

Regional mall footfall outpacing pre-pandemic levels - Flanagan & Gerard

Flanagan & Gerard has reported that turnover growth across its shopping centre portfolio grew 12% year-on-year in June 2022, despite South African retail sales decreasing 2% in the same month.



Ballito Junction in KwaZulu-Natal. Source: Supplied

The portfolio showed even larger improvements from July 2021 to July 2022, delivering 20% turnover growth. However, this includes the impact of the July 2021 unrest that hampered trading at some malls.

“Regional malls are bouncing back. Footfalls are up year-on-year and moving higher than pre-Covid numbers for the first time, while spend-per-head has increased significantly,” reports Paul Gerard, managing director of Flanagan & Gerard.

Flanagan & Gerard develops and invests in dominant regional shopping centres and high-end niche community centres. It co-owns Ballito Junction Regional Mall in KwaZulu-Natal as well as Morningside Shopping Centre, Springs Mall and Vaal Mall in Gauteng, together with Highveld Mall and Middelburg Mall in Mpumalanga, and Thavhani Mall, Musina Mall, Great North Plaza and Mall of the North in Limpopo.

Flanagan and Gerard's new shopping centre, the 24,000m² Boardwalk Mall, is due to open on 22 September 2022 in Gqeberha, Eastern Cape. Boardwalk Mall is a major development by Flanagan & Gerard Group and Emfuleni Resorts, a subsidiary of Sun International.



Boardwalk Mall in Gqeberha set for grand opening this month

2 Sep 2022



The trends in the Flanagan & Gerard retail property portfolio paint an encouraging picture, and point to a welcome comeback from the trading categories and retailers that were hardest hit by pandemic-related restrictions.

“Our restaurants are trading well and ahead of pre-Covid levels. Cinemas have rebounded and are displaying a similar pattern. Liquor stores are showing massive growth in trading. In our portfolio, we are seeing great results from Edgars' new management and from Game's new strategy. It is particularly exciting to see national retailers bringing new brands to market,” says Gerard.

Easing the impact of load-shedding

The continued reality of load-shedding has given malls with backup power a competitive edge in attracting shoppers and reinforced the abundant opportunities for solar-powered shopping malls in South Africa. Flanagan & Gerard aims to have all its retail properties function fully during power disruptions, for which it employs a combination of solar energy and backup generation.



SA shoppers return to retail centres, but stick closer to home

6 Jul 2022



Empowering improved trading outcomes, promoting carbon reduction by decreasing fossil-fuelled energy consumption and lightening the load on the national power grid, Flanagan & Gerard says it will continue to increase the solar power generation capacity at its shopping centres to empower improved trading outcomes, promote carbon reduction by decreasing fossil-fuelled energy consumption and lighten the load on the national power grid.

Commenting on the strength of its tenants and tenant mixes, the company notes a low vacancy rate of 0.45% across its retail portfolio, and points to "a very low level of arrears" among shopping centre tenants.

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