

CAP AND DISCOUNT DATA SURVEY



SAPOA

THE VOICE OF COMMERCIAL PROPERTY

NOVEMBER 2009

MARKET DISCOUNT RATE

	PROPERTY TYPE	MIN	MAX	MED	AVE
RETAIL	Super Regional Shopping Centre	11.50%	14.50%	13.25%	12.97%
	Regional Shopping Centre	12.25%	15.25%	13.50%	13.50%
	Community Shopping Centre	10.50%	17.00%	14.25%	14.17%
	Neighbourhood Shopping Centre	11.00%	17.00%	14.50%	14.63%
	Power Centre/Speciality/Warehouse	10.50%	16.00%	14.50%	14.56%
	Stand Alone Retail Unit	10.50%	16.50%	15.25%	14.90%
OFFICE	Johannesburg CBD Office	13.00%	17.50%	16.00%	15.57%
	Non CBD Prime Office	10.00%	16.50%	15.00%	14.45%
	Non CBD Secondary Office	11.00%	17.50%	16.25%	15.88%
	Pretoria CBD Office	13.50%	17.50%	16.00%	15.50%
	Non CBD Prime Office	10.25%	17.00%	14.50%	14.35%
	Non CBD Secondary Office	12.00%	17.00%	16.00%	15.61%
	Cape Town CBD Office	10.00%	15.50%	15.00%	14.43%
	Non CBD Prime Office	10.00%	16.00%	14.88%	14.19%
	Non CBD Secondary Office	11.00%	17.00%	15.75%	15.31%
	Durban CBD Office	13.50%	18.00%	16.00%	16.00%
	Non CBD Prime Office	11.00%	16.50%	15.00%	14.82%
	Non CBD Secondary Office	11.50%	18.00%	16.00%	15.67%
	Port Elizabeth CBD Office	13.50%	21.00%	16.00%	16.53%
	Non CBD Prime Office	14.00%	16.00%	15.00%	15.21%
	Non CBD Secondary Office	16.00%	18.00%	16.25%	16.65%
	East London CBD Office	13.50%	17.00%	16.50%	16.00%
	Non CBD Prime Office	15.00%	16.50%	15.50%	15.70%
	Non CBD Secondary Office	16.00%	17.50%	16.75%	16.75%
	Other CBD Office	15.00%	17.00%	16.75%	16.38%
	Non CBD Prime Office	15.00%	16.50%	15.75%	15.75%
Non CBD Secondary Office	15.50%	17.50%	16.75%	16.63%	
INDUSTRIAL	High-Tech Industrial	11.00%	17.00%	15.50%	15.19%
	High Grade Industrial	11.00%	17.00%	15.50%	15.29%
	Low Grade Industrial	12.00%	19.00%	16.00%	16.29%
	Warehousing	10.50%	19.00%	16.00%	15.77%
	Standard Units	12.00%	17.00%	15.25%	15.13%
	Other	14.50%	18.00%	15.75%	16.00%

The min and max fields are simply the minimum and maximum responses in that category. The average calculation took the values given by each respondent and divided them by the number of respondents. The median calculation was similarly performed. Where a range was provided by the respondent, this was recorded as two 'respondents' - one with the smaller value and the other with the larger, so as not to distort the min / max. In one case a more conservative DCF period of 10 years was assumed

SOUTH AFRICAN CAP AND DISCOUNT SURVEY PROVIDED BY IPD.

