

27 March 2012

Picture attached: Brooklyn Mall in Pretoria

Innovative property transaction integrates Design Square into Brooklyn Mall, Pretoria

Growthpoint Properties Limited and Atterbury Property Group have confirmed they have implemented the merging of their landmark properties in Pretoria, Brooklyn Mall and the adjacent Design Square respectively, to create a single, larger and more diverse retail experience at Brooklyn Mall.

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.

Growthpoint Properties is the largest South African listed property company with a market capitalisation of R31,6 billion and property assets over R50,0 billion. Growthpoint is included in the JSE ALSI 40 Index.

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

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

The deal has also resulted in the opportunity to upgrade and expand the iconic Brooklyn 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 6,000sqm of additional leasable retail area - growing Brooklyn Mall to over 72,000sqm.

Stephan le Roux, Growthpoint Properties Retail Division Director describes this as a win-win transaction. "Both parties benefit and both centres benefit. The combined result is a superior shopping experience with big impact and far-reaching appeal. The transaction is a good fit, with both owners bringing excellent skills and experience to the table. Atterbury's admirable 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, Growthpoint and Atterbury 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."

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 Brooklyn Mall by introducing more variety and exciting new brands, including SA's third GAP brand store, after Cape Town and Sandton. The new design also creates 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 effected trading. The existing link between the two malls will be complimented by another link through the current Mr Price Home store, which will be relocated. Brooklyn Mall's management offices will also move.

With over a year before opening, heavyweight retailers are already eager to take up space. Leasing of

the extension is oversubscribed. Pretoria's flagship Trenergy/Country Road will also join Brooklyn Mall. New generation Mr Price Weekend and Mr Price Home stores will also open.

Le Roux says: "We are carefully selecting retailers to enhance the centre's current tenant mix, ensuring continued shopper satisfaction. Brooklyn Mall enjoys excellent shopper loyalty. 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. Its location is supported by strong, affluent residential nodes and it isn't constricted by artificial built barriers. This transaction guarantees a high-end super-regional mall featuring many of the best fashion retailers and restaurants that Pretoria has to offer."

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