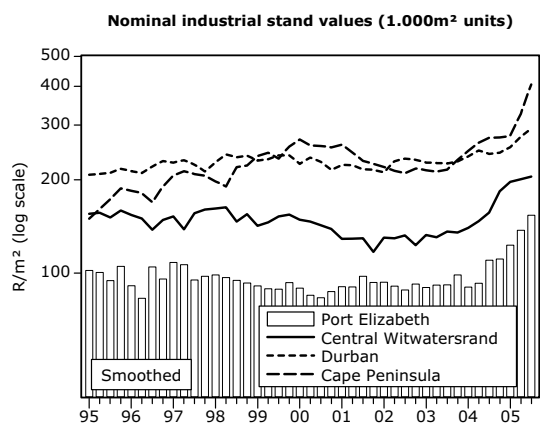


Chapter 13: Industrial stand values

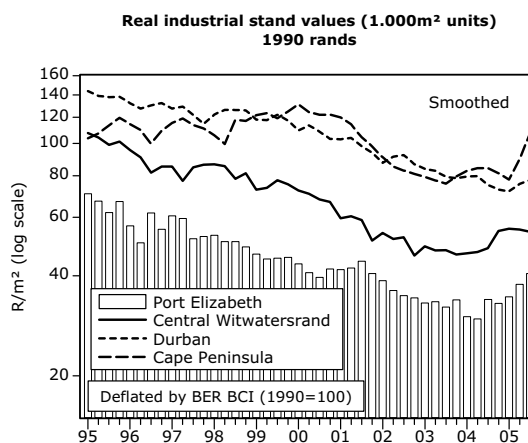
Industrial stands grow at cracking pace

Nominal industrial stand values in Durban, the Cape Peninsula and Port Elizabeth continued to move on an upward trajectory during the reporting quarter. Stand values in the Central Witwatersrand also tended northwards, but at an uninspiring pace.

sizzling 30,7%, 20,9%, 48,7%, and 39,6%. This will no-doubt be heartening to many a landlord.



Source of data: Rode's Time Series



Source of data: Rode's Time Series; BER

Table 13.1 shows that, during the third quarter, stand values in the Central Witwatersrand, Durban, the Cape Peninsula, and Port Elizabeth grew respectively by a

Table 13.1 shows that, over the past 10 and 5 years, the overall performance of industrial land has been poor compared to the movement of building costs over the same periods.

Table 13.1			
Growth in nominal stand values (%) for 1.000m ² stands			
% annual compound growth on smoothed data			
	Last 10 years*	Last 5 years*	Last year
Central Wits	0,7	10,3	30,7
East Rand	2,6	7,9	27,6
Durban	1,3	4,8	20,9
Cape Peninsula	4,2	7,5	48,7
Port Elizabeth	1,7	8,9	39,6
BER Building Cost Index	9,2	13,1	17,1
Haylett Index	6,8	7,3	6,9
CPI	5,8	4,8	3,9

Table 13.2
Mean values of nominal industrial stands of 1.000m²
(R/m²)(smoothed)

	1995:3	2000:3	2004:3	2005:3
Central Witwatersrand	151	143	157	205
East Rand	109	131	142	181
Durban	210	228	242	293
Cape Peninsula	173	257	273	406
Port Elizabeth	95	83	110	154

The reference to real in this publication means that *nominal* prices have been deflated. In this chapter, industrial stand values are deflated by the BER building cost index (BCI). By using building costs as a deflator, the reader can interpret the graphs from a developer's point of view, i.e. the trends serve as a proxy for the viability of 'manufacturing' new stands over time.

The remainder of this chapter includes market values for level, serviced stands in named industrial townships.

The industrial land-value tables contain re-

gression parameters in order to allow readers to interpolate land values for area sizes other than those given in the tables. This is necessary because the relationship between price and square metreage is not linear. For more details on how to use these equations, refer to Annexure 3 (annexure-page XI).

This concludes our section on industrial stand values. ■

PS: If you do not understand a term used in this article, please consult the Glossary (Annexure 1).

Table 13.3
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Central Witwatersrand									
Cambridge Park	-	-	-	-	0,0				AP, AW
Wynberg proper	175	160	175	185	0,7				AP, AW, RA
Strijdom Park	408	383	338	338	1,3	6,591	-8,619	-0,56	AP, AW, RA
Kya Sand	213	205	200	185	1,5	5,779	-6,198	-0,26	AP, RA,
Clayville/ Olifantsfontein	60	60	50	40	5,0	5,391	-0,179	-0,94	AP
Chloorkop	100	850	80	60	2,0	9,341	-0,544	-0,45	AP
Amalgam	300	330	280	280	1,0	6,099	-0,050	-0,66	AP, RO
Crown Mines	320	315	285	270	0,5	6,288	-7,671	-0,30	AP, RO
Industria	110	110	80	80	1,0	5,968	-0,180	-0,57	AP, KA
Booyens/ Booyens Reserve/ Ophirton	200	190	133	120	1,0	7,570	-0,318	-0,51	AP, LA, RO
Village Main/ Village Deep/ New Centre	200	180	110	100	0,5	8,100	-0,400	-0,61	AP, RO
Benrose	100	170	250	160	3,5				AP, LA
Steeleale/ Electron/ Tulisa Park	-	200	180	115	5,5				AP, LA
Aeroton	-	220	220	160	4,5				AP, LA
Devland/ Nancefield	-	-	-	-					
Cleveland/ Heriotdale	140	140	120	120	1,0	5,515	-8,079	-0,92	AP
Newlands/ Martindale	100	100	90	90	1,0	4,997	-5,522	-0,92	KA
Kew/ Wynberg East	50	50	-	-					AP
Bramley View/ Lombardy West	50	50	40	40	1,0	4,742	-0,116	-0,92	AP
Marlboro South (Alexandra)	20	18	15	13	3,0	3,873	-0,146	-0,30	AP, RA
Halfway House: hi-tech strip	250	250	265	228	3,5	5,921	-5,110	-0,37	AP, AW, EP, QU, VE
Halfway House: Richards Drive	-	300	265	240	2,0				AP, AW, EP, QU
Commercia	-	-	60	55	2,0				AP, QU
Kramerville/ Eastgate X12 & X13	350	325	325	338	1,0	5,881	-8,261	-0,21	AP, RA
Centurion	-	320	300	280	1,0				AP
Linbro Park	315	302	293	285	1,3	6,067	-4,742	-0,23	AP, MH, MR, RA, VE
Wesco Park/ Eastgate X3,X11,X6,X8/ Marlboro North (New)	310	325	200	200	1,0	7,591	-0,252	-0,87	AP, RA
City Deep	-	-	-	-					
North Riding	-	-	350	400	1,0				AP, SP, VE

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Samrand Centurion	-	-	300	240	1,0				AP, VE
Barbeque Downs	-	-	220	260	2,5				AP, QU
Selby Ext 12/13/15/19/20/24/City West	390	245	220	320	0,5	6,280	-0,102	-0,13	AP, RO
Selby Ext 5/ 10/ 14/ 18	200	200	180	165	3,0	6,003	-9,664	-0,63	LA, RO
Selby Ext 11	200	145	125	150	0,5	6,064	-0,136	-0,38	AP, RO
Selby Ext 3/ 4/ 6	200	180	160	150	0,0	6,155	-0,125	-1,00	RO
Denver (Old)	50	50	50	-	2,0				AP
Denver (New)	120	200	180	170	5,0				AP, LA
Kyalami Business Park	-	400	-	-	0,3				AP, AW, QU
Reuven	-	-	-	-					
Selby (Old)/ Selby X2/ Park Central	200	180	160	150	0,0	6,155	-0,125	-1,00	RO
Robertsham	200	180	160	150	0,0	6,155	-0,125	-1,00	RO
Fordsburg/ Mayfair	-	-	-	-					
Central Witwatersrand	206	229	191	189	1,7				
West Rand									
Lea Glen	110	100	90	90	1,0	5,309	-9,095	-0,95	KA
Honeydew X19, 20, 21 & 22	250	250	-	300	1,0				AP, SP
Stormill	170	170	170	210	5,0				KA
Chamdor	80	80	70	55	3,0	5,547	-0,160	-0,92	KA
Factoria	-	-	-	-					
Randfontein/ Delporpton/ Aureus	-	-	-	-					
Boltonia	-	-	-	-					
Technikon/ Manufacta/ Roodepoort	110	110	100	90	1,0	5,347	-8,945	-0,95	KA
Industria North	110	100	95	95	1,0	5,107	-6,261	-0,92	KA
Robertville	-	-	-	-					
Laserpark	-	-	-	300	1,0				AP
West Rand	138	135	105	163	1,9				
East Rand									
Elandsfontein	85	80	70	60	2,0	5,350	-0,141	-0,29	AP, KR, MH
Eastleigh/ Sebenza Ext 14	210	173	145	135	1,0	6,616	-0,189	-0,90	AP, MH, MR, RO

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Spartan Ext 16 (Sebenza Link) + Ext 1/3/7	220	165	143	127	1,8	6,702	-0,205	-0,58	AP, MH, MR, RO
Isando	135	125	113	110	2,3	5,520	-9,152	-0,53	AP, KR, LA, MH
Jet Park	227	218	212	202	2,6	5,815	-5,758	-0,24	AP, KR, LA, MH, MR
Alrode & Xs	60	60	68	68	2,0	4,774	-0,118	-0,51	AP, LA, RO
Alrode South	50	50	45	40	1,5	5,436	-0,116	-0,92	AP, RO
Alberton	100	100	80	80	1,0				AP, MR
Aeroport/ Spartan Ext 2	-	285	265	-	1,0				AP, MR
Rustivia	-	190	170	150	1,0				AP, MR
Delville	-	60	-	-	1,0				AP
Roodekop	-	-	50	40	1,5				AP, RO
Wadeville: Industrial zoning	-	80	82	78	1,7				AP, MR, RO
Route 24/ Meadowdale	265	227	235	160	1,3	6,459	-0,129	-0,50	AP, AW, MH, MR, RO
Germiston S/ Industries E	-	-	40	30	1,0				AP
Driehoek/ Industries W	-	150	120	120	1,0				AP
Knights	120	120	100	80	1,0	6,084	-0,179	-0,94	AP
Spartan Proper	203	140	153	133	1,8	6,261	-0,154	-0,43	AP, KR, MH, RO
Founders View	270	250	180	-	1,0				AP, MR
Longmeadow	-	375	370	360	1,0				AP, AW, EP, MR
East Rand	181	179	162	134	1,6				
Far East Rand									
Boksburg North & East	240	210	190	170	2,0	6,439	-0,141	-0,91	AP, KR
Benoni South	160	150	120	100	0,0	6,558	-0,209	-0,99	KR
New Era/ Vulcania	-	-	-	-					
Nuffield	-	-	-	-					
Fulcrum	-	-	-	-					
Apex	180	170	150	140	0,0	5,980	-0,112	-1,00	KR
La Boré Brakpan	-	-	-	-					
Morehill Ext 8 Benoni	240	220	210	200	0,0	5,986	-7,529	-0,98	KR
Far East Rand	205	192	172	156	0,8				

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Vereeniging									
Duncanville	-	-	95	40	2,0				LB
Powerville	-	30	30	-	2,0				LB
Vereeniging X1	-	-	40	-	2,0				LB
Dickinsonville	-	-	-	-	-				
Duncanville X3	-	80	-	-	1,0				LB
Vereeniging	55	55	40	1.8					
Pretoria									
Mitchell St	-	-	-	-	-				
Pretoria Industrial Township	-	-	-	-	-				
Koedoespoort	-	-	-	-	-				
Waltloo/ Despatch	200	200	180	-	2,0				AP
Silverton/ Silvertendale	138	135	200	-	1,0				AP, JH
Samcor Park	-	-	-	-	-				
Lyttleton X4/ X6	-	-	-	-	-				
Sunderland Ridge	200	200	200	-	1,0				AP
Hermanstad	-	-	-	-	-				
Kirkney	-	-	-	-	-				
Hennospark X15 & X7	330	330	330	280	1,0	6,254	-6,160	-0,76	AP
Gateway	330	330	330	280	1,0	6,254	-6,160	-0,76	AP
Lyttleton Manor	-	-	-	-	-				
Pretoria North	-	-	-	-	-				
Silvertendale X1	200	200	200	-	3,0				AP
Brits	-	-	-	-	-				
Klerksoord	-	-	-	-	-				
Rossllyn	-	-	-	-	-				
Pretoria	219	219	240	280	1,5				
Polokwane									
Lebowakgomo	-	-	-	-	-				
Superbia	123	110	-	-	1,0				AI, ES, TG

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Industria	80	63	53	-	1,5				AI, ES, TG
Ladine	70	70	50	-	1,5				AI, ES, TG
Futura	43	43	48	-	1,5				AI, ES, TG
Laboria	40	40	35	25	2,0	4,922	-0,169	-0,86	ES, TG
Magna Via	-	-	-	20	3,0				ES, TG
Seshego	-	-	-	-	7,0				ES
Pietersburg Ext 16 & 17	55	55	-	-	1,5				ES, TG
Polokwane	70	65	47	23	2,0				
Nelspruit									
Nelspruit East	200	170	147	133	1,0	6,491	-0,175	-0,86	KL, RZ, SV
Nelspruit West	-	-	-	-	0,0				KL, RZ
Rocky's Drift	108	93	60	58	2,3	7,057	-0,348	-0,48	KL, RZ, SV
Riverside Park	-	-	273	260	2,3				KL, RZ, SV
Nelspruit	154	132	160	151	1,4				
Durban									
Springfield Park	333	333	358	358	1,5				AC, JH, PC
Mayville	-	-	-	-	0,0				JH
Phoenix	263	263	154	181	1,5	7,421	-0,271	-0,44	AC, JH, PC
North Coast Rd / Briardene	283	283	283	315	1,5				AC, JH, PC
Umgeni Rd/ Stamford Hill	-	-	-	-	0,0				JH
Umbilo/ Sydney Rd/ Gale St	263	263	263	263	1,0	6,242	-7,394	-0,45	AC
Jacobs	306	306	263	263	1,0				AC, JH, PC
Mobeni	263	263	263	263	0,0				AC, JH
Prospecton	263	263	263	266	1,7				AC, JH, MS, PC
Pinetown Central	320	310	260	290	1,0	6,278	-7,652	-0,46	JH, LS
New Germany	300	275	265	223	1,0	6,600	-0,127	-0,85	JH, LS, PC
Isipingo	-	-	200	-	1,0				JH, PC
Rosburgh/ South Coast Rd	-	-	-	-	0,0				JH
Edwin Swales Drive	-	-	-	250	1,0				JH
Glen Anil	368	368	271	368	1,0	6,442	-8,396	-0,23	AC, JH, PC

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Brickfield Rd	-	-	-	-	0,0				JH
Verulam	-	-	-	-					
Tongaat	-	-	-	-					
New Westmead/ Mahogany Ridge	275	255	235	248	1,7	5,887	-4,480	-0,58	JH, LS, PC
Westmead	285	270	260	250	0,5	6,024	-5,475	-0,99	LS
Mariann Park/ Southmead	165	155	173	158	4,0				LS, PC
Maxmead	280	260	245	235	0,5	6,139	-7,455	-0,99	JH, LS
Umhlatuzana	-	220	-	-	1,0				PC
Ringroad Industrial Park	-	250	-	-	0,5				JH, PC
Avoca/ Red Hill/ Northgate	315	283	315	315	1,0				AC, JH, PC
Falcon Park	-	-	248	-	1,5				JH, PC
River Horse Park	344	344	329	322	0,5	6,092	-3,536	-0,27	AC, JH, MS, PC
Mount Edgecombe	368	304	334	329	0,7				AC, IT, JH, MS, PC
Umbogintwini/ Southgate	283	283	308	308	2,0				AC, PC
Umgeni Park	-	-	-	-	0,0				JH
Durban	297	283	264	278	1,1				
Pietermaritzburg									
Willowton	-	-	-	-					
Mkomdeni/ Shortts Retr	-	-	-	-					
Camps Drift	-	-	-	-					
Pietermaritzburg Central	-	-	-	-					
Allandale	-	-	-	-					
Howick	-	-	-	-					
Pietermaritzburg									
Ladysmith									
Ezakheni/ Pieters	-	-	15	10					DE, IT, MX, RM
Danskraal	-	12	10	5					DE, IT, MX, RM
Nambiti	-	-	12	8					DE, IT, MX, RM
Colenso	-	-	-	-					
Ladysmith	12	12	8						