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NOVEMBER 2009

MARKET CAP RATE

	PROPERTY TYPE	MIN	MAX	MED	AVE
RETAIL	Super Regional Shopping Centre	6.25%	9.00%	7.25%	7.34%
	Regional Shopping Centre	6.75%	10.00%	7.75%	8.18%
	Community Shopping Centre	7.75%	12.00%	9.00%	9.12%
	Neighbourhood Shopping Centre	8.50%	12.00%	9.50%	9.50%
	Power Centre/Speciality/Warehouse	8.50%	11.50%	9.75%	9.71%
	Stand Alone Retail Unit	9.00%	12.00%	10.00%	9.98%
OFFICE	Johannesburg CBD Office	10.00%	12.50%	11.00%	11.21%
	Non CBD Prime Office	8.25%	11.25%	9.50%	9.65%
	Non CBD Secondary Office	9.00%	12.50%	10.50%	10.77%
	Pretoria CBD Office	9.50%	12.50%	11.25%	11.06%
	Non CBD Prime Office	8.50%	11.00%	9.00%	9.48%
	Non CBD Secondary Office	10.00%	11.75%	11.00%	10.82%
	Cape Town CBD Office	9.00%	11.50%	9.75%	9.88%
	Non CBD Prime Office	8.50%	12.00%	9.25%	9.64%
	Non CBD Secondary Office	10.00%	12.50%	10.50%	10.81%
	Durban CBD Office	10.50%	13.00%	11.00%	11.33%
	Non CBD Prime Office	9.00%	12.00%	10.00%	9.97%
	Non CBD Secondary Office	10.00%	12.75%	10.75%	11.04%
	Port Elizabeth CBD Office	9.00%	14.00%	11.50%	11.36%
	Non CBD Prime Office	9.00%	12.00%	10.00%	10.14%
	Non CBD Secondary Office	11.00%	13.00%	11.50%	11.70%
	East London CBD Office	11.00%	13.00%	12.00%	11.90%
	Non CBD Prime Office	9.50%	12.00%	10.00%	10.50%
	Non CBD Secondary Office	11.00%	13.00%	11.75%	11.88%
	Other CBD Office	11.50%	13.00%	12.00%	12.13%
	Non CBD Prime Office	10.00%	12.50%	10.75%	11.00%
	Non CBD Secondary Office	11.00%	13.50%	12.00%	12.13%
INDUSTRIAL	High-Tech Industrial	8.50%	11.50%	10.00%	10.06%
	High Grade Industrial	8.50%	11.00%	10.00%	10.10%
	Low Grade Industrial	10.50%	13.00%	11.50%	11.38%
	Warehousing	8.75%	13.00%	10.50%	10.67%
	Standard Units	10.00%	11.00%	10.75%	10.56%
	Other	9.50%	13.00%	11.00%	11.00%

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NOVEMBER 2009

MARKET RENTAL GROWTH RATE

	PROPERTY TYPE	MIN	MAX	MED	AVE
RETAIL	Super Regional Shopping Centre	2.00%	6.00%	5.25%	5.06%
	Regional Shopping Centre	1.00%	7.00%	5.75%	5.30%
	Community Shopping Centre	1.00%	8.00%	5.50%	5.19%
	Neighbourhood Shopping Centre	1.00%	8.00%	5.75%	5.21%
	Power Centre/Speciality/Warehouse	2.00%	8.50%	5.50%	5.35%
	Stand Alone Retail Unit	0.00%	8.50%	6.00%	5.35%
OFFICE	Johannesburg CBD Office	0.00%	10.00%	5.00%	5.14%
	Non CBD Prime Office	2.00%	8.00%	6.00%	5.67%
	Non CBD Secondary Office	1.00%	9.00%	5.75%	5.38%
	Pretoria CBD Office	1.00%	8.50%	5.25%	5.00%
	Non CBD Prime Office	3.00%	8.00%	6.00%	5.91%
	Non CBD Secondary Office	0.00%	6.00%	5.00%	4.43%
	Cape Town CBD Office	4.00%	7.00%	6.00%	5.56%
	Non CBD Prime Office	4.50%	6.50%	6.00%	5.56%
	Non CBD Secondary Office	3.00%	6.00%	6.00%	5.25%
	Durban CBD Office	0.00%	6.00%	5.00%	4.00%
	Non CBD Prime Office	3.00%	6.50%	5.50%	5.13%
	Non CBD Secondary Office	1.00%	6.00%	5.50%	4.33%
	Port Elizabeth CBD Office	0.00%	6.00%	5.00%	4.56%
	Non CBD Prime Office	3.00%	8.00%	6.00%	5.57%
	Non CBD Secondary Office	1.00%	6.00%	6.00%	4.80%
	East London CBD Office	0.00%	6.00%	5.00%	3.60%
	Non CBD Prime Office	2.00%	6.00%	6.00%	5.00%
	Non CBD Secondary Office	1.00%	6.00%	5.50%	4.50%
	Other CBD Office	0.00%	6.00%	5.00%	4.00%
	Non CBD Prime Office	0.00%	6.00%	5.50%	4.25%
	Non CBD Secondary Office	0.00%	6.00%	5.50%	4.25%
INDUSTRIAL	High-Tech Industrial	4.00%	7.00%	5.75%	5.54%
	High Grade Industrial	4.00%	7.00%	5.75%	5.54%
	Low Grade Industrial	0.00%	6.00%	5.00%	4.88%
	Warehousing	0.00%	7.00%	6.00%	5.09%
	Standard Units	4.50%	8.00%	6.00%	5.86%
	Other	2.00%	6.00%	5.75%	4.92%

