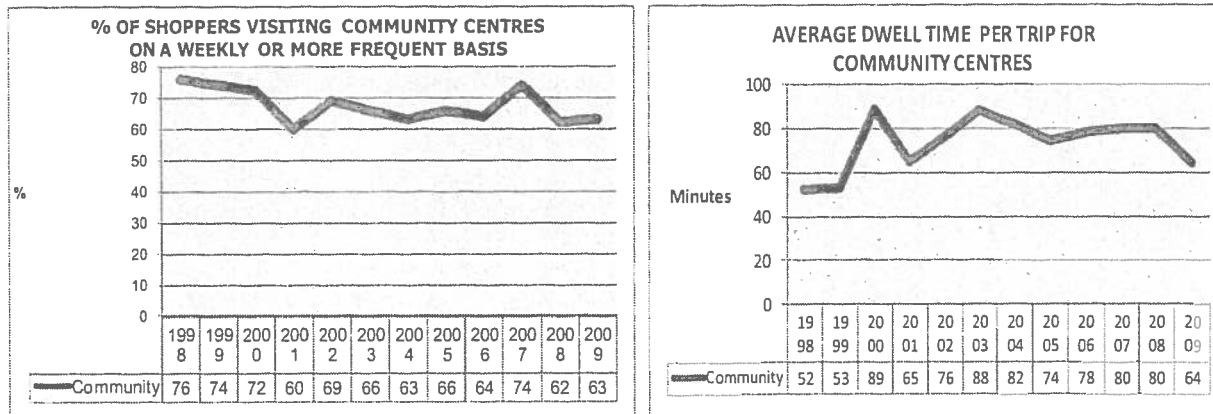


Benchmark indicators



Between 60% and 70% of the customers of these centres visit these centres on at least a weekly basis with an average dwell time of between 60-80 minutes.

Tenant mix

- **Anchor tenant:** Large supermarket bigger than 2 500m² with the typical tenants being Spar, Pick n Pay Family Store, Pick n Pay, OK Food and Shoprite/Checkers (or combined with a Woolworths Food store);
- Convenience retailers including a pharmacy, butchery, video store, hairdresser, dry cleaner, liquor store and a hardware store;
- National clothing stores (to a limited extent), boutiques, shoes and some comparative shopping;
- Restaurants and takeaways;
- Services like medical facilities, banking and limited office functions;
- Some might have cinemas. In a few of these size centres, cinemas closed because of smaller trades areas.

Trends and changes

Many of the existing community centres have become dated. In many cases developers and owners were successful in **revitalising, upgrading** and **re-tenanting** these centres to fulfil a convenience/community role.

One of the major trends in township development is to offer centres of this nature. The tenant mix is mainly focusing on food, clothing, furniture and services. These size centres are currently the most successful in the township areas ($\pm 17\ 000\text{m}^2$ - $25\ 000\text{m}^2$).

Actions to guide retail development

The potential for this type of development will mainly be in three different areas, namely:

- **infill** developments where enough potential exist;
- **new growth** areas and a '**follow the roofs**' strategy;
- the **redevelopment** of existing centres, because of the older nature of existing community centres;
- expansion of the tenant mix and the floor area of **existing centres** to offer a wide tenant mix and
- expansion of large neighbourhood centres where sufficient potential exists for the development of community centres.



KaraGlen centre in Edenvale.



Village Mall, Hartbeespoortdam:
This centre caters for local residents
as well as weekenders and day
visitors.



Randridge Mall in Johannesburg:
Growing larger in spite of very strong
competition.

Example

- Rustenburg Plaza, Rustenburg
- Goodwood Mall, Cape Town
- Scottsville Mall, Pietermaritzburg
- Lynnridge mall, Pretoria
- Village Mall, Hartbeespoortdam
- New Redruth Centre, Alberton
- Lonehill Centre, Sandton
- Howard Centre, Cape Town
- Gezina Galleries, Pretoria

3.4 Small Regional Centres/Large Community Centres

Role and function

The role and function of these types of centres are mainly to satisfy the needs of the broader community and to offer a better tenant mix than the community centres. Most of these centres **do not** necessarily fulfil a true regional role, but rather that of a larger community facility.

