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# MAIN STREETS ACROSS THE WORLD

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION  
2016/2017



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WAKEFIELD**





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# INTRODUCTION

Welcome to 28th edition of Cushman & Wakefield's global flagship report, *Main Streets Across The World*. This report tracks 462 of the top retail streets around the globe, ranking the most expensive in each country by their prime rental value and thus enabling analysis of headline trends in retail real estate performance.

As consumer demands for immediate gratification intensify further, in an already competitive retail environment, brands must ensure they can meet these multi-channel needs. They need to provide a platform that services the traditional bricks and mortar consumers, and those who want to view and purchase at the click of a button, as well as everything in between. Real estate owners are actively responding, although at varying speeds, to these ever changing needs by broadening their tenant mix, increasing the share of Food & Beverage operators, and/or adding leisure elements. Technology also features highly, feeding into the experience, but crucially also gives an insight into the evolving habits of consumers.

Information on the markets has been provided by Cushman & Wakefield, external sources and the affiliate partners of Cushman & Wakefield listed in the table below:

COUNTRY	AFFILIATE PARTNER
Austria	BAR bareal Immobilienreuehand GmbH
Africa	Excellerate Brand Management (Pty) Ltd*
Bulgaria	Forton International
Channel Islands	Buckley & Company Ltd.
China	DTZ/Cushman & Wakefield
Denmark	RED - Property Advisers
Estonia	DTZ Baltic (DTZ Kinnisvaraekspert)
Finland	DTZ Finland OY
Greece	Proprius S.P. LLC
Ireland	Sherry FitzGerald (Commerical) Limited
Israel	Inter Israel (A.I.) Real Estate Consultants
Jordan	Michael Dunn & Co S.A.L
Latvia	DTZ Baltic (DTZ Kinnisvaraekspert)
Lebanon	Michael Dunn & Co S.A.L
Lithuania	DTZ Baltic (DTZ Kinnisvaraekspert)
Malaysia	IVPS Real Estate Sdn Bhd
New Zealand	Bayleys Realty Group Ltd.
Norway	DTZ Realkapital Eiendomsmeegling AS.
Oman	Cluttons LLP
Qatar	DTZ Qatar
Rep. of Macedonia	Forton International
Romania	DTZ Echinox Consulting SRL
Serbia	Forton International
Slovenia	S-Invest d.o.o
Switzerland	SPG Intercity Commercial Property Consultants
Thailand	Nexus Property Consultants Ltd.
Ukraine	DTZ Ukraine

\* Relates to South Africa, Ghana, Kenya, Mozambique, Namibia, Nigeria, Tanzania, Zambia, Zimbabwe.

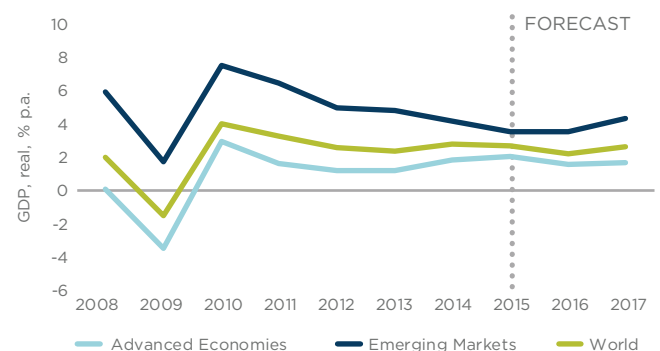
# GLOBAL MACROECONOMIC OVERVIEW

WORLD ECONOMIC GROWTH IS PROJECTED TO SLOW DOWN THIS YEAR TO JUST 2.2% BEFORE RECOVERING TO 2.6% IN 2017 (FIG. 1). THE CONTRIBUTION BY ADVANCED ECONOMIES HAS DECREASED WHILE EMERGING MARKETS WERE STABLE THIS YEAR. GOING FORWARDS, THE WEIGHT OF EMERGING MARKETS ON WORLD OUTPUT WILL INCREASE AND COUNTRIES IN THIS GROUP ARE EXPECTED TO BE THE MAIN DRIVER OF GROWTH.

Downside risks to the outlook have increased due to recent developments. Firstly, BREXIT – the British public voted to leave the EU in late June and the implications of which are still unclear, however government rhetoric has indicated that retaining access to the single market is not a priority. Secondly, there has been a downward revision to US growth, given weaker momentum in the private sector. Finally, there are broader concerns about lower productivity, the impact of an ageing population and slowdown in trade. As a result, global interest rates are under further downward pressure, and are expected to remain at a low level for longer. The low inflation environment in advanced economies is also a major challenge for policy makers. The Eurozone economic recovery is continuing but the outlook is for weak growth accompanied by challenges that include: elevated banking sector risk, a number of general elections, reform agendas, high public debt and the potential for policy errors.

On the positive side, there are less concerns about China's prospects in the near term as the economic rebalancing appears underway. The situation is gradually improving in stressed economies such as Brazil and Russia – both economies are expected to show positive growth rates in 2017. Moreover, commodities prices have partially recovered since the beginning of the year.

**FIG 1: EMERGING MARKETS ARE SET TO BE THE MAIN DRIVER OF GLOBAL GROWTH, WHILE ADVANCED ECONOMIES ARE SET TO SLOW THIS YEAR**



Source: Oxford Economics



### GLOBAL ECONOMIES ARE AT DIFFERENT CYCLES

As anticipated, the long-term BREXIT implications are still unclear. Despite some initial market volatility the reaction has been orderly so far with the main impact coming from the exchange rate. Sterling has been one of the world's worst performing currencies in 2016; since the referendum it has lost around 17% of its value against the US Dollar and 15% against the Euro. Due to the weaker Pound, UK import costs are rising with consequences for the pricing of petrol, some foods and electronic goods. Other major currencies like the US Dollar and the Euro remain broadly unchanged in real effective terms. With regards to monetary policies, global economies are at different stages in the cycle. The UK and the Eurozone have cut interest rates this year to 0.25% and 0% respectively, in order to sustain the economic recovery. The European Central Bank might have reached the limits of monetary policy with a balance sheet of over Euro 3 trillion. The US raised rates early in 2016 and is expected to raise further over the next 12 months. Japan cut its base rate to below zero (-0.1%) in 2016 to reinvigorate the economy; rates are expected to increase to around 0% over the coming quarters before remaining stable (Fig. 2).

### CONSUMER SPENDING STILL BENEFITS FROM MACRO FACTORS

The macro economic trends that supported the global consumer in 2015 have still been evident in 2016, albeit not as strong. Commodity prices have rallied this year but remain low as demand is still weak and uncertain. Oil prices have recovered since the ten year low in January 2016 and are currently trading within the USD45-50 band. In the short term, oil prices have limited upside potential due to weak demand growth and high supply; however, the major oil producers have committed to curbing production which might help to stabilise supply. Consumer price inflation in advanced economies has slightly increased in recent months as deflationary pressures have eased. Inflationary pressures are building up with prices set to rise in 2017 in the US, UK and Eurozone. In many economies, the unemployment rate is still decreasing and real earnings are benefitting from upward pressures. Therefore as a result of all these factors, household income has risen further this

year which has increased consumer spending, as shown in Fig. 3. China has the best figures, followed by Spain; on the other side, Brazil is into negative territory. Despite these macro trends stabilising, consumer spending is still expected to grow in several countries next year.

### INTERNATIONAL TOURISM CONTINUES TO GROW AND SUPPORT SALES

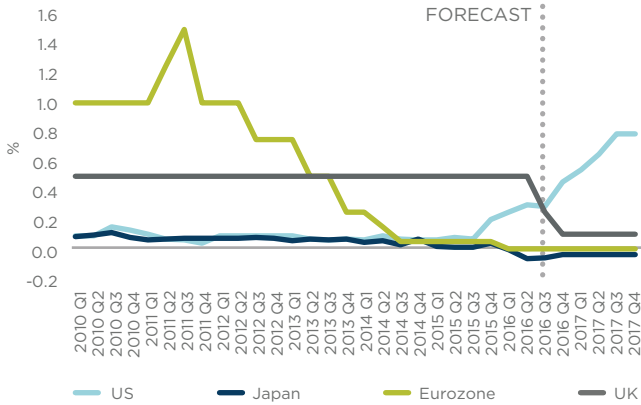
According to the UNWTO World Tourism Barometer, world tourism increased by 4% in the first part of 2016 (Fig. 4) - representing 21 million international arrivals of overnight visitors. Europe grew by 3% but showed mixed results: solid growth in some destinations offset by weaker performance in others, due to terrorism fears. The Americas recorded 4% growth driven by Central & South America. International arrivals in Asia and the Pacific grew by 9%, driven by solid intraregional demand. This is the highest growth rate in the world.

China is the world's top source market and showed 20% growth in expenditure on international travel; the US is the second largest market and reported 8% growth; Germany is the third largest market and reported 4% growth. The most popular global destination cities in terms of visitors and spending still include London, New York, Dubai, Singapore, Hong Kong and Tokyo. A new entry is Bangkok (in terms of visitors), while the popularity of Paris has decreased due to terrorism fears.



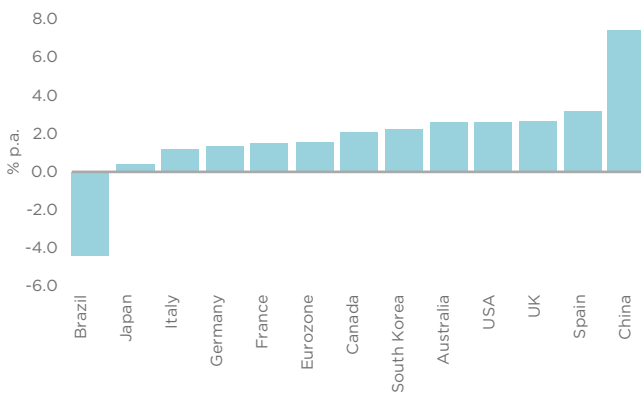
According to a recent study made by Bain, the global luxury market was over Euro 1 trillion at the end of 2015. The Americas, was the biggest global region for personal luxury purchases. Luxury consumers in mature markets of Europe, US and Japan tend to purchase locally, however tourists are increasingly the driver of growth in these regions.

**FIG 2: INTEREST RATE, CENTRAL BANK POLICY, END OF PERIOD**



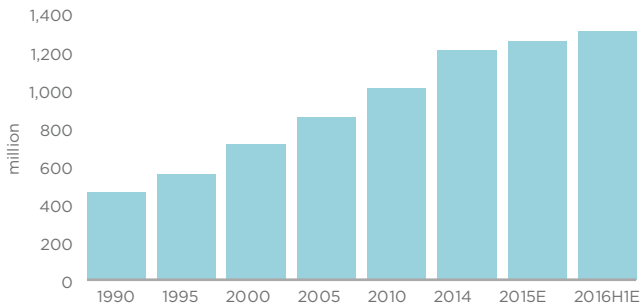
Source: Oxford Economics

**FIG 3: REAL PRIVATE CONSUMPTION GROWTH, 2016 FORECASTS**



Source: Oxford Economics

**FIG 4: INTERNATIONAL TOURIST ARRIVALS, MILLION**



Source: UNWTO

DRIVING RETAIL IN THE LONG-TERM



**AGEING POPULATIONS**



**ACCELERATING URBANISATION**



**RISE OF OMNI-CHANNEL RETAILING**



**TECHNOLOGICAL BREAKTHROUGHS**



**CLIMATE CHANGE AWARENESS**



**CORPORATE RESPONSIBILITY**



**CHANGES IN CONSUMER BEHAVIOUR**

## MOST EXPENSIVE LOCATIONS BY COUNTRY

RANK 2016	RANK 2015	COUNTRY	CITY	LOCATION	RENT Q2 2016 US\$/SQ FT/YEAR	RENT Q2 2016 €/SQ M/YEAR	OUTLOOK
1	1	USA	New York	Upper 5th Avenue (49th - 60th Sts)	3,000	29,065.5	➔
2	2	Hong Kong	Hong Kong	Causeway Bay	2,878	27,884.0	➔
3	3	France	Paris	Avenue des Champs Élysées	1,368	13,255.2	➔
4	4	United Kingdom	London	New Bond Street	1,283	12,433.6	➔
5	8	Japan	Tokyo	GINZA	1,249	12,102.9	➔
6	5	Italy	Milan	Via Montenapoleone	1,239	12,000.0	➔
7	6	Australia	Sydney	Pitt Street Mall	968	9,383.4	➔
8	9	South Korea	Seoul	Myeongdong	908	8,793.5	➔
9	7	Switzerland	Zurich	Bahnhofstrasse	868	8,408.0	➔
10	10	Austria	Vienna	Kohlmarkt	477	4,620.0	➔
11	11	Germany	Munich	Kaufinger/Neuhauser	458	4,440.0	➔
12	12	China	Shanghai	West Nanjing Road	411	3,977.5	➔
13	16	Ireland	Dublin	Grafton Street	343	3,327.4	➔
14	15	Spain	Barcelona	Portal de L'Angel	341	3,300.0	➔
15	14	Singapore	Singapore	Orchard Road	328	3,180.8	➔
16	17	Turkey	Istanbul	Centre - Istiklal Street	312	3,024.3	➔
17	18	Netherlands	Amsterdam	Kalverstraat	310	3,000.0	➔
18	19	Norway	Oslo	Karl Johan	300	2,904.4	➔
19	13	Russia	Moscow	Stoleshnikov	291	2,818.2	➔
20	24	Luxembourg	Luxembourg City	Grande Rue	260	2,520.0	➔
21	22	Denmark	Copenhagen	Stroget (including Vimmelskaftet)	257	2,486.6	➔
22	21	Canada	Toronto	Bloor Street	250	2,424.6	➔
23	25	Czech Republic	Prague	Na Příkopě street	248	2,400.0	➔
24	20	Malaysia	Kuala Lumpur	Pavilion KL (prime lots)	244	2,364.8	➔
25	27	Greece	Athens	Ermou	242	2,340.0	➔
26	23	Taiwan	Taipei	Zhongxiao	225	2,177.7	➔
27	28	Vietnam	Ho Chi Minh City	Best Achieved Shopping Mall (GF)	223	2,160.2	➔
28	26	India	New Delhi	Khan Market	222	2,153.3	➔
29	29	Belgium	Antwerp	Meir	191	1,850.0	➔
30	30	New Zealand	Auckland	Queen Street	187	1,807.8	➔
31	31	Sweden	Stockholm	Biblioteksgatan	163	1,583.0	➔
32	32	Finland	Helsinki	City Centre	161	1,560.0	➔
33	33	UAE	Dubai	Prime - A	150	1,450.8	➔
34	36	Portugal	Lisbon	Chiado	124	1,200.0	➔
35	37	Hungary	Budapest	Vaci utca	124	1,200.0	➔
36	34	Israel	Tel Aviv	Kikar Hamedina	123	1,192.0	➔
37	35	Thailand	Bangkok	Central Retail District (CRD) (Rajprasong/Sukhumvit street)	122	1,180.4	➔
38	39	South Africa	Johannesburg	Sandton City	114	1,106.3	➔
39		Brazil	Rio de Janeiro	Garcia D'avilla (Ipanema)	113	1,095.8	➔
40	42	Poland	Warsaw	Nowy Swiat	111	1,080.0	➔
41	41	Serbia	Belgrade	Kneza Mihaila	105	1,020.0	➔
42		Colombia	Bogota	Zona T - 82 Calle	100	972.1	➔
43	43	Mexico	Mexico City	Masaryk	100	972.1	➔
44	48	Lebanon	Beirut	Rue Hamra	93	900.1	➔
45	45	Qatar	Doha	Prime	92	889.9	➔
46	40	Channel Islands	St Peter Port	High Street	91	880.7	➔
47	47	Croatia	Zagreb	Ilica Street	87	840.0	➔
48	50	Indonesia	Jakarta	Prime	80	771.3	➔
49	49	Slovenia	Ljubljana	Čopova	74	720.0	➔
50	65	Jordan	Amman	City Centre (CBD)	65	630.1	➔
51	51	Saudi Arabia	Jeddah		64	624.0	➔
52	57	Bulgaria	Sofia	Vitosha Blvd	57	552.0	➔
53	52	Philippines	Makati (Metro Manila)	Makati CBD, Rockwell, Century City	57	551.0	➔
54	55	Ukraine	Kyiv	Gorodetsкого Street	56	540.1	➔
55	53	Romania	Bucharest	Calea Victoriei	56	540.0	➔
56	56	Slovakia	Bratislava	Obchodna ulica	54	528.0	➔
57	59	Lithuania	Vilnius	Gedimino Ave./Pilies St. Didzioji St.	50	480.0	➔
58	60	Latvia	Riga	Kalku St./Valnu St./Audeju St./ Terbatas St./Kr.Barona St. Ledras Street	50	480.0	➔
59	61	Cyprus	Nicosia		50	480.0	➔
60	54	Ghana	Accra		48	464.4	➔
61	64	Oman	Muscat	High Street	46	448.9	➔
62	46	Nigeria	Lagos		45	432.0	➔
63	58	Kenya	Nairobi		41	399.6	➔
64		Peru	Lima	San Isidro	40	388.8	➔
65	68	Estonia	Tallinn		40	384.0	➔
66	66	Zambia	Lusaka		39	378.0	➔
67	67	Macedonia	Skopje		37	360.0	➔
68	63	Mozambique	Maputo		37	356.4	➔
69	69	Tanzania	Dar es Salaam		33	324.0	➔
70	70	Zimbabwe	Harare		28	270.0	➔
71	71	Namibia	Windhoek		22	216.0	➔

# EUROPE OVERVIEW



*“Retailers are facing technological advances head on, with more and more brands opting to offer online sales alongside a physical presence, and not instead of, and they are raising the customer experience bar with leading examples including Samsung’s 837 Washington Street store in New York, Primark’s new store in Madrid and Apple’s new refitted store on Regent Street in London. Demand is strong but for the right space in the right location and the lack of supply along the majority of Europe’s main thoroughfares is seeing rents rise further and expanding the boundaries of well-established streets. This is exemplified by growth seen in some of London’s premier streets – Bond Street and Oxford Street. There is also a shift going on with a notable influx of food and beverage operators vying for high footfall units across Europe.”*

**JUSTIN TAYLOR**  
Head of Retail  
EMEA

PARIS, FRANCE



**PARIS' AVENUE DES CHAMPS ÉLYSÉES** RETAINED ITS CROWN AS THE MOST EXPENSIVE RETAIL LOCATION WITHIN THE EMEA REGION, AND THIRD IN THE 2016 GLOBAL RANKING, DESPITE A DECLINE IN TOURIST NUMBERS AND SPEND, WHICH CONTRIBUTE TO THE HEALTH OF THE RETAIL SECTOR.

The French capital is home to five of the top most expensive high streets within EMEA. Despite fragile economic growth and a decline in cross border tourism prestigious addresses such as the **Champs Élysées** remain resilient with evident demand from retailers such as Skagen and Five Guys to set up new operations, or Nike that is looking to expand. The opening of Galeries Lafayette in October 2018 will provide some much needed supply in the city centre. Rents across the majority of other Parisian high streets continued to grow, most evident along **Avenue George V** and **Avenue Montaigne**, both recording in excess of 8%. **Rue St. Honoré** has enhanced its positioning of the luxury high street by the arrival of upmarket brands such as Fendi, Stella McCartney, Brioni, and Paul Smith and further growth on the 4.2% over the year to June is anticipated as supply dries up. The opening of new brands -John Galliano, Crockett & Jones and Weston - in the historic Le Marais district reaffirms the positioning of the location as the destination for men's luxury fashion brands.

Large regional cities, such as **Lyon, Toulouse, Nice, Cannes** and **Bordeaux** also experienced strong interest, notably from newcomers to the French retail scene but this is yet to be reflected in rental rises which generally were unchanged over the last 12 months or rose marginally. Traditional high street locations are also beginning to be negatively impacted by the development of new branded retail parks and local authorities will have to work hard to enhance city centres to continue to attract consumers.

**5** OUT OF THE **TOP 10**

most expensive high streets in EMEA are in France





LONDON, UK



**LONDON'S BOND STREET**  
 REMAINED FIRMLY IN SECOND  
 PLACE IN THE EMEA RANKING  
 OF MAIN STREETS AND FOURTH  
 PLACE IN THE GLOBAL RANKING  
 AS RETAILERS FLOCK TO THE  
 UK'S CAPITAL.

