSE ALS 40 Index.

Atterbury Property Group is a leading South African property investor and developer. It has built a reputation for delivering exceptional real estate developments, across all commercial property sectors, through innovation, creativity and a strong entrepreneurial spirit.

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