



BEAUTIFUL 'A' GRADE OFFICES WITH FANTASTIC PARKING

Just puuuurrrfect offices. Designed for a well known national company, these ultra modern offices are a real delight for companies large and small, national or local. Not only ultra modern but fully cloud computer friendly. You could not ask for a nicer set of offices. Lots and lots of undercover parking. Well situated and highly visible to your clients. Central air-con. Call Mike 082 881 4711 for this and other first class offices.

NATIONAL TENANT URGENTLY LOOKING FOR CENTRE PREMISES

A national well-known chain has asked us to find them just the right premises for their new Bloemfontein shop. They are a specialist food store looking for a 600 to 750 sq m shop that is not too close to a large supermarket. They are quite fussy and would look both at major and specialist centres such as Tile centre or the Senwes Corporasie Centre.

They need 4 x 11 m space for external refrigeration equipment, frontage to face on to main road into the centre to increase visibility. They would need a dedicated receiving yard that can accommodate an articulated truck. 2.2 m wide receiving doors at rear of unit with roller shutters.

Floors are normal for this sort of property being polished concrete and the ceiling height needs to be suspended at 3.4 m high. They like a black finish rather than the normal white.

There needs to be a good sized easily accessible car park and a layout that has no level changes in to the store entrance and exit.

Because this is a sizeable national tenant they would need to have a dedicated trolley bay for the baskets and trolleys together with a permanent 4 x 4 m structure where they can have a braai area with 2 seating areas close to the entrance of their store.

Obviously for a store of this size they will need 3 phase electricity of 250 amp capacity and a plinth for 250 KVA generator. So, if you have premises to match, please let me know. mike@platinumglobal.co.za

The Commercial Landlord

Newsletter for
Commercial &
Industrial Landlords



Nov 2021

YEAR END SECURITY VITAL

We are coming up for the end of another busy year and many of us will be going out of town on leave. At the very least you will be closing down for three weeks or if you do keep open your commercial properties will often be in areas where most of the businesses will close down for the year end break.

Then the security problems start and if you don't arrange proper security before you leave you could face major challenges. Have you booked your full-time security for this period? But it is more than physical security. Have you done a cloud back up of your computers so that if you come back in January to find they are all missing you can quickly get back into business? If you have CCTV is this linked to a security company so that they are able to react when there is a break in and look after your place for burst pipes and storm damage?

Talk Shop

by Platinum Global

ARE YOUR RENTALS RIGHT?

At the annual Valuation seminar that I attend each year there are always great speakers. This year we were given the facts by outside lecturers. who were able to give us the low done on current rentals for different sorts of shops., offices and warehouses.

On the offices sie A1 offices of which they are a few in Bloemfontein are currently letting, with difficultly, for around R120 sq m plus extras due to the oversupply and lack of demand. Normal B class offices are letting from R75 to R80 again with an oversupply A situation not likely to change soon. Large shops are in demand but there is a bit of downsizing and rental negotiation by the nationals as they rationalise taking into account the wave of shopping on line.

That leaves the warehouse market where the demand is good as distribution centres for on line purchases. Quality of these properties is of essence and security vital. This is not going to fill up Hamilton but there is a demand for new premises on the N8.

DEMAND IS NOT DEAD

The residential property market is still robust with a shortage of stock. The business market is in much the same condition though landlords and sellers of commercial properties have not yet come to the reality that many people are working from home. Rentals and prices are still too high, especially for older and less attractive properties.

As you have seen above, there are still large tenants around but they are finding it difficult to find just the right property, even though they are prepared to pay top dollar. We recently received an enquiry for a large call centre for the UK market, though luckily we have just the right premises for them. Though parking was a major problem because of the number of staff employed at the centre.

In conclusion, yes there is demand for a wide variety of commercial properties but buyers and tenants are fussy about what they will accept. Rentals must be realistic for the current market and the properties must be in the best possible condition.

CITY CENTRE OLD BUILDING FOR SALE AT OLD PRICE

Horses for courses. Not everyone wants or can afford the latest most modern building in the best location. There is still a demand for older city centre city ,Harvey Rd properties and we have one of those for sale.

Situated in Bastion St and close to the Power Station cooling towers it offers a small business the opportunity to own their own business property at a price that they can afford.

This strong building has extensive workshops at the back currently used for taxi repairs so it could be used for engineering, plumbing, panel beaters or car servicing The front of the building consists of offices and shops, much of which is let out and gives additional income to the new owner.

This building is an ideal BBEEE offering and could house a number of BBEEE tenants with ease. The original owner of the property has moved out of town and would like to see the property being well used by its new owner. Price is R2.5 million negotiable with the income of the rented properties at the front bringing in about half of the bond costs. So buy this property. Is this one for you?

INTEREST RATES LIKELY TO RISE BEFORE TOO LONG. WHAT WILL BE THE MARKET EFFECT?

There are indications that interest rates will rise in the second quarter of next year. This is in the face of low local demand and contrary to the current economic cycle but likely to be forced on us when US rates rise as a result of Biden era policies. The rises are likely to be small (.25% per step) and unlikely to have a major effect on the local market. The biggest effect will be the cost of holding top end properties and affordability for those entering the market.

It might actually help the property market by moderating exceptionally high asking prices by those looking to sell. Asking prices have continued to grow at an unprecedented pace in a economy which is said to be weak and where so many don't have incomes. A rather strange state of affairs.

DID YOU KNOW?

- 1. Platinum Global have their first distance to-let mandate in George. Physical management will be undertaken locally, but contracts and financial management will be handled by our Bloemfontein staff. As we have mentioned before, Platinum Global is happy to take on larger sectional title schemes, bigger buildings and letting portfolios and manage them from the Free State. Using our tried and tested KISS management style and, a local presence which is normally there with larger schemes, we will be able to bring our easy-to-understand system to owners of properties around the country.**
- 2. Our residential sales side is looking for four new commissioned based sales agents for the northern suburbs and Langenhoven Park. Its an exciting business to be in and results have shown that innovative hard-working agents can make a great living. With interest on the rise this could be a great time to join a company like ours.**
- 3. Cleaning services can be more effective and efficient than own on-site cleaning staff. For commercial buildings, having your own cleaning staff may not pay. We have successfully converted to a cleaning company from our own staff model. It actually worked out cheaper and the property stays clean. Using a two time a week service has been a big improvement. They keep us informed of cleaning problems and have their own equipment. It works like a charm.**
- 4. Solar electricity. I have had solar panels and two 5 kw batteries on my house roof for some time. My bill used to be around R4000 per month four years ago. It is now around R3,00 after I have install gas for my stove plates and geysers. It is a huge saving. The price of panels, inverters and batteries have definitely come down and the quality has improved immensely. With load shedding and huge increase it DOES pay to get solar electricity. If you need help then contact Jean at VLT Solar tel 083 587 8667 vltsolarbfn@gmail.com. Have a chat and find out why I never know when Centlec is down.**