Strong occupier demand for high street locations across the **UK**, many of which are suffering from limited available units, recorded positive rent performance - this was particularly evident in **London** which saw some of the strongest rental growth across EMEA with retailers willing to pay a premium in order to secure sites and capitalise on healthy footfall figures. **New Bond Street** saw rents rise by 14.3% over the last 12 months however, **Covent Garden** recorded the strongest growth of 31.6% over the same period, followed by **Sloane Street** (27.3%).

UK food and clothing retailers are the primary sectors driving activity, but there is also a steady stream of new entrants to the UK market, mainly from the US, alongside a growing number of Asian and European brands. Going forward, one of the biggest influences on the prime London high street market will be the increase in business rates that will kick in next year - this is likely to cause a slowdown in the extremely strong rental growth seen over the past few years. With respect to retail sales, due to the sterling devaluation linked to Brexit this has actually resulted in an increase in retail sales in Central London from overseas tourists. The major regional cities and top market towns showed positive rental growth as the cities continued to benefit from the migration of demand from supply starved locations in London and the South East - **Glasgow** recorded 15.4% growth, **Nottingham** 12.9% and **Birmingham** 10.8% in the year to June 2016.

Covent Garden recorded the  
**STRONGEST**  
 GROWTH **31.6%**



## MOST EXPENSIVE LOCATIONS BY CITY - EUROPE

2016	2015	TOWN	COUNTRY	DISTRICT	2016 RENT US\$/SQ FT/ YR	2016 RENT €/SQ M/YR	2015 RENT US\$/SQ FT/YR	2015 RENT €/SQ M/YR
1	1	Paris	France	Avenue des Champs Élysées	1,368	13,255	1,372	13,255
2	2	London	UK	New Bond Street	1,283	12,434	1,321	12,762
3	3	Milan	Italy	Via Montenapoleone	1,239	12,000	1,035	10,000
4	4	Rome	Italy	Via Condotti	1,135	11,000	983	9,500
5	5	Zurich	Switzerland	Bahnhofstrasse	868	8,408	895	8,643
6	6	Cannes	France	La Croisette	608	5,891	610	5,891
7	7	Vienna	Austria	Kohlmarkt	477	4,620	478	4,620
8	10	Florence	Italy	Via Roma	464	4,500	414	4,000
9	8	Munich	Germany	Kaufinger/Neuhauser	458	4,440	460	4,440
10	9	Venice	Italy	Calle 22°Marzo/Calle S.Moisè	433	4,200	414	4,000
11	13	Frankfurt	Germany	Zeil	390	3,780	391	3,780
12	14	Hamburg	Germany	Spitalerstraße	384	3,720	385	3,720
13	11	Geneva	Switzerland	Rue de Rhone	381	3,696	398	3,841
14	15	Berlin	Germany	Tauentzienstrasse	378	3,660	379	3,660
15	16	Cologne	Germany	Schildergasse	365	3,540	366	3,540
16	17	Stuttgart	Germany	Konigstrasse	347	3,360	342	3,300
17	18	Dusseldorf	Germany	Konigsallee	347	3,360	342	3,300
18	20	Dublin	Ireland	Grafton Street	343	3,327	329	3,176
19	19	Barcelona	Spain	Portal de L'Angel	341	3,300	335	3,240
20	22	Madrid	Spain	Preciados	316	3,060	311	3,000

### MILAN HOLDS ON TO THIRD PLACE FOR THE MOST EXPENSIVE RETAIL CITY IN EMEA.

**Via Montenapoleone** in **Milan** saw robust rental growth of 20% over the year to June followed by **Via Condotti** in **Rome** (15.8%), reaffirming the continued allure of Italy's key cities from both the mass and luxury segments of the retail market. Prime positions in top locations continue to attract strong demand, despite a scaling back in retailer expansion plans. Considering the very limited supply for units between 200-400 sq m operators are still willing to pay higher prices in order to secure top locations which is stirring investor interest.

Healthy rental performance has also been recorded in other locations such as **Via Roma** in **Florence** (12.5%) and Calle Larga XXII Marzo/Calle San Moisè in **Venice** (5%), although all the rental growth happened in the second part of 2015.



MILAN, ITALY

Occupier demand will continue, particularly from mass market operators, but at a slower pace and rents are therefore expected to remain unchanged over the next 12 months. The F&B sector is expanding in the high street market where many operators are planning to open new stores, representing an interesting alternative for secondary locations where landlords are having a harder time in finding tenants.

## EUROPE KEY FACTS



### MOST EXPENSIVE RETAIL LOCATION

**Paris's Avenue des Champs Elysees, France**  
 US\$1,368/sq ft/yr  
 €13,255/ sq m/yr



### MOST AFFORDABLE RETAIL LOCATION

**Kaunas, Lithuania**  
 US\$17.96/sq ft/yr  
 €174/sq m/yr



### STRONGEST RENTAL GROWTH

**London's Covent Garden, United Kingdom**

**+32%**



### BIGGEST RENTAL DECLINE

**Moscow's Stoleshnikov, Russia**

**-26%**



### PROPORTION OF RENTAL GROWTH TYPES IN EMEA

**Declining**  
5%



**Stable**  
25%

**Growing**  
70%

## BARCELONA, SPAIN

FURTHER ENHANCEMENTS OF THE **SPANISH** ECONOMY ARE HAVING A POSITIVE EFFECT ON DOMESTIC DEMAND, AS HOUSEHOLD CONSUMPTION IMPROVES AND CONSUMER SPENDING GROWS.

There is limited availability on prime high streets and with no signs of improving, there is healthy competition from both existing retailers and new entrants in securing good units along key thoroughfares. This is seeing an element of caution creep into the market with a growing divergence between landlord expectations and the ability and willingness of the tenants to pay asking rents with the largest impact on the luxury market, where deal flow has decreased the most. The mass market is much more resilient. Rental growth was recorded in the majority of prime locations such as **Portal de L'Angel** (1.9%) and **Passeig de Gracia** (6.5%) in **Barcelona** and **Madrid's Preciados** (2.0%) and **Serrano** (6.7%) underpinned by robust market development in the last couple of years and retailers continue to have active expansion plans, particularly in light of the signs of a rise in consumption. Booming tourism has also led to robust rental growth in **Palma de Mallorca**.

THE **PORTUGUESE** RETAIL MARKET HAS UNDERGONE A MAJOR CHANGE OVER THE LAST FEW YEARS AND A COMBINATION OF FACTORS CONTRIBUTED TO THE STUNNING RECOVERY - ECONOMIC RECOVERY, GROWTH IN TOURISM, MATURITY OF THE SHOPPING CENTRE MARKET AND CHANGE OF LEASE LAW - ALL PLAYING A ROLE.

**Lisbon's** traditional retail zones such as **Avenida da Liberdade**, a prime choice for premium and luxury brands, **Chiado**, the capital's trendiest area and **Baixa** (downtown Lisbon) have seen some upward adjustment in rents, the main change is likely to be in secondary areas, where demand has been increasing more intensively. In the early years demand was driven by luxury operators but is now expanding to mass market concepts, especially as the pace of expansion from luxury operators has slowed, although a number of premium retailers have announced imminent openings including Bulgari, Pinko and Versace.

The withdrawal of the cap on rental increases on old lease agreements has delivered a large amount of space back to the high street market in **Lisbon** and **Porto**, which have immediately become a key target for premium as well as mass brands. Tourism will continue to be one of the main drivers of high street retail, and is also one of the reasons why several catering operators have and will, continue to open ranging from new concepts, signature restaurants to international chains. The small size of the market is a limiting factor but urban renewal projects should incentivise demand and alleviate some demand constraints in the future.



**GERMANY, A KEY RETAIL MARKET IN EUROPE AND TARGET COUNTRY FOR MANY INTERNATIONAL RETAILERS BOTH FROM A BRAND RECOGNITION PERSPECTIVE AND SALES VOLUME PERSPECTIVE, GIVEN ITS SIZE, IS PERFORMING WELL.**

Consumer sentiment in **Germany** remains stable at a high level. **Kaufinger/Neuhauser** in **Munich** is the country's most expensive retail destination, but rental growth was largely muted across the board over the 12 months to June 2016. Some fashion retailers, particularly mass market brands who have been active in the German market over a long period, including SinnLeffers, Gerry Weber and Tom Tailor, are currently negotiating rental reductions and/or store closures as they respond to the increasingly competitive market. Whether as a consequence of rising online sales, weaker footfall and/or the rising number of international competitors, a number of retailers in this segment are being compelled to reassess their expansion plans.

The luxury end of the spectrum however, continues to see robust demand and in light of the tight supply situation, rents are pushing upward slightly. There is evidence that some premium brands are increasingly willing to consider key money in order to obtain a desired prime unit from another tenant. The tight supply is also leading to the strategic extension of luxury locations – **Frankfurt's** premium location, **Goethestraße**, was extended by the development of the office and commercial building 'ONE Goetheplaza' and since late 2014, premium brands, such as Prada, Louis Vuitton and Bottega Veneta have opened new stores there. At the same time, developers have continued to expand the luxury shopping location, with some luxury brands such as Etro and Brunello Cucinelli opening stores in **Luginsland**, a neighbouring street to **Goethstraße**, in 2015. Subsequently some brands – positioned between luxury and mass retail – such as Picard, Rigby & Peller and Elsbach Denim Library opened in the first half of 2016 in the 'ma'ro' which is located at the opposite end of **Goethestraße**.

**IN AUSTRIA, STABLE TRADING CONDITIONS SAW RENTAL LEVELS ON THE CORE HIGH STREETS IN VIENNA SUCH AS KOHLMARKT, KÄRNTNERSTRASSE AND MARIAHILFERSTRASSE HOLD UNCHANGED OVER THE YEAR TO JUNE 2016.**

However, with more robust consumer demand notably evident, international retailers continue to look for new sites in order to expand their existing portfolios against the limited amount of supply of quality retail space, so positive growth is highly anticipated going forward. Some retailers have started to focus on securing units on streets adjacent to the traditional shopping streets as these retail areas expand, and for now at least, asking rents are being offered at a discount to prime.

**MUNICH, GERMANY**







THE STRENGTHENING SWISS FRANC, FALLING VOLUME OF SHOPPING TOURISM AND E-COMMERCE IN SWITZERLAND HAVE LED TO INCREASING CAUTIOUSNESS AMONG RETAILERS IN THE MASS MARKET SPACE IN PARTICULAR AS PRESSURE MOUNTS ON THEIR TURNOVERS.

Existing brands are looking at consolidating their footprints into their high value units, and those with expansion plans are scaling them back somewhat, reflected in stable rental values. **Bahnhofstrasse, Zurich's** luxury destination has managed to maintain its fifth spot in the European ranking of main streets across the region, recording 1.1% y-o-y rental growth. This is driven out of luxury operators taking advantage of the slowdown elsewhere and developing highly personalized customer shopping experiences.

BELGIUM IS SEEING SOMEWHAT OF A TWO-TIER MARKET EMERGING WITH A DYNAMIC TOP-END DESPITE SOME BRANDS EXITING THE RETAIL SCENE, THERE ARE MORE NEW PLAYERS ENTERING TO COUNTER THIS.

Prime high streets are seeing strong demand for flagship stores which has led to an improved and positive rental performance in **Brussels; Rue Neuve** (5.7%), **Avenue Louise** (1.4%), and other core cities such as **Meir** in **Antwerp** (5.7%), **Vinave d'ile** in **Liege** (7.1%) and **Hoogstraat** in **Hasselt** (8.7%). With an uptick in e-commerce those high visibility units offering an experience are key to retailer success. The terrorist attacks in Spring 2016 undoubtedly had an impact on tourist numbers in Brussels, an important driver of luxury retail sales, but there are signs that this is now fading away.

IN THE NETHERLANDS, 2016 HAS SEEN A NUMBER OF RETAILER INSOLVENCIES LEAVING GAPS IN A NUMBER OF THE PRIME SHOPPING STREETS CREATING NEW POSSIBILITIES FOR RETAIL CHAINS WANTING TO EXPAND SUCH AS DECATHLON.

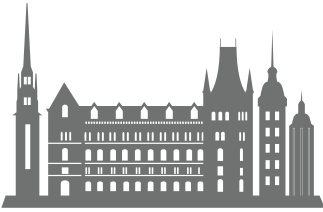
**Amsterdam** and the wider **Randstad** area are increasingly important for economic growth and thus people are migrating to the area - this is providing a larger base for retailers with key high streets in **Amsterdam** the only streets to have some positive rental growth over the year to June; **Kalverstraat** (3.4%) and **P.C. Hoofstraat** (9.8%). There is however, growing demand from international retailers, who are particularly interested in the top twenty cities, but this has not yet been reflected in rental growth outside of the capital.

GRAFTON STREET IN DUBLIN SAW 4.8% RENTAL GROWTH IN THE YEAR TO JUNE AND REMAINS A KEY TARGET FOR BOTH MASS AND LUXURY RETAILERS.

Rising demand from new entrants such as Victoria's Secret and Other Stories is seeing the traditional pitch extend beyond the core to the surrounding streets to include Suffolk Street, Nassau Street and Dawson Street. Demand in the regional cities of **Cork, Galway** and **Limerick** is driven largely by domestic and UK operators, with slow, but rising appetite from international brands. There are some bespoke outlet villages such as the Kildare Village outside Dublin which is operated by Value Retail, but evidence indicates that this is not detracting from the attractiveness of the city centre.

DUBLIN, IRELAND





THE NORDICS HAVE SEEN RELATIVELY STABLE RENTS OR MARGINAL INCREASES IN THE YEAR TO JUNE. IN SWEDEN'S CAPITAL, STOCKHOLM THE REJUVENATION OF OLDER AND LESS ATTRACTIVE CITY BLOCKS ACROSS THE CBD IS ONGOING AND WILL LEAD TO MORE SHOPPING SPACE BEING ADDED TO THE STOCKHOLM RETAIL SCENE GOING FORWARD.

CBD mass retail will have some new nodes such as **Kungsgatan** east of Sveavägen providing more competition for **Drottninggatan** as landlords plan to invest to increase attractiveness of both restaurants and shops going forward. Extensive development and refurbishments along **Hamngatan** and **Regeringsgatan** (south of Hamngatan) will also increase the attractiveness of these shopping locations together with the re-opening of the Gallerian shopping centre on Hamngatan – all of which is already indicating a positive uplift in retail rents over the coming months. Luxury retail, currently focused on the **Biblioteksgatan/Birger Jarls gatan** triangle with a flurry of new brands opening flagship stores in recent years including Prada, Chanel, Celine and Ralph Lauren, is expected to see growing competition from other prime high streets, which undergo rejuvenation and host a mix of new restaurants and shops with a greater mix of tenants.

IN DENMARK, PRIME HIGH STREETS SAW EITHER STABLE OR LOW RENTAL GROWTH WITH STRØGET IN COPENHAGEN RISING BY 2.8% Y-O-Y TO JUNE AND REMAINS THE MOST EXPENSIVE HIGH STREET IN THE COUNTRY.

While currently there are no high streets solely dedicated to upmarket retail – Louis Vuitton is located next to Zara and Gucci is located next to Urban Outfitters – luxury retailers are seeking to open up their own 'maison' in **Copenhagen** where they can operate next to each other and maximize visibility. The limited availability of prime high street space and strong occupier demand in **Norway** have led to rental rises – **Karl Johans Gate** and **Nedre Slottsgate** in **Oslo** saw 8.0% and 12.5% respective growth in the year to June and it is likely the best adjoining streets will begin to see better footfall figures. In **Finland**, the significant trend is the rising popularity of restaurants and coffee shops operators. The main department stores such as Stockmann and Sokos are subleasing space for well-known retail brands such as Marks & Spencer and Hamleys. Luxury brands have not yet penetrated the Finnish market on a large scale, only occupying a small area in **Helsinki's** city centre. However, indications are that more will open their doors in the near future with a preference for locating in department stores rather than opting for standalone units.





MAIN HIGH STREETS IN THE CZECH REPUBLIC HAVE CONTINUED TO SEE HIGH DEMAND FROM MASS AND LUXURY RETAILERS. **PARIZSKA STREET** IN PRAGUE, HOME TO THE MAJORITY OF LUXURY BRANDS, SAW 5.4% RENTAL GROWTH IN THE YEAR TO JUNE.

With demand improving from this segment of the market, the traditional boundaries are expected to spread further to **Siroka Street. Na Prikope Street** in Prague, traditionally attracted mass market retailers, but the whole development of the street (new projects, environment, newcomers etc) has seen higher demand here from premium brands than mass market retailers. As an historical retail destination, **Wenceslas Square** is becoming the prime mass market retail area, and there are also opportunities to place important department stores here.

**PARIZSKA STREET**

**5%** RENTAL GROWTH

in the year to June

THE IMPROVING ECONOMY IN HUNGARY WITH LOW UNEMPLOYMENT AND INFLATION HAS HAD A POSITIVE IMPACT ON RETAIL SALES, WHICH ROSE BY 5.7% IN THE YEAR TO JUNE 2016.

The abolishment of the Sunday closure regulation which was in effect for only one year, will further support robust retail sales in the months ahead. **Váci utca** in Budapest has seen improvements over the last year with new retailers such as CCC, Tiger and Cadenzza opening flagship stores in the area and rents rising by 5.3%. The most significant opening was the 5,800 sq m by H&M. **Andrassy ut** also saw positive rental growth of 12.5% driven by demand at the higher end of the market with COS, Michael Kors and Ralph Lauren all securing units.

IN POLAND, THE DEVELOPMENT OF RENTS ON PRIME HIGH STREETS IN CORE CITIES HAS BEEN VARIED. WHILE SOME LOCATIONS SAW POSITIVE RENTAL GROWTH - **NOWY SWIAT IN WARSAW** 5.9% Y-O-Y AND **UL FLORIANSKA IN KRAKOW** 4.2% Y-O-Y SOME HIGH STREETS EXPERIENCED MODERATE DECLINES OR STABLE RENTS - **CHMIELNA IN WARSAW** -7.1% Y-O-Y AND **RYNEK IN KRAKOW** 0% Y-O-Y.

Occupier demand has been driven by mass market retailers looking to establish a strong presence on prime high streets, while demand from luxury retailers has slowed. Rising demand from restaurants and coffee shops operators who are interested in units on streets with high footfall volumes has been noted. The outlook for Polish retail is positive underpinned by an improving economy, and due to the size of the market still attracts new international retailers who are not only looking at **Warsaw** for opportunities but secondary and tertiary cities.

ELSEWHERE ACROSS EASTERN EUROPE, SLOVAKIA, BULGARIA AND ROMANIA SAW STABLE OR MODERATE RENTAL GROWTH AT BEST. INTEREST IS TARGETING DOMINANT SHOPPING CENTRES IN BRATISLAVA AT THE EXPENSE OF HIGH STREET SITES WHERE DEMAND IS LIMITED.

The stagnation of retail sales along on **Bratislava's** main high streets has led to the relocation of previously successful retailers into new shopping centres. Comparably in **Romania**, international retailers assessing expansion strategies are focusing their energy on securing space in prime shopping centres and well-located retail park schemes in the larger regional cities. In **Sofia**, health, beauty and fashion retailers are the main drivers of occupier demand on prime high streets together with coffee shops and restaurant operators along **Vitosha Blvd.** and other central locations in Sofia, attracted by high pedestrian traffic. The area enclosed by **Saborna, Lege** and **Alabin Streets** in Sofia is emerging as a luxury hotspot with Philipp Plein, Ermenegildo Zegna, Marc Cain and Versace already trading from units located here.

The retail market in the **Baltic** region is dominated by shopping centres as opposed to high streets. However, there is still enough demand from retailers for high street units to maintain the status quo and rents have remained unchanged over the year to June. Tenant rotation has been low and retail units on prime high streets have been occupied by the same tenants, usually souvenir retailers, and restaurant or coffee shop operators for more than twenty years, while presence of luxury brands has been very limited.



TURKEY IS DEALING WITH THE IMPLICATIONS OF THE DEEPENING GEOPOLITICAL ISSUES IN THE WIDER REGION WITH THE ECONOMY SLOWING TO 3.1% IN Q2 2016 AND CONSUMER SPEND GROWTH MODERATING, BUT STILL STRONG AT 5.2%.

Demand along the main streets in **Istanbul** and **Ankara** tends to be driven by domestic retailers with international brands struggling to justify expanding in, or into, the region as retail sales decline and overhead expenses rise further. Rents along the most popular streets in **Istanbul** such as **Istiklal Street** are seeing signs of rents coming under downward pressure – a similar trend is seen in other locations such as **Alsancak** in **Izmir** (-9.7%) and **Kızılay Bulv** in **Ankara** (-2.9%) and this is in spite of the lack of available units which has spurred some urban transformation projects and the refurbishment of older buildings, but landlords will need a clear strategy on where the return will come from when commencing such projects.

RUSSIA HAS SEEN THE SHARPEST CONTRACTION IN RENTS OVER THE LAST 12 MONTHS WITH FALLS ACROSS ALL MAIN STREETS IN **MOSCOW** AND **ST PETERSBURG** AS THE ECONOMY STRUGGLES WITH SANCTIONS, WHILE GROWTH IS SLOWLY RETURNING, THE RECOVERY IS UNBALANCED AND REMAINS CHALLENGING – GDP GROWTH IS EXPECTED TO STILL BE IN NEGATIVE TERRITORY AT THE END OF 2016 BUT THE RATE OF DECLINE IS MORE MODERATE.

The retail sector is still struggling but 2016 has seen the beginnings of stabilisation with domestic retailers much more active than international brands – some of whom have retreated to more Western European markets. However, with rising numbers of Russians now spending more money at home this has gone some way to supporting the retail sector, although not yet impacting on more positive underlying real estate fundamentals.

## THE RETAIL SECTOR IS STILL STRUGGLING

BUT 2016 HAS SEEN THE BEGINNINGS OF STABILISATION

IN UKRAINE, AFTER A SHARP DECLINE IN HIGH STREET RENTS IN **KYIV**, LEVELS APPEARED TO HAVE STABILIZED IN THE YEAR TO JUNE 2016.

After the wave of demonstrations and civil unrest in the recent past, the most popular high street, **Khreshchatyk Street** has been losing its appeal to retailers whose focus is now shifting to **Lva Tolstoho Square** and adjacent streets. However, the planned opening of the renovated **TSUM** shopping centre in late 2016 on **Kreshchatyk Street**, combined with economic and political stabilisation will bring a revival the performance of high street retailing in central **Kyiv**, making it more attractive to local and international retailers as well as potential new brands, but progress will be slow and cautious.



# ASIA PACIFIC OVERVIEW



*“Overall, retailers continued to be cautious in their store expansion across the region due to a number of concerns including continued global economic instability, and we see this trend continuing well into 2017. When expansion does happen, the focus is typically on high-performing malls and high streets with strong pedestrian traffic (i.e. quality over quantity). All in all, despite the cautious outlook across the region, major international and regional retailers will have to eye overseas growth, as their respective domestic markets reach saturation point and investors demand results.”*

**THEODORE KNIPFING**  
Head of Retail  
Asia Pacific

HONG KONG



**THE CAUSEWAY BAY AREA IN DOWNTOWN HONG KONG** RETAINS THE TOP SPOT IN THE ASIA PACIFIC RANKING AS THE MOST EXPENSIVE SHOPPING LOCATION DESPITE A DROP IN RENTS OVER THE LAST 12 MONTHS AS DEMAND COOLS ON A DECLINE IN VISITOR NUMBERS FROM MAINLAND CHINA.

The retail sector in **Hong Kong** is undergoing a structural change with a shift away from the reliance on top-end luxury brands to support retail sales, towards one that is seeing mass market brands come to the fore, such as fast fashion and food & beverage operators. However, with asking rents unachievable, a number of brands are applying pressure on landlords to lower their expectations, and some are obliging as they look to protect income streams. The decline in asking rents may also create opportunity for some retailers who are looking to enter and/or expand in **Hong Kong** to snap up units on prime pitches on good rental terms. One recent example is Versace's opening of a flagship store in Central in October 2016. Meanwhile, other luxury brands scale back their operations or close as they face headwinds of dwindling retail sales.



**SHIFT AWAY**

FROM THE TOP-END LUXURY BRANDS  
TOWARDS FAST FASHION AND FOOD & BEVERAGE OPERATORS



THE RETAIL MARKET IN **TOKYO** STRENGTHENED OVER THE YEAR TO JUNE, PUSHING **GINZA** TO SECOND PLACE IN THE REGIONAL RANKING OF MAIN STREETS.

The **Tokyo** 2020 Olympic Games have prompted the (re) development of urban retail complexes and high streets with retailers looking to cash in on inflated visitor numbers associated with the sporting event. This is pertinent as consumers in Japan, both domestic and foreign alike, are transitioning from a focus on the consumption of goods to a focus on the consumption of experience. In turn, this is shaping the way for the development of shopping complexes such as NEWoMan, Tokyu Plaza Ginza and Atrre Ebisu, as destinations offering a broad range of retail, leisure and F&B operators.

Retailers in Japan are actively looking to enhance their high street presence such as Cartier and Bally who recently opened flagship stores in Ginza. The desire from luxury brands for a high street presence will persist although rental values along high streets, that were once rapidly increasing, are now showing signs of slowing as consumer spend stalls. Pockets of opportunity for an upswing in rental growth still exists along **Ginza** and **Shibuya** in **Tokyo** where robust demand continues. Supporting the sector are the government's efforts to boost international arrivals to 40 million by 2020 and this surge of consumers, the majority of whom are from the wider Asian middle class, has shown to be a profitable income stream for retail operators not only in **Tokyo** but for the retail sector in **Osaka** as well.





LOW INTEREST RATES AND THE STRONG HOUSING MARKET IN SOUTH EASTERN AUSTRALIA HAVE BEEN KEY DRIVERS OF THE RETAIL MARKET.



Tourism in general, but from China in particular, has also been a component of the luxury retail story. Chinese tourists tend to favour urban destinations, rather than coastal, which has helped prime CBD retail strips in **Sydney** and **Melbourne** especially, and with competition for key streets rising from a breadth of retailers this is squeezing rents resulting in positive rental growth of around 5.7% over the twelve months to June 2016. Despite this **Sydney** slipped a spot to third in the regional ranking. It remains to be seen to what extent slowing growth in China will impact the retail sector.

To date there has been a reasonably low level of penetration from large international retailers indicating that opportunity still exists, but potential challenges remain such as Australia's relatively high labour costs and slower income growth. However, the expansion of some, such as Aldi and Zara, has been successful. A successful strategy of international retailers has been to open 'fortress' or mega stores in key locations firmly establishing a presence and then expand judiciously. John Lewis' proposal to open its first stores in strong retail locations in five major shopping centres located in **Sydney's CBD, Northern Beaches and Eastern Suburbs** as well as **Melbourne's CBD and Chadstone** (the largest shopping centre in the southern hemisphere) suggests a similar tactic is being adopted.

MOST EXPENSIVE LOCATIONS BY CITY - ASIA PAFIC

2016	2015	TOWN	COUNTRY	DISTRICT	2016 RENT US\$/SQ FT/YR	2016 RENT €/SQ M/YR	2015 RENT US\$/SQ FT/YR	2015 RENT €/SQ M/YR
1	1	Hong Kong	Hong Kong	Causeway Bay	2,878	27,884	3,405	32,898
2	3	Tokyo	Japan	Ginza	1,249	12,103	882	8,520
3	2	Sydney	Australia	Pitt Street Mall	968	9,383	946	9,140
4	4	Seoul	South Korea	Myeongdong	908	8,793	882	8,519
5	5	Melbourne	Australia	Bourke Street	484	4,692	473	4,570
6	6	Shanghai	China	West Nanjing Road	411	3,977	437	4,226
7	7	Singapore	Singapore	Orchard Road	328	3,181	337	3,253
8	10	Beijing	China	Wangfujing	299	2,894	291	2,811
9	9	Brisbane	Australia	Queen Street Mall	294	2,849	303	2,932
10	8	Guangzhou	China	Ti Yu Zhong Xin District	289	2,804	318	3,071
11	12	Shenzhen	China	Luohu	266	2,574	261	2,518
12	11	Kuala Lumpur	Malaysia	Pavilion KL	244	2,365	261	2,519
13	13	Taipei	Taiwan	Zhongxiao	225	2,178	246	2,376
14	16	Ho Chi Minh City	Vietnam	Best Achieved Shopping Mall	223	2,160	212	2,046
15	14	New Delhi	India	Khan Market	222	2,153	236	2,276
16	15	Hangzhou	China		206	1,998	219	2,113
17	18	Auckland	New Zealand	Queen Street	187	1,808	173	1,675
18	17	Nanjing	China		181	1,757	203	1,960
19	20	Wellington	New Zealand	Lambton Quay	173	1,669	158	1,530
20	19	Hanoi	Vietnam	Prime shopping mall	167	1,620	167	1,616





SINGAPORE

**SINGAPORE** HAS SEEN MASS RETAIL EXPAND TO SUBURBAN MALLS AS SHOPPERS INCREASINGLY LOOK TO CONSUME IN THEIR NEIGHBOURHOODS, NEGATING THE NEED BY SOME TO VISIT TRADITIONAL HOT SPOTS SUCH AS **ORCHARD ROAD** AS THEY HAVE ACCESS TO HIGH STREET LABELS SUCH AS H&M, MARKS AND SPENCER, MANGO NEARBY.

**Orchard Road** has seen a decline of 2.6% in rents over the last twelve months given the volatile tourist numbers, lower footfall numbers, the rise of e-commerce and persistent economic headwinds. Amidst falling retail rents however, this has helped to spur the expansion plans of some international retailers such as Victoria's Secret, Michael Kors and Rolex who have opened flagship stores. Those able to manage the balance of lower real estate costs with rising overheads will be the most successful with evidence that some brands are taking advantage of softening rents to lock in the rentals and longer lease terms than previously as they position for future growth. Landlords are obliging especially as they look to secure reputable anchor tenants which help add value to a development and attract repeat footfall. Nonetheless, there are some international retailers scaling back their presence, or withdrawing altogether from the Singapore market, and so landlords are focusing on active management in a bid to retain tenants.

BOOST  
INTERNATIONAL ARRIVALS TO  
**40 MILLION**  
**BY 2020**





TRADITIONAL BRICKS AND MORTAR RETAILERS IN CHINA ARE FACING STIFF COMPETITION FROM THE GROWING E-COMMERCE MARKET AND THE EMERGING TREND IS TO PARTNER WITH ONLINE-TO-OFFLINE PLATFORMS IN AN ATTEMPT TO CAPTURE THESE CHANGING TRENDS IN CONSUMER BEHAVIOUR.

In parallel, both retailers and landlords are raising the bar on the experience offered to consumers by expanding the F&B and leisure offerings – Muji’s **Shanghai** store includes a café and bookstore and Innisfree’s unit on the **Nanjing East Road** has a café. **Shanghai** also saw the opening of Disneyland in June 2016 in the **Pudong** district with retailers looking to capitalise on the anticipated 17 million visitors a year. In **Beijing** and **Guangzhou** landlords of dominant schemes are broadening their tenant mix and increasing the proportion of lifestyle space to attract a wider customer base and increase sales volumes. The retail sector is also tracking the decentralisation trend that is being seen in the residential and office sectors and will continue to look for opportunities in these areas where they have more options and leverage to negotiate with landlords for flexible leases.

Due to the appreciation of the U.S. dollar and corresponding price adjustment of products in overseas markets, the price difference between **China** and other markets has narrowed, driving more and more demand back to China.

This is reflected in the expansion of affordable luxury brands such as Sandro, Maje, Gentle Monster and Louis Quatorze as well as new market entrants such as Superdry and Victoria’s Secret. Core areas are favoured for new entrants who are willing to pay a premium to secure the footfall in these areas.

## ASIA PACIFIC KEY FACTS



### MOST EXPENSIVE RETAIL LOCATION

**Causeway Bay, Hong Kong:**

US\$2,878/sq ft/yr

€27,884/ sq m/yr



### MOST AFFORDABLE RETAIL LOCATION

**Raj Bhavan/Somajiguda, Hyderabad, India**

US\$16.00/sq ft/yr

€155/sq m/yr



### STRONGEST RENTAL GROWTH

**Marathahalli Junction, Bengaluru, India**

**+28%**



### BIGGEST RENTAL DECLINE

**Mongkok, Hong Kong**

**-17%**



### PROPORTION OF RENTAL GROWTH TYPES IN ASIA PACIFIC

**Declining**  
10%

**Growing**  
15%

**Stable**  
75%



SHANGHAI, CHINA



**STRONG DEMAND IN AREAS IN DELHI SUCH AS CONNAUGHT PLACE, KHAN MARKET AND GALLERIA (GURGAON) ARE EXPECTED TO SEE RENTAL UPLIFTS OVER THE YEAR DUE TO LIMITED QUALITY SPACE AGAINST RISING DEMAND FROM CINEMAS, F&B OPERATORS AND FASHION RETAILERS.**

Strategy and site location is critical as while H&M and Cath Kidston successfully opened units, KFC and Costa Coffee are reducing their exposure and vacating some units. **Bengaluru** is witnessing demand from retailers as the new commercial and residential developments along **BEL Road, North Bengaluru** and **Sarjapur Road** are creating expansion opportunity for retailers. Main street locations in close proximity to luxury malls such as Lavelle Road and UBL Road are registering more enquires due to the lack of availability in the malls and is likely to result in positive rental growth of between 5% to 10% in the next 12 months as the imbalance between supply and demand falls further to favour landlords. In **Hyderabad** the retail scene is dominated by fashion brands with the likes of Zara and H&M entering the market over the last twelve months. The luxury retail market is less developed with demand largely driven by the automobile sector and includes Rolls Royce, Bentley, Porsche and Jaguar all who have opened showrooms in the city. Despite limited availability of suitable spaces, the main streets of **Linking Road** and **Fort** in **Mumbai** continue to witness strong demand, especially from apparel retailers, whereas **Bandra-Kurla Complex (BKC)** is seeing heightened activity from F&B operators. Demand from apparel retailers is likely to remain buoyant as international apparel brands continue to venture into the main streets of **Mumbai** in the coming months.

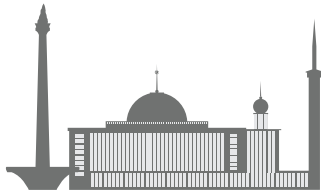
The continued rise of e-commerce is changing the retail scene across **India** as witnessed by the recent wave of online retailers opening physical stores and establishing a presence on the main retail streets. Hybrid stores offering the opportunity to shop online coupled with experience zones in malls and main streets, are expected to emerge strongly. These will have a large proportion of F&B aimed at enhancing the consumer experience.



**ONLINE RETAILERS OPENING PHYSICAL STORES AND ESTABLISHING A PRESENCE ON THE MAIN RETAIL STREETS**



**JAKARTA, INDONESIA**



**INDONESIA'S** RETAIL MARKET APPROACHES 2017 IN GOOD HEALTH AND WITH DEMAND OUTWEIGHING SUPPLY, POSITIVE RENTAL GROWTH WILL BE A CHARACTERISTIC AS COMPETITION FOR WELL-PLACED UNITS INTENSIFIES DESPITE THE RISE OF E-COMMERCE AS A CONSUMER CHANNEL FOR PURCHASING HIGH STREET FASHION.

**Jakarta** is the main retail destination and often considered as a target for incoming international brands looking to establish a foothold in the Asian retail scene with fashion retailers H&M, Uniqlo and Zara as well as Bvlgari and Alexander McQueen, amongst others, opening their doors in 2016. Lifestyle centres remain popular and the schemes currently being developed are providing premium brands in particular, with much needed expansion opportunities as options dry up elsewhere. Demand will intensify in such schemes especially as the moratorium on the development of 'one-stop' shopping centres remains in place but premiums will need to be paid given the lack of available units.



## MAIN RETAIL DESTINATION FOR INCOMING INTERNATIONAL BRANDS

## MALAYSIAN RETAIL CHAIN ASSOCIATION

REQUESTED THAT THE GOVERNMENT TEMPORARILY FREEZE THE ISSUANCE OF DEVELOPMENT LICENCES FOR NEW SCHEMES

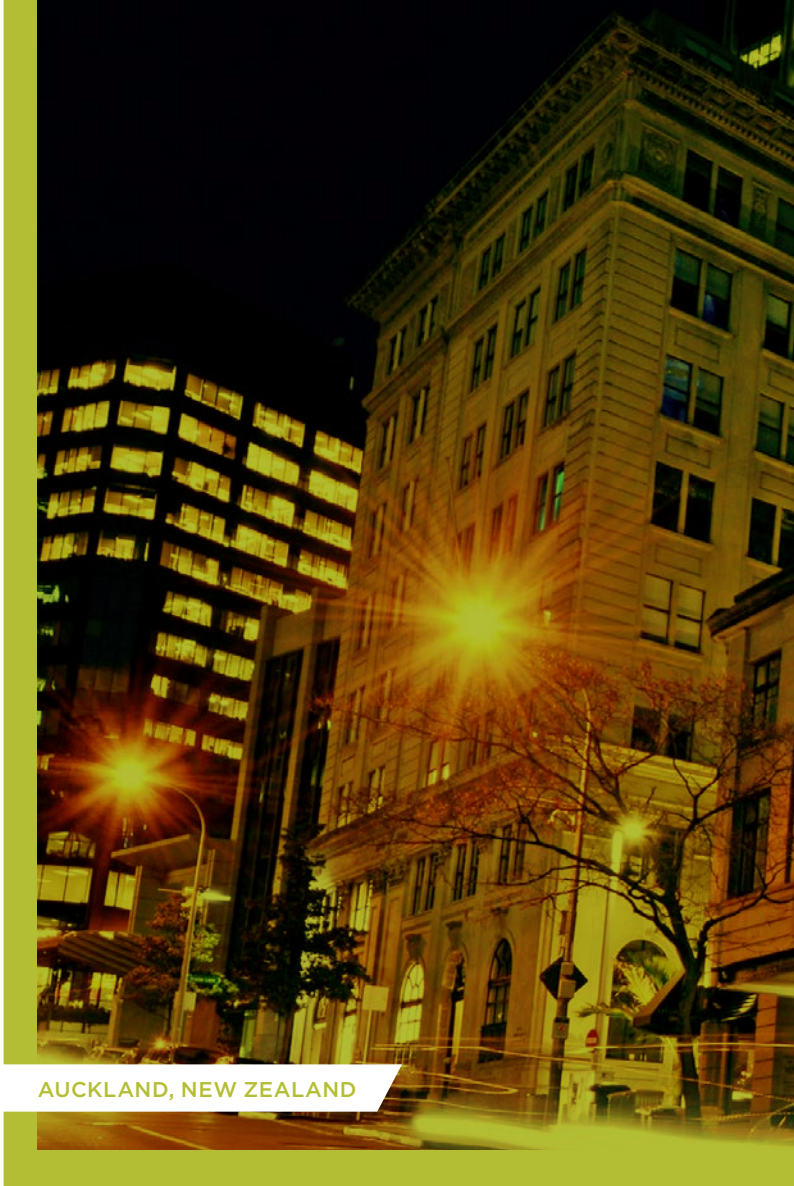
THE **MALAYSIAN RETAIL SCENE** IS NOT WITHOUT ITS CHALLENGES - THE MALAYSIAN RETAIL CHAIN ASSOCIATION (MRCA) REQUESTED THAT THE GOVERNMENT TEMPORARILY FREEZE THE ISSUANCE OF DEVELOPMENT LICENCES FOR NEW SCHEMES IN A BID TO CURB THE OVERSUPPLY OF RETAIL SPACE WHICH IS NEGATIVELY IMPACTING RENTAL GROWTH POTENTIAL AND PUTTING FURTHER STRAIN ON RETAILERS WHO ARE FACING PRESSURE ON MARGINS AND HIGHER OVERHEAD COSTS AS THE ECONOMY SLOWS AND THE RINGGIT WEAKENS. This, combined with the introduction in 2015 of the Goods and Sales Tax, will continue to weigh on consumer demand, but a strengthening in household income and a robust labour market will act as counterbalances and promote the expansion of the retail sector, although progress will be slow.

Retailers have a mixed opinion, with Old Navy opening its first unit in **Petaling Jaya** in September 2016 and the likes of Desigual, Hamleys and Halston all entering the market too. Some retailers have been forced to close, others postponing their opening dates and some smaller brands repositioning their offering in a bid to survive the tough current market conditions. There were no high profile retailers exiting the **Malaysian** retail scene and as consumers look for a broader retail experience, F&B operators have performed very well. However, as more stock is released, dominant schemes are likely to have their noses ahead and will attract tenants away from those schemes less actively managed and large regional malls are likely to benefit while those neighbouring malls will feel the pressure as tenants vacate.