Some of these centres can also address the needs of a specific **market segment**. Many new centres in this size category have opened during the last 4-6 years. The tenant mix is wider and competes on both ends against community and regional centres. In some cases, especially in the more rural areas, these centres fulfil a much stronger regional role.

Description

This retail facility offers a **wide variety of stores** and is bigger than a community centre, at a better location, with a wider tenant mix but **not yet in the category** of a regional centre.

Such a centre could be a large community centre according to the definition, but due to its role and function in the area, it could be regarded as a **small regional centre**. These centres can also fulfil a regional role in more rural areas.

Size

Size of centre (m ²) (GLA)	Number of stores	Size of land (ha)
25 000-50 000	75-150	7.5-15

Location criteria

Good regional accessibility and the site must offer high visibility to passing traffic and easy accessibility to the residents in the community/region.

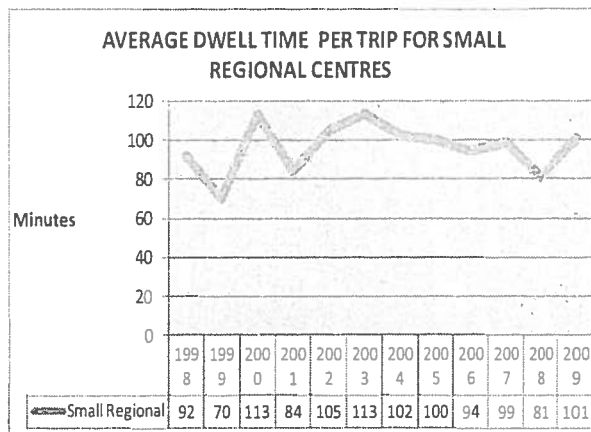
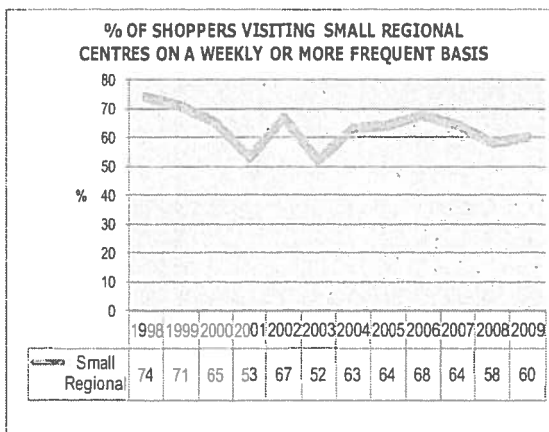
Average radius of primary trade area	Median travel time to the centre	Access requirements
3-5km	10-16min	Major suburban arterial road linking to a highway

Market characteristics and threshold values

For a successful small regional centre the following threshold values and market support are required:

Socio-economic groups	Number of households			Population (25% market share)	Retail space in m ² per capita
	35%	25%	15%		
LSM 1-5	89 375	125 000	208 438	562 500	<0.1
LSM 6-9	39 722	55 556	92 639	222 224	0.2
LSM 10-10+	16 250	22 727	37 898	79 545	0.54

Benchmark indicators



Between 60%-65% of their customers visit these centres on a weekly basis and normally stay for \pm 95 minutes.

Tenant mix

- **Anchor Tenant:** Large supermarket (> \pm 4 000m²) with the typical tenants being Pick n Pay and Shoprite/Checkers (up to two food anchors can be on offer in one centre, but only in exceptional cases);
- convenience retailers;
- major national clothing anchor stores like Edgars, Woolworths and Mr Price, boutiques, shoe shops and some comparative shopping;
- restaurants and takeaways;
- entertainment such as cinemas, although a number of cinemas have closed in smaller size centres and
- services, such as medical and banking facilities as well as limited office functions.

