

Gonubie's King's Mall to be auctioned

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Gonubie's beleaguered King's Mall is under liquidation and is scheduled to go under the hammer on 4 May 2010 at the premises.

The R120 million mall is currently owned by Nedbank, after the bank repossessed it from developers King's Financial Services (Kingfin) last year.

Relief

Tenants of the mall told the *Daily Dispatch* that the upcoming auction of the mall did not come as a surprise to them, rather it brought relief and a sense of direction.

The mall's biggest tenant, Götz von Westernhagen, who owns the anchor Spar store and upmarket deli Barons Select, said they were happy about the sale of the mall and that it would have no effect on their lease agreements as tenants.

"We are not worried at all about the sale of the mall. Instead we are looking forward to see some finality on the matter," said Von Westernhagen.

He said they were not thinking of moving and believed the mall would function better with a new owner.

"For instance, now the mall manager cannot take decisions about the mall; she has to get authority from Cape Town and this takes forever," he said.

Von Westernhagen said that to them it did not matter who owned the mall.

Growing pains

King's Mall has been in trouble since it opened in 2007.

First there were empty shops, then a number of shops either left or were liquidated because they were not making enough money to keep the business running.

King's Mall centre manager Iwanka Visser and auctioneer Mike Bosch would not comment on the matter, and referred all media queries to Nedbank in Cape Town on Monday.

The mall has space for about 44 shops and in November last year it was only 60% let.

When the *Dispatch* visited the mall there were more empty shops with To Let signs in their windows than those with tenants.

Although a few shops were open only staff members who said they were not allowed to comment were present.

Some staff said they were aware of the auction but declined to comment.

"I do not know if we will move from here. We will wait and see what happens on May 4," said one.

Financial inspection report

An inspection report compiled by the Financial Services Board last year indicated that directors Adrian, Paul and Stephen King had misappropriated investors' money and misled them regarding the safety of their investments.

Paul King, who was once described as the kingpin behind the developers of the mall, was found dead in the Western Cape in August last year and was believed to have committed suicide at the time.

Source: Daily Dispatch

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