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NOVEMBER 2009

PROPERTY EXPENDITURE GROWTH

	PROPERTY TYPE	MIN	MAX	MED	AVE
RETAIL	Super Regional Shopping Centre	7.00%	8.00%	7.75%	7.56%
	Regional Shopping Centre	7.00%	10.00%	8.00%	7.77%
	Community Shopping Centre	7.00%	10.00%	8.00%	7.81%
	Neighbourhood Shopping Centre	7.00%	10.00%	8.00%	7.83%
	Power Centre/Speciality/Warehouse	7.00%	8.00%	8.00%	7.65%
	Stand Alone Retail Unit	7.00%	8.50%	8.00%	7.65%
OFFICE	Johannesburg CBD Office	7.00%	10.00%	8.00%	8.07%
	Non CBD Prime Office	7.00%	10.00%	8.00%	8.00%
	Non CBD Secondary Office	7.00%	10.00%	8.00%	7.96%
	Pretoria CBD Office	7.00%	10.00%	8.00%	8.06%
	Non CBD Prime Office	4.50%	10.00%	8.00%	7.68%
	Non CBD Secondary Office	7.00%	9.00%	8.00%	7.93%
	Cape Town CBD Office	7.00%	8.00%	8.00%	7.75%
	Non CBD Prime Office	7.00%	8.00%	8.00%	7.61%
	Non CBD Secondary Office	7.00%	9.00%	7.50%	7.69%
	Durban CBD Office	7.00%	8.00%	8.00%	7.67%
	Non CBD Prime Office	7.00%	8.00%	8.00%	7.63%
	Non CBD Secondary Office	7.00%	8.50%	8.00%	7.75%
	Port Elizabeth CBD Office	7.00%	9.00%	8.00%	7.94%
	Non CBD Prime Office	7.00%	9.00%	8.00%	8.00%
	Non CBD Secondary Office	7.00%	9.00%	8.00%	8.10%
	East London CBD Office	7.00%	8.50%	8.00%	7.70%
	Non CBD Prime Office	7.00%	8.50%	8.00%	7.90%
	Non CBD Secondary Office	7.00%	8.50%	8.00%	7.88%
	Other CBD Office	7.00%	9.00%	8.25%	8.13%
	Non CBD Prime Office	7.00%	9.00%	8.25%	8.13%
	Non CBD Secondary Office	7.00%	9.00%	8.25%	8.13%
INDUSTRIAL	High-Tech Industrial	7.00%	8.50%	7.00%	7.46%
	High Grade Industrial	7.00%	8.50%	7.00%	7.46%
	Low Grade Industrial	7.00%	9.00%	8.00%	7.69%
	Warehousing	7.00%	8.00%	7.50%	7.50%
	Standard Units	7.00%	9.00%	7.25%	7.63%
	Other	7.00%	8.50%	8.00%	7.92%