The focus of the tenant mix is on **comparative shopping** in clothing and household items.

Trends and changes

In most cases, these centres fulfil the needs of the community as well as that of a wider catchment area, based on a variety of different stores. In some cases, community centres could move into this category based on a wider tenant mix offering.

Actions to guide retail development

- The main emphasis will be on **new growth areas**. Provision should be made for small regional centres to expand over time. These facilities will initially act as a **catalyst** for further retail and other development. Depending on the area, provision should be made for office development and other additional types of retail facilities.
- In the case of existing community centres, **expansion** must be allowed to cater for a better tenant mix, existing stores to expand (internal growth) and to offer more eating facilities and new retail concepts.
- **Infill** developments should be allowed.



Westwood Mall, Durban: A new centre overlapping with the trade area of large super regional centre, The Pavilion.



La Lucia Mall, Durban: A strong localised centre in competition with the larger super regional centre, Gateway.



Wonderboom Junction in Pretoria: A new so called small regional centre but mainly acting as a community centre in that area of Pretoria.

Examples

- South Coast Mall, Port Shepstone/Margate
- Mall @ Carnival, Brakpan
- Irene Village Mall, Pretoria
- Walmer Park, Port Elizabeth
- Westwood Mall, Durban
- Paarl Mall, Paarl

3.5 Regional Centres

Role and function

The role and function of these centres are to satisfy the needs of a **large primary and secondary** catchment area. The support from the tertiary trade area usually varies between 8% and 10%. These centres are often supported by a strong **workforce** in the immediate vicinity. They offer a **wider entertainment** component to attract people especially during the evenings and children during holiday periods.

These centres also act as a catalyst for the establishment of a **mixed use node** with retail facilities, office firms, hotels, residential development and entertainment. These areas then develop into strong nodal areas.

Description

This is a **large retail facility** offering a wide variety of stores, sufficient parking facilities and a significant entertainment component.

Size

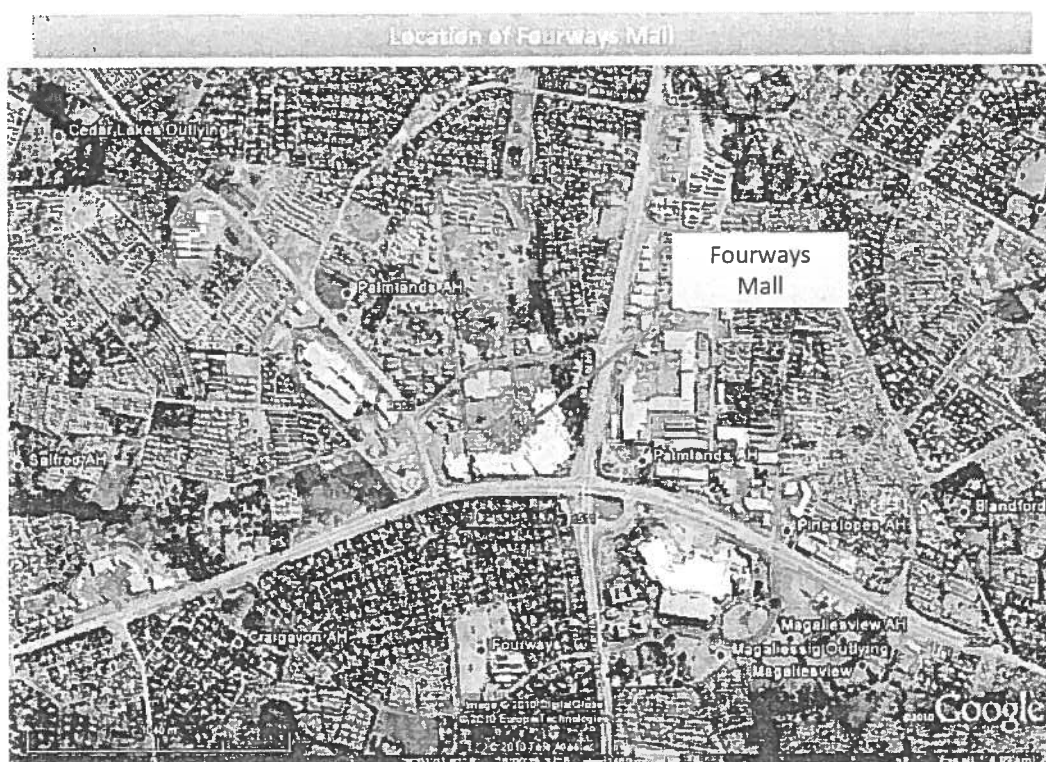
Size of centre (m ²) (GLA)	Number of stores	Size of land (ha)
50 000-100 000	150-250	15+

