

MAIN STREETS

ACROSS THE WORLD 2019

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01

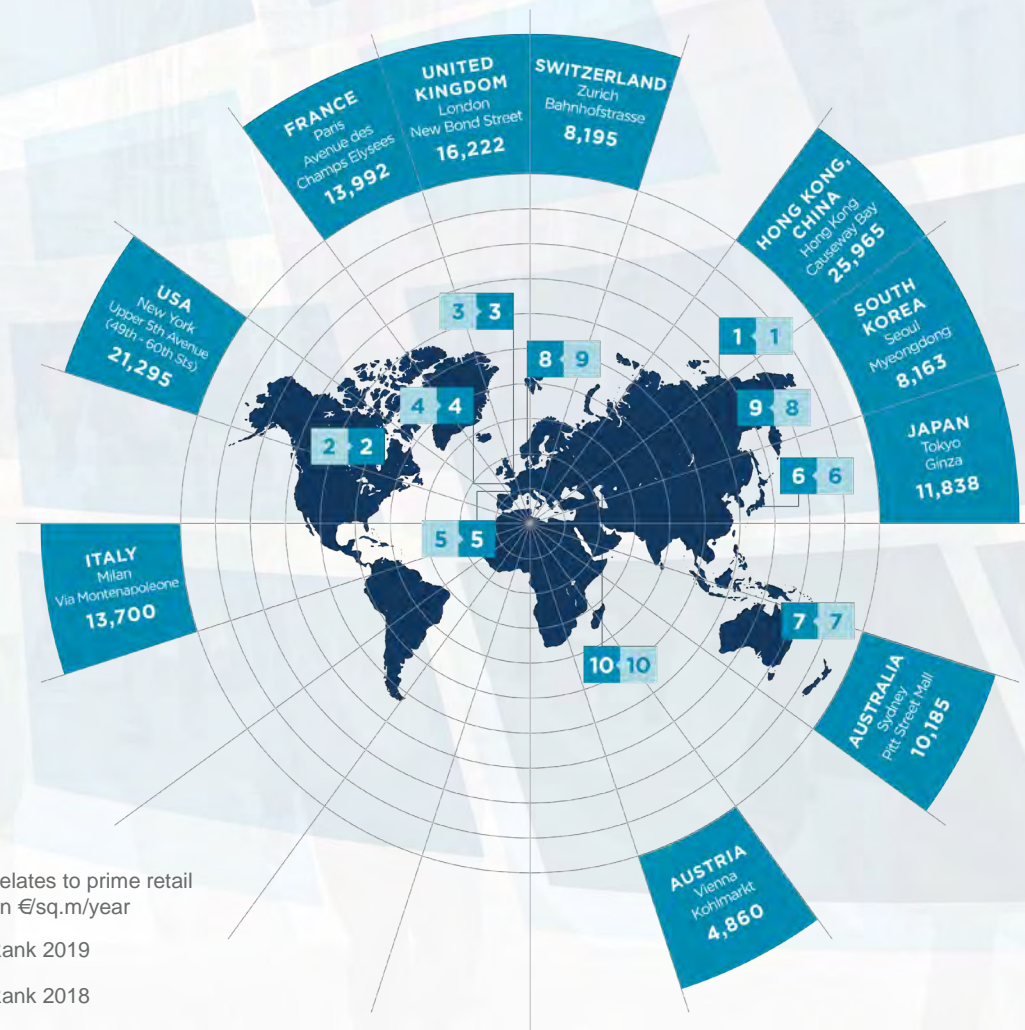
GLOBAL RETAIL RENTS



GLOBAL RETAIL RENTS

THE KEY FIGURES

RANK 2019	RANK 2018	MARKET	CITY	LOCATION	RENT Q2 2019		LOCAL RENTS Jun 2019
					US\$/SQ.FT/ YEAR	€/SQ.M/ YEAR	
1	1	Hong Kong, China	Hong Kong	Causeway Bay	2,745	25,965	1,787
2	2	USA	New York	Upper 5th Avenue (49th - 60th Sts)	2,250	21,295	2,250
3	3	United Kingdom	London	New Bond Street	1,714	16,222	2,250
4	4	France	Paris	Avenue des Champs Elysees	1,478	13,992	19,000
5	5	Italy	Milan	Via Montenapoleone	1,447	13,700	13,700
6	6	Japan	Tokyo	Ginza	1,251	11,838	400,000
7	7	Australia	Sydney	Pitt Street Mall	1,076	10,185	16,500
8	9	Switzerland	Zurich	Bahnhofstrasse	866	8,195	9,100
9	8	South Korea	Seoul	Myeongdong	862	8,163	893,091
10	10	Austria	Vienna	Kohlmarkt	513	4,860	405
11	11	Mainland China	Beijing	Wangfujing	471	4,453	2,900
12	12	Germany	Munich	Kaufinger/Neuhauser	469	4,440	370
13	13	Ireland	Dublin	Grafton Street	401	3,794	6,750
14	15	Greece	Athens	Ermou	361	3,420	285
14	14	Spain	Barcelona	Portal de L'Angel	361	3,420	285
16	17	Singapore	Singapore	Orchard Road	312	2,957	35
17	16	Netherlands	Amsterdam	Kalverstraat	301	2,850	2,850
18	19	Czech Republic	Prague	Na Příkopě	298	2,820	235
19	18	Russia	Moscow	Stoleshnikov	288	2,728	196,000
20	21	India	New Delhi	Khan Market	243	2,302	1,400



A complete list of global retail rents can be found at the end of the slide deck, after the Market Summaries.



GLOBAL RETAIL RENTS

REGIONAL ANALYSIS – EUROPE, MIDDLE EAST & AFRICA

EMEA KEY FACTS



MOST EXPENSIVE RETAIL LOCATION

London's New Bond Street, United Kingdom
 US\$1,714/sq.ft/yr
 €16,222/sq.m/yr



MOST AFFORDABLE RETAIL LOCATION

Abu Dhabi, C, UAE
 US\$18/sq.ft/yr
 €171/sq.m/yr



STRONGEST RENTAL GROWTH

Windhoek, Namibia
 +38.9%



BIGGEST RENTAL DECLINE

Dar es Salaam, Tanzania
 -35.7%

MOST EXPENSIVE LOCATIONS BY CITY

2019	2018	CITY	MARKET	DISTRICT	2019 RENT US\$/SQ.FT/YR	2019 RENT €/SQ.M/YR	2018 RENT US\$/SQ.FT/YR	2018 RENT €/SQ.M/YR
1	1	London	United Kingdom	New Bond Street	1,714	16,222	1,744	16,071
2	2	Paris	France	Avenue des Champs Elysees	1,478	13,992	1,519	13,992
3	3	Milan	Italy	Via Montenapoleone	1,447	13,700	1,466	13,500
4	4	Rome	Italy	Via Condotti	1,321	12,500	1,249	11,500
5	5	Zurich	Switzerland	Bahnhofstrasse	866	8,195	854	7,872
6	6	Venice	Italy	Calle San Moisè	761	7,200	651	6,000
7	8	Florence	Italy	Via Roma	666	6,300	630	5,800
8	7	Cannes	France	La Croisette	622	5,891	640	5,891
9	9	Vienna	Austria	Kohlmarkt	513	4,860	515	4,740
10	10	Munich	Germany	Kaufinger/Neuhauser	469	4,440	482	4,440
11	11	Dublin	Ireland	Grafton Street	401	3,794	412	3,794
12	12	Berlin	Germany	Tauentzienstrasse	393	3,720	410	3,780
12	13	Frankfurt	Germany	Zeil	393	3,720	404	3,720
14	13	Hamburg	Germany	Spitalerstraße	387	3,660	404	3,720
15	17	Geneva	Switzerland	Rue de Rhone	381	3,602	375	3,460
16	16	Dusseldorf	Germany	Konigsallee	368	3,480	378	3,480
16	15	Cologne	Germany	Schildergasse	368	3,480	384	3,540
18	21	Athens	Greece	Ermou	361	3,420	326	3,000
18	18	Barcelona	Spain	Portal de L'Angel	361	3,420	365	3,360
20	20	Madrid	Spain	Serrano	349	3,300	345	3,180



GLOBAL RETAIL RENTS

REGIONAL ANALYSIS – AMERICAS

AMERICAS KEY FACTS



MOST EXPENSIVE RETAIL LOCATION

New York's Upper 5th Avenue (49th - 60th Sts), USA
 US\$2,250/sq.ft/yr
 €21,295/sq.m/yr



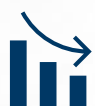
MOST AFFORDABLE RETAIL LOCATION

Calgary, 17th Avenue SW, Canada
 US\$29/sq.ft/yr
 €275/sq.m/yr



STRONGEST RENTAL GROWTH

Bogotá, Zona Rosa (*Ex- Zona T), Colombia
 +62.5%



BIGGEST RENTAL DECLINE

Washington DC, Penn Quarter, USA
 -25.0%

MOST EXPENSIVE LOCATIONS BY CITY

2019	2018	CITY	MARKET	DISTRICT	2019 RENT US\$/SQ.FT/YR	2019 RENT €/SQ.M/YR	2018 RENT US\$/SQ.FT/YR	2018 RENT €/SQ.M/YR
1	1	New York	USA	Upper 5th Avenue (49th - 60th Sts)	2,250	21,295	2,250	20,733
2	2	Los Angeles	USA	Rodeo Drive (Beverly Hills)	895	8,471	875	8,063
3	3	San Francisco	USA	Union Square	650	6,152	700	6,450
4	4	Chicago	USA	North Michigan Avenue	400	3,786	450	4,147
5	5	Miami	USA	Lincoln Road	220	2,082	250	2,304
6	6	Toronto	Canada	Bloor Street	206	1,952	229	2,106
7	9	Vancouver	Canada	Robson Street	153	1,446	139	1,281
8	8	Palm Beach	USA	Worth Avenue	150	1,420	150	1,382
9	7	Washington DC	USA	Georgetown	140	1,325	145	1,336
10	10	Montreal	Canada	Saint-Catherine West	134	1,265	133	1,228
11	11	Philadelphia	USA	Walnut Street	130	1,230	125	1,152
12	12	San Diego	USA	Del Mar Heights Blvd (Suburban Del Mar Heights)	105	994	105	968
13	13	Mexico City	Mexico	Masaryk	97	918	103	945
14	14	Boston	USA	Newbury Street	90	852	100	921
15	15	Seattle	USA	CBD/Core	78	738	75	691
16	20	Bogotá	Colombia	Zona Rosa (*Ex- Zona T)	72	686	45	411
17	18	São Paulo	Brazil	Oscar Freire Jardins	69	658	63	583
18	16	Buenos Aires	Argentina	Calle peatonal Florida. From Av. Cordoba to Av. Corrientes_4 blocks	67	633	75	688
19	17	Rio de Janeiro	Brazil	Garcia D'avilla (Ipanema)	63	592	72	663
20	n/a	Santiago	Chile	Providencia/Avenida Providencia 1822-2382	55	522	n/a	n/a



