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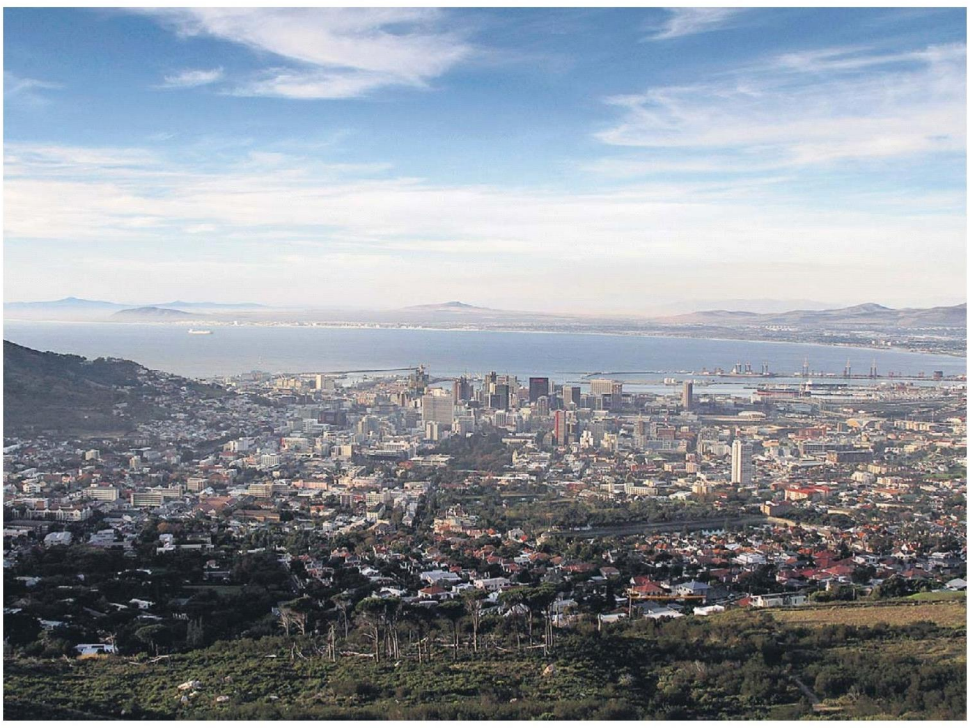

MOTHER PROPERTY. Atterbury has selected Cape Town for its next megaproject – Richmond Park, which will rival its bigger sister, Waterfall City, between Sandton and Midrand.
Picture: Bloomberg

Atterbury eyes CT megaproject

THINKING BIG: MAMMOTH RICHMOND PARK TO LEAD R5 BILLION MIXED-USE DEVELOPMENT

Building on the success of its Waterfall City development, the company is planning a similar megaproject in the Mother City.

Ray Mahlaka

The greenfield land of Milnerton, adjacent to the N7 highway in the Western Cape, will see ambitious developmental plans come to life over the next 10 years.

The industrial town, which is in close proximity to the city centre, will start to see a mixed-use development emerge from October.

Megaproject

Property developer Atterbury Property is heading up the R5-billion development, set to be along the lines of its mammoth Waterfall City in Gauteng.

At 300 000 square metres, Richmond Park will be smaller than Waterfall City, which is sandwiched between Sandton and Midrand and stands tall at more than 1.5 million square metres.

Richmond Park will focus more on commercial and warehousing properties, whereas Waterfall City is anchored by office and retail offerings, largely through the pending Mall of Africa.

The development has been seven years in the making, says Gerrit van den Berg, Atterbury's development manager for its Western Cape developments.

The 84 hectares of land, on which Richmond Park will be developed, is part of a recent land restitution settlement with 415 families who were forcibly removed in 1972.

The land was transferred back to a community trust, Richmond Park Communal Property Association, in December 2014.

In 2008, Atterbury submitted and won a tender to develop the land together with Bethel Property and Qubic 3 Dimensional Property. The community trust is leasing the land to the developers and is a 25% shareholder.

Atterbury has development rights for 500 000 square metres, but is sticking to 300 000 square metres.

"What is nice about the land is that it has access to the N7 and it's 70km from the Cape Town CBD. Our mixed-use development is in a good location on all major roads," says Van den Berg.

About 60% of the land will be dedicated to warehouses and distribution centres, 20% to commercial offices and the balance to retail.

For the warehouse and distribution centre component of the development, Van den Berg says there are six pending proposals – for instance, a 15 000 square metre and 30 000 square metre distribution centre property.

Offices, typically up to 6 000 square metres, will support the distribution and warehouse properties.

Van den Berg says the development would like to attract the same quality tenants as Waterfall City. Some of the tenants who have already taken up space at Waterfall City are Honda, Premier Foods, City Lodge, Westcon and Angel Shack.

Prime beef

Office buildings at Waterfall City are considered prime. According to real estate company Jones Lang LaSalle, the average gross rental rate per square metre for Waterfall City is R187 for the second quarter of 2015, trumping Fourways and Bryanston.

The developers will also roll out about 40 000 square metres to retail space. "But we will probably start with 20 000 to 25 000 square metres."

Occupation is expected in December next year.