Location criteria

A major arterial road, usually a provincial road linked to a national road offering very high accessibility and visibility. Provision should be made for enough vehicle stacking space from the highway to prevent queuing and traffic obstructions.

Average radius of primary trade areas	Median travel time to the centre	Access requirements
5-8km	14-20min	Major arterial road usually a provincial road linking to a national road

The Galleria in Amanzimtoti is one of the latest regional centres completed at the end of 2009 with a GLA of 88 000m². Main tenants are Checkers Hyper, Game and Nu Metro. Highway road access is of critical importance. This is an example of a new centre that has the size of a regional centre.

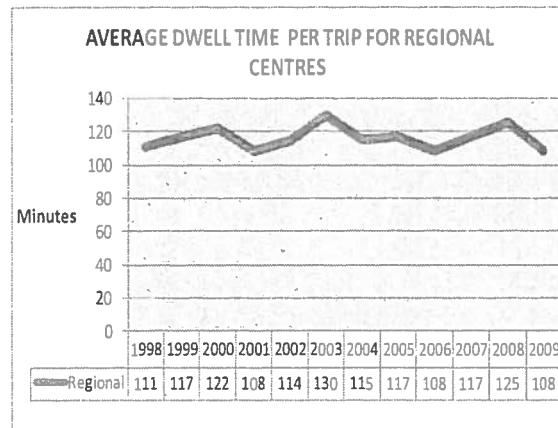
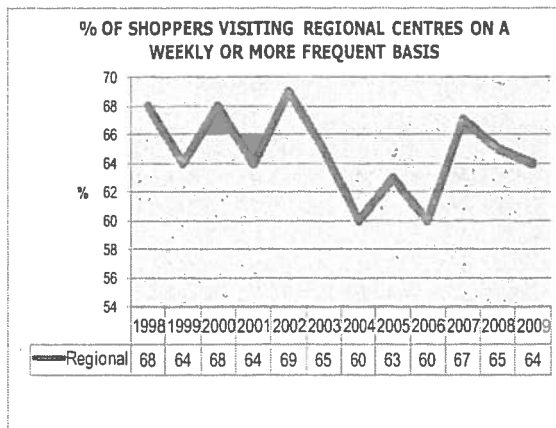


Market characteristics and threshold values

For a successful regional centre, the following threshold values and market support are required:

LSM groups	Number of households			Population (25% market share)	Retail space in m ² per capita
	35%	25%	15%		
LSM 1-5	180 000	250 000	417 000	1 125 000	<0.1
LSM 6-9	80 000	111 000	185 000	450 000	0.2
LSM 10-10+	33 000	45 000	76 000	160 000	0.54

Benchmark indicators



The weekly support fluctuates between 60% and 65% weekly support with an average dwell time of just under 2 hours.

Tenant mix

- **Anchor tenant:** In many cases, two large supermarkets (larger than ± 3 500m²) or one large supermarket of 8 000m² with the typical tenants being Pick n Pay or Pick n Pay Hypermarket, Shoprite/Checkers, or Checkers Hyper;
- convenience retailers;
- clothing anchor stores such as Edgars, Woolworths, Mr Price, Foschini and Truworths;
- boutiques, shoe stores and some comparative shopping;
- restaurants and food court areas;
- entertainment such as cinemas, electronic games/game arcades and
- other services such as medical facilities, banking, cell phone service centres and office functions.