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Newcastle									
Madadeni	-	-	-	5					IT, PR, RE
Central	-	-	-	-					
Vlam Crescent	-	-	-	-					
Riverside Ind	-	11	13	13					IT, PR, RE
Newcastle	11	13	9						
Isithebe									
Isithebe	-	-	20	18					IT
Isithebe	20	18							
Lower Umfolozi									
Empangeni	-	-	-	-					
Richards Bay	150	125	110	75	4,0	6,962	-0,278	-0,96	FO
Richards Bay CBD (Dollar Drive)	600	600	-	-	1,0				FO
Lower Umfolozi	375	363	110	75	2,5				
Cape Peninsula									
Viking Place	-	-	-	-					
Glosderry	1500	1200	1000	800	0,0	9,117	-0,262	-1,00	BB
Paarden Eiland/ Metro	800	750	750	-	0,5				AN, PY
Montague Gardens	700	650	650	550	1,0	7,095	-7,874	-0,75	AN, DN, PY
Marconi Beam	700	700	675	550	1,0	7,073	-0,072	-0,64	AN, DL, PY
Killarney Gardens	475	433	500	-	2,3				AN, CK, DL, DN, PY
Atlantis	20	20	20	20	2,0				AN
City Fringe	-	-	-	-					
Woodstock/ Salt River/ Observatory	900	-	-	-					CK
Athlone 1 & 2	-	-	-	-					
Lansdowne Nerissa	-	-	-	-					
Ottery Hillstar	1500	1000	800	750	0,0	9,244	-0,293	-0,95	BB
Ottery Sunset	1500	1000	800	750	0,0	9,244	-0,293	-0,95	BB
Diep River	-	-	-	-					
Monwood/ Phillippi	-	-	-	-					

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Retreat/ Steenberg	1600	1200	1000	800	0,0	9,328	-0,287	-0,99	BB
Capricorn Park	-	-	-	-					
Springfield	-	-	-	-					
Maitland	550	550	500	450	1,0	6,956	-8,945	-0,95	AN, PY
Ndabeni	-	-	-	-	0,0				PY
Airport	350	325	315	-	2,5				AN, DN
Epping 1 & 2	430	430	430	395	1,0	6,299	-3,183	-0,76	AN
WP Park	500	500	500	500	1,0				AN
Elsies River (excl. Central Park)	-	-	-	-					
Parow Beaconvale	292	270	265	263	1,0	5,964	-0,044	-0,57	AN, DD, GO
Tygerberg Business Park	284	271	260	261	1,8	5,901	-3,916	-0,26	AN, DD, DL, DN, GO
Parow Industria	294	270	275	263	1,0	5,963	-4,335	-0,44	AN, DD, GO, NE
Parow East	325	300	275	300	1,0	6,152	-5,816	-0,32	DD, GO
Bellville Oakdale	700	600	-	-	1,0				GO
Bellville Stikland/ Kaymor	367	315	299	280	2,0	6,779	-0,133	-0,35	AN, DD, DN, GO, NE
Bellville La Belle Road	445	393	350	363	1,0	6,791	-0,104	-0,63	AN, DD, GO, NE
Bellville Triangle	323	290	270	263	1,0	6,345	-8,628	-0,61	AN, DD, GO
Bellville South/ Sacks Circle	263	208	188	174	1,5	6,899	-0,203	-0,40	AN, DD, DN, GO, NE
Kraaifontein	160	155	135	-	2,5				DN, GO
Brackenfell Industria	278	268	250	-	1,5				AN, DD, DN, GO
Everite Brackenfell	337	293	275	290	1,3	6,265	-7,628	-0,21	AN, DD, DN, GO, NE
Kuils River	160	150	130	120	2,0	5,976	-0,129	-1,00	GO
Blackheath	184	172	165	157	2,0	5,705	-7,372	-0,32	AN, DD, DL, DN, GO
Saxenburg Industrial Park	295	257	270	265	3,5	6,064	-6,148	-0,21	AN, DL, DN, GO, NE
Okavango Park	467	433	383	180	1,0	9,648	-0,482	-0,59	AN, DD, GO
Cape Peninsula	436	379	355	319	1,5				
Helderberg									
Somerset West	-	-	-	-	0,0				CR
The Interchange	1250	-	-	-	1,0				CR
Helderberg Industrial Park	263	-	-	-	2,0				CR, WE

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Gants	-	-	-	-	0,0				CR, WE
Half Way	-	-	-	-	0,0				CR, WE
Somerset Business Park	400	-	-	-	0,0				CR
Georges Park	238	-	-	-					CR, WE
Mansfield	-	-	-	-					
Helderberg	442	0.4							
Stellenbosch									
Tegnopark	1000	-	-	-	0,0				CR
Plankenbrug	450	-	-	-	0,0				CR
Devon Valley	-	-	-	-	0,0				CR
Tenantville	-	-	-	-	0,0				CR
Koelpark	-	-	-	-					
Stellenbosch	725	0							
Port Elizabeth									
Deal Party	200	200	175	150	0,0	6,222	-0,127	-0,94	MJ
North End	250	250	225	200	5,0	6,240	-9,938	-0,95	MJ
Korsten/ Neave/ Sidwell/ Sydenham	200	200	175	160	5,0	6,043	0,103	-0,96	MJ
South End Walmer	-	-	-	-					
Uitenhage	65	65	60	50	6,0	4,977	-0,110	-0,90	MJ
Struandale	125	125	110	98	3,0	5,681	-0,117	-0,95	MJ, SK
Markman Township	30	30	41	30	6,5				MJ, SK
Perseverance	100	100	90	88	3,5	5,084	-6,699	-0,73	MJ, SK
Walmer	300	188	225	225	2,5	5,692	-0,039	-0,11	MJ, SK
Port Elizabeth	159	149	127	119	3,9				
East London									
Arcadia	290	-	-	-	0,0				CR, ER, GO, RI, WM, ZZ
Gately/ Woodbrook	50	50	50	50	2,0				CR, ER, GO, RI, WM, ZZ
Wilsonia	-	16	16	16	8,0				CR, ER, GO, RI, WM, ZZ
Braelyn	-	50	-	-	1,0				CR, ER, GO, RI, WM, ZZ
Northend	67	60	-	-	2,0				CR, ER, GO, RI, WM, ZZ
East London	136	44	33	33	2,6				

Table 13.3 (continued)
Mean market values for serviced and level industrial stands in quarter 2005:3

	1.000	2.000	5.000	10.000	Vacancy	a	b	r	Broker Contributors
Bloemfontein									
Hilton	180	160	120	-					EK
East End	-	38	30	-					EK
Harvey Road	-	-	-	-					
Old Industrial	60	50	45	-					EK
Hamilton: Mill St	-	-	-	-					
Hamilton: G Lubbe St	-	-	-	-					
Estoir	-	-	-	-					
Bloemfontein	120	83	65						
Windhoek									
North	350	325	315	300	1,0	6,158	-5,093	-0,19	JS, TE
Lafrenz	175	175	150	140	8,0	6,218	-0,148	-0,39	JS, TE
South	550	550	400	400	0,0	7,400	-0,155	-0,63	JS, TE
Prosperita	375	375	325	300	4,0	6,653	-0,101	-0,76	JS, TE
Windhoek	363	356	283	263	3,3				