

Riots cost SA Corporate Real Estate more than R500m

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SA Corporate Real Estate, a real estate investment trust (Reit) put an estimate of R558.243m on Tuesday on the total cost of damage to its properties and loss of income after the recent looting and vandalism. The unrest last month led to damage to hundreds of businesses and about 3,000 stores were looted and vandalised.



A member of the military inspects damage at a looted mall in Soweto, 13 July 2021. Reuters/Siphiwe Sibeko

SA Corporate Real Estate, which owns 188 properties including 26 retail sites, was one of many listed Reits affected by the unrest, with 11 of its shopping centres suffering various degrees of damage in KwaZulu-Natal and Gauteng.

The company said it had submitted its initial provisional claim to Sasria, a state-owned insurer covering political violence. It said its Sasria insurance cover is sufficient to cover the claim, which represents 3.1% of the company's total assets.



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6 Aug 2021



Other companies estimate costs of damage

Other property companies have also been putting out estimates of the cost of the damage. Arrowhead Properties, whose five shopping centres and malls were affected, said the cost of repairs was R15m.

Dipula Income Fund's damaged malls will take about four to eight months to rebuild at an estimated cost of R250m-R300m, CEO Izak Petersen told Reuters in July.

SA Corporate Real Estate said trading had resumed at all of its shopping centres where damage was relatively minor, with any remaining works planned to be completed by October 2021.

A significant portion of the Springfield Value Centre in KwaZulu-Natal, which suffered more significant damage and where trading is still suspended, will be rebuilt in phases, with completion estimated to be October 2022.

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