The focus of the tenant mix is on **comparative** and **destination** shopping in especially clothing and household items.

Trends and changes

The most important trends and changes in this regard are that almost **all** regional centres countrywide have been expanded during the last 10 years. Based on their success and the retail offering, these centres will continue changing up to a certain point where it becomes difficult for customers to move around, park and fulfil their shopping needs. **Growth** in these centres is mainly a result of internal expansion of existing retailers, new retail concepts and more retailers likely to enter a particular market.

Action to guide retail development

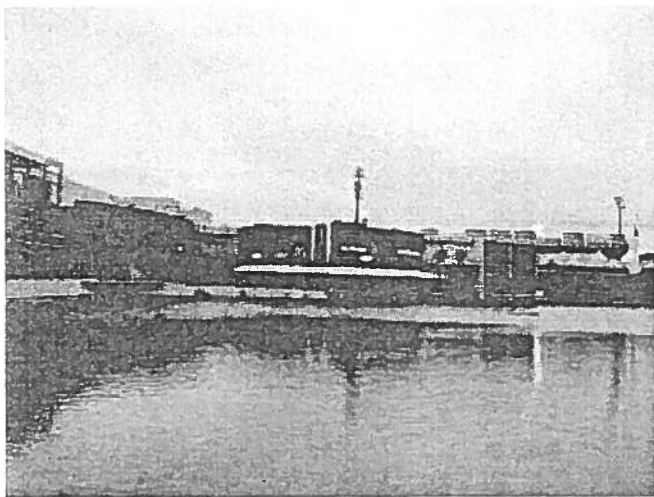
- New developments should mainly focus on **high growth areas** where sufficient demand exists. **'Follow-the-roofs'** strategy is very important in this case. Sufficient growth must have taken place before a regional centre could be established in any area.
- Allow the **expansion** of existing small regional centres and regional centres to cater for increased demand. These centres will also develop into first and second order nodes and provision should be made for additional retail facilities, as well as office development in specific areas.



The Glen Shopping centre in Oakdene Johannesburg.



Clearwater, Roodepoort: The centre is currently extended by 25 000m² and is now in the same size range as the competing centres, Cresta and Westgate.



Loch Logan Waterfront, Bloemfontein fulfils a strong regional role together with the strong Mimosa Mall.

Examples:

- Highveld Mall, Witbank
- Garden Route Mall, George
- Fourways Mall, Johannesburg
- Clearwater, Roodepoort
- N1 City Mall, Cape Town
- Maponya Mall, Soweto
- Kolonnade, Pretoria
- Loch Logan, Bloemfontein
- Northgate, Johannesburg
- Boardwalk Inkwazi, Richards bay
- Liberty Midlands Mall, Pietermaritzburg
- Liberty Promenade Mitchells Plain

3.6 Super Regional Centres

Role and function

The role and function of these centres are to provide retail facilities for the whole metropolitan area, a large region, as well as national and international tourists. Support from all over the city is very important in this case. Most small regional centres within a particular city fall **within the catchment area** of the super regional centre. These centres offer a very wide tenant mix, entertainment, services and the latest retail concepts.

Description

This is a very large retail facility offering the widest possible variety of stores, an appealing shopping atmosphere, open and under cover parking facilities with a large entertainment component.

Size

Size of centre (m ²) (GLA)	Number of stores
>100 000	More than 250

Location criteria

A major arterial road, usually a provincial road linked to a national road offering very high accessibility and visibility. Provision should be made for enough vehicle **stacking space** from the highway to prevent queuing.

