THE DEFINITIVE GUIDE TO SHOPPING CENTRES

by Trevor Wood - **Trevor Wood Associates**

# GOING SHOPPING 2011

## EXECUTIVE SUMMARY

**Going Shopping 2011 - The Definitive Guide to Shopping Centres** has been comprehensively updated and extended as a result of continuous research by **Trevor Wood Associates**. Copies of the full review are available for £325 from the address overleaf.

As usual we have discussed the contents of the review with many subscribers. Following these discussions we have included more detailed analyses and introduced more photographs of leading schemes. We are grateful to all who have kindly submitted photographs for inclusion this year and apologise for those we have had to leave out due to lack of space. As always, I am sure the tables and analyses together with some of my comments may spark heated debates.

There is, yet again, a considerable amount of informed comment within the review supplied from owners, managers, tenants and agents or derived from desk research. I would like to take this opportunity to thank the hundreds of people within the industry who help us to continue making our reviews as useful as possible. I would also like to thank our many database clients. We have more than one hundred companies who regularly pass on updated market news and information throughout the year to **Trevor Wood Associates** - this makes our task producing the reviews that much easier!

Points awarded for tenants have been completely revised to reflect latest available retail turnover figures, both for tenants and government averages. It is therefore possible for a centre where no tenant changes have taken place to rise or slip down the hierarchy in response to extreme changes in tenant's turnover. This has happened to a significant number of schemes where one or more tenant's turnover has either declined over the past few years or risen by less than the government average increase.

These and other topics of interest to those involved with shopping centres, shopping and leisure centres, factory outlet centres and shopping parks are covered in detail within the 272 page review. The key points are summarised below.

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Senior Partner
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## SHOPPING CENTRES RANKED BY OVERALL ATTRACTIVENESS

Shopping centres currently trading were again ranked by overall attractiveness to shoppers, retailers and investors. This was achieved by confirming detailed information for each scheme thought to be larger than 50,000 sq. ft. in the United Kingdom. The information was converted into points for selected features shown to be important to those groups, including tenants, lettable area, type of scheme, weekly footfall and facilities available. It can be seen that **the largest schemes are not always considered the most attractive** and twenty one of the hundred largest schemes do not feature in the top 100.

| 2011 Rank | 2008 | 2006 | | Scheme | Location | Points | 2008 Points | GIA | Type |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 2 | ▲ | Bluewater | