

# Demand for Woodstock, Salt River industrial space outstrips supply

According to the *Woodstock & Salt River Industrial Market Report*, since being declared an Urban Development Zone (UDZ), a number of disused buildings have undergone major refurbishment resulting in an improved perception of the area.



Accessibility, affordability and the current revitalisation project makes Woodstock and Salt River a sought-after industrial node with higher rentals being charged for available stock. Demand for industrial space in Woodstock and Salt River in Cape Town outstrips supply with gross achieved rentals priced between R55 and R65/m<sup>2</sup>/month.

“Industrial space in Woodstock and Salt River is extremely scarce and in high demand due to the high volume of warehouse conversions into creative and corporate offices as well as loft and lifestyle apartments,” says Stuart Sutton, industrial broker.

He explains that rentals are competitively priced with gross achieved rentals between R55-R65/m<sup>2</sup>/month for both mini and midi units.

## High demand from tenants

Sutton says demand remains high from tenants looking for distribution/warehousing facilities, arts and design, home décor, clothing and film industries.

From being a residential suburb in the late 1800s, Woodstock has changed its face to being a commercial district at the beginning of the 20th century with a shift towards an industrial node due to its close proximity to the Cape Town harbour and major transport routes.

However, the fact that it is governed by heritage makes it especially challenging for new developments, as a result, available industrial properties fetch high market rentals and favourable escalations due to demand. Due to short supply of adequate midi warehousing units, rentals have been pushed up to as high as R65/m<sup>2</sup> and these are generally not readily available on the market and have to be specifically sourced according to the tenants' needs, points out Sutton.

"Furthermore, this shortage coupled with increase in rentals has seen an exodus of industrial users moving out of the node to locations including Maitland, Kensington, Epping and further north, the closest and most affordable next best options," adds Sutton.

[Download the \*Woodstock & Salt River Industrial Market Report\*.](#)

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