Average radius of primary trade area	Median travel time to the centre	Access requirements
10+km	24-30min	Major arterial road usually a provincial main road linking to a national road

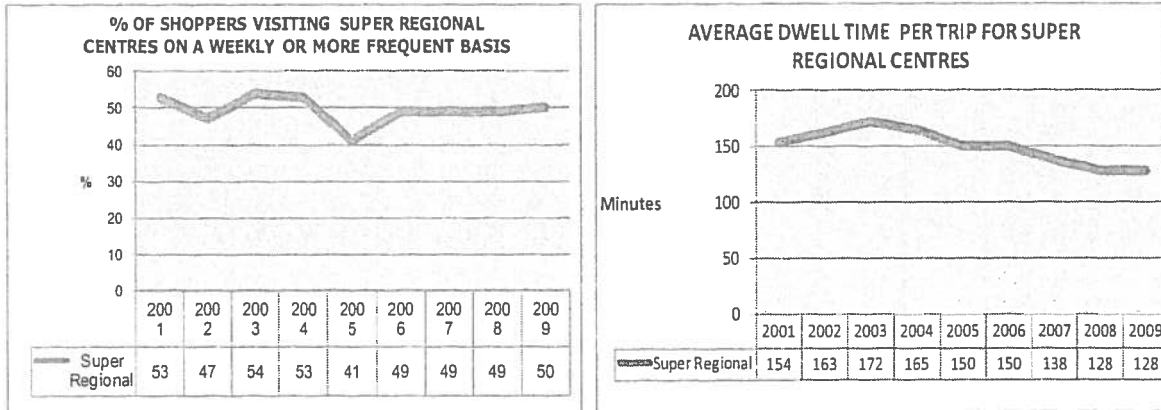


Market characteristics and threshold values

For a successful super regional centre, the following threshold values and market support are required:

Socio-economic groups	Number of households			Population (25% market share)	Retail space in m ² per capita
	35%	25%	15%		
LSM 6-9	106 000	150 000	250 000	590 000	0.2
LSM 10-10+	44 000	60 000	101 000	210 000	0.54

Benchmark indicators



50% of the shoppers visit super regional centres on a monthly basis for ± 130 minutes.

Tenant mix

The **widest possible tenant mix** with at least six anchor tenants which include groceries, clothing (all the national clothing brands), household goods (a wide variety of comparative home and décor stores) and entertainment (cinemas, electronic games and exciting/fun facilities). The main focus of this type of centre is a wide range of entertainment facilities, and to provide the latest trends in all retail products and categories. New retail concepts are normally tested and first implemented on the super regional level.

Trends and changes

Over the last 8-10 years these centres have either been developed as a single entity (Gateway and Canal Walk), or the expansion of regional centres into large super regional centres (The Pavilion and Menlyn Park).

Actions to guide retail development

Most metropolitan areas can only cater for one or at most two super regional malls. The potential will be driven by city wide support, the tenant mix and the entire offering. Growth of existing super regional centres will mainly depend on new retail offerings, as well as on internal expansion of existing retailers.

- These types of developments are limited to one or two per metropolitan area.



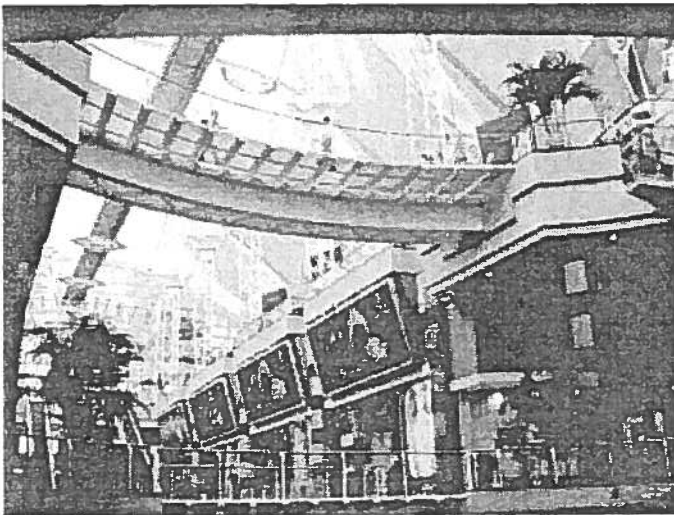
Gateway the Theatre of Shopping also acts as a very strong entertainment centre.