## RENTAL GROWTH HAS BEEN STRONG OVER THE PAST 12 MONTHS

INTERNATIONAL BRANDS ARE MAKING A RESURGENCE IN THE **NEW ZEALAND** RETAIL MARKET, WITH PRECINCTS IN **AUCKLAND** SUCH AS LOWER QUEEN STREETS AND BRITOMART/CUSTOM HOUSE, THE MOST SOUGHT AFTER DESTINATIONS. Active requirements from the likes of H&M, Zara, Tiffany & Co and Chanel are exerting upward pressure on rental levels particularly for units along major thoroughfares and in dominant retail schemes. While online shopping levels continue to rise, it appears that this has taken little away from retail sales in key markets and along prime pitches where rental growth has been strong over the past 12 months. Of note is the rise in the number of smaller F&B operators capturing the increasingly popular coffee culture while perusing for purchases. The expansion of a number of regional and neighbourhood malls is currently underway or planned for the near future in response to **Auckland** in particular, seeing an increase in luxury brands taking space within prime precincts, driven partly by increased cruise ship patronage, the wealth effect from increasing residential property prices and increases in retail spending.



AUCKLAND, NEW ZEALAND



INTERNATIONAL BRANDS CONTINUE TO DRIVE THE **PHILIPPINE** RETAIL SECTOR, SUPPORTED BY THE RISING DISPOSABLE INCOME OF A GROWING MIDDLE CLASS POPULATION. Global mid-tier brands accounted for a significant volume of leasing activity in recent quarters. In particular, fast fashion retailers and F&B operators are leading the growth of the segment as brands such as Uniqlo and H&M continue to aggressively expand their footprints within and outside **Metro Manila**. Meanwhile, the luxury segment experienced a slowdown as lower than expected sales volumes in existing stores led to upscale brands re-evaluating expansion plans. Tightening competition have led to mall developers focusing on securing new retail concepts as a way to draw market share. There is also a shift in the tenant mix where mall operators are increasing the share of F&B in their retail developments.



SEOUL, SOUTH KOREA

OMNI-CHANNEL RETAILING IS RAPIDLY GAINING MOMENTUM IN THE **SOUTH KOREAN** RETAIL MARKET AS CONSUMERS DEMAND A SHOPPING EXPERIENCE ALLOWING THEM TO SHOP ANYWHERE AT ANY TIME, AND BRANDS NEED TO PROVIDE A SEAMLESS EXPERIENCE IN RETURN.

SOUTH KOREA IS ALSO BECOMING  
**AN ASIAN TEST BED**  
 FOR LUXURY WATCHES

Retailers such as Lotte and Shinsegae Group are aggressively investing to capitalise on this trend and other brands will be in hot pursuit. This large scale shift has seen showrooms come to the fore as consumers prefer to examine a product in a bricks and mortar shop before purchasing online. Demand for shop units however is still strong, supported by the inflow of Chinese tourists which has seen the main shopping area expand from **Myeongdong** and **Gangnam Station** to **Garosu-gil** and **Hongdae** where rents have been rising.

Global brands are opening exclusive stores, underpinned by robust performance – Lardini, imported by Shinsegae International, recently opened, as did Christopher Kane. **South Korea** is also becoming an Asian test bed for luxury watches with Roger Dubuis choosing **South Korea** as their entry point to the region. The mass market is presenting more of a mixed picture with some brands struggling with softening demand, in a saturated market, and a weakening in economic conditions with some retailers consolidating or exiting the market to preserve profit. For example, Forever 21 closed their **Garosugil** store and Canadian JoeFresh, which opened in 2014 has exited. Meanwhile, Uniqlo's operation is performing well, Shake Shack Burger, a premium burger franchise from New York City, opened its first store near **Gangnam Station** and plans to open a further 25 outlets across the country by 2025, British pharmacy chain, Boots, is planning to enter with Emart, one of the largest retailers in **South Korea** in 2017.



TAIPEI, TAIWAN



IN TAIWAN, THE LINES BETWEEN RETAILER ON AND OFFLINE PRESENCE ARE BECOMING MORE BLURRED AS SOME VIRTUAL RETAILERS LOOK TO ROLL OUT A PHYSICAL PRESENCE ONCE AN ONLINE REPUTATION HAS BEEN ESTABLISHED, AND SOME LUXURY AND HIGH STREET BRANDS LOOK TO INCREASE THEIR SALES VOLUMES BY SETTING UP AN ONLINE PLATFORM.

The consumer experience remains a vital part of any strategy, exemplified by Apple’s recent decision to establish a physical unit in **Taipei**, which aims to provide an experience rather than simply a place to shop, and prolong shopper dwell time. The fast-fashion segment is increasingly competitive due to rapid expansion. Over the past 12 months, a number of brands have exited the market such as LUSH and Laduree, while other brands are opening units such as Forever 21, MIXXO, SPAO, and Bershka, as well as some F&B operators.

With retailers hit by lower consumer spending, the main retail hub, **Zhongxiao**, has seen a decline in standard leases, resulting in an increase in unstable short term leases. As such pop-up shops have emerged to fill in the vacancy caused by the fall of standard leases. To secure long-term income streams landlords are willing to readjust their expectations and lower asking rents. In spite of the slight drop in rents, the vacancy rate is still high, and the expectation is for a continued decline in rental rates in **Zhongxiao Retail Hub**.





PRIME RETAIL IN **THAILAND'S CAPITAL BANGKOK** CONTINUES TO PERFORM WELL AND NEW SHOPPING CENTRES HAVE OPENED THEIR DOORS FOCUSING ON THE LUXURY END OF THE MARKET WHICH IS SUPPORTED BY ROBUST DEMAND FROM TOURISTS, PARTICULARLY THOSE FROM CHINA AND JAPANESE EXPATS, ESPECIALLY IN THE **PHROM PHONG** AREA, WHERE THE EMPORIUM, THE EMQUATIER, AND THE EMSPHERE (FUTURE DEVELOPMENT) ARE ALL LOCATED.

With demand rising, and supply unable to keep up, the market is leaning more towards landlords with rents coming under increasing upward pressure. Indeed, the majority of luxury operators have secured space in prime locations with long leases and advance payments in place in order to do so. Developers are beginning to look away from the city centre for areas of untapped opportunity and this will be tested with the opening in the next two years of a new shopping mall by the **Chaopraya River**. The centre is surrounded by 5-star hotels and luxury residential developments, which the developer claims will be a new chapter in the Thai shopping experience. F&B operators are likely to feature highly as consumers increasingly look for an experience when shopping and not simply a buy-and-out operation. This is rising up the ranks of importance as online sales increase - anticipated to rise by 15%-20% in 2016 over 2015 according to research carried out by Kasikorn, and brands focusing on a physical presence alone are likely to see their sales volumes come under pressure.

AFFORDABLE, MID-RANGE RETAILERS ARE GAINING MARKET SHARE IN THE **VIETNAMESE** RETAIL SCENE AS LUXURY BRANDS CONTINUE TO REVIEW THEIR EXPANSION STRATEGIES AND LOOK TO MAXIMISE SALES GROWTH BY CONSOLIDATING THEIR FOOTPRINTS INTO A SOLID NETWORK OF STORES IN HIGH-QUALITY LOCATIONS, AS OPPOSED TO OPENING MANY SMALL STORES IN A RAPID SUCCESSION.

For example, the Korean eco-cosmetics brand Innisfree has officially launched in Vietnam, with the first store opening on the edge of **Ho Chi Minh City's** CBD. Interest is strong for flagship units on prime high streets with high footfall which has seen rents rise by 11.1% in **Ho Ci Minh City**, as interest in department stores wanes, although a large proportion of this stems from the more affordable operators. Conversely, despite the closure of a number of lower-end schemes, countered with new schemes opening this will dampen rental growth prospects in the shopping centre sector. In addition, similar to a number of other markets in the Asia Pacific region, the share of the market accounted for by e-commerce is increasing as is the experience that consumers are looking for and this is reflected in a rising share of F&B and entertainment in shopping centres as landlords seek to extend consumer dwell time.



BANGKOK, THAILAND



# AMERICAS OVERVIEW



*“Throughout 2016 the America’s region has benefited from stable consumer spending that has been sustained by steady employment and lower energy prices. This is an enduring trend from 2015 that we forecast to continue into 2017. The larger question for 2017 and beyond, will be the unrelenting rebalancing of sales origination; bricks and mortar versus e-commerce. The urban retail sector will continue to benefit from global brands seeking tangible connections with the consumer while the pressure will build upon enclosed malls and open air shopping centers to continually enhance their shopping experience and differentiate their market positions to maintain competitiveness in the continuous advancement of the “bricks and clicks” model.”*

**GENE SPIEGELMAN**  
Vice Chairman  
Head of Retail Services  
North America

NEW YORK CITY, USA



**NEW YORK'S (UPPER) 5TH AVENUE** REMAINS AT THE TOP OF THE GLOBAL RANKING OF MAIN STREETS DESPITE A FALL IN HEADLINE RENTS ACROSS THE 12 MONTHS TO JUNE 2016. THIS MARKS THE FIRST TIME THAT **MANHATTAN** RETAIL RENTS HAVE MOVED BACKWARDS IN THE POST-RECESSION ERA AND THE TREND IS NOT OVER.

Publicly traded apparel chains remain under immense pressure from Wall Street to trim the fat and this means closing underperforming stores, cutting overheads and improving margins. This trend has particularly affected the high street and mall sectors in the U.S. and it will continue heading into 2017. Also noted is slowing demand from global brands looking for flagship space in **New York**; the few new entrants that there have been are extremely cautious in their site selection process. Meanwhile, many owners have yet to alter their leasing strategies despite the obvious shift in market conditions. The result has been that deal negotiations can be very lengthy. But if deal activity has fallen for apparel and luxury retailers, it remains fairly robust for food or service related retail concepts. Restaurants (ranging from fast casual to white tablecloth), food halls and health clubs are all in growth mode. Meanwhile, although deal activity and asking rents have been declining on **Manhattan's** traditional high street retail markets, there is still strong activity in many submarkets not historically known as retail hot spots. **The Financial District, Meatpacking District, the Lower East Side** are just a few of the up-and-coming markets where strong residential growth is now being followed by retail expansion.

Despite the somewhat sluggish leasing market, **Manhattan** will be able to bear the current market challenges thanks to its robust underlying fundamentals. There is no market in the U.S. that offers the same density, income demographics or tourism spend. However, the next couple of years will be a time of retail retrenchment and reinvention in the U.S. and those challenges will be felt even here.

## MOST EXPENSIVE LOCATIONS BY CITY - AMERICAS

2016	2015	TOWN	COUNTRY	DISTRICT	2016 RENT US\$/SQ FT/YR	2016 RENT €/SQ M/YR	2015 RENT US\$/SQ FT/YR	2015 RENT €/SQ M/YR
1	1	New York	USA	Upper 5th Avenue (49th-60th Sts)	3,000	29,065	3,500	33,812
2	2	Chicago	USA	North Michigan Avenue	550	5,329	525	5,072
3	3	San Francisco	USA	Post Street	545	5,280	495	4,782
4	4	Miami	USA	Lincoln Road	325	3,149	325	3,140
5	5	Toronto	Canada	Bloor Street	250	2,425	260	2,515
6	6	Washington DC	USA	Penn Quarter	205	1,986	220	2,125
7	7	Vancouver	Canada	Robson Street	166	1,604	176	1,702
8	8	Boston	USA	Newbury Street	150	1,453	150	1,449
9	9	Montreal	Canada	Saint-Catherine W - Street Level	139	1,343	144	1,393
10	10	Rio de Janeiro	Brazil	Garcia D'avilla (Ipanema)	113	1,096	117	1,127
11	12	Bogota	Colombia	Zona T - 82 Calle	100	972	100	969
12	11	Mexico City	Mexico	Masaryk	100	972	103	991
13	13	San Diego	USA	Del Mar Heights Blvd	78	756	78	754
14	16	Seattle	USA	Downtown Core	75	727	70	676
15	14	São Paulo	Brazil	Oscar Freire Jardins	73	708	75	728
16	16	Monterrey	Mexico	Calzada del Valle	57	551	61	592
17	17	Lima	Peru	San Isidro	40	389	47	452
18	19	Edmonton	Canada	Whyte Avenue	39	373	34	333
19	18	Calgary	Canada	17th Avenue SW	39	373	40	387
20	19	Ottawa	Canada	Wellington Street	31	298	32	310



THERE HAVE BEEN A NUMBER OF TRENDS DRIVING RETAIL GROWTH IN **CHICAGO** OVER THE PAST YEAR BUT PERHAPS THE BIGGEST HAS BEEN THE EMERGENCE OF A NUMBER OF NEW NEIGHBOURHOODS LIKE THE **FULTON MARKET DISTRICT** AND **LOGAN SQUARE**.

Both of these districts have redefined themselves over the last couple of years - in the **Fulton Market** neighbourhood once vacant industrial properties have become lofts while **Logan Square's** historic homes have helped to lure a new generation of residents to a neighbourhood that previously had its issues with crime. These up-and-coming areas have become hotbeds of leasing activity with restaurants leading the charge. These trade areas have also proven to be popular with many clicks to bricks concepts. Among the formerly pure play e-commerce retailers that have recently opened bricks-and-mortar store locations in the Windy City are Bonobos, Warby Parker, Untuckit, Bucketfeet and Marine Layer.

**Chicago's** tourism numbers continue to rise; the city was host to more than 50 million visitors in 2015. This most directly benefits **Chicago's** premier high street market, the **Gold Coast**, but it positively impacts dozens of trade areas ranging from the **Loop** to **Wrigleyville**. Versace recently opened a new store in the **Gold Coast**, while Gucci and Louis Vuitton both expanded and renovated their facades on the north end of the **Magnificent Mile**. While luxury players have been active on Chicago's high streets, there has also been a fair amount of activity from independent or boutique apparel retailers expanding in outlying urban neighbourhoods like **Lakeview's Southport Corridor**, **Lincoln Park's Clybourn Corridor**, **Bucktown/Wicker Park** and the **Armitage area**. Fast casual and full service restaurants are expanding in all Chicago submarkets, but there has been an explosion of these concepts in the **Loop** and **West Loop/Fulton Market**.

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## RENTS HAVE BEEN ON THE RISE IN THE **SEATTLE** MARKETPLACE, PARTICULARLY IN THE URBAN CORE.

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Despite an increasingly challenged retail landscape, the shortage of quality product available in the CBD retail markets **Downtown, Pioneer Square, Capitol Hill, Belltown, Lake Union** and other central trade areas has translated into 7.1% rent growth in the year ending Q2 2016.

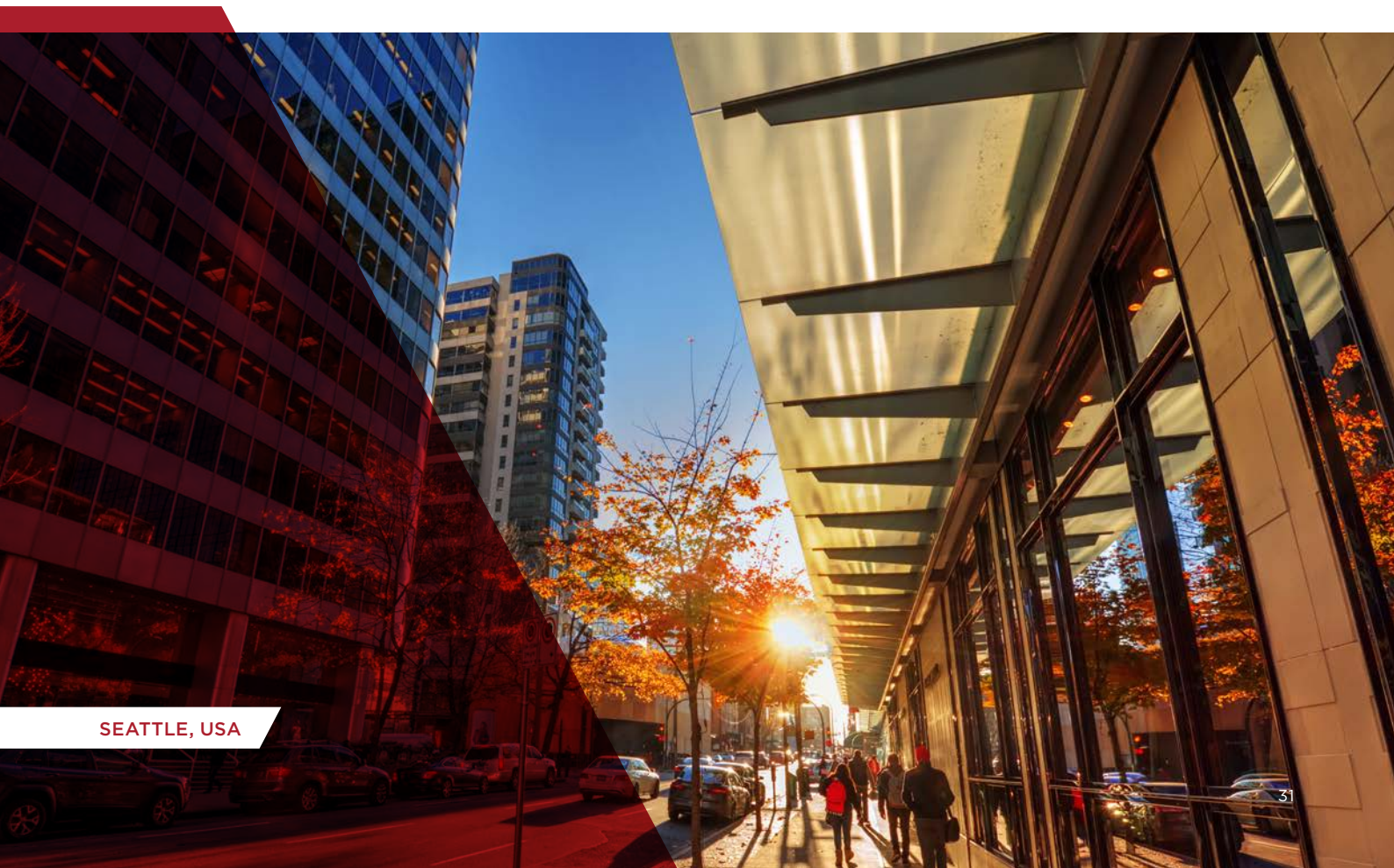
The fact is that activity in **Downtown Seattle** remains overwhelmingly driven by restaurant and retail service related concepts. Thus, the recent trend of closures that has been affecting apparel and department store chains has had little impact on that marketplace. In fact, it has had little impact on Downtown's premier mall, Pacific Place, either. This is because most of those closures are playing out in Class B or C shopping centres, or in malls situated in secondary or tertiary markets. **Seattle** has been insulated against that trend thanks both to its continued strong local economic performance and the fact that there has been little in the way of new retail development in the urban core over the past few years.



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## DOWNTOWN SEATTLE REMAINS OVERWHELMINGLY DRIVEN BY **RESTAURANT AND RETAIL SERVICE RELATED CONCEPTS**

Perhaps the most notable opening of the past year was the launch of Amazon Books in University Village. This 7,400 sq ft location was the first in Amazon's rollout of its new physical bookstore concept. Amazon plans to add more bookstores nationally, most of which will also be in smaller urban locations situated near major schools or universities. Additionally, the e-commerce giant reportedly plans to open roughly 20 grocery/convenience stores nationally in the next year, with the **Seattle** market likely to again serve as a launching point.





**PHILADELPHIA IS UNIQUE IN THAT IT HAS TWO DIAMETRICALLY OPPOSED HIGH STREET DISTRICTS. THERE IS THE CLASSIC URBAN HIGH STREET EXPERIENCE ON WALNUT STREET IN DOWNTOWN PHILADELPHIA.**

Then there is the classic suburban high street mall experience offered by the King of Prussia Mall and is roughly a 20 minute drive from Philadelphia’s urban core and, at just under 2.5 million sq ft, is one of the largest shopping centres in the world. In the U.S. only the Mall of America (Bloomington, MN), South Coast Plaza (Costa Mesa, CA) and Del Amo Fashion Center (Torrance, CA) are larger.

While the overall trend for retail in the U.S. has been urban over suburban, and for the consolidation of many mall-based tenants, this simply is not happening in **Philadelphia**. The King of Prussia Mall, with sales estimated at USD 805/ sq ft, opened a 155,000 sq ft expansion this summer that was completely occupied upon its delivery. Meanwhile, **Walnut Street** has seen sluggish activity as of late with a number of lingering vacancies. The luxury sector, on the whole, has seen marginal growth and somewhat sluggish demand outside of King of Prussia Mall. In Philadelphia’s urban marketplace, closures from upscale chains have mostly been backfilled by lower price point retailers in growth mode like Under Armor, although rents have generally held firm. Food is still the hottest sector of the market with many restaurant concepts looking to expand in virtually every **Philadelphia** submarket, but urban demand is particularly strong from everything from fast casual chains to upscale eateries.