GLOBAL RETAIL RENTS

REGIONAL ANALYSIS – ASIA PACIFIC

ASIA PACIFIC KEY FACTS



MOST EXPENSIVE RETAIL LOCATION

Hong Kong's Causeway Bay
 US\$2,745/sq.ft/yr
 €25,965/sq.m/yr



MOST AFFORDABLE RETAIL LOCATION

Hyderabad, Raj Bhavan Road/Somajiguda, India
 US\$16/sq.ft/yr
 €148/sq.m/yr



STRONGEST RENTAL GROWTH

Chennai, Anna Nagar 2nd Avenue, India
 +25.0%



BIGGEST RENTAL DECLINE

Taguig (Metro Manila), Bonifacio High Street, Philippines
 -28.6%

MOST EXPENSIVE LOCATIONS BY CITY

2019	2018	CITY	MARKET	DISTRICT	2019 RENT US\$/SQ.FT/YR	2019 RENT €/SQ.M/YR	2018 RENT US\$/SQ.FT/YR	2018 RENT €/SQ.M/YR
1	1	Hong Kong	Greater China	Causeway Bay	2,745	25,965	2,671	24,606
2	2	Tokyo	Japan	Ginza	1,251	11,838	1,219	11,232
3	3	Sydney	Australia	Pitt Street Mall	1,076	10,185	964	8,882
4	4	Osaka	Japan	Shinsaibashisuji/Midosuji	938	8,878	914	8,424
5	5	Seoul	South Korea	Myeongdong	862	8,163	908	8,364
6	6	Beijing	Greater China	Wangfujing	471	4,453	492	4,532
7	7	Melbourne	Australia	Bourke Street	457	4,321	482	4,441
8	8	Shanghai	Greater China	West Nanjing Road	394	3,726	403	3,706
9	10	Singapore	Singapore	Orchard Road	312	2,957	304	2,806
10	9	Brisbane	Australia	Queen Street Mall	294	2,778	310	2,855
11	11	Shenzhen	Greater China	Luohu	276	2,611	281	2,587
12	12	New Delhi	India	Khan Market	243	2,302	237	2,186
13	13	Guangzhou	Greater China	Tianhe Sports Centre	242	2,293	224	2,066
14	14	Kuala Lumpur	Malaysia	Suria KLCC	232	2,194	223	2,058
15	15	Taipei	Greater China	Ximen	217	2,053	205	1,887
16	16	Ho Chi Minh City	Vietnam	Best Achieved Shopping Mall (GF)	184	1,741	190	1,746
17	22	Bangkok	Thailand	Central Retail District (CRD) (Rajprasong/Sukhumvit street)	142	1,345	132	1,219
18	18	Hanoi	Vietnam	Best Achieved Shopping Mall (GF)	139	1,319	145	1,336
19	19	Mumbai	India	Linking Road, Western Suburban	139	1,316	137	1,263
20	17	Nanjing	Greater China		134	1,272	154	1,419



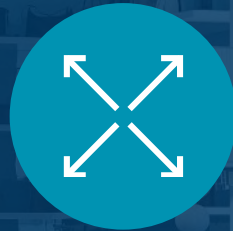
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GLOBAL RETAIL TRENDS

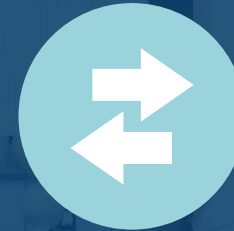
GLOBAL RETAIL TRENDS



**RAPID GROWTH
OF ONLINE**



**FLEXIBILITY –
SPACE AND LEASES**



**INCREASING
POLARISATION**



**EVOLUTION OF
SHOPPER MISSIONS**



**GROWTH
OF MIXED-USE**



**SEISMIC CHANGES
DRIVING INNOVATION**



**IMPORTANCE
OF TECHNOLOGY**



**SOCIAL, ETHICAL &
ENVIRONMENTAL ISSUES**

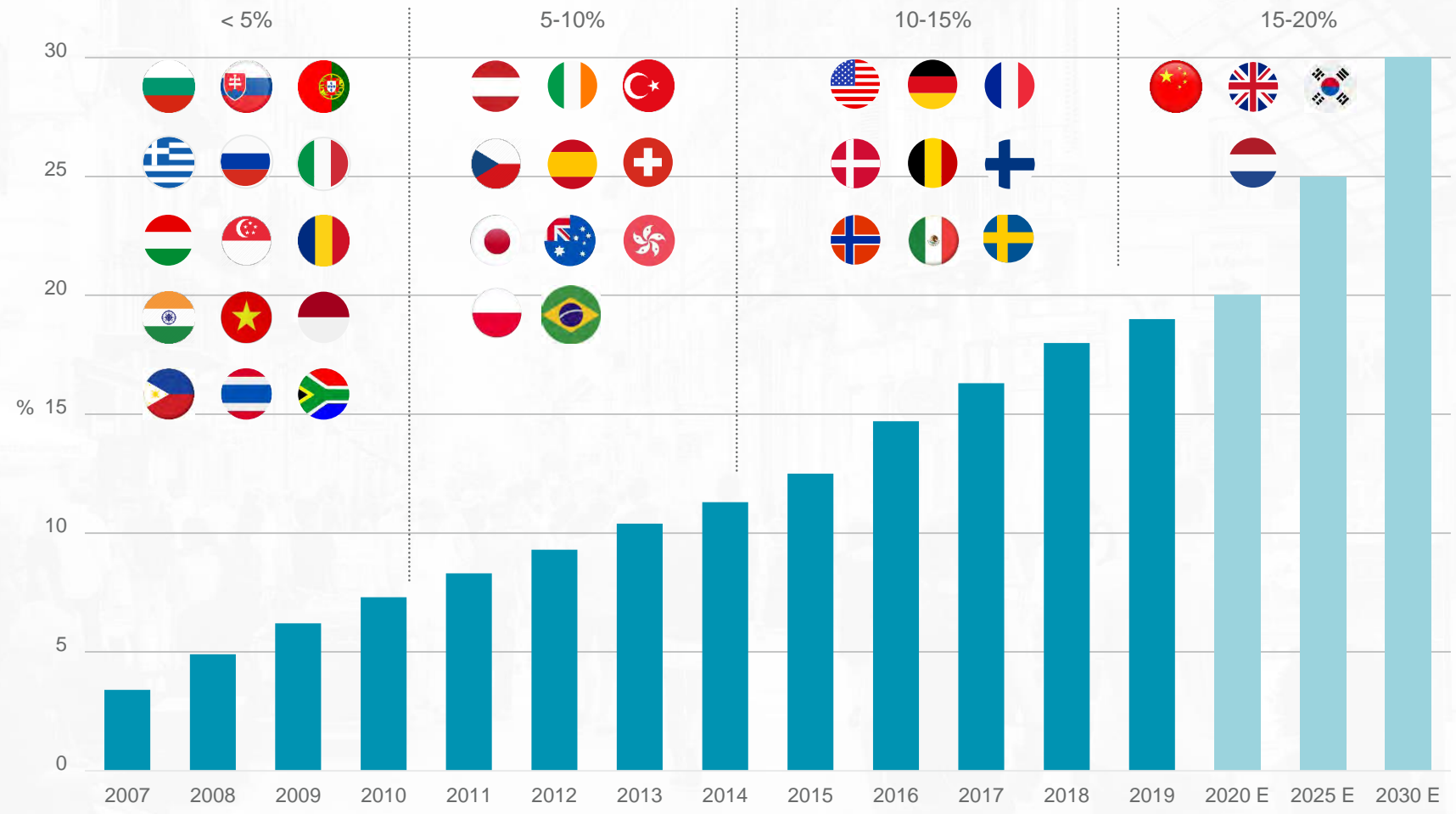


GLOBAL RETAIL TRENDS

ONLINE RETAIL SALES ARE GROWING RAPIDLY

Bar chart showing UK Internet Sales as a % of Total Retail Sales and flags denoting the approximate shares of online in a select number of markets.

In many markets, national statistical offices do not collect online sales data, while definitions and methodology can vary.



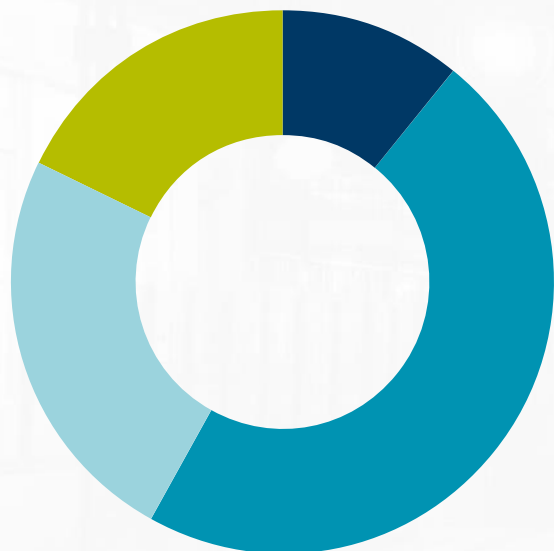
Sources: Office for National Statistics, National Statistical Offices, Cushman & Wakefield Estimates. Forecasts for UK online sales are estimates based on the current growth rates for online and total retail sales and how this trend may evolve in the next decade.



