

King's Mall centre fetches R62m at auction

The King's Mall shopping centre in Gonubie outside East London was sold on Tuesday, 4 May 2010, for R62 million.

The mall was previously part of the King Financial Services group, which collapsed after being placed under provisional liquidation in July by the Cape Town High Court following an investigation by the Financial Services Board (FSB).

King's Mall opened in 2007 and is built on a five-hectare site with over 15 000 square metres of space including 44 retail shops, 745 parking bays and 332 storage units.

According to liquidator Stephen Gore, more than 200 people including several high profile property investors attended the sale.

"The sale is still subject to confirmation, but we are confident that the deal will fly and the centre will be sold to a well known local property group who can re-jig it and extract huge upside value," Gore said.

And today, Wednesday 5 May 2010, the 300-million rand King's Court centre in Port Elizabeth, also previously owned by King Financial Services group, was set to be sold on site in Walmer at 11am. The outcome of this auction has yet to be released.

The centre has a retail component of almost 14 000 square metres, with 392 storage units.

Prior to the sale on Tuesday, auctioneer Rael Levitt of Auction Alliance said: "We are selling both shopping centres with all the leases fully in place.

"Tenants are secure and the sale of the centres will give clarity, finality and direction with new owners taking over within the next month."