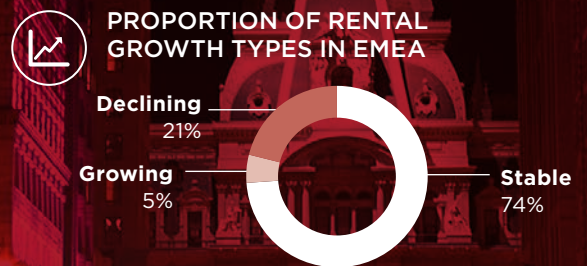
## AMERICAS KEY FACTS

**MOST EXPENSIVE RETAIL LOCATION**  
**New York’s Upper 5th Avenue (49th-60th Sts), USA**  
 US\$3,000/sq ft/yr  
 €29,065/ sq m/yr

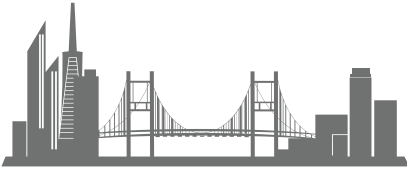
**MOST AFFORDABLE RETAIL LOCATION**  
**Ottawa’s Wellington Street, Canada**  
 US\$30.80/sq ft/yr  
 €298/sq m/yr

**STRONGEST RENTAL GROWTH**  
**Edmonton’s Whyte Avenue, Canada**  
**+16%**

**BIGGEST RENTAL DECLINE**  
**Lima’s San Isidro, Peru**  
**-14%**



PHILADELPHIA, USA



SINCE 2010, THE BAY AREA'S BOOMING TECH ECONOMY HAS PLACED THIS REGION AT THE TOP OF MOST RETAILER EXPANSION LISTS AND **SAN FRANCISCO** HAS BEEN THE EPICENTRE.



As a result, San Francisco's retail vacancy has remained among the lowest in the nation and rents have spent most of the last six years on a sharp upward trajectory. That said, **San Francisco's** restrictive anti-chain store law has meant that most retailers have had to seek exclusions from the City Council, a process that has often been time intensive and expensive. With vacancy levels below the 5.0% mark, the city could do this. That is all about to change.

Buoyed by massive new multifamily development, a number of new retail trade areas are emerging in the city by the Bay. Foremost among them is the Mid-Market area, which is directly adjacent to Union Square. Historically, **Union Square** has been one of the city's major tourist destinations and the focal point of luxury retail brands. The cheaper retail rents of the **Mid-Market** area are increasingly posing competitive issues for Union Square landlords. Meanwhile, Macy's (which operated two major department stores in Union Square) has announced plans to consolidate to their larger location at 170 O'Farrell Street, returning a large block of space to market. Although demand has remained steady in Union Square over the past year, occupancy gains have been largely mitigated by a few shop closures. In May 2016, Apple relocated its flagship store to a site on **Union Square**. Much of the activity of the past year has been driven by relocations or expansions which simply have not translated into real growth.

## A NUMBER OF NEW RETAIL TRADE AREAS ARE EMERGING IN **THE CITY BY THE BAY**

One market where considerable growth is being seen is the emerging **Jackson Square** neighbourhood. This submarket has succeeded in luring cool new millennial-focused concepts as well as some luxury retailers due to its competitive rents, historic flavour and zoning advantages (most of it is exempt from **San Francisco's** chain store law). Among the tenants that have inked deals here are Isabel Marant, Jake, Shinola, Filson, A.P.C., Guideboat and future Republic of Ritz Hansen. Rents here will continue to increase thanks to continued strong demand and very little supply. Unfortunately, for landlords, this probably won't be the case elsewhere.

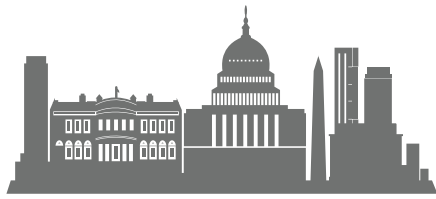
Looking forward, vacancy in the **Union Square** market will increase considerably when the Macy's space hits the market. Citywide vacancy will also climb with the 2017 delivery of a new 250,000 sq ft retail project in the **Mid-Market** area. Look for rents to flatten in 2017, though they will only move backwards in a few trade areas. In the meantime, investors will continue to pursue and pay top dollar for premier **San Francisco** sites despite these challenges.

### SAN FRANCISCO, USA





LOS ANGELES, USA



IN WASHINGTON NICHE RETAIL IS RISING IN POPULARITY, AND CONSUMER DEMAND FOR NEW AND EXCITING CONCEPTS PUSH THE BOUNDARIES OF TRADITIONAL RETAIL CORRIDORS. THE ESTABLISHMENT OF THE 14TH STREET CORRIDOR AND THE EMERGENCE OF THE SHAW NEIGHBOURHOOD AS RETAIL DESTINATIONS IN THE LAST FEW YEARS HAS CONTINUED TO PROGRESS.

Chef-driven concepts have become the norm, as have hybrids between apparel and restaurant retail. The rise of waterfront retail with the development of **The Wharf** and **Capitol Riverfront** have also introduced new retail markets to the city, and drawn new entrants and established restaurateurs to these emerging markets. Restaurants continue to account for roughly 75% of the retail deals that are being seen, with nearly every category in growth mode from fast food to food halls.

Looking ahead, advances in technology will shape the consumer experience of retail as well as drive the way people shop. Pop-ups, which are becoming increasingly popular, are likely to increase in number. **The District's** lack of quality urban retail supply will continue to support this trend going forward. The limited new urban projects that have come online have generally leased up quickly at higher rents. That said, demand has started to cool and it is anticipated that the aggressive rental rate growth of the past few years will cool significantly heading into 2017.

RESTAURANTS **75%**  
continue to account for roughly  
OF THE RETAIL DEALS THAT ARE BEING SEEN

WITH STRONG RENTS, LOW VACANCIES, HIGH-INCOME DEMOGRAPHICS, AND A HOTSPOT FOR TOURIST ACTIVITY, **RODEO DRIVE IN LOS ANGELES** IS STILL THE LEADING DESTINATION FOR LUXURY SHOPPING.

The trend here has been to renovate existing stores while debuting new flagship stores with the goal of maintaining the Rodeo brand of luxury and target the newer millennial audience. With high foot traffic and tourist popularity, **Third Street Promenade** is a premier entertainment and shopping area with mass retailers. It will continue to grow with the new Expo Light Rail Line that opened in May 2016 and these factors will keep the rental rates high for the foreseeable future. Meanwhile, Westfield continues to move forward on a major revamp of its Century City mall. This Bloomingdale's-anchored project is adding a new anchor tenant, a 70,000 sq ft Eataly.

The increasing popularity of e-commerce shapes the retail sector by retailers consolidating stores, adapting the click and collect trend, and creating shopping as an interactive experience. Retailers are slowly participating in the Virtual Reality (VR) trend as they look to differentiate themselves by creating a new attraction for people to come into their stores. The Verizon Store on **Third Street Promenade** recently released a VR stimulation of playing in a NFL game and Samsung and Apple are doing the same and provide an interactive experience to their consumers. VR is slowly starting to trend with retailers to entice people to come into the store. There is no doubt that the acceleration of e-commerce has created significant challenges for the retail marketplace; some categories like department stores and apparel are in contraction mode while others are simply flat in terms of growth. However, concepts embracing experiential retail are the ones that are thriving. That said, the occupancy growth that is currently being seen in **Los Angeles** is still mostly coming from food concepts ranging from grocery to restaurants.



SPENDING HABITS IN THE **CANADIAN** RETAIL MARKET ARE SHIFTING WITH DIVERGENCE INTENSIFYING-THE MORE AFFORDABLE FAST FASHION MARKET INCLUDING INTERNATIONAL RETAILERS SUCH AS ZARA, H&M AND FOREVER 21 ATTRACTING MORE CONSUMERS AS IS THE LUXURY RETAIL SEGMENT.

This is impacting mid-market retailers such as Jacob, Smart Set, Laura, and Danier Leather who are struggling to reposition themselves. The last 12 months has seen an influx of high-end retailers such as Saks Fifth Avenue and Nordstrom, with landlords renovating and/or expanding tier 1 schemes to accommodate these tenants and remain competitive. This is hurting the low to mid end schemes in smaller city centres which are already feeling the departure of Target.

It's fair to say that **Canadian** retailers as a whole are lacking in their online presence with bricks and mortar still a significant part of the retail scene. Demand is strong across the board for well trodden units along main streets such as **Robson Street in Vancouver** and **Bloor Street in Toronto**, and there are no signs of this slowing down. Retailers are actively renewing their leases, often negotiating long leases so as to tie in current rental levels before the anticipated upswing filters through. This is not to say that things aren't changing - with consumers very much in the driving seat as online shopping has provided them unlimited choices on where to spend their money - some retailers are adapting to the shifting sands and developing omnichannel platforms. Creativity and experiential experiences for customers are the differentiator for bricks and mortar retailers with the development of lifestyle centres rising as more consumers demand it.

THE LACK OF SPACE IN THE LARGER CITIES, PARTICULARLY **MEXICO CITY**, COMBINED WITH HEALTHY DEMAND HAS SUSTAINED STABLE PRICES.

Stronger demand for central, well connected locations is accelerating the renewal of retail in traditional neighbourhoods, like Colonia Roma, and of converted industrial land in the Granada, Vallejo, and Tlalnepantla districts, among others - this is happening on a scale not seen in the capital before. Developers are also enhancing and expanding their shopping centres (e.g Antara, Parque Delta, and Perisur in **Mexico City**) to accommodate more tenants. Furthermore, the scarcity of development land is seeing a significant increase in land prices particularly as demand from trendy restaurants, bars and fashion boutiques is escalating. The main luxury street in **Mexico City**, **Masaryk Avenue**, recently underwent a major renovation plan but it remains to be seen what the impact of this renewal on the number and profile of its visitors will be. The rising level of consumer spending from the growing middle-class will also support the continued expansion of the retail offer and the entry of new international retailers. However, it is interesting to observe that the entry of big-name international brands is not always well received in the more traditional city locations. The impact of e-commerce is only now starting to be felt in **Mexico** on a scale where retailers are now reacting, for example, local retailer Liverpool, are enhancing their e-commerce capabilities in order to compete with big players now entering the market, such as Amazon.



TORONTO, CANADA



**2017 SHOULD MARK THE BEGINNING OF A TURNING POINT FOR THE BRAZILIAN RETAIL SECTOR.**

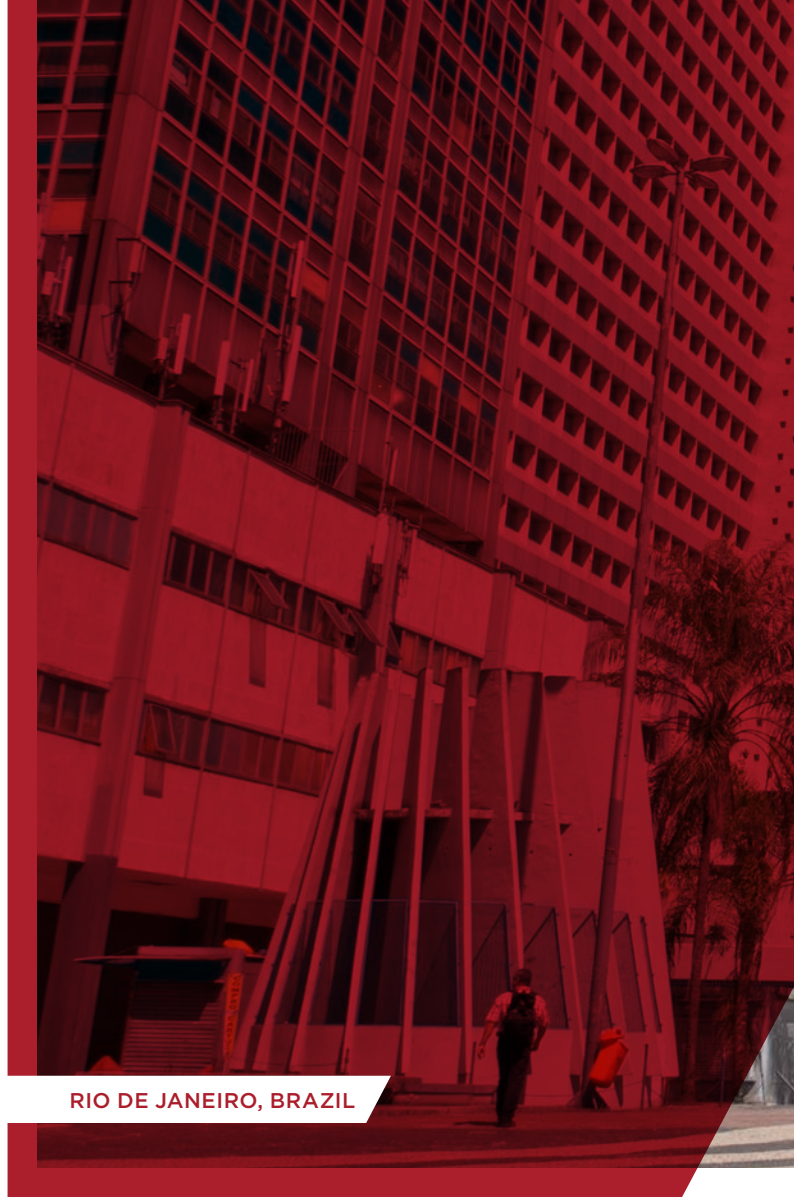
The last 12-24 months have been clouded by political instability, negative GDP growth and rising unemployment, all of which have negatively impacted the retail market with retail sales falling. Along the main shopping streets in **Brazil** such as **Garcia D'Ávila** in **Rio de Janeiro** there are however signs of expansion beyond the traditional boundaries into adjacent streets but this has not translated into rental rises just yet. Along **Oscar Freire Jardins** in **São Paulo**, there has been a high turnover with multiple retailers moving to locate in shopping centres. High streets rents have been relatively stable but with demand waning, levels are supported by incentive packages as landlords try to limit void periods and protect income streams, placing greater control in the hands of the retailers when negotiating lease terms.

In turn, 2017 should be a rebound year for the sector but change will be subtle with consumer confidence seeing signs of improvement since Michel Temer assumed the presidency in mid May following the impeachment vote in the Senate to remove Dilma Rousseff. GDP will turn positive following two consecutive years of recession, leading to a fall in the unemployment rate which will cause wages and prices to stabilise and so consumer's trust will make a comeback as will retail sales. This process will have a direct impact on retailers who, if well positioned in the post-crisis period, should reap the future rewards of the investments made in the present.

**THE PERUVIAN RETAIL MARKET HAS BEEN GROWING AND WHILE FOCUS IS ON LIMA, THERE IS ACTIVITY ACROSS THE COUNTRY.**

This has not been reflected however along the **San Isidro** and **Otros** high streets in the capital where rents have actually declined over the 12 months to June as consumers prefer the dominant shopping centres that offer both retail brands and leisure operators all under one roof. Economic stability, compared to other countries in the region, better access to consumer credit and infrastructure improvements have all supported the growth of the retail sector and the entry of new international brands. The construction of new shopping centres continues apace and with this comes the wider spread of retailers and potentially increased competition which is good news for consumers as brands will need to work hard to maintain sales volumes, with many establishing and/or growing their online presence.

Luxury brands have only really begun to make an appearance in **Peru** over the last few years. Chanel, Armani, Carolina Herrera, Coach and Tous have all opened units displaying a definite preference for shopping centres over high streets. Owners are going some way to attract more luxury brands with Jockey Plaza for example, creating a dedicated luxury brand, high profile area in the centre.



RIO DE JANEIRO, BRAZIL

# LUXURY BRANDS

HAVE BEGUN TO MAKE AN APPEARANCE IN PERU





Photography by: Donatas Dabravolskas

**SHOPPING CENTRES DOMINATE THE COLOMBIAN RETAIL MARKET AS DOMESTIC AND INTERNATIONAL BRANDS PREFER COVERED CENTRES OVER HIGH STREETS.**

As international developers become more active in bringing new shopping centre stock to the market, this will lead to a rising level of maturity and a more competitive environment which will benefit consumers in general - it is also opening up an array of possibilities for retailer (re)location strategies. However, while retailers will have more options, this may dampen any potential for rental growth. Select high streets are seeing somewhat of a resurgence with signs of gentrification in **Bogota**. Expansion plans are underway with Starbucks for example announcing the opening of 40 units over the next three years and Jeronimo Martins which had close to 140 stores in July, with plans to end the year close to 200, Decathlon and H&M have announced 2017 openings. With rising demand expected to lead to positive rental growth, some retailers are seizing the opportunity to open large units and taking advantage of the current lower rent levels.

STARBUCKS  
**OPENING 40 UNITS**  
OVER THE NEXT THREE YEARS





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# GLOBAL RETAIL RENDS

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CONTINENT	COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 15	RENT JUNE 16	ANNUAL RG	RENT US\$/SQ FT/YR JUNE 16	RENT €/SQ M/YR JUNE 16	END 2017 TREND (COMPARED TO 2016)
<b>EUROPE</b>										
Europe	Austria	Vienna	Karntnerstrasse/ Graben	€/ sq m/month	300	300	0.0%	371.6	3,600	➔
Europe	Austria	Vienna	Mariahilferstrasse	€/ sq m/month	135	135	0.0%	167.2	1,620	➔
Europe	Austria	Vienna	Kohlmarkt	€/ sq m/month	385	385	0.0%	476.8	4,620	➔
Europe	Austria	Graz	Herrengasse	€/ sq m/month	110	110	0.0%	136.2	1,320	➔
Europe	Austria	Linz	Landstrasse	€/ sq m/month	130	130	0.0%	161.0	1,560	➔
Europe	Austria	Salzburg	Getreidegasse	€/ sq m/month	125	125	0.0%	154.8	1,500	➔
Europe	Austria	Innsbruck	Maria Theresienstrasse	€/ sq m/month	110	110	0.0%	136.2	1,320	➔
Europe	Belgium	Brussels	Rue Neuve	€/ sq m/year	1,750	1,850	5.7%	190.9	1,850	➔
Europe	Belgium	Brussels	Avenue Louise	€/ sq m/year	1,750	1,775	1.4%	183.2	1,775	➔
Europe	Belgium	Antwerp	Meir	€/ sq m/year	1,750	1,850	5.7%	190.9	1,850	➔
Europe	Belgium	Liege	Vinave d'Ille	€/ sq m/year	1,050	1,125	7.1%	116.1	1,125	➔
Europe	Belgium	Ghent	Veldstraat	€/ sq m/year	1,350	1,375	1.9%	141.9	1,375	➔
Europe	Belgium	Bruges	Steenstraat	€/ sq m/year	1,070	1,100	2.8%	113.5	1,100	➔
Europe	Belgium	Hasselt	Hoogstraat	€/ sq m/year	1,150	1,250	8.7%	129.0	1,250	➔
Europe	Bulgaria	Sofia	Vitosha Blvd	€/ sq m/month	44	46	4.5%	57.0	552	➔
Europe	Bulgaria	Plovdiv	Alexander Batenburg	€/ sq m/month	25	27	8.0%	33.4	324	➔
Europe	Bulgaria	Varna	Kniaz Boris 1	€/ sq m/month	30	32	6.7%	39.6	384	➔
Europe	Bulgaria	Bourgas	Alexandrovka	€/ sq m/month	25	27	8.0%	33.4	324	➔
Europe	Channel Islands	St Helier	King Street	Zone A £/ sq ft/year	120	120	0.0%	85.0	824	➔
Europe	Channel Islands	St Helier	Queen Street	Zone A £/ sq ft/year	100	100	0.0%	70.8	686	➔
Europe	Channel Islands	St Peter Port	High Street	Zone A £/ sq ft/year	100	100	0.0%	90.9	881	➔
Europe	Croatia	Zagreb	Ilica Street	€/ sq m/month	70	70	0.0%	86.7	840	➔
Europe	Cyprus	Nicosia	Makarios Ave	€/ sq m/month	18	18	0.0%	22.3	216	➔
Europe	Cyprus	Nicosia	Ledras Street	€/ sq m/month	40	40	0.0%	49.5	480	➔
Europe	Cyprus	Limassol	Anexartisias Ave	€/ sq m/month	18	18	0.0%	22.3	216	➔
Europe	Czech Republic	Prague	Na Příkopě street	€/ sq m/month	190	200	5.3%	247.7	2,400	➔
Europe	Czech Republic	Prague	Parizska Street	€/ sq m/month	185	195	5.4%	241.5	2,340	➔
Europe	Czech Republic	Prague	Out of Town	€/ sq m/month	40	40	0.0%	49.5	480	➔
Europe	Czech Republic	Brno	Svobody Square	€/ sq m/month	70	70	0.0%	86.7	840	➔
Europe	Denmark	Copenhagen	Stroget (including Vimmelskiftet)	Dkr/ sq m/year	18,000	18,500	2.8%	256.6	2,487	➔
Europe	Denmark	Copenhagen	Stroget area	Dkr/ sq m/year	6,500	6,750	3.8%	93.6	907	➔
Europe	Denmark	Copenhagen	Osterbrogade	Dkr/ sq m/year	2,600	2,600	0.0%	36.1	349	➔
Europe	Denmark	Copenhagen	Norrebrogade	Dkr/ sq m/year	1,900	1,900	0.0%	26.4	255	➔
Europe	Denmark	Copenhagen	Kobmagergade	Dkr/ sq m/year	15,000	15,500	3.3%	215.0	2,083	➔
Europe	Denmark	Copenhagen	Lyngby	Dkr/ sq m/year	4,400	4,400	0.0%	61.0	591	➔
Europe	Denmark	Copenhagen	Suburban	Dkr/ sq m/year	1,000	1,000	0.0%	13.9	134	➔
Europe	Denmark	Aarhus	Sondersarde	Dkr/ sq m/year	5,500	5,500	0.0%	76.3	739	➔
Europe	Denmark	Odense	Vestergade	Dkr/ sq m/year	3,600	4,000	11.1%	55.5	538	➔
Europe	Estonia	Tallinn	Viru Street	€/ sq m/month	30	32	6.7%	39.6	384	➔
Europe	Finland	Helsinki	City Centre	€/ sq m/month	130	130	0.0%	161.0	1,560	➔
Europe	Finland	Turku	Yliopistonkatu	€/ sq m/month	65	65	0.0%	80.5	780	➔
Europe	Finland	Tampere	Hämeenkatu	€/ sq m/month	70	70	0.0%	86.7	840	➔
Europe	Finland	Oulu	Kirkkokatu	€/ sq m/month	70	70	0.0%	86.7	840	➔
Europe	France	Paris	Avenue Montaigne	Zone A €/ sq m/year	12,000	13,000	8.3%	988.1	9,573	➔
Europe	France	Paris	Avenue des Champs Élysées	Zone A €/ sq m/year	18,000	18,000	0.0%	1,368.1	13,255	➔
Europe	France	Paris	Rue du Faubourg St Honoré	Zone A €/ sq m/year	12,000	13,000	8.3%	988.1	9,573	➔
Europe	France	Paris	Rue de Rivoli	Zone A €/ sq m/year	3,500	3,500	0.0%	266.0	2,577	➔
Europe	France	Paris	Boulevard St Germain	Zone A €/ sq m/year	6,500	6,500	0.0%	494.0	4,787	➔
Europe	France	Paris	Boulevard Hausman/ Passage du Harve	Zone A €/ sq m/year	8,000	8,000	0.0%	608.1	5,891	➔
Europe	France	Paris	Avenue George V/ Rue François 1er	Zone A €/ sq m/year	3,500	3,800	8.6%	288.8	2,798	➔
Europe	France	Paris	Place Vendôme/Rue de la Paix	Zone A €/ sq m/year	12,000	12,500	4.2%	950.1	9,205	➔
Europe	France	Paris	Rue St. Honoré	Zone A €/ sq m/year	12,000	12,500	4.2%	950.1	9,205	➔
Europe	France	Lyon	Rue de la Republique	Zone A €/ sq m/year	2,400	2,500	4.2%	190.0	1,841	➔
Europe	France	Marseille	Rue St Ferreol	Zone A €/ sq m/year	1,800	1,500	-16.7%	114.0	1,105	➔

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Europe	France	Bordeaux	Rue St Catherine/Port Dijeaux	Zone A €/ sq m/year	2,200	2,400	9.1%	182.4	1,767	➔
Europe	France	Strasbourg	Place Kleber	Zone A €/ sq m/year	2,000	1,800	-10.0%	136.8	1,326	➔
Europe	France	Strasbourg	Rue des Grandes Arcades	Zone A €/ sq m/year	2,000	1,800	-10.0%	136.8	1,326	➔
Europe	France	Lille	Rue Neuve	Zone A €/ sq m/year	2,000	1,800	-10.0%	136.8	1,326	➔
Europe	France	Toulouse	Avenue Alsace Lorraine	Zone A €/ sq m/year	2,200	2,200	0.0%	167.2	1,620	➔
Europe	France	Nice	Avenue Jean Medecin	Zone A €/ sq m/year	2,200	2,200	0.0%	167.2	1,620	➔
Europe	France	Nantes	Rue Crébillon	Zone A €/ sq m/year	1,600	1,600	0.0%	121.6	1,178	➔
Europe	France	Cannes	La Croisette	Zone A €/ sq m/year	8,000	8,000	0.0%	608.1	5,891	➔
Europe	Germany	Berlin	Tauentzienstrasse	€/ sq m/month	305	305	0.0%	377.8	3,660	➔
Europe	Germany	Berlin	Kurfürstendamm	€/ sq m/month	260	265	1.9%	328.2	3,180	➔
Europe	Germany	Berlin	Friedrichstraße	€/ sq m/month	160	160	0.0%	198.2	1,920	➔
Europe	Germany	Frankfurt	Zeil	€/ sq m/month	315	315	0.0%	390.1	3,780	➔
Europe	Germany	Frankfurt	Goethestraße	€/ sq m/month	245	250	2.0%	309.6	3,000	➔
Europe	Germany	Hamburg	Monckebergstrasse	€/ sq m/month	285	290	1.8%	359.2	3,480	➔
Europe	Germany	Hamburg	Spitalerstraße	€/ sq m/month	310	310	0.0%	384.0	3,720	➔
Europe	Germany	Hamburg	Neuer Wall	€/ sq m/month	250	250	0.0%	309.6	3,000	➔
Europe	Germany	Munich	Kaufinger/Neuhauser	€/ sq m/month	370	370	0.0%	458.3	4,440	➔
Europe	Germany	Munich	Maximilianstraße	€/ sq m/month	285	290	1.8%	359.2	3,480	➔
Europe	Germany	Munich	Theatinerstraße	€/ sq m/month	265	265	0.0%	328.2	3,180	➔
Europe	Germany	Dusseldorf	Konigsallee	€/ sq m/month	275	280	1.8%	346.8	3,360	➔
Europe	Germany	Dusseldorf	Schadowstrasse	€/ sq m/month	265	265	0.0%	328.2	3,180	➔
Europe	Germany	Stuttgart	Konigstrasse	€/ sq m/month	275	280	1.8%	346.8	3,360	➔
Europe	Germany	Stuttgart	Stiftstraße	€/ sq m/month	185	185	0.0%	229.1	2,220	➔
Europe	Germany	Cologne	Schildergasse	€/ sq m/month	295	295	0.0%	365.4	3,540	➔
Europe	Germany	Dortmund	Westenhellweg	€/ sq m/month	225	230	2.2%	284.9	2,760	➔
Europe	Germany	Hannover	Georgstraße	€/ sq m/month	195	195	0.0%	241.5	2,340	➔
Europe	Germany	Münster	Ludgeristraße	€/ sq m/month	165	165	0.0%	204.4	1,980	➔
Europe	Germany	Essen	Kettwiger Strasse	€/ sq m/month	95	95	0.0%	117.7	1,140	➔
Europe	Germany	Essen	Limbecker Strasse	€/ sq m/month	110	110	0.0%	136.2	1,320	➔
Europe	Germany	Leipzig	Petersstrasse	€/ sq m/month	130	130	0.0%	161.0	1,560	➔
Europe	Germany	Dresden	Pragerstrasse	€/ sq m/month	115	115	0.0%	142.4	1,380	➔
Europe	Greece	Athens	Tsakalof	€/ sq m/month	90	90	0.0%	111.5	1,080	➔
Europe	Greece	Athens	Ermou	€/ sq m/month	180	195	8.3%	241.5	2,340	➔
Europe	Greece	Athens	Voukourestiou st.	€/ sq m/month	170	180	5.9%	222.9	2,160	➔
Europe	Greece	Athens	Glyfada - Metaxa	€/ sq m/month	110	115	4.5%	142.4	1,380	➔
Europe	Greece	Athens	Kiffisia-Kolokotroni	€/ sq m/month	110	110	0.0%	136.2	1,320	➔
Europe	Greece	Athens	Piraeus - Sotiros	€/ sq m/month	70	70	0.0%	86.7	840	➔
Europe	Greece	Athens	Chaimanta	€/ sq m/month	80	90	12.5%	111.5	1,080	➔
Europe	Greece	Thessaloniki	Proxevou Koromila str	€/ sq m/month	50	50	0.0%	61.9	600	➔
Europe	Greece	Thessaloniki	Tsimiski	€/ sq m/month	125	130	4.0%	161.0	1,560	➔
Europe	Hungary	Budapest	Vaci utca	€/ sq m/month	95	100	5.3%	123.9	1,200	➔
Europe	Hungary	Budapest	Andrassy ut	€/ sq m/month	40	45	12.5%	55.7	540	➔
Europe	Ireland	Dublin	Henry Street	Zone A €/ sq m/year	3,800	4,683	23.2%	245.1	2,375	➔
Europe	Ireland	Dublin	Grafton Street	Zone A €/ sq m/year	5,650	5,920	4.8%	343.4	3,327	➔
Europe	Ireland	Cork	Patrick Street	Zone A €/ sq m/year	2,000	2,200	10.0%	115.2	1,116	➔
Europe	Ireland	Limerick	O'Connell Street	Zone A €/ sq m/year	550	550	0.0%	28.8	279	➔
Europe	Ireland	Waterford	Broad Street	Zone A €/ sq m/year	750	750	0.0%	39.3	380	➔
Europe	Ireland	Galway	Shop Street	Zone A €/ sq m/year	1,500	1,500	0.0%	78.5	761	➔
Europe	Italy	Rome	Via Condotti	€/ sq m/year	9,500	11,000	15.8%	1,135.4	11,000	➔
Europe	Italy	Rome	Piazza San Lorenzo	€/ sq m/year	6,000	5,500	-8.3%	567.7	5,500	➔
Europe	Italy	Rome	Via del Corso	€/ sq m/year	4,300	4,800	11.6%	495.4	4,800	➔
Europe	Italy	Rome	Via Cola di Rienzo	€/ sq m/year	3,000	3,000	0.0%	309.6	3,000	➔
Europe	Italy	Rome	Piazza Di Spagna	€/ sq m/year	6,500	6,500	0.0%	670.9	6,500	➔
Europe	Italy	Rome	Via del Babuino	€/ sq m/year	4,000	4,200	5.0%	433.5	4,200	➔
Europe	Italy	Milan	Corso Vittorio Emanuele	€/ sq m/year	5,500	6,000	9.1%	619.3	6,000	➔
Europe	Italy	Milan	Via Montenapoleone	€/ sq m/year	10,000	12,000	20.0%	1,238.6	12,000	➔
Europe	Italy	Milan	Via della Spiga	€/ sq m/year	4,800	4,800	0.0%	495.4	4,800	➔
Europe	Italy	Milan	Corso Buenos Aires	€/ sq m/year	2,200	2,200	0.0%	227.1	2,200	➔
Europe	Italy	Milan	Corso Vercelli	€/ sq m/year	1,500	1,500	0.0%	154.8	1,500	➔
Europe	Italy	Milan	Via Sant' Andrea	€/ sq m/year	5,500	5,700	3.6%	588.3	5,700	➔
Europe	Italy	Bologna	Galleria Cavour	€/ sq m/year	1,800	1,600	-11.1%	165.1	1,600	➔
Europe	Italy	Bologna	Via Indipendenza	€/ sq m/year	2,200	2,200	0.0%	227.1	2,200	➔
Europe	Italy	Bologna	Via Rizzoli	€/ sq m/year	1,600	1,600	0.0%	165.1	1,600	➔

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Europe	Italy	Naples	Via Roma/Via Toledo	€/ sq m/year	1,600	1,600	0.0%	165.1	1,600	➔
Europe	Italy	Naples	Via Filangieri/Via dei Mille	€/ sq m/year	1,700	1,700	0.0%	175.5	1,700	➔
Europe	Italy	Turin	Via Roma	€/ sq m/year	1,700	1,700	0.0%	175.5	1,700	➔
Europe	Italy	Turin	Via Lagrange	€/ sq m/year	1,200	1,200	0.0%	123.9	1,200	➔
Europe	Italy	Genoa	Via XX Settembre	€/ sq m/year	1,200	1,300	8.3%	134.2	1,300	➔
Europe	Italy	Florence	Via Tornabuoni	€/ sq m/year	2,700	2,800	3.7%	289.0	2,800	➔
Europe	Italy	Florence	Via Calzaiuoli	€/ sq m/year	3,100	3,200	3.2%	330.3	3,200	➔
Europe	Italy	Florence	Via Strozzi	€/ sq m/year	3,100	3,300	6.5%	340.6	3,300	➔
Europe	Italy	Florence	Via Roma	€/ sq m/year	4,000	4,500	12.5%	464.5	4,500	➔
Europe	Italy	Venezia	Mercerie	€/ sq m/year	3,100	3,000	-3.2%	309.6	3,000	➔
Europe	Italy	Venezia	Calle 22*Marzo/ Calle S.Moisè	€/ sq m/year	4,000	4,200	5.0%	433.5	4,200	➔
Europe	Italy	Verona	Via Mazzini	€/ sq m/year	2,200	2,200	0.0%	227.1	2,200	➔
Europe	Italy	Padova	Via Cavour	€/ sq m/year	1,500	1,500	0.0%	154.8	1,500	➔
Europe	Italy	Bari	Via Sparano	€/ sq m/year	1,300	1,400	7.7%	144.5	1,400	➔
Europe	Italy	Catania	Via Etna	€/ sq m/year	900	900	0.0%	92.9	900	➔
Europe	Italy	Palermo	Via Ruggiero VII	€/ sq m/year	1,500	1,500	0.0%	154.8	1,500	➔
Europe	Italy	Palermo	Via Libertà	€/ sq m/year	1,200	1,200	0.0%	123.9	1,200	➔
Europe	Latvia	Riga	Kalku St./Valnu St./ Audeju St./Terbatas St./Kr.Barona St.	€/ sq m/month	40	40	0.0%	49.5	480	➔
Europe	Lithuania	Vilnius	Gedimino Ave./ Pilies St./ Didzioji St.	€/ sq m/month	40	40	0.0%	49.5	480	➔
Europe	Lithuania	Kaunas		€/ sq m/month	15	15	0.0%	18.0	174	➔
Europe	Lithuania	Klaipeda		€/ sq m/month	15	15	0.0%	18.0	174	➔
Europe	Luxembourg	Luxembourg City	Grande Rue	€/ sq m/month	195	210	7.7%	260.1	2,520	➔
Europe	Luxembourg	Luxembourg City	Avenue de la Gare	€/ sq m/month	85	90	5.9%	111.5	1,080	➔
Europe	Macedonia	Skopje	Makedonija Street	€/ sq m/month	30	30	0.0%	37.2	360	➔
Europe	Netherlands	Amsterdam	Kalverstraat	€/ sq m/year	2,900	3,000	3.4%	309.6	3,000	➔
Europe	Netherlands	Amsterdam	P.C. Hoofstraat	€/ sq m/year	2,050	2,250	9.8%	232.2	2,250	➔
Europe	Netherlands	Rotterdam	Lijnbaan	€/ sq m/year	1,650	1,600	-3.0%	165.1	1,600	➔
Europe	Netherlands	The Hague	Spuistraat	€/ sq m/year	1,300	1,250	-3.8%	129.0	1,250	➔
Europe	Netherlands	Utrecht	Lange Elisabethstraat	€/ sq m/year	1,600	1,600	0.0%	165.1	1,600	➔
Europe	Netherlands	Maastricht	Grote Staat	€/ sq m/year	1,600	1,600	0.0%	165.1	1,600	➔
Europe	Netherlands	Eindhoven	Demer	€/ sq m/year	1,250	1,200	-4.0%	123.9	1,200	➔
Europe	Netherlands	Arnhem	Ketelstraat	€/ sq m/year	900	850	-5.6%	87.7	850	➔
Europe	Norway	Oslo	Karl Johan	Nkr/ sq m/year	25,000	27,000	8.0%	299.8	2,904	➔
Europe	Norway	Oslo	Bogstadt St.	Nkr/ sq m/year	12,000	12,000	0.0%	133.2	1,291	➔
Europe	Norway	Oslo	Akersgata	Nkr/ sq m/year	12,000	14,000	16.7%	155.4	1,506	➔
Europe	Norway	Oslo	Nedre Slottsgate	Nkr/ sq m/year	16,000	18,000	12.5%	199.8	1,936	➔
Europe	Poland	Warsaw	Nowy Swiat	€/ sq m/month	85	90	5.9%	111.5	1,080	➔
Europe	Poland	Warsaw	Chmielna	€/ sq m/month	70	65	-7.1%	80.5	780	➔
Europe	Poland	Warsaw	Al Jerozolimskie	€/ sq m/month	47	45	-4.3%	55.7	540	➔
Europe	Poland	Warsaw	Marszalkowska	€/ sq m/month	60	65	8.3%	80.5	780	➔
Europe	Poland	Warsaw	Trzech Krzyzy	€/ sq m/month	58	55	-5.2%	68.1	660	➔
Europe	Poland	Krakow	ul Florianska	€/ sq m/month	72	75	4.2%	92.9	900	➔
Europe	Poland	Krakow	Rynek	€/ sq m/month	50	50	0.0%	61.9	600	➔
Europe	Poland	Katowice	ul 3 Maja	€/ sq m/month	50	50	0.0%	61.9	600	➔
Europe	Poland	Katowice	Stawowa	€/ sq m/month	39	42	7.7%	52.0	504	➔
Europe	Poland	Poznan	ul J H Dabrowskiego	€/ sq m/month	26	26	0.0%	32.2	312	➔
Europe	Poland	Poznan	Sw. Marcin	€/ sq m/month	33	33	0.0%	40.9	396	➔
Europe	Poland	Poznan	Polwiejska	€/ sq m/month	53	50	-5.7%	61.9	600	➔
Europe	Poland	Lodz	ul Piotrkowska	€/ sq m/month	25	25	0.0%	31.0	300	➔
Europe	Poland	Wroclaw	ul Świdnicka	€/ sq m/month	40	40	0.0%	49.5	480	➔
Europe	Poland	Szczecin	ul Niepodleglosci	€/ sq m/month	33	33	0.0%	40.9	396	➔
Europe	Poland	Gdynia	ul.Swietojanska	€/ sq m/month	29	29	0.0%	35.9	348	➔
Europe	Portugal	Lisbon	Av da Liberdade	€/ sq m/month	88	90	2.9%	111.5	1,080	➔
Europe	Portugal	Lisbon	Chiado	€/ sq m/month	98	100	2.6%	123.9	1,200	➔
Europe	Portugal	Lisbon	Baixa	€/ sq m/month	60	70	16.7%	86.7	840	➔
Europe	Portugal	Oporto	Baixa (Rua de Santa Catarina)	€/ sq m/month	45	50	11.1%	61.9	600	➔
Europe	Romania	Bucharest	Magheru Boulevard	€/ sq m/month	45	45	0.0%	55.7	540	➔
Europe	Romania	Bucharest	Calea Victoriei	€/ sq m/month	45	45	0.0%	55.7	540	➔
Europe	Romania	Brasov	Strada Republicii	€/ sq m/month	40	38	-5.0%	47.1	456	➔
Europe	Romania	Timisoara	Victoriei	€/ sq m/month	37	37	0.0%	45.8	444	➔