GLOBAL RETAIL TRENDS

ONLINE RETAIL – IT CAN BE DIFFICULT TO QUANTIFY THE VALUE OF THE STORE IN TODAY’S OMNI-CHANNEL WORLD

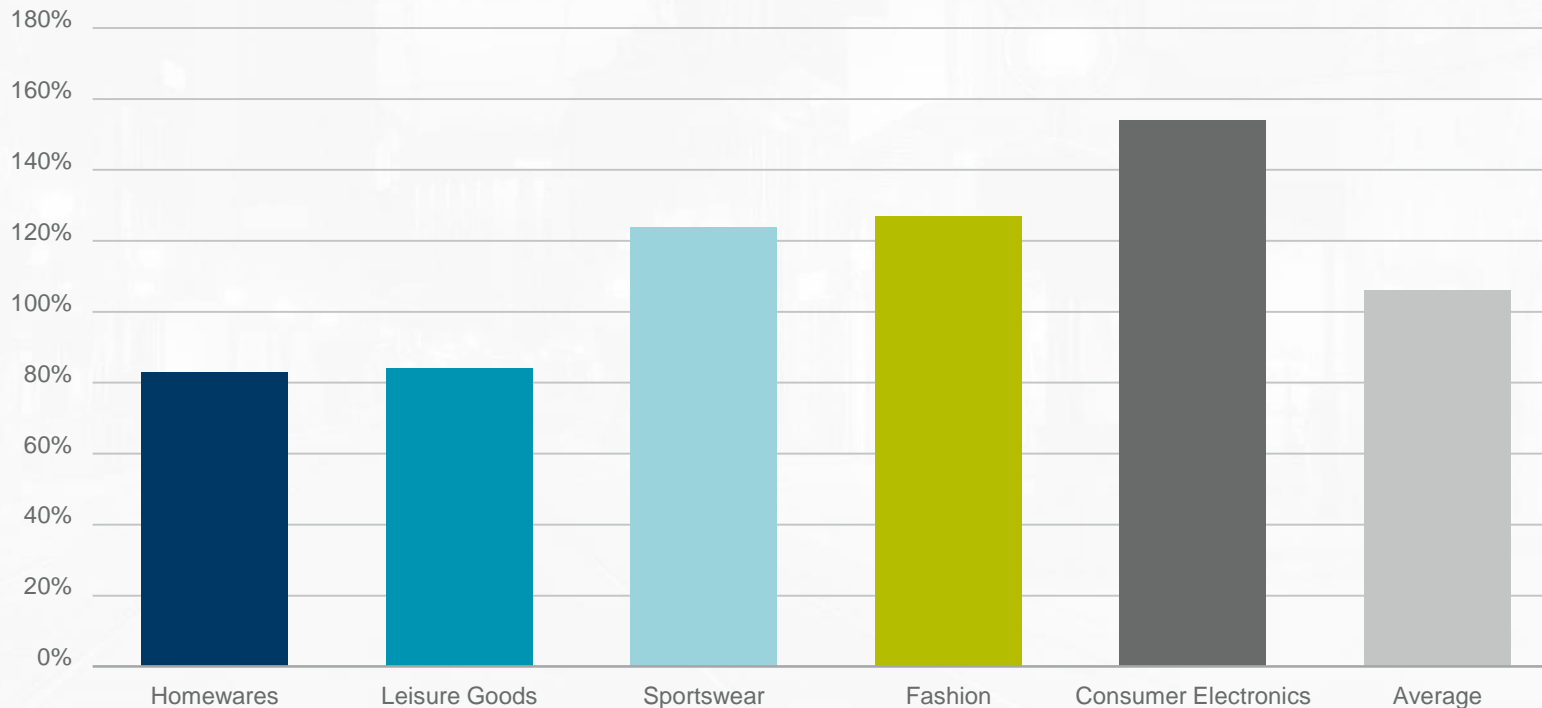
Not All ‘Online’ Sales Take Place Exclusively Online...



- Pure Online
- Showrooming
- Inspired by a store
- Click & Collect

Source: CACI 2019

The ‘Halo Effect’ – Stores Can Help Drive Online Sales Within Catchment



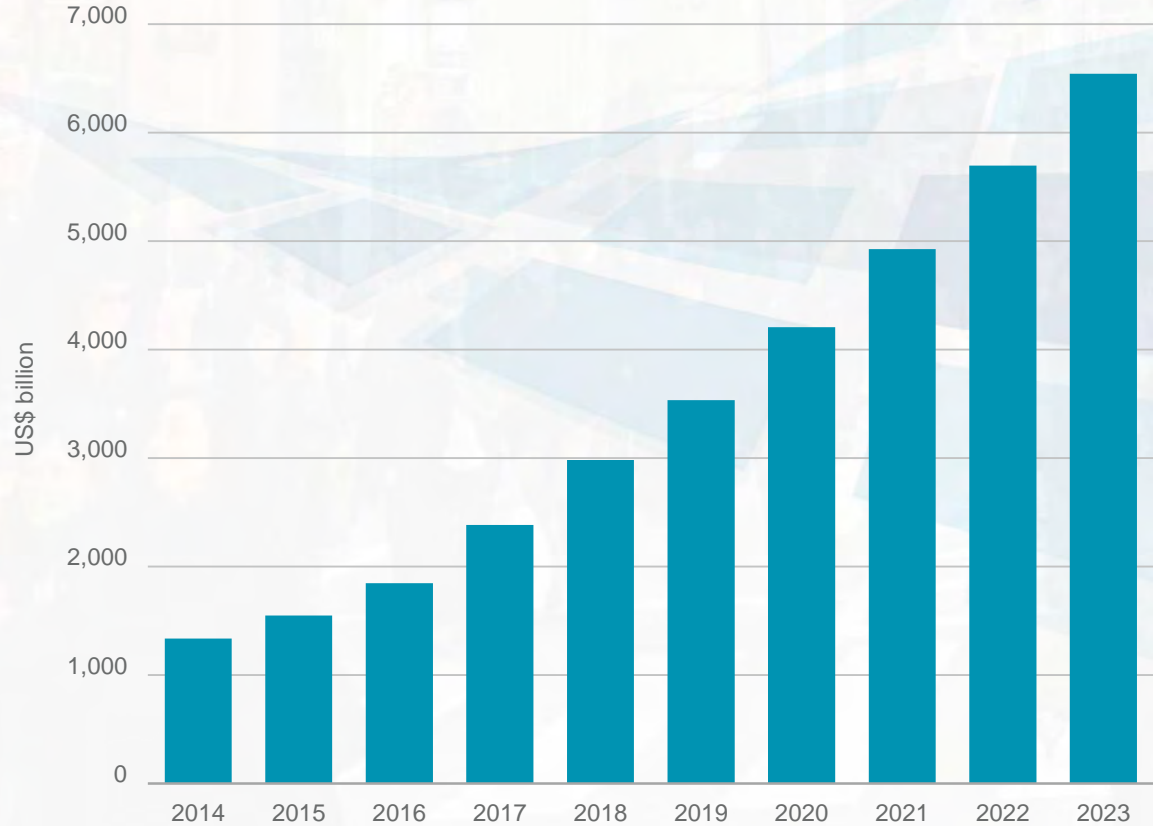
Source: CACI 2019



GLOBAL RETAIL TRENDS

ONLINE RETAIL – THE INTERNET HAS OPENED UP MASSIVE OPPORTUNITIES FOR RETAILERS AND BRANDS

Retail E-Commerce Sales Worldwide, 2014-2023



Source: Statista





GLOBAL RETAIL TRENDS

FROM ONLINE TO OFFLINE, MORE DIGITALLY NATIVE STORES TAKING PHYSICAL SPACE



GLOBAL RETAIL TRENDS

MORE FLEXIBILITY IN TERMS OF FLOORSPACE AND LEASES, WITH GREATER COOPERATION BETWEEN RETAILERS AND LANDLORDS



**CONTINUED GROWTH
IN FLEXIBLE SPACE**



**EVOLUTION OF
LEASING MODEL**



**LANDLORD & RETAILER
COOPERATION**



GLOBAL RETAIL TRENDS

NOT ALL RETAIL IS EQUAL AND THE MARKET HAS BECOME INCREASINGLY POLARISED

Increasing Polarisation



COUNTRIES

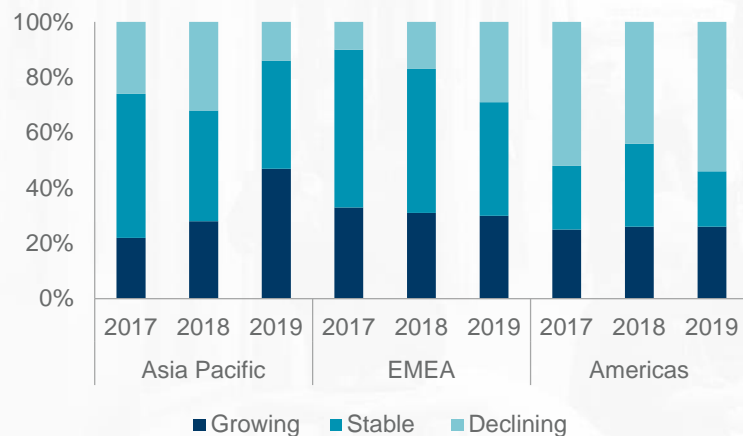


CITIES



SECTORS

Rental Trends by Region (based on % of locations)





GLOBAL RETAIL TRENDS

RETAIL WILL BE INCREASINGLY DEFINED BY THE SHOPPING MISSION



Less frequent trips which are primarily focused on spending a day out in a location.

Examples

- Outlet Centres
- Regional Shopping Centres
- Large City Centres



Fairly frequent trips for a specific purpose.

Examples

- Grocery/Food Stores
- Retail Parks/Strip Centers
- High Street – small cities/towns



Short but more frequent trips, normally for a 'top-up' shop.

Examples

- In-town food stores
- Newsagents



GLOBAL RETAIL TRENDS

WHEREVER YOU LOOK, MIXED-USE IS INCREASINGLY A COMMON THEME...



BATTERSEA POWER STATION
LONDON, UK



BARANGAROO
SYDNEY, AUSTRALIA



GRAND HOTEL DIEU
LYON, FRANCE



THE UNION
DALLAS, USA



MOSHIDA PLAZA
SHANGHAI, CHINA



PAARIJAT ECLAT & PRIVILON
AHMEDABAD, INDIA



Y2 PROJECT
TOKYO, JAPAN



GLOBAL RETAIL TRENDS

SEISMIC CHANGES IN RETAILING ARE DRIVING INNOVATION, LEADING TO NEW FORMATS & CONCEPTS

GALERIES LAFAYETTE FRANCE, PARIS

Hybrid retail model with more than 660 brands, smart hanger technology, offering food court services and used for hosting fashion shows and other events.

BOOTS UK, LONDON

The 2,600 sq.m new-look flagship store focused on wellness and exciting new beauty brands.

LULULEMON USA, CHICAGO

Experiential store with a restaurant, yoga and meditation space, and a concierge desk.

AESOP AUSTRALIA, SYDNEY

A global flagship store with an amphitheatre where shoppers can watch an Aesop film or sit and relax.

STARBUCKS NOW CHINA, BEIJING

First 'Starbucks Now' retail format, which combines the signature Starbucks café environment with Mobile Order & Pay and Starbucks Delivers customer experiences.

MCDONALD'S TO GO UK, LONDON

A new grab and go format with no seating area, smaller self-order screens and reduced menu of freshly prepared products.

LUSH TOKYO, JAPAN

The largest Asian flagship store in Tokyo. Offering interactive experiences, dynamic design and innovative technology.



GALERIES LAFAYETTE



BOOTS

GLOBAL RETAIL TRENDS

TECHNOLOGY IS INCREASINGLY IMPORTANT IN DRIVING CUSTOMER ENGAGEMENT

SAMSUNG

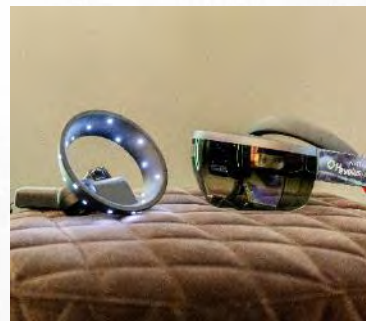


UK, LONDON

The 1,900 sq.m store (digital platform) with the latest cutting edge technology, where visitors can take part in a series of events, workshops and performances.

Source: <https://www.samsung.com>

NATUZZI ITALIA

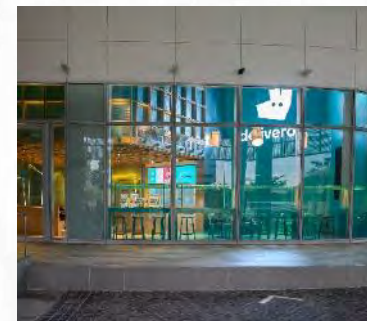
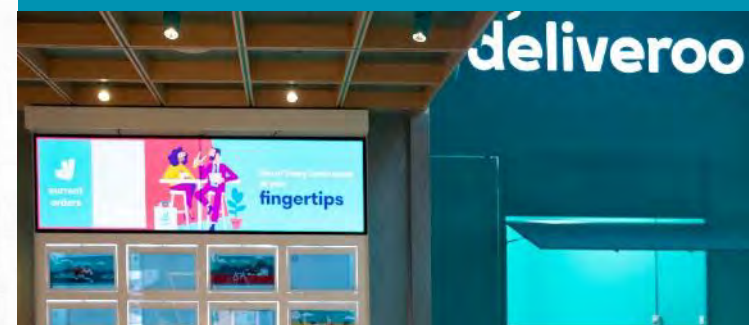


USA, NEW YORK

Natuzzi's augmented store is combining technological solutions like virtual and augmented reality, holographic display, advanced 3D modelling and interactive product configurator to offer an engaging and exciting shopping experience.

Source: <https://www.natuzzi.us>

DELIVEROO



SINGAPORE, ALICE@MEDIAPOLIS

Deliveroo rolls out futuristic 'food market' in Singapore, powered by a fully-automated dining experience. It is the largest and most advanced site yet.

Source: <https://sg.deliveroo.news/>

GLOBAL RETAIL TRENDS

EVER INCREASING IMPORTANCE OF SOCIAL, ETHICAL AND ENVIRONMENTAL ISSUES

ADIDAS PARLEY



TACKLING OCEAN PLASTIC

Shoes made from upcycled ocean plastic waste collected from remote islands, beaches and coastal communities.

Source: www.adidas.com

STELLA MCCARTNEY



A FLAGSHIP STORE IN LONDON

incorporating sustainability, fashion and luxury.

Source: Stella McCartney

VERSACE



LEED CERTIFIED STORE IN BEIJING

built using materials and fixtures with the 'highest sustainability standards in mind'.

Source: Versace

OUTLOOK FOR RETAIL



**Physical retail
will survive!**



**Further shift
to online
& omni-channel**



**Retailers need
fewer stores**



**Experience,
purpose
& convenience**



**Technology
to drive
customer
engagement**



**Moving into
'beyond retail'
phase**

The image shows the interior of the Galleria Vittorio Emanuele II in Milan, Italy. The perspective is from the center of the gallery, looking down its length. The architecture is highly ornate, featuring a series of vaulted glass and iron ceilings that create a series of arches. The walls are lined with shops and buildings, and the floor is polished and reflective. People are seen walking through the gallery, and the overall atmosphere is one of a grand, historic shopping center. The image is overlaid with a semi-transparent green filter. In the top right corner, there are several overlapping, semi-transparent white geometric shapes, including squares and rectangles, some of which are tilted. The text "EUROPE, MIDDLE EAST & AFRICA" is written in white, bold, sans-serif capital letters on the left side of the image.

**EUROPE, MIDDLE
EAST & AFRICA**

MARKET SUMMARIES

EUROPE, MIDDLE EAST & AFRICA



BELGIUM

The main trend has been a marginal decrease in prime rents in the major cities, with a growing polarisation between prime and secondary locations and small and larger units. A number of opportunistic retailers have been successful at renegotiating rents in the best locations, while larger units are increasingly difficult to let. The Food & Beverage sector is extremely active and the wider market is seeing considerable innovation, with the emergence of new formats, concepts and technologies. While Belgian retail is undergoing structural change, it is clear that the physical store will continue to play a major role in the retail landscape.

BULGARIA

Driven by tenant activity and a limited number of new projects in 2018 and 2019, headline rents in Sofia have continued to increase in both shopping centres and the major high streets. Much of the market is focused on shopping centres and the restructuring of a number of schemes has created opportunities for new brands to expand. Main streets remain attractive mostly for cafés and restaurants, as well as flagship stores. Active sectors include grocery, home décor, fashion and footwear.

CZECH REPUBLIC

The Czech market continues to attract new international brands, notably in the clothing and F&B sectors. Shopping centre development remains limited and focused on refurbishments, which is maintaining a healthy balance between supply and demand. The market is approaching maturity and its remaining potential is largely in mixed-use developments, downtown and public transport hubs.

DENMARK

Currently, the Danish retail market is experiencing a period of stagnation, with a large degree of caution among occupiers who are less willing to take risks. However, general interest remains fairly solid. Landlords are so far resisting retailer pressure to drive down occupational costs and, as a result, leasing volumes have decreased. There is therefore a gap between retailer and landlord expectations, but the market has yet to see a significant adjustment in rental levels.

FINLAND

Key recent trends include strong demand for prime locations and the ongoing change in tenant mix to focus more on retail services such as F&B, health & beauty and well-being. While an influx of new supply may put rents under pressure in the short term, the longer-term demographic and expenditure forecasts for the Helsinki Metropolitan Area (HMA) are positive and should allow the market to absorb the new space.



MARKET SUMMARIES

EUROPE, MIDDLE EAST & AFRICA



FRANCE

Occupier interest for prime space remains relatively robust and rents are well-supported in Paris and other large cities, particularly for smaller units. However, demand for second tier locations – where footfall has been declining – has become much more selective and this is expected to impact on values. Rents for medium and larger units outside of the major cities look most at risk of a mark down, given that supply generally outweighs demand for this kind of stock.

GERMANY

Retail sales forecasts are generally upbeat, but there are concerns over the economic outlook, not least with respect to international trade and the ongoing restructuring in the car industry. Structural change continues to impact the retail sector meanwhile, with the growth of online and consumers' increasing expectations around the shopping experience putting retailers under pressure. Demand from fashion operators remains strong and there have been recent new entrants from the US, Netherlands and Italy. Other active sectors include F&B, specialised food and non-food stores, fast moving consumer goods and health & beauty, fitness and wellbeing.

GREECE

Recent activity has been driven mainly by fashion-related and F&B operators, with the latter comprising mostly local brands. Prime rents are stable, with retail supported by a steadily improving economic backdrop, rising consumer spending and a buoyant tourism sector. Particularly significant spending increases have been seen in outlet centres – around 35% – indicating a general trend towards cheaper but branded markets.

HUNGARY

Hungary's recent strong economic performance has filtered through to the retail property market which, together with growing tourism, has sustained occupier demand for prime locations. In addition, the limited amount of new development in the last few years has helped to boost rents in the main high streets. As with Western Europe, the 'experiential' aspect of retailing is becoming increasingly important and there is a strong focus on F&B and leisure.

IRELAND

Recent activity has been focused on Dublin, with the majority of openings being Food & Beverage (F&B) across the prime high streets and major shopping centres. While the impact of ongoing Brexit negotiations is being felt, demand for retail space remains healthy, including fashion and leisure as well as F&B. Indeed, the leisure segment continues to evolve quickly and several UK and European operators are seeking space in Dublin. On a cautious note, the retail market is going through seismic change and there is 'noise' from a number of retailers about the possibility of using the CVA process to reduce store numbers and work towards a leaner cost base, in tandem with developing a more multi-channel approach.



MARKET SUMMARIES

EUROPE, MIDDLE EAST & AFRICA



ITALY

Retailer demand is polarized between luxury brands still eager to take space in the top locations and the more mass-market brands who are realigning their store networks to face the challenges posed by the growth of online. Overall, this has dampened activity in the more secondary high streets, while larger units are experiencing longer vacancy periods both in prime and secondary locations. Indeed, where possible, landlords are breaking down units into smaller spaces. The F&B segment continues to grow, while consumers increasingly appreciate high quality store design and stylish interiors.

LUXEMBOURG

Activity on the high street has been more muted than for shopping centres and retail parks and prime rents have recently softened, with a significant proportion of demand having been absorbed by Galeries Lafayette and the Cloche d'Or shopping centre. However, the opening of the Royal Hamilius development in 2019 is expected to give a boost to rents in the medium term, while the recently opened Cloche d'Or scheme has led to increased leasing activity, with more than 100 retail units complementing the Auchan supermarket.

NETHERLANDS

Despite the buoyant economy, rising wages and improved consumer spending, the retail sector has experienced a more lacklustre performance and a number of retailers went into administration in the first half of 2019. New entrants to the market are focusing on the top 5 to 10 retail locations in the country, rather than pursuing a strategy of nationwide coverage. This is reflected in the difference in availability, with smaller towns seeing a higher proportion of empty shops.

NORWAY

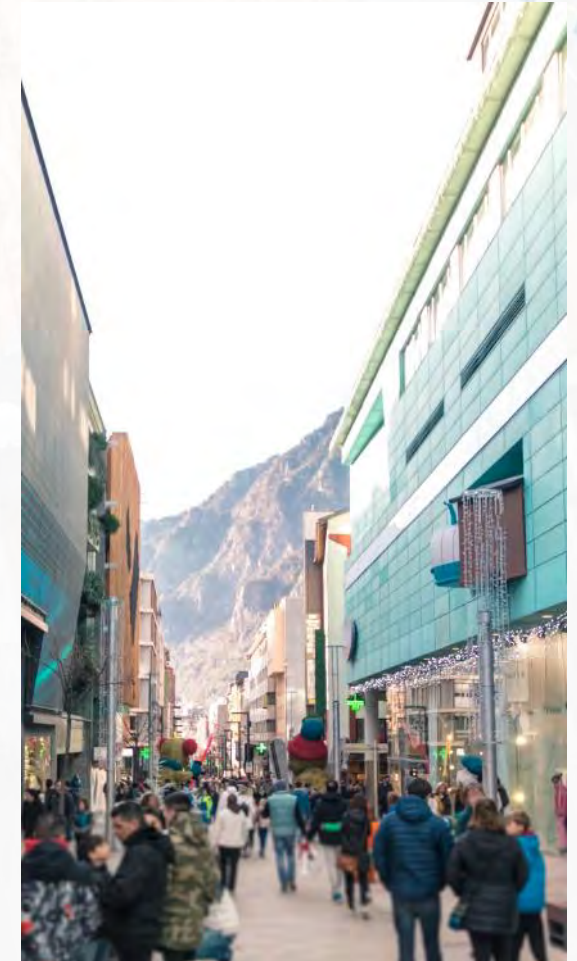
The retail market in Norway remains challenging, but demand for space on the main streets has stabilized. Occupancy rates in prime locations are high, but secondary locations are experiencing rising vacancy and downward pressure on rents. F&B continues to account for a growing proportion of the occupier base, but the expansion of the sector is beginning to slow. Retailers are divided in to two main camps: retailers who are adapting to the shift in consumer buying patterns, and those who have not quite managed to innovate and develop concepts to face the current challenges. Norway's retail market is undergoing a comprehensive structural change, but it is clear that consumers will still want to shop in physical stores and that retail is not experiencing a so-called 'apocalypse'.

POLAND

The Polish market remains buoyant, as demonstrated by the continuing influx of international retailers. Development activity has also remained strong, although the focus has switched from the larger cities to smaller urban centres, with over 40% of this year's supply scheduled to be delivered in cities with less than 200,000 inhabitants. Mixed-use schemes combining residential, retail, services, F&B, cultural, entertainment and office functions are also increasing, with three such projects expected to open in Warsaw in the next two years.

PORTUGAL

Occupier activity in 2019 has been strong, with a healthy number of leasing transactions and a continuing flow of new international brands into the market. High street retail accounted 67% of deals in the first nine months of the year, with restaurants the most active sector accounting for 55% of deals, followed by fashion with 13%. High street retail has experienced a resurgence in recent years, helped by a shortage of space in the main shopping centres, which are also seeing a positive performance on the back of refurbishments and expansion.





MARKET SUMMARIES

EUROPE, MIDDLE EAST & AFRICA

ROMANIA

New development has been a major driver of the Romanian market in 2019, with developers expected to add a total of 140,000 sq.m in the form of new schemes or extensions during the year. The new space will be delivered in major cities, including Bucharest and Timisoara, and in smaller cities such as Sibiu, Satu Mare and Zalau. South African developers remain the most active, including NEPI Rockcastle, MAS Real Estate/Prime Kapital and Atterbury (in a joint-venture with Iulius Group). Strong retail sales growth has prompted activity across all the retail categories, with discounters aiming to cover the smaller cities, while premium fashion brands have been targeting the dominant shopping centers in Bucharest and other large cities, such as Timisoara and Cluj-Napoca.

RUSSIA

As with other markets in Central & Eastern Europe, new development continues apace, notably in and around Moscow. The occupier market is active, with many retailers developing new formats (including online operations and mini formats) and collaborating with other operators. Delivery services are becoming a key feature of the retail offer and both offline and online retailers are expanding existing and creating new delivery options for customers. International brands continue to enter the market, with many new retailers opening their first outlets as a department store concession – a route considered to be lower risk.

SLOVAKIA

Prime rents are stable as the maturing market leads to greater competition among shopping centres, which are working increasingly hard to maintain footfall. The current market is therefore favourable to tenants and is beginning to polarise, with demand for the best locations still relatively firm, in contrast to more secondary locations where activity is much weaker. Key trends include the expansion and improvements in the F&B, leisure & entertainment sectors, as well as a broader offer in retail services.

SPAIN

Spain has been one of the better performing retail markets and demand for retail space in the thoroughfares of the major cities remains buoyant. Rental values in the best locations are at record highs on the back of sustained demand from traditional retailers, as well as new entrants such as F&B operators, car manufacturers and tobacco companies offering a 'brand experience'. While occupiers are active, many are increasingly cost-sensitive, even though store sales, online services and the 'showroom' are now seen as one operation, whereby the return on rent paid is more difficult to quantify. However, the market is in good health and, while rents are generally stable, modest growth may yet be seen in the best high streets.



MARKET SUMMARIES

EUROPE, MIDDLE EAST & AFRICA



SWITZERLAND

Traditional bricks & mortar retail continues to face the challenges of the growth in online. However, retailers that have incorporated e-commerce in their business models are in a position to take advantage of the recent downward adjustment in rents, which remain under pressure in secondary locations. On a positive note, with the exception of cities with direct exposure to cross-border shopping, prime rents have stabilised and are expected to remain unchanged in the short term. Mainstream department stores and shopping centres will continue to be challenged by the evolving retail landscape, with consumers now expecting a high quality environment as standard. The most successful destinations will be those which provide the right blend of tenants across services, leisure and entertainment, combined with accessibility, convenience and the integration of technology.

TURKEY

The economic backdrop has seen a modest improvement, with a slowdown in the rate of economic contraction, a more benign inflation outlook and a reduction in interest rates. As a result, demand from opportunistic foreign buyers is expected to accelerate for distressed retail assets. However, continued pressure on landlords is expected to lead to further rental falls in line with currency volatility.

New online retail platforms are entering the market, which will boost internet sales, while the refurbishment and repositioning of existing shopping centres will be a key trend going forward.

UK

Recent news on the UK's retail market has been largely negative, as a perfect storm of structural change, higher costs and Brexit uncertainty continues to exert pressure on retailers and landlords. While prime rents in the major cities have held up relatively well, rents in many secondary locations are in the process of recalibrating to more sustainable levels, as retailers realign their portfolios to suit the omni-channel world. On a positive note, the current environment is leading to innovation and the growth of exciting new concepts, during what is an unprecedented period of change for the UK's retail landscape.

SOUTH AFRICA

The macro-economic backdrop has affected the retail environment, with households under pressure from rising living costs and falling disposable incomes. Political uncertainty before the 2019 elections was also unhelpful, with domestic operators reducing their footprint while international tenants were cautious about market entry.

In addition, proptech innovations along with changing business models have led to reduced retailer take-up.

Rental levels have therefore been under pressure over the last 12 months and a growing number of tenants have been requesting reductions, freezes and lower uplifts. In some cases, shorter lease terms are evident, while many tenants have signed deals with lower rents and higher landlord fit-out contributions. Many retailers are also focused on closing non-profitable stores, with some large space users reducing floor space requirements to reduce occupational costs and boost store profitability. As a result, availability has risen and landlords are having to come up with innovative ideas to fill vacant units and drive footfall.

Across the different categories, the grocery/supermarket sector has performed well, as has the luxury sector, pharmacy and personal care. The F&B market remains active, with fast food generally outperforming restaurants, although consumers have reined back on eating out. The homewares and furniture markets remain under pressure. Online sales are growing, but the South African consumer still enjoys in-store shopping – with 'shoppertainment' expected to remain a vital part of shopping centres for the foreseeable future.



AMERICAS



MARKET SUMMARIES

AMERICAS



ARGENTINA

The difficult economic backdrop has meant that the retail market has struggled in the last year, with a fall-off in retailer demand leading to declining rents in the main high streets. Nonetheless, the occupier market remains active. Major F&B occupiers are more willing to relocate in search of lower rents and up-and-coming locations. New ventures such as breweries or healthy and organic food restaurants are also emerging, while demand from traditional occupiers such as fashion has tapered off, as many operators reconsider their business model and customer proposition. The online market is growing but is not yet large enough to have a significant impact on bricks and mortar.

BRAZIL

Overall, the economic and political backdrop has had an impact on the retail sector, including the main high streets. Fragile consumer confidence has led to greater volatility in sales and a more uncertain trading environment in the last twelve months, which has prompted many retailers to try and reduce minimum rents across the country. In many instances, landlords have been forced to accept this in order to keep tenants – although they have also been asking for higher variable rents.

On a positive note, the prime street Oscar Freire has been relatively immune from these trends. Indeed, all the key streets in Brazil's largest city – Oscar Freire, Haddock Lobo and Alameda Lorena – have recently seen a solid level of leasing activity, with a variety of domestic and international brands in the clothing, footwear and F&B sectors all opening stores. In addition, the major household appliance retailers are expanding their store presence. Looking forward, the economic outlook is steadily improving and growth in jobs and consumer spending should filter through to the retail sector in the coming months.

CANADA

Prime high street rents in Canada have generally remained stable over the past year. In addition to the rapid growth of online sales, rising real estate prices, elevated construction costs and higher property taxes are making it tough for retailers to turn a profit in markets such as Toronto and Vancouver. As a result, tenants are looking much more critically at location and pricing, and this is driving demand for space within up-and-coming markets where gross rents are more competitive. The rental differential between prime and good secondary locations is therefore narrowing.

Off-price retailers such as Winners, HomeSense and Saks Off 5th continue to expand and a number of Asian retailers including MUJI, UNIQLO and new arrival Tan Mujiang (China) are also extending their presence. Canada also remains a key target for luxury brands, notably Bloor Street and the Yorkdale Shopping Centre, both located in Toronto. Retailers and landlords are rethinking business strategies and will focus increasingly on experiential retail, high-end restaurants and entertainment, with a growing number of schemes now also including a residential component.



MARKET SUMMARIES

AMERICAS



CHILE

While the civil unrest has dominated the recent headlines, Chile's retail market remains buoyant on the back of a solid economic performance. In Santiago, a growing population has also underpinned demand, helped by a good quality transport system which boosts the number of city centre workers and shoppers. F&B and boutique shops have been the most active occupiers in the last year. Online sales are growing but still only account for around 6% of the total, so the impact on the market has so far been limited. Overall, the market is expected to remain stable, with key economic indicators generally supportive.

COLOMBIA

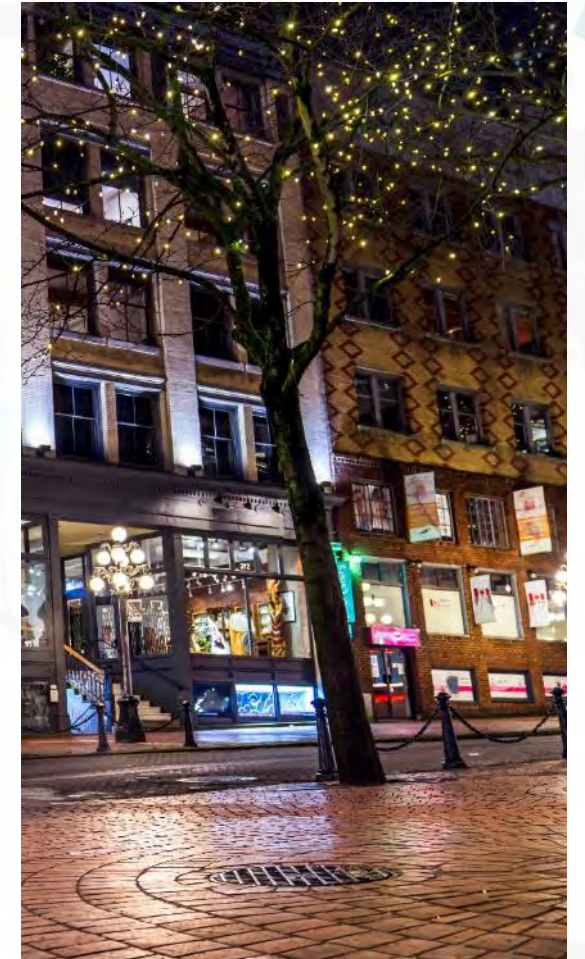
Despite a reasonably solid economic performance, retail rents have shown limited movement in what is currently a tenant-friendly market. Retailers have been working together with brands in the same parent company which has boosted their negotiating power. As a result, this has prompted landlords and developers to offer preferential rates.

Market activity has been driven by value-focused retailers (Latt Liv, Miniso, Casa Ideas, Decathlon, Dollarcity), and brands with fresh and experiential concepts which provide a high level of customer service. Colombian consumers are price sensitive and look for products and services to fit their budgets, so retailers tend to negotiate hard with landlords in order to reduce operational costs. The F&B segment is currently enjoying a boom, with many new local brands emerging, focused on the cheaper high street locations. This has led to improvements in the overall F&B offer, while also generating competition for the established operators.

Online sales are growing but account for only a small proportion of retail sales. Consumers have yet to become fully comfortable with buying online, largely because of concerns around reliability, limited use of credit and debit cards and product guarantees. However, the importance of the customer 'experience' is growing and locations which offer an all round shopping and leisure experience for families are in demand.

MEXICO

Rents have generally been edging down in the last year as a result of weaker demand, particularly at the luxury end of the market. The number of new entrants has declined and larger retailers have scaled back their expansion plans. The F&B sector remains one of the most active, while a recent decrease in the development pipeline should help to support values overall. E-commerce is expanding rapidly, including heavy investment from Amazon and other companies, while F&B apps are also growing quickly. It is also noteworthy that the expansion of some brands across Latin America (such as Miniso and Starbucks) is driven by Mexican firms who own the master-franchises or the rights to develop the brands across the whole region. Indeed, Mexican retailers are teaming-up with international brands to help their expansion across the region including, on occasion, investment in Mexican brands (Oxxo in Peru, for example).



MARKET SUMMARIES

AMERICAS

PERU

High street rents have been on an upward trend as a result of a shortage of supply, although they remain lower than in the major shopping centres. Numerous new brands have recently entered or will soon enter the market, including Ihop (F&B), Taco Bell (F&B), Miniso (mass market), Oxxo (mass market), Smartfit (fitness), Rappi (delivery), Maserati (cars), Bentley (cars) and Xiaomi (technology). Retailers already present in the market continue to expand, including Zara, H&M, Tambo and Starbucks, among others. Online shopping continues to grow and has significant potential, as the conditions for purchasing and delivering the products adapt to consumers' evolving needs. Given that the economic outlook is positive and indeed one of the best in the region, the retail sector is expected to continue expanding and attracting new foreign retailers, while still encouraging the growth of local brands.

USA

Along with the UK, the USA has been at the forefront of the structural change taking place in the retail sector. Trends vary by location but, overall, the market is in better shape than a year ago. Availability is down and prime rents in the main cities have generally stabilised – with growth returning to a select number of key streets.

However, rents remain under pressure in some areas, notably in grade B locations.

Many retailers are in 'wait and see' mode in terms of e-commerce, with some preferring to sign only five-year deals rather than the standard ten-years, given the uncertainty of where the dust may finally settle. In contrast, numerous digitally native brands are testing physical retail with short-term pop-up stores.

Occupier demand is skewed towards experiential retail, entertainment and bartainment concepts, with technology, boutique fitness, speciality food and quick serve restaurants particularly active. While F&B remains a key driver of the market, higher costs and increasing competition may dampen demand going forward. On a positive note, retailers focused on experiential formats will continue to thrive, while retail as an amenity to support live-work-play developments will also be a major source of activity.



ASIA PACIFIC





MARKET SUMMARIES

ASIA PACIFIC

GREATER CHINA

China's retail market continues to go from strength to strength and, in some respects, leads the world in terms of new development, technology and innovation in the sector. While there are macro influences, in a market as large and diverse as China, trends can vary widely and often depend on a myriad of local supply and demand factors. As such, rental trends in the last twelve months have varied across the major cities.

However, there are a number of common themes being seen in the market. Most major cities continue to see a significant amount of new retail development, generally in the form of shopping centres, which can often lead to short term volatility in rents. Activity is being driven by both domestic and international retailers, with the latter continuing to pursue a strategy of opening in multiple locations. A variety of sectors are active, including fashion, children's education, cosmetics, entertainment, luxury, lifestyle, fitness and F&B.

Following initial concerns about the impact of online on traditional retail, the focus has now shifted to developing the 'new retail' model, which blends the best of both in-store and online experiences. Shopping malls and retailers are now deploying smart technologies across the whole retail spectrum from merchandising to marketing and customer engagement, with the aim of improving operational efficiencies, reducing costs and enhancing the customer shopping experience.

For the first half of 2019, the picture in Hong Kong was a largely positive one. Tourist numbers from the Mainland rose sharply, boosted by the completion of the Hong Kong-Zhuhai-Macao Bridge and the Hong Kong terminus of the Express Rail Link (XRL). Rents on the main streets edged up over the year to June, with growth on the Kowloon side (Mongkok and Tsimshatsui) outpacing that of Causeway Bay. The most active retailers have generally been the mid-market brands, including sports fashion and cosmetics, while the F&B sector has come under pressure from rising labour costs. However, as 2020 approaches the short-term outlook for Hong Kong's retail market appears increasingly dim as a result of growing local political unrest and the ongoing US-China trade tensions. These factors have begun to impact on tourism from Mainland China and are putting increasing pressure on rents across the city's major retail high streets.

In Taiwan, recent rental trends have varied by location, with rents remaining stable in Zhongshan Nanjing and Taipei Railway Station. Rents in Ximen meanwhile increased on the back of steady demand, supported by strong tourist numbers. In contrast, Zhongxiao recorded a decline in rental levels as a result of weaker footfall traffic, with shoppers tending to Xinyi and Ximen instead. Health & beauty retailers have continued to expand in the city's major retail hubs, notably in Ximen. As at mid-year, there were fourteen cosmetics stores within 200-meters of Exit 6 of the MRT Ximen Station. However, fast fashion brands Forever 21, SPAO and MIXXO have ceased trading in the market. Taiwan's retail locations are facing the challenge of generating footfall traffic amid growing competition from online retail and the issue of attracting shoppers by developing attractive schemes will be critical for retailers and landlords. As many traditional retailers are struggling to generate decent in-store sales in the current market, F&B and leisure will likely play a much bigger role going forward.



MARKET SUMMARIES

ASIA PACIFIC



INDIA

Rental trends over the past year have largely been pointing upwards, with the lack of availability in the best shopping malls pushing more brands to seek out prominent, high footfall locations in the main commercial corridors. While high street rents in the bigger cities of Mumbai, Delhi NCR and Bangalore have experienced only marginal increases, other cities such as Chennai, Pune and Kolkata – which have a more vibrant high street culture – have recorded much stronger rental uplift. Growth sectors include F&B, clothing and accessories, along with supermarkets and e-commerce retailers opening physical stores. Some large store formats are also experimenting with standalone outlets close to key commercial and residential markets along major roads. The short-term outlook is upbeat, with rents expected to edge up in the major high streets where supply remains constrained.

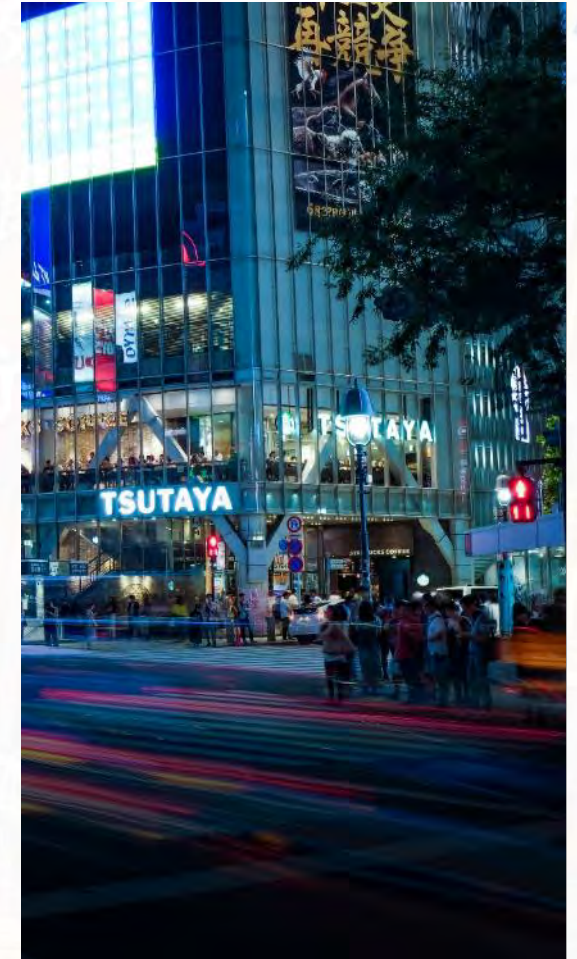
INDONESIA

Base rents remain flat, although service charges have increased slightly over the year. Consumer spending has been stagnant and retailer expansion plans have been scaled back in the first half of 2019, largely as a result of political instability. Fashion retailers are also experiencing high operational costs, which is limiting their ability to pay high rents. However, the sector remains active, with retailers such as H&M and Uniqlo opening new stores around the country. Department stores and supermarkets meanwhile are feeling the effects of changing consumer preferences, which is prompting some major retail centres to redevelop and create a more segmented and curated tenancy mix.

F&B is still a major driver of activity, with various new types of cuisines and food concepts emerging, notably from international franchises. Payment systems such as Gopay, Ovo and Dana are helping to boost the growth of on-the-go food, snacks and drinks concepts, while lifestyle coffee shops Kopi Kenangan and Fore have been expanding quickly. The growth of online has impacted most adversely on department stores, although digitally native brands – notably fashion & accessories – are expanding through physical stores. With a number of major schemes undergoing refurbishment and the moratorium on new development in Jakarta, rents are expected to increase marginally over the coming year.

JAPAN

High street rents have seen little change in the last year. However, the retail market has remained active, notably the F&B and health & beauty sectors, with the latter driven by growth in international tourists. Recent interesting store openings include the fifth Starbucks Reserve Roastery in Nakameguro, while Samsung has opened Galaxy, a VR experience store in Harajuku. With men's fashion currently on an upward trend, Isetan and Hankyu have revamped their stores in Shinjuku and Yurakucho respectively to reflect diverse lifestyles. There are some concerns about the increase in the Consumption Tax, as well as a new Chinese e-commerce law which imposes more restrictions on the domestic sale of goods purchased overseas, as mainland Chinese tourists have been a major driver of inbound spending. On a positive note, the market has been buoyed by the forthcoming Olympic Games in Tokyo in 2020, while the news that Osaka will host the World Expo in 2025 is also encouraging.



MARKET SUMMARIES

ASIA PACIFIC



MALAYSIA

The retail market is polarised in that demand for the best shopping malls in the Greater Kuala Lumpur area is much stronger than for less prime or neighbourhood malls, many of which continue to face the challenge of empty units. A number of these schemes have successfully repositioned themselves, with a greater focus on F&B, edutainment and families. Landlords of prime schemes meanwhile are busy refurbishing and improving tenant line-ups, with the aim of enhancing the shopping experience to attract a wider pool of shoppers and ultimately boosting rental income. Nevertheless, overall rents are expected to remain stable through to 2020, given the uncertainty in the global economy and the growth of online.

VIETNAM

Recent rental performance has varied across the top cities. Rents in Ho Chi Min turned in a flat performance resulting from a flood of new entrants in the suburbs, while rents in Hanoi rose on the back of strong demand for new mixed retail and residential schemes in the Secondary and Western areas.

F&B and entertainment such as cinemas and children's zones are active and are now major drivers of footfall. Online continues to take a growing share of retail sales, with consumers becoming more familiar with internet shopping, given improvements to payment methods and service delivery. More retailers have developed online channels such as transactional websites, mobile apps and a social media presence, helping to make the retail market more competitive. Demand for prime locations is still high but further expansion is likely to focus on residential areas with developed infrastructure rather than the CBD.

PHILIPPINES

Rental rates in the key retail areas of Makati City and Taguig City have increased in response to the continuous influx of foreign brands into the market. Stronger growth would have been seen, had it not been for a steady supply of new schemes and extensions to existing ones.

The thriving retail markets in Makati CBD and Bonifacio Global City (BGC) in Taguig City result largely from the high concentration of upper-middle and middle-income consumers in these areas. F&B brands dominate the retail scene, with approximately 60% of shopping mall space devoted to them. Indeed, the majority of new market entrants over the last twelve months have been F&B operators, a trend expected to continue.

Online sales are growing but still only account for around 2% of the total, with consumers generally preferring to search online for product information and availability, before travelling to the store to complete purchases. With the Philippines expected to reach upper-middle income status by the end of 2019, the retail sector looks set to remain buoyant due to favourable demographics and rising disposable incomes.





MARKET SUMMARIES

ASIA PACIFIC

SINGAPORE

Prime rents continue to rise because of limited supply, albeit at a gradual pace. Secondary rents meanwhile have fallen steadily – reflecting the challenging operating environment – although the rate of decline has slowed and there are signs that these rents may soon reach their floor. Luxury and F&B operators are among the most active and Singapore continues to be a key target for international brands seeking flagship locations. These brands, many of whom are new-to-market, continue to expand across the Asia Pacific region, which includes a presence on Orchard Road or Marina Bay.

Online is having an impact but the proportion of online sales to overall retail sales remains low at around 5.1%. However, the retail environment is changing and retail landlords are experimenting with new concepts. These include bringing in co-working operators into malls, increasing the proportion of entertainment and F&B and working with e-commerce players to bridge the online-offline experience. Despite the more uncertain global economic outlook, prime rents are expected to remain resilient, supported by limited supply, while record tourist arrivals and low unemployment will bolster consumer confidence.

SOUTH KOREA

Rents have softened marginally in Seoul's main high streets such as Myeong-dong, Hongdae and Gangnam Station. The market is heavily in favour of occupiers, with online having a significant impact and sales notably suffering at the big SPA brands which are steadily reducing their physical footprint. The footwear and luxury sectors have somewhat bucked the trend, with store numbers increasing year-on-year, while concepts which bring together online and offline are also expanding. However, downsizing looks set to be a key feature of the market for the foreseeable future, with a dwindling number of large space users leading to the sub-division of units, in order to maintain or increase rental levels.





MARKET SUMMARIES

ASIA PACIFIC

THAILAND

Rents have remained unchanged in Bangkok due to the highly competitive market, especially in the Non-CRD (Non-Central Retail District) area, where little new supply is coming through. Land prices in prime areas have risen dramatically and suitable sites for shopping centres are difficult to find. In recent years, the government has invested significantly in the capital's public transport system, in the city itself and the wider suburban area. Developers are now focusing on new developments in Bangkok's suburbs, ranging from community malls to larger regional shopping malls. F&B is the most active sector, with many new local and international operators entering the market, supported by social media and an increasing amount of devoted to it in shopping centres.