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NOVEMBER 2009

EXIT CAP RATE

	PROPERTY TYPE	MIN	MAX	MED	AVE
RETAIL	Super Regional Shopping Centre	7.00%	10.00%	7.69%	7.99%
	Regional Shopping Centre	7.25%	11.00%	8.15%	8.74%
	Community Shopping Centre	8.50%	12.00%	9.50%	9.69%
	Neighbourhood Shopping Centre	9.00%	13.00%	9.75%	10.16%
	Power Centre/Speciality/Warehouse	9.00%	13.00%	10.00%	10.29%
	Stand Alone Retail Unit	9.50%	13.50%	10.50%	10.63%
OFFICE	Johannesburg CBD Office	10.50%	14.50%	11.50%	11.94%
	Non CBD Prime Office	9.25%	13.25%	9.50%	10.34%
	Non CBD Secondary Office	10.00%	14.25%	11.50%	11.55%
	Pretoria CBD Office	10.50%	14.00%	11.75%	11.88%
	Non CBD Prime Office	9.00%	13.00%	9.50%	10.20%
	Non CBD Secondary Office	10.50%	13.75%	11.50%	11.54%
	Cape Town CBD Office	9.00%	13.00%	10.25%	10.56%
	Non CBD Prime Office	9.00%	13.50%	9.50%	10.28%
	Non CBD Secondary Office	10.00%	14.00%	11.50%	11.56%
	Durban CBD Office	11.50%	15.00%	11.50%	12.08%
	Non CBD Prime Office	9.50%	14.00%	10.25%	10.75%
	Non CBD Secondary Office	10.50%	14.75%	11.25%	11.79%
	Port Elizabeth CBD Office	10.00%	16.00%	11.50%	12.31%
	Non CBD Prime Office	9.50%	14.00%	10.50%	11.07%
	Non CBD Secondary Office	11.50%	15.00%	12.50%	12.70%
	East London CBD Office	11.50%	15.00%	12.50%	12.70%
	Non CBD Prime Office	10.00%	14.00%	10.50%	11.40%
	Non CBD Secondary Office	11.50%	15.00%	12.50%	12.88%
	Other CBD Office	12.00%	15.00%	12.75%	13.13%
	Non CBD Prime Office	10.50%	14.50%	11.25%	11.88%
Non CBD Secondary Office	11.50%	15.50%	12.75%	13.13%	
INDUSTRIAL	High-Tech Industrial	9.00%	12.50%	11.00%	10.75%
	High Grade Industrial	9.00%	12.50%	11.00%	10.79%
	Low Grade Industrial	10.50%	14.50%	12.00%	12.15%
	Warehousing	10.00%	14.00%	11.50%	11.53%
	Standard Units	10.00%	12.50%	11.00%	11.13%
	Other	10.00%	14.00%	11.75%	12.00%

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NUMBER OF TRANSACTIONS		
	PROPERTY TYPE	TOTAL
RETAIL	Super Regional Shopping Centre	1
	Regional Shopping Centre	4
	Community Shopping Centre	7
	Neighbourhood Shopping Centre	19
	Power Centre/Speciality/Warehouse	10
	Stand Alone Retail Unit	4
OFFICE	Johannesburg CBD Office	8
	Non CBD Prime Office	28
	Non CBD Secondary Office	26
	Pretoria CBD Office	4
	Non CBD Prime Office	4
	Non CBD Secondary Office	5
	Cape Town CBD Office	2
	Non CBD Prime Office	1
	Non CBD Secondary Office	0
	Durban CBD Office	0
	Non CBD Prime Office	1
	Non CBD Secondary Office	0
	Port Elizabeth CBD Office	0
	Non CBD Prime Office	0
	Non CBD Secondary Office	0
	East London CBD Office	0
	Non CBD Prime Office	0
	Non CBD Secondary Office	0
	Other CBD Office	0
	Non CBD Prime Office	0
	Non CBD Secondary Office	0
INDUSTRIAL	High-Tech Industrial	3
	High Grade Industrial	6
	Low Grade Industrial	11
	Warehousing	4
	Standard Units	4
	Other	0

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