The Pavilion was recently increased to 119 000m².



After 5 years after its opening, Canal Walk has established itself as a very strong super regional centre in Cape Town.



Menlyn Park, dominates in Pretoria as well as have good support from a wide region.

Examples:

Sandton City, also regarded as a decentralised CBD
 Canal Walk, Cape Town
 Eastgate Johannesburg
 The Pavilion, Durban
 Westgate, Roodepoort Johannesburg
 Menlyn, Pretoria.
 Gateway Theatre of Shopping, Durban

4. Major Retail Types: Planned Specialist/Focus/Niche Centres

4.1 Big Box Retailers

Role and function

These big box centres fulfil a destination role and provide a unique retail offering where one single, large retailer occupies a free standing building designed for own use only.

Description

One or more single buildings occupied by similar type tenants.

Size

Size of centre (m ²) (GLA)	Number of stores	Size of land (ha)
2 000-15 000	One or more	0.6-4.5

The size of these types of centres varies.

Location Criteria

Good location along arterial routes and adjacent to highways, offering good visibility.

Average radius of primary trade area	Median travel time to the centre	Access requirements
5km	6-16min	Depend on type of store or centre – mostly on a regional level

Market Characteristics and Threshold Values

For a successful big box centre, the following threshold values and market support are required:

Socio-economic groups	Number of households	Population
LSM 6-9	25 000	100 000
LSM 10-10+	14 000	49 000

Tenant Mix

It is either a single store or stores selling related goods like home improvement centres. The best examples are free standing Mr Price Home stores, Furniture City, Sportsmans Warehouse, Builders Warehouse, Builders Express, CTM Tile, Makro, Rochester, Tekkie Town and Hi-Fi Corporation.

Trends and Changes

Big box centres are becoming very popular with their offering of 2 000m² - 5 000m² as a single tenant. This is mainly driven by homeware products, décor, furniture and building material. Large one-stop clothing stores have also moved into this category. Examples are Mr Price Sport and Melts clothing stores.

Actions to guide retail development

Potential exists for big box retailers to complement the retail offerings close to regional and super regional centres. The same **critical mass** created by regional and super regional centres should be the guideline for further big box retailing.

The **concentration benefits** of grouping a number of big box retailers together should be encouraged. Locations close and adjacent to regional and super regional centres should also be encouraged.

Big box development will mainly happen as part of the following:

- Nodal/mixed use development close to large regional and super regional centres;
- Part of strip developments and
- Visible sites along highways.



Big Box retailers went through tough times in the economic recession yet good value for money will always be a successful concept.



Another big box retailer is Mr Price Home

4.2 Entertainment/Casinos

Role and function

The main focus of these centres/complexes is to provide **more than** the normal type of entertainment available in a regional centre. The gambling component is in most cases supplemented with other entertainment, mainly for children. The retail component on offer varies from facility to facility. The focus is mainly on eating facilities ranging from takeaway food products to exclusive restaurants. Some centres provide more retail stores than others. In most cases the retail is **scaled down** to make provision for more gambling facilities.

In a few cases the casino is directly linked to a large shopping centre. The two facilities, shopping and entertainment therefore have to complement each other.

Description

The main focus is the casino with its gambling facilities. Up to 85% of the visitors visit the casino to gamble. The rest of the people are there to enjoy the other entertainment facilities like games, rides, eating places, cinemas and specialised retail stores. The Las Vegas model where major shopping facilities are provided is **not** really applicable in South Africa.

Where the casino and shopping centre are linked, a strong flow of pedestrians between the two facilities is required.

Location criteria

In most cases the casino is the destination while the retail facilities are complementary and supplementary to the gambling facilities. In most cases a good visible and assessable location is preferred to make a statement and to improve the awareness levels of the casino.

The catchment area of a casino is much broader and the average drive time to different size casinos varies between 20 and 30 minutes.