While online sales are seeing double-digit annual growth, Thai retail developers continue to enlarge their footprint, with more than 1 million sq.m of new space in the pipeline. However, some retailers have been scaling back their physical presence to focus more online. Generally, the retail market is in good health, supported by a strong economy and improving tourist numbers.

AUSTRALIA

The retail market is currently favourable to occupiers and landlords are more predisposed to capital contributions and rent-free periods. As a result, rents in some locations have fallen, particularly in CBD strip retail areas. In contrast, rents on some of the higher footfall pitches have increased, including Sydney's George Street which will benefit from the new light rail project. Online sales continue to take an increasing share of the market and, with a degree of uncertainty about the medium-term outlook, new entrant retailers are asking for break clauses and/or more flexible terms, while many small businesses are also opting for more temporary pop up activations. However, there is strong demand for flagship stores and double height frontages and the concept of 'click and collect' mixed with retail experience is growing. Sectors which are notably active include technology, cosmetics, F&B, convenience stores and luxury retail – with the latter receiving a boost from the decline in the Australian dollar.





GLOBAL RETAIL RENTS

THE KEY FIGURES

RANK 2019	RANK 2018	MARKET	CITY	LOCATION	RENT Q2 2019 US\$/SQ.FT/YEAR	RENT Q2 2019 €/SQ.M/YEAR	LOCAL RENTS JUN 2019
1	1	Hong Kong, China	Hong Kong	Causeway Bay (main street shops)	2,745	25,965	1,787
2	2	USA	New York	Upper 5th Avenue (49th - 60th Sts)	2,250	21,295	2,250
3	3	United Kingdom	London	New Bond Street	1,714	16,222	2,250
4	4	France	Paris	Avenue des Champs Elysees	1,478	13,992	19,000
5	5	Italy	Milan	Via Montenapoleone	1,447	13,700	13,700
6	6	Japan	Tokyo	Ginza	1,251	11,838	400,000
7	7	Australia	Sydney	Pitt Street Mall	1,076	10,185	16,500
8	9	Switzerland	Zurich	Bahnhofstrasse	866	8,195	9,100
9	8	South Korea	Seoul	Myeongdong	862	8,163	893,091
10	10	Austria	Vienna	Kohlmarkt	573	4,860	405
11	11	Mainland China	Beijing	Wangfujing	411	4,453	2,900
12	12	Germany	Munich	Kaufinger/Neuhauser	469	4,440	370
13	13	Ireland	Dublin	Grafton Street	401	3,794	6,750
14	15	Greece	Athens	Ermou	361	3,420	285
14	14	Spain	Barcelona	Portal de L'Angel	361	3,420	285
16	17	Singapore	Singapore	Orchard Road	312	2,957	35
17	16	Netherlands	Amsterdam	Kalverstraat	301	2,850	2,850
18	19	Czech Republic	Prague	Na Příkopě street	298	2,820	235
19	18	Russia	Moscow	Stoleshnikov	288	2,728	196,000
20	21	India	New Delhi	Khan Market	243	2,302	1,400
21	20	Norway	Oslo	Karl Johan	240	2,268	22,000
22	24	Malaysia	Kuala Lumpur	Suria KLCC	232	2,194	80
23	27	Taiwan, China	Taipei	Ximen	217	2,053	20,000
24	26	Sweden	Stockholm	Biblioteksgatan	210	1,989	21,000
25	23	Canada	Toronto	Bloor Street	206	1,952	270
26	22	Luxembourg	Luxembourg City	Grande Rue	203	1,920	160
27	25	Belgium	Antwerp	Meir	201	1,900	1,900
28	28	Denmark	Copenhagen	Stroget (including Vimmelskaftet)	194	1,837	24,000
29	31	Hungary	Budapest	Vaci utca	190	1,800	150
30	29	Vietnam	Ho Chi Minh City	Best Achieved Shopping Mall (GF)	184	1,741	165
31	32	Finland	Helsinki	City Centre	171	1,620	135
32	33	Portugal	Lisbon	Chiado	165	1,560	130
33	n/a	Israel	Tel Aviv	Kikar Hamedina	160	1,537	6,240
34	29	Turkey	Istanbul	Centre – Istiklal Street	145	1,372	130
35	34	Thailand	Bangkok	Central Retail District (CRD) (Rajprasong/Sukhumvit street)	142	1,345	3,910

RANK 2019	RANK 2018	MARKET	CITY	LOCATION	RENT Q2 2019 US\$/SQ.FT/YEAR	RENT Q2 2019 €/SQ.M/YEAR	LOCAL RENTS JUN 2019
36	36	Serbia	Belgrade	Kneza Mihaila	114	1,080	90
37	37	Poland	Warsaw	Nowy Swiat	101	960	80
38	38	Mexico	Mexico City	Masaryk	97	918	87
39	35	UAE	Dubai	Prime – A	95	918	350
40	39	Croatia	Zagreb	Ilica Street	95	900	75
41	45	Ghana	Accra		89	844	80
42	41	Indonesia	Jakarta	Prime	78	733	983,600
43	40	Slovenia	Ljubljana	Čopova	76	720	60
44	45	Ukraine	Kyiv	Kreschatik Street	72	686	65
44	56	Colombia	Bogotá	Zona Rosa (*Ex- Zona T)	72	686	65
46	47	Bulgaria	Sofia	Vitosha Blvd	71	672	56
47	44	Brazil	São Paulo	Oscar Freire Jardins	69	658	240
48	42	Argentina	Buenos Aires	Calle peatonal Florida. From Av. Cordoba to Av. Corrientes_4 blocks	67	633	60
49	47	Cyprus	Nicosia	Ledras Street	63	600	50
49	49	Romania	Bucharest	Calea Victoriei	63	600	50
49	50	Slovakia	Bratislava	City Centre	63	600	50
52	n/a	Chile	Santiago	Providencia/Avenida Providencia 1822-2382	55	522	1
53	43	Philippines	Taguig (Metro Manila)	Bonifacio High Street	54	513	2,500
54	53	Latvia	Riga	Kalku St./Valnu St./Audeju St./Terbatas St./Kr.Barona St.	51	480	40
54	53	Lithuania	Vilnius		51	480	40
56	52	Saudi Arabia	Riyadh		43	418	1,750
57	57	Estonia	Tallinn	Viru Street	43	408	34
58	51	Kenya	Nairobi	The Junction	40	377	340
59	55	Nigeria	Lagos		39	369	35
60	63	Peru	Lima	Miraflores	36	338	32
61	59	Macedonia	Skopje	Makedonija Street	36	336	28
62	58	Oman	Muscat	High Street	35	335	12
63	60	Zimbabwe	Harare	Village Walk Borrowdale	32	306	29
64	61	Mozambique	Maputo		31	295	28
65	65	Namibia	Windhoek		28	264	25
65	64	Zambia	Lusaka	Levy Centre	28	264	25
67	n/a	South Africa	Kwazulu-Natal Province	Regional Shopping Centre (50,000 - 99,999 sq.m)	27	257	343
68	61	Tanzania	Dar es Salaam		20	190	18

TECHNICAL SPECIFICATION

Our representation is designed to facilitate the rapid flow of information across borders and is supported by a comprehensive database of marketing information and regular liaison meetings. This allows for the exchange of local market knowledge and expertise and for the co-ordination of strategy for international investment and locational decision-making.

Data for retail rents relates to our professionals' opinion of the rent obtainable on a standard unit in a prime pitch of 448 locations across 68 markets around the world. Service charges – such as building insurance, local taxes and costs of repair payable by the tenant – are not included.

In the dynamic international retailing sector, local market characteristics, technological advancements and the evolution of new retail formats are just several of the forces that affect the size and configurations of retail units. As a result, occupation costs vary from one country to another.

For the purposes of this survey, the standard main street unit is defined – where possible – as a unit with 150-200 sq.m of sales area. Typically, a unit has a frontage of 6-8 metres. However, an element of flexibility is needed with the definition, given that unit configuration varies from market to market. Assumptions regarding ancillary space follow local practice.

The format selection for each city is based on its dominance of the retail landscape and/or its status as the prime pitch/top destination in the city. The rents represent our agents' views as to what is consistently achievable for prime space; indeed, we do not quote asking rents for the highest rent obtainable. It is assumed that the unit is vacant and is available for letting on the open market, without any request for premium (key money). However, in many top locations around the world, vacant units are rarely marketed and substantial key money to sitting tenants is often payable.

Rents in most markets are supplied in local currency and converted to USD and Euros for the purposes of international comparison. Rents in the UK, Denmark, France and Ireland are originally quoted in Zone A and are converted to an overall basis.

The information has been provided by Cushman & Wakefield, external sources and the affiliate partners of Cushman & Wakefield:

MARKET	AFFILIATE PARTNER
AUSTRIA	ÖRAG Immobilien Vermittlung GmbH
AFRICA	Broll Property Group
BULGARIA	Cushman & Wakefield Forton
DENMARK	Cushman & Wakefield RED
ESTONIA	Kinnisvaraekspert OU
FINLAND	Cushman & Wakefield Finland
GREECE	Cushman & Wakefield Proprius
ISRAEL	Cushman & Wakefield Inter Israel
LATVIA	Kinnisvaraekspert OU
LITHUANIA	Kinnisvaraekspert OU
MALAYSIA	IVPS Real Estate
NORWAY	Cushman & Wakefield Realkapital
ROMANIA	Cushman & Wakefield Echinox
SERBIA	CBS International
SLOVENIA	S-Invest d.o.o
SWITZERLAND	SPG Intercity
THAILAND	Nexus Real Estate Advisory Company Limited
UKRAINE	Cushman & Wakefield Ukraine

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