CONTINENT	COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 15	RENT JUNE 16	ANNUAL RG	RENT US\$/SQ FT/YR JUNE 16	RENT €/SQ M/YR JUNE 16	END 2017 TREND (COMPARED TO 2016)
Europe	Romania	Iasi	Stefan cel Mare, Cuza Voda	€/ sq m/month	23	25	8.7%	31.0	300	➔
Europe	Romania	Cluj	Memorandumului, Napoca, Eroilor	€/ sq m/month	37	37	0.0%	45.8	444	➔
Europe	Russia	Moscow	Stoleshnikov	\$/ sq m/year	4,250	3,131	-26.3%	290.9	2,818	➔
Europe	Serbia	Belgrade	Kneza Mihaila	€/ sq m/month	85	85	0.0%	105.3	1,020	➔
Europe	Slovakia	Bratislava	Obchodna ulica	€/ sq m/month	44	44	0.0%	54.5	528	➔
Europe	Slovenia	Ljubljana	Slovenska ulica	€/ sq m/month	30	30	0.0%	37.2	360	➔
Europe	Slovenia	Ljubljana	Čopova	€/ sq m/month	60	60	0.0%	74.3	720	➔
Europe	Slovenia	Ljubljana	Stari trg	€/ sq m/month	25	25	0.0%	31.0	300	➔
Europe	Spain	Madrid	Serrano	€/ sq m/month	225	240	6.7%	297.3	2,880	➔
Europe	Spain	Madrid	Preciados	€/ sq m/month	250	255	2.0%	315.8	3,060	➔
Europe	Spain	Madrid	José Ortega y Gasset	€/ sq m/month	220	220	0.0%	272.5	2,640	➔
Europe	Spain	Madrid	Goya	€/ sq m/month	165	170	3.0%	210.6	2,040	➔
Europe	Spain	Madrid	Princesa	€/ sq m/month	100	105	5.0%	130.0	1,260	➔
Europe	Spain	Madrid	Gran Vía	€/ sq m/month	220	235	6.8%	291.1	2,820	➔
Europe	Spain	Madrid	Fuencarral	€/ sq m/month	160	175	9.4%	216.7	2,100	➔
Europe	Spain	Barcelona	Portal de L'Angel	€/ sq m/month	270	275	1.9%	340.6	3,300	➔
Europe	Spain	Barcelona	Passeig de Gracia	€/ sq m/month	230	245	6.5%	303.4	2,940	➔
Europe	Spain	Barcelona	Diagonal	€/ sq m/month	50	60	20.0%	74.3	720	➔
Europe	Spain	Barcelona	Rambla Catalunya	€/ sq m/month	95	100	5.3%	123.9	1,200	➔
Europe	Spain	Barcelona	Pelai	€/ sq m/month	175	175	0.0%	216.7	2,100	➔
Europe	Spain	Barcelona	Portaferriassa	€/ sq m/month	160	165	3.1%	204.4	1,980	➔
Europe	Spain	Seville	Tetuan	€/ sq m/month	125	125	0.0%	154.8	1,500	➔
Europe	Spain	Bilbao	Gran Vía	€/ sq m/month	125	125	0.0%	154.8	1,500	➔
Europe	Spain	Valencia	Colon	€/ sq m/month	125	130	4.0%	161.0	1,560	➔
Europe	Spain	Malaga	Marques de Larios	€/ sq m/month	150	155	3.3%	192.0	1,860	➔
Europe	Spain	Palma de Mallorca	Jaime III	€/ sq m/month	95	105	10.5%	130.0	1,260	➔
Europe	Spain	Zaragoza	Pl de la Independencia	€/ sq m/month	85	85	0.0%	105.3	1,020	➔
Europe	Sweden	Stockholm	Biblioteksgatan	Skr/ sq m/year	14,900	14,900	0.0%	163.4	1,583	➔
Europe	Sweden	Gothenburg	Hamngatan/Ostra Nord	Skr/ sq m/year	8,100	8,100	0.0%	88.8	861	➔
Europe	Sweden	Gothenburg	Kungsgatan	Skr/ sq m/year	8,100	8,100	0.0%	88.8	861	➔
Europe	Sweden	Malmö	Hansakompaniet	Skr/ sq m/year	6,200	6,200	0.0%	68.0	659	➔
Europe	Sweden	Malmö	Sodra Forstadsgatan	Skr/ sq m/year	6,100	6,100	0.0%	66.9	648	➔
Europe	Sweden	Malmö	Triangeln	Skr/ sq m/year	5,000	5,000	0.0%	54.8	531	➔
Europe	Switzerland	Zurich	Bahnhofstrasse	SFr/ sq m/year	9,000	9,100	1.1%	867.8	8,408	➔
Europe	Switzerland	Geneva	Rue de Rhone	SFr/ sq m/year	4,000	4,000	0.0%	381.5	3,696	➔
Europe	Switzerland	Lausanne	Rue de Bourg	SFr/ sq m/year	1,500	1,500	0.0%	143.0	1,386	➔
Europe	Switzerland	Bern	Spital-/Marktgasse	SFr/ sq m/year	3,100	3,000	-3.2%	286.1	2,772	➔
Europe	Switzerland	Basle	Freie Strasse	SFr/ sq m/year	2,700	2,300	-14.8%	219.3	2,125	➔
Europe	Switzerland	Luzern	Weggisgasse/Hertensteinstrasse	SFr/ sq m/year	2,300	2,300	0.0%	219.3	2,125	➔
Europe	Turkey	Istanbul	Centre - Istiklal Street	\$/ sq m/month	280	280	0.0%	312.2	3,024	➔
Europe	Turkey	Istanbul	Centre - Bagdat Caddesi (Asian side)	\$/ sq m/month	280	275	-1.8%	306.6	2,970	➔
Europe	Turkey	Istanbul	Abdi Ipecki (European Side)	\$/ sq m/month	260	250	-3.8%	278.7	2,700	➔
Europe	Turkey	Istanbul	Valikonagi Caddesi (European Side)	\$/ sq m/month	220	210	-4.5%	234.1	2,268	➔
Europe	Turkey	Istanbul	Rumeli Cadesi (European side)	\$/ sq m/month	145	140	-3.4%	156.1	1,512	➔
Europe	Turkey	Istanbul	Out of Town/ Suburban	\$/ sq m/month	60	60	0.0%	66.9	648	➔
Europe	Turkey	Izmir	Alsancak	\$/ sq m/month	155	140	-9.7%	156.1	1,512	➔
Europe	Turkey	Izmir	Karşıyaka	\$/ sq m/month	135	130	-3.7%	144.9	1,404	➔
Europe	Turkey	Ankara	Centre - Kızılay Bulv.	\$/ sq m/month	175	170	-2.9%	189.5	1,836	➔
Europe	Turkey	Ankara	Tunalı Hilmi Street	\$/ sq m/month	165	160	-3.0%	178.4	1,728	➔
Europe	UK	London	Bishopsgate	Zone A £/ sq ft/year	260	260	0.0%	177.2	1,717	➔
Europe	UK	London	Cheapside	Zone A £/ sq ft/year	255	255	0.0%	173.8	1,684	➔
Europe	UK	London	New Bond Street	Zone A £/ sq ft/year	1,400	1,600	14.3%	1,283.3	12,434	➔
Europe	UK	London	Oxford Street	Zone A £/ sq ft/year	950	950	0.0%	761.9	7,382	➔
Europe	UK	London	Regent Street	Zone A £/ sq ft/year	700	700	0.0%	561.4	5,440	➔
Europe	UK	London	Covent Garden	Zone A £/ sq ft/year	950	1,250	31.6%	852.2	8,257	➔
Europe	UK	London	Sloane Street	Zone A £/ sq ft/year	825	1,050	27.3%	715.8	6,935	➔
Europe	UK	London	Brompton Road	Zone A £/ sq ft/year	850	870	2.4%	593.1	5,747	➔
Europe	UK	London	Croydon - North End Road	Zone A £/ sq ft/year	160	180	12.5%	122.7	1,189	➔

CONTINENT	COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 15	RENT JUNE 16	ANNUAL RG	RENT US\$/SQ FT/YR JUNE 16	RENT €/SQ M/YR JUNE 16	END 2017 TREND (COMPARED TO 2016)
Europe	UK	Manchester	Market Square	Zone A £/ sq ft/year	260	275	5.8%	187.5	1,816	↔
Europe	UK	Birmingham	High St	Zone A £/ sq ft/year	185	205	10.8%	139.8	1,354	↗
Europe	UK	Bristol	Broadmead	Zone A £/ sq ft/year	115	120	4.3%	81.8	793	↗
Europe	UK	Leeds	Commercial Road	Zone A £/ sq ft/year	225	245	8.9%	167.0	1,618	↗
Europe	UK	Newcastle	Northumberland	Zone A £/ sq ft/year	240	240	0.0%	163.6	1,585	↗
Europe	UK	Cardiff	Queen Street	Zone A £/ sq ft/year	200	205	2.5%	139.8	1,354	↗
Europe	UK	Nottingham	Clumber Street	Zone A £/ sq ft/year	155	175	12.9%	119.3	1,156	↗
Europe	UK	Sheffield	Friargate	Zone A £/ sq ft/year	200	190	-5.0%	129.5	1,255	↗
Europe	UK	Edinburgh	Princes Street	Zone A £/ sq ft/year	200	215	7.5%	197.6	1,914	↗
Europe	UK	Glasgow	Buchanan Street	Zone A £/ sq ft/year	260	300	15.4%	275.7	2,671	↗
Europe	UK	Belfast	Donegal Place	Zone A £/ sq ft/year	125	125	0.0%	85.2	826	↗
Europe	Ukraine	Kyiv	Kreschatik Street	\$/ sq m/month	40	40	0.0%	44.6	432	↗
Europe	Ukraine	Kyiv	Gorodetskogo Street	\$/ sq m/month	50	50	0.0%	55.7	540	↗

#### MIDDLE EAST AND AFRICA

Middle East	Israel	Tel Aviv	Dizengoff Street	NIS/sq m/year	3,720	3,500	-5.9%	84.4	818	↘
Middle East	Israel	Tel Aviv	Kikar Hamedina	NIS/sq m/year	5,400	5,100	-5.6%	123.0	1,192	↘
Middle East	Israel	Tel Aviv	Sarona Exclusive Park	NIS/sq m/year	4,100	4,100	0.0%	98.9	958	↗
Middle East	Israel	Jerusalem	Mamilla	NIS/sq m/year	4,200	4,200	0.0%	101.3	982	↗
Middle East	Israel	Jerusalem	King George Street	NIS/sq m/year	3,600	3,600	0.0%	86.8	841	↗
Middle East	Jordan	Amman	City Centre (CBD)	USD/sq m/year	450	700	55.6%	16.9	164	↗
Middle East	Lebanon	Beirut	Rue Verdun	USD/sq m/year	950	750	-21.1%	18.1	175	↗
Middle East	Lebanon	Beirut	Rue Hamra	USD/sq m/year	850	1,000	17.6%	24.1	234	↗
Middle East	Lebanon	Beirut	Kaslík	USD/sq m/year	850	750	-11.8%	18.1	175	↗
Middle East	Oman	Muscat	High Street	OMR/sq m/month	15	16	6.7%	46.3	449	↗
Middle East	Qatar	Doha	Prime	QAR/sq m/month	300	300	0.0%	91.8	890	↗
Middle East	Saudi Arabia	Riyadh		SAR/sq m/year	2,100	2,500	19.0%	61.9	600	↗
Middle East	Saudi Arabia	Jeddah		SAR/sq m/year	2,500	2,600	4.0%	64.4	624	↗
Middle East	UAE	Dubai	Prime	AED/sq ft/year	550	550	0.0%	149.7	1,451	↗
Middle East	UAE	Dubai	Sub Prime	AED/sq ft/year	400	400	0.0%	108.9	1,055	↗
Middle East	UAE	Dubai	Secondary	AED/sq ft/year	210	210	0.0%	57.2	554	↗
Middle East	UAE	Abu Dhabi	A	AED/sq m/year	2,500	2,400	-4.0%	60.7	588	↗
Middle East	UAE	Abu Dhabi	B	AED/sq m/year	1,500	1,450	-3.3%	36.7	355	↗
Middle East	UAE	Abu Dhabi	C	AED/sq m/year	800	750	-6.3%	19.0	184	↗
Middle East	UAE	Sharjah	A	AED/sq ft/year	170	170	0.0%	46.3	448	↗
Middle East	UAE	Sharjah	B	AED/sq ft/year	130	130	0.0%	35.4	343	↗
Middle East	UAE	Sharjah	C	AED/sq ft/year	90	90	0.0%	24.5	237	↗
Africa	South Africa	Cape Town	V&A Waterfornt	ZAR/sq m/month	1,200	1,300	8.3%	99.0	959	↗
Africa	South Africa	Cape Town	St. Georges Mall	ZAR/sq m/month	110	150	36.4%	11.4	111	↗
Africa	South Africa	Johannesburg	Sandton City	ZAR/sq m/month	1,200	1,500	25.0%	114.2	1,106	↗
Africa	South Africa	Durban	The Pavilion	ZAR/sq m/month	450	500	11.1%	38.1	369	↗
Africa	South Africa	Durban	West Street	ZAR/sq m/month	250	270	8.0%	20.6	199	↗
Africa	South Africa	Pretoria	Menlyn Park	ZAR/sq m/month	500	500	0.0%	38.1	369	↗
Africa	South Africa	Claremont	CBD	ZAR/sq m/month	110	125	13.6%	9.5	92	↗
Africa	South Africa	East Rand	Eastgate	ZAR/sq m/month	950	1,000	5.3%	76.1	738	↗
Africa	South Africa	Durban North	Umhlanga	ZAR/sq m/month	280	300	7.1%	22.8	221	↗
Africa	South Africa	Pietermaritsburg	CBD	ZAR/sq m/month	185	200	8.1%	15.2	148	↗
Africa	Ghana	Accra		USD/sq m/month	50	43	-14.0%	47.9	464	↘
Africa	Kenya	Nairobi		USD/sq m/month	48	37	-22.9%	41.2	400	↘
Africa	Mozambique	Maputo		USD/sq m/month	40	33	-17.5%	36.8	356	↘
Africa	Namibia	Windhoek		USD/sq m/month	24	20	-16.7%	22.3	216	↘
Africa	Nigeria	Lagos		USD/sq m/month	80	40	-50.0%	44.6	432	↘
Africa	Tanzania	Dar es Salaam		USD/sq m/month	30	30	0.0%	33.4	324	↗
Africa	Zambia	Lusaka		USD/sq m/month	35	35	0.0%	39.0	378	↗
Africa	Zimbabwe	Harare		USD/sq m/month	25	25	0.0%	27.9	270	↗

#### ASIA PACIFIC

Asia Pacific	Australia	Melbourne	Bourke Street	AUD/sq m/year	6,625	7,000	5.7%	484.2	4,692	↗
Asia Pacific	Australia	Brisbane	Queen Street Mall	AUD/sq m/year	4,250	4,250	0.0%	294.0	2,849	↘
Asia Pacific	Australia	Sydney	Pitt Street Mall	AUD/sq m/year	13,250	14,000	5.7%	968.5	9,383	↗
Asia Pacific	China	Beijing	CBD	RMB/sq m/month	985	1,015	3.0%	170.4	1,651	↗
Asia Pacific	China	Beijing	Wangfujing	RMB/sq m/month	1,619	1,780	10.0%	298.7	2,894	↗
Asia Pacific	China	Chengdu		RMB/sq m/month	732	704	-3.9%	118.1	1,145	↘
Asia Pacific	China	Chongqing		RMB/sq m/month	770	750	-2.7%	125.8	1,219	↗
Asia Pacific	China	Dalian		RMB/sq m/month	755	703	-6.8%	118.0	1,143	↗
Asia Pacific	China	Guangzhou		RMB/sq m/month	1,365	1,350	-1.2%	226.5	2,194	↗



CONTINENT	COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 15	RENT JUNE 16	ANNUAL RG	RENT US\$/SQ FT/YR JUNE 16	RENT €/SQ M/YR JUNE 16	END 2017 TREND (COMPARED TO 2016)
Asia Pacific	China	Guangzhou	Ti Yu Zhong Xin District	RMB/sq m/month	1,768	1,725	-2.5%	289.4	2,804	➔
Asia Pacific	China	Guangzhou	Yuexiu	RMB/sq m/month	1,051	1,007	-4.1%	169.0	1,638	➔
Asia Pacific	China	Guangzhou	Zhu Jiang Xin Cheng District	RMB/sq m/month	600	607	1.1%	101.8	986	➔
Asia Pacific	China	Hangzhou		RMB/sq m/month	1,217	1,229	1.0%	206.2	1,998	➔
Asia Pacific	China	Nanjing		RMB/sq m/month	1,129	1,081	-4.3%	181.3	1,757	➔
Asia Pacific	China	Qingdao		RMB/sq m/month	474	474	0.0%	79.5	771	➔
Asia Pacific	China	Shanghai	East Nanjing Road	RMB/sq m/month	1,972	1,969	-0.1%	330.4	3,201	➔
Asia Pacific	China	Shanghai	Huaihai Road	RMB/sq m/month	1,740	1,586	-8.8%	266.1	2,579	➔
Asia Pacific	China	Shanghai	Lujiazui	RMB/sq m/month	1,652	1,648	-0.2%	276.5	2,679	➔
Asia Pacific	China	Shanghai	West Nanjing Road	RMB/sq m/month	2,433	2,446	0.5%	410.5	3,977	➔
Asia Pacific	China	Shanghai	Xujiahui	RMB/sq m/month	2,141	2,208	3.1%	370.6	3,590	➔
Asia Pacific	China	Shenyang		RMB/sq m/month	310	306	-1.3%	51.3	498	➔
Asia Pacific	China	Shenzhen		RMB/sq m/month	917	917	-0.1%	153.8	1,490	➔
Asia Pacific	China	Shenzhen	Futian	RMB/sq m/month	1,040	921	-11.4%	154.6	1,498	➔
Asia Pacific	China	Shenzhen	Luohu	RMB/sq m/month	1,450	1,583	9.2%	265.7	2,574	➔
Asia Pacific	China	Shenzhen	Nanshan	RMB/sq m/month	814	857	5.3%	143.8	1,394	➔
Asia Pacific	China	Tianjin		RMB/sq m/month	477	464	-2.6%	77.9	755	➔
Asia Pacific	China	Wuhan	Luxiang	RMB/sq m/month	568	634	11.6%	106.4	1,031	➔
Asia Pacific	China	Wuhan	Wangjiawan	RMB/sq m/month	430	439	2.1%	73.7	714	➔
Asia Pacific	China	Wuhan	Wuguang	RMB/sq m/month	733	789	7.6%	132.3	1,282	➔
Asia Pacific	China	Wuhan	Zhongshan Avenue	RMB/sq m/month	673	714	6.1%	119.8	1,161	➔
Asia Pacific	China	Xiamen		RMB/sq m/month	690	665	-3.6%	111.6	1,081	➔
Asia Pacific	China	Xi'an		RMB/sq m/month	270	270	0.0%	45.3	439	➔
Asia Pacific	Hong Kong	Hong Kong	Causeway Bay	HKD/sq ft/month	2,200	1,861	-15.4%	2,877.9	27,884	➔
Asia Pacific	Hong Kong	Hong Kong	Mongkok	HKD/sq ft/month	680	567	-16.7%	876.6	8,493	➔
Asia Pacific	Hong Kong	Hong Kong	Tsim Sha Tsui	HKD/sq ft/month	2,000	1,755	-12.3%	2,714.2	26,297	➔
Asia Pacific	India	Bengaluru	Brigade Road	INR/sq ft/month	285	280	-1.8%	49.8	482	➔
Asia Pacific	India	Bengaluru	MG Road	INR/sq ft/month	240	240	0.0%	42.7	413	➔
Asia Pacific	India	Bengaluru	Jayanagar 4th Block, 11th Main	INR/sq ft/month	330	330	0.0%	58.7	568	➔
Asia Pacific	India	Bengaluru	Sampige Road, Malleswaram	INR/sq ft/month	120	120	0.0%	21.3	207	➔
Asia Pacific	India	Bengaluru	Koramangala 80 Feet Road	INR/sq ft/month	120	120	0.0%	21.3	207	➔
Asia Pacific	India	Bengaluru	Vittal Mallya Road	INR/sq ft/month	270	270	0.0%	48.0	465	➔
Asia Pacific	India	Bengaluru	New BEL Road	INR/sq ft/month	145	150	3.4%	26.7	258	➔
Asia Pacific	India	Bengaluru	Marathahalli Junction	INR/sq ft/month	125	160	28.0%	28.4	276	➔
Asia Pacific	India	Bengaluru	Kamanahalli Main Road	INR/sq ft/month	140	150	7.1%	26.7	258	➔
Asia Pacific	India	Bengaluru	Indiranagar 100 Feet Road	INR/sq ft/month	190	190	0.0%	33.8	327	➔
Asia Pacific	India	Bengaluru	HSR Layout 27th Main	INR/sq ft/month	130	140	7.7%	24.9	241	➔
Asia Pacific	India	Chennai	Nugambakkam	INR/sq ft/month	150	150	0.0%	26.7	258	➔
Asia Pacific	India	Chennai	Khader Nawaz Khan Road	INR/sq ft/month	210	210	0.0%	37.3	362	➔
Asia Pacific	India	Chennai	Cathedral Road - RK Salai	INR/sq ft/month	140	160	14.3%	28.4	276	➔
Asia Pacific	India	Chennai	Usman Road - South	INR/sq ft/month	130	130	0.0%	23.1	224	➔
Asia Pacific	India	Chennai	Usman Road - North	INR/sq ft/month	140	140	0.0%	24.9	241	➔
Asia Pacific	India	Chennai	Adyar Main Road	INR/sq ft/month	160	150	-6.3%	26.7	258	➔
Asia Pacific	India	Chennai	Anna Nagar 2nd Avenue	INR/sq ft/month	150	150	0.0%	26.7	258	➔
Asia Pacific	India	Chennai	Purusavakam High Road	INR/sq ft/month	125	130	4.0%	23.1	224	➔
Asia Pacific	India	Chennai	Pondy Bazaar	INR/sq ft/month	160	160	0.0%	28.4	276	➔
Asia Pacific	India	Chennai	Velachery Bypass Road	INR/sq ft/month	130	130	0.0%	23.1	224	➔
Asia Pacific	India	Chennai	Ambattur (MTH Road)	INR/sq ft/month	120	120	0.0%	21.3	207	➔
Asia Pacific	India	Hyderabad	Banjara Hills	INR/sq ft/month	130	130	0.0%	23.1	224	➔
Asia Pacific	India	Hyderabad	MG Road	INR/sq ft/month	110	110	0.0%	19.6	189	➔
Asia Pacific	India	Hyderabad	SP Road/Begumpet	INR/sq ft/month	110	110	0.0%	19.6	189	➔
Asia Pacific	India	Hyderabad	Raj Bhavan Road/ Somajiguda	INR/sq ft/month	90	90	0.0%	16.0	155	➔
Asia Pacific	India	Hyderabad	Abids	INR/sq ft/month	110	110	0.0%	19.6	189	➔
Asia Pacific	India	Hyderabad	Himayathnagar	INR/sq ft/month	140	140	0.0%	24.9	241	➔
Asia Pacific	India	Hyderabad	Ameerpet	INR/sq ft/month	125	125	0.0%	22.2	215	➔
Asia Pacific	India	Hyderabad	Jubilee Hills Road No. 36	INR/sq ft/month	125	125	0.0%	22.2	215	➔

CONTINENT	COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 15	RENT JUNE 16	ANNUAL RG	RENT US\$/SQ FT/YR JUNE 16	RENT €/SQ M/YR JUNE 16	END 2017 TREND (COMPARED TO 2016)
Asia Pacific	India	Hyderabad	Kukatpally NH No. 9	INR/sq ft/month	140	140	0.0%	24.9	241	➔
Asia Pacific	India	Hyderabad	A. S. Rao Nagar	INR/sq ft/month	120	120	0.0%	21.3	207	➔
Asia Pacific	India	Hyderabad	Madhapur	INR/sq ft/month	100	100	0.0%	17.8	172	➔
Asia Pacific	India	Hyderabad	Punjagutta	INR/sq ft/month	155	155	0.0%	27.6	267	➔
Asia Pacific	India	Pune	M G Road	INR/sq ft/month	310	320	3.2%	56.9	551	➔
Asia Pacific	India	Pune	JM Road	INR/sq ft/month	380	370	-2.6%	65.8	637	➔
Asia Pacific	India	Pune	FC Road	INR/sq ft/month	245	250	2.0%	44.4	431	➔
Asia Pacific	India	Pune	Koregaon Park	INR/sq ft/month	120	120	0.0%	21.3	207	➔
Asia Pacific	India	Pune	Aundh	INR/sq ft/month	190	180	-5.3%	32.0	310	➔
Asia Pacific	India	Pune	Bund Garden	INR/sq ft/month	140	140	0.0%	24.9	241	➔
Asia Pacific	India	Pune	Mumbai Pune Highway – PCMC	INR/sq ft/month	115	120	4.3%	21.3	207	➔
Asia Pacific	India	Kolkata	Park Street	INR/sq ft/month	500	500	0.0%	88.9	861	➔
Asia Pacific	India	Kolkata	Camac Street	INR/sq ft/month	450	450	0.0%	80.0	775	➔
Asia Pacific	India	Kolkata	Elgin Road	INR/sq ft/month	320	320	0.0%	56.9	551	➔
Asia Pacific	India	Kolkata	Theatre Road	INR/sq ft/month	200	200	0.0%	35.6	345	➔
Asia Pacific	India	Ahmedabad	C G Road	INR/sq ft/month	150	150	0.0%	26.7	258	➔
Asia Pacific	India	Ahmedabad	Law Garden	INR/sq ft/month	120	120	0.0%	21.3	207	➔
Asia Pacific	India	Ahmedabad	Satellite Road	INR/sq ft/month	150	150	0.0%	26.7	258	➔
Asia Pacific	India	Ahmedabad	Maninagar	INR/sq ft/month	140	140	0.0%	24.9	241	➔
Asia Pacific	India	Ahmedabad	Prahladnagar	INR/sq ft/month	130	130	0.0%	23.1	224	➔
Asia Pacific	India	Ahmedabad	S.G. Highway	INR/sq ft/month	100	100	0.0%	17.8	172	➔
Asia Pacific	India	Mumbai	Linking Road, Western Suburban	INR/sq ft/month	750	760	1.3%	133.3	1,292	➔
Asia Pacific	India	Mumbai	Kemps Corner, South Mumbai	INR/sq ft/month	400	425	6.3%	75.6	732	➔
Asia Pacific	India	Mumbai	Fort/Fountain, South Mumbai	INR/sq ft/month	350	375	7.1%	66.7	646	➔
Asia Pacific	India	Mumbai	Colaba Causeway	INR/sq ft/month	600	625	4.2%	111.1	1,077	➔
Asia Pacific	India	Mumbai	Lokhandwala, Andheri	INR/sq ft/month	350	400	14.3%	71.1	689	➔
Asia Pacific	India	Mumbai	Borivali	INR/sq ft/month	370	400	8.1%	71.1	689	➔
Asia Pacific	India	Mumbai	Chembur	INR/sq ft/month	350	375	7.1%	66.7	646	➔
Asia Pacific	India	Mumbai	Vashi	INR/sq ft/month	350	350	0.0%	62.2	603	➔
Asia Pacific	India	Mumbai	Thane	INR/sq ft/month	250	250	0.0%	44.4	431	➔
Asia Pacific	India	New Delhi	Connaught Place	INR/sq ft/month	850	850	0.0%	151.1	1,464	➔
Asia Pacific	India	New Delhi	Karol Bagh	INR/sq ft/month	375	375	0.0%	66.7	646	➔
Asia Pacific	India	New Delhi	South Extension	INR/sq ft/month	750	700	-6.7%	124.5	1,206	➔
Asia Pacific	India	New Delhi	Khan Market	INR/sq ft/month	1,250	1,250	0.0%	222.2	2,153	➔
Asia Pacific	India	New Delhi	Greater Kailash I	INR/sq ft/month	550	460	-16.4%	84.5	818	➔
Asia Pacific	India	New Delhi	Rajouri Garden	INR/sq ft/month	200	225	12.5%	35.6	345	➔
Asia Pacific	India	New Delhi	Kamla Nagar	INR/sq ft/month	400	400	0.0%	71.1	689	➔
Asia Pacific	India	Guragon	DLF Galleria	INR/sq ft/month	750	800	6.7%	133.3	1,292	➔
Asia Pacific	India	Noida	Sector 18	INR/sq ft/month	225	200	-11.1%	40.0	388	➔
Asia Pacific	Indonesia	Jakarta	Prime	IDR/sqm per month	878,300	943,700	7.4%	79.6	771	➔
Asia Pacific	Japan	Tokyo	Ginza	JYP/Tsubo/month	320,000	380,000	18.8%	1,249.1	12,103	➔
Asia Pacific	Japan	Tokyo	Shibuya	JYP/Tsubo/month	150,000	180,000	20.0%	591.7	5,733	➔
Asia Pacific	Japan	Tokyo	Omotesando	JYP/Tsubo/month	300,000	300,000	0.0%	986.2	9,555	➔
Asia Pacific	Japan	Tokyo	Shinjuku	JYP/Tsubo/month	220,000	250,000	13.6%	821.8	7,962	➔
Asia Pacific	Malaysia	Kuala Lumpur	Bukit Bintang	MYR/sq ft/month	30	28	-6.7%	83.3	808	➔
Asia Pacific	Malaysia	Kuala Lumpur	Suria KLCC	MYR/sq ft/month	75	78	4.0%	232.2	2,249	➔
Asia Pacific	Malaysia	Kuala Lumpur	Pavilion KL (prime lots)	MYR/sq ft/month	82	82	0.0%	244.1	2,365	➔
Asia Pacific	New Zealand	Auckland	Queen Street	NZD/sq m/month	230	235	2.2%	186.9	1,808	➔
Asia Pacific	New Zealand	Wellington	Lambton Quay	NZD/sq m/month	210	217	3.3%	172.6	1,669	➔
Asia Pacific	Philippines	Taguig (Metro Manila)	Bonifacio High Street	PHP/sq m/month	2,282	2,400	5.2%	56.9	551	➔
Asia Pacific	Philippines	Makati (Metro Manila)	Makati CBD, Rockwell, Century City	PHP/sq m/month	2,346	2,400	2.3%	56.9	551	➔
Asia Pacific	Singapore	Singapore	Orchard Road	SGD/sq ft/month	38	37	-2.6%	328.3	3,181	➔
Asia Pacific	Singapore	Singapore	City Fringe	SGD/sq ft/month	23	23	-3.3%	200.8	1,945	➔
Asia Pacific	Singapore	Singapore	Suburban	SGD/sq ft/month	32	32	-0.4%	281.3	2,726	➔
Asia Pacific	South Korea	Seoul	Myeongdong	KRW/sq m/month	882,288	937,714	6.3%	907.6	8,793	➔
Asia Pacific	South Korea	Seoul	Gangnam Station	KRW/sq m/month	673,536	722,820	7.3%	699.6	6,778	➔
Asia Pacific	South Korea	Seoul	Garosugil	KRW/sq m/month	371,319	363,025	-2.2%	351.4	3,404	➔
Asia Pacific	Taiwan	Taipei	Nanjing Zhongshan	TWD/ping/month	12,000	11,000	-8.3%	115.0	1,114	➔
Asia Pacific	Taiwan	Taipei	Taipei Railway Station	TWD/ping/month	13,000	12,500	-3.8%	130.7	1,266	➔
Asia Pacific	Taiwan	Taipei	Ximen	TWD/ping/month	17,500	17,500	0.0%	182.9	1,773	➔

CONTINENT	COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 15	RENT JUNE 16	ANNUAL RG	RENT US\$/SQ FT/YR JUNE 16	RENT €/SQ M/YR JUNE 16	END 2017 TREND (COMPARED TO 2016)
Asia Pacific	Taiwan	Taipei	Zhongxiao	TWD/ping/month	22,500	21,500	-4.4%	224.8	2,178	↔
Asia Pacific	Thailand	Bangkok	Central Retail District (CRD) (Rajprasong/Sukhumvit street)	THB/sq m/month	3,800	3,840	1.1%	121.8	1,180	↔
Asia Pacific	Thailand	Bangkok	CRD Fringe and Suburban	THB/sq m/month	2,050	2,110	2.9%	66.9	649	↔
Asia Pacific	Vietnam	Ho Chi Minh City	Prime High Street	USD/sq m/month	135	150	11.1%	167.2	1,620	↔
Asia Pacific	Vietnam	Hanoi	CBD Fringe	USD/sq m/month	120	120	0.0%	133.8	1,296	↔
Asia Pacific	Vietnam	Ho Chi Minh City	Best Achieved Shopping Mall (GF)	USD/sq m/month	190	200	5.3%	223.0	2,160	↔
Asia Pacific	Vietnam	Hanoi	Prime shopping mall (ground floor)	USD/sq m/month	150	150	0.0%	167.2	1,620	↔
<b>NORTH AMERICA</b>										
North America	Canada	Calgary	17th Avenue SW	CAD/sq ft/year	50	50	0.0%	38.5	373	↔
North America	Canada	Edmonton	Whyte Avenue	CAD/sq ft/year	43	50	16.3%	38.5	373	↔
North America	Canada	Montreal	Saint-Catherine W - Street Level	CAD/sq ft/year	180	180	0.0%	138.6	1,343	↔
North America	Canada	Ottawa	Wellington Street	CAD/sq ft/year	40	40	0.0%	30.8	298	↔
North America	Canada	Toronto	Bloor Street	CAD/sq ft/year	325	325	0.0%	250.3	2,425	↔
North America	Canada	Toronto	Queen Street West	CAD/sq ft/year	110	110	0.0%	84.7	821	↔
North America	Canada	Vancouver	Robson Street	CAD/sq ft/year	220	215	-2.3%	165.6	1,604	↔
North America	USA	Boston	Newbury Street	USD/sq ft/year	150	150	0.0%	150.0	1,453	↔
North America	USA	Chicago	North Michigan Avenue	USD/sq ft/year	525	550	4.8%	550.0	5,329	↔
North America	USA	Chicago	East Oak Street	USD/sq ft/year	340	375	10.3%	375.0	3,633	↔
North America	USA	Chicago	State Street	USD/sq ft/year	175	175	0.0%	175.0	1,695	↔
North America	USA	Los Angeles	Rodeo Drive (Beverly Hills)	USD/sq ft/year	800	800	0.0%	800.0	7,751	↔
North America	USA	Miami	Lincoln Road	USD/sq ft/year	325	325	0.0%	325.0	3,149	↔
North America	USA	New York	Upper 5th Avenue (49th - 60th Sts)	USD/sq ft/year	3,500	3,000	-14.3%	3,000.0	29,065	↔
North America	USA	New York	Lower 5th Avenue (42nd - 49th Sts)	USD/sq ft/year	1,000	900	-10.0%	900.0	8,720	↔
North America	USA	New York	Madison Avenue	USD/sq ft/year	1,500	1,300	-13.3%	1,300.0	12,595	↔
North America	USA	New York	Times Square	USD/sq ft/year	2,300	2,000	-13.0%	2,000.0	19,377	↔
North America	USA	New York	SoHo (High Streets: Broadway, Prince & Spring Streets)	USD/sq ft/year	795	600	-24.5%	600.0	5,813	↔
North America	USA	Palm Beach	Worth Avenue	USD/sq ft/year	150	150	0.0%	150.0	1,453	↔
North America	USA	Philadelphia	Walnut Street	USD/sq ft/year	145	135	-6.9%	135.0	1,308	↔
North America	USA	San Diego	5th Avenue, Gaslamp	USD/sq ft/year	72	72	0.0%	72.0	698	↔
North America	USA	San Diego	Del Mar Heights Blvd (Suburban Del Mar Heights)	USD/sq ft/year	78	78	0.0%	78.0	756	↔
North America	USA	San Francisco	Union Square	USD/sq ft/year	650	685	5.4%	685.0	6,637	↔
North America	USA	San Francisco	Post Street	USD/sq ft/year	495	545	10.1%	545.0	5,280	↔
North America	USA	Seattle	CBD/Core	USD/sq ft/year	70	75	7.1%	75.0	727	↔
North America	USA	Washington DC	Georgetown	USD/sq ft/year	150	170	13.3%	170.0	1,647	↔
North America	USA	Washington DC	Chevy Chase	USD/sq ft/year	90	85	-5.6%	85.0	824	↔
North America	USA	Washington DC	Penn Quarter	USD/sq ft/year	220	205	-6.8%	205.0	1,986	↔
North America	USA	Washington DC	Dupon Circle	USD/sq ft/year	110	105	-4.5%	105.0	1,017	↔
North America	Mexico	Mexico City	Masaryk	USD/sq m/month	92	90	-2.2%	100.3	972	↔
North America	Mexico	Mexico City	Madero Street	USD/sq m/month	89	87	-2.2%	97.0	940	↔
North America	Mexico	Mexico City	Altavista Street	USD/sq m/month	36	35	-2.8%	39.0	378	↔
North America	Mexico	Monterrey	Calzada del Valle	USD/sq m/month	55	51	-7.3%	56.9	551	↔
<b>SOUTH AMERICA</b>										
South America	Brazil	Rio de Janeiro	Visconde de Pirajá (Ipanema)	BRL/sqm/month	117	117	0.0%	40.6	393	↔
South America	Brazil	Rio de Janeiro	Garcia D'avilla (Ipanema)	BRL/sqm/month	325	325	0.0%	113.1	1,096	↔
South America	Brazil	São Paulo	Oscar Freire Jardins	BRL/sqm/month	210	210	0.0%	73.1	708	↔
South America	Brazil	São Paulo	Haddock Lobo	BRL/sqm/month	120	120	0.0%	41.8	405	↔
South America	Brazil	São Paulo	Alameda Lorena	BRL/sqm/month	125	125	0.0%	43.5	421	↔
South America	Brazil	São Paulo	Bela Cintra	BRL/sqm/month	130	130	0.0%	45.2	438	↔
South America	Colombia	Bogota	Zona T - 82 Calle	USD/sqm/month	90	90	0.0%	100.3	972	↔
South America	Peru	Lima	Otros	USD/sq m/month	35	34	-1.4%	37.9	367	↔
South America	Peru	Lima	San Isidro	USD/sq m/month	42	36	-14.3%	40.1	389	↔





# TECHNICAL SPECIFICATIONS

THE INFORMATION CONTAINED IN THIS REPORT HAS BEEN COLLECTED AS AT JUNE 2016, IN A COMPREHENSIVE SURVEY OF CUSHMAN & WAKEFIELD'S INTERNATIONAL OFFICES.

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 462 locations across 71 countries around the world. The report's analysis of rental performance does not include some of the locations listed in the 'Global Retail Rents' section due to the lack of an historical annual series. 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.

As far as possible, the objective is to provide a realistic comparison of these costs, but the exercise is constrained by a number of factors. These include differences in unit configuration, zoning practice and local lease structures – such as lease length, the inclusion of rent reviews to open market value and the right to assign the lease.

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

## MAIN STREET DEFINITION

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. We could expect a unit to have a typical frontage of 6-8 meters. However, an element of flexibility is needed with the size definition, given that unit configuration varies from market to market. Assumptions regarding ancillary space follow local practice.

## SHOPPING CENTRE DEFINITION

A shopping centre is defined as a purpose-built retail facility which is planned, developed, owned and centrally-managed as a single property. It typically has a gross leasable area (GLA) of over 5,000 sq m and is comprised of over 10 retail units. However, an element of flexibility is needed concerning size and minimum number of units, given that they vary from market to market.

For more information please contact a member of our global Cushman & Wakefield research services.

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## GLOBAL RETAIL SERVICES

Our specialist agents work together to deliver integrated and innovative solutions to each client, regardless of the size or scope of the assignment. We have real geographical coverage with an on-the-ground market presence and expert local knowledge.

Our teams have been created specifically to cater for the demands of international clients and cover geographic regions, shopping centres, out of town, leisure and restaurants, and lease advisory. Enhanced by our dedicated cross-border retail teams, we offer the widest range of services from any retail advisory company with true accountability and a clear understanding of our clients' needs.

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## OUR RESEARCH SERVICES

Cushman & Wakefield (C&W) is known the world-over as an industry knowledge leader. Through the delivery of timely, accurate, high-quality research reports on the leading trends, markets around the world and business issues of the day, we aim to assist our clients in making property decisions that meet their objectives and enhance their competitive position. In addition to producing regular reports such as global rankings and local quarterly updates available on a regular basis, C&W also provides customized studies to meet specific information needs of owners, occupiers and investors.

## ACCESSING CUSHMAN & WAKEFIELD RESEARCH

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## ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield is a leading global real estate services firm that helps clients transform the way people work, shop, and live. Our 43,000 employees in more than 60 countries help investors and occupiers optimize the value of their real estate by combining our global perspective and deep local knowledge with an impressive platform of real estate solutions. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of \$5 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. To learn more, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com) or follow @CushWake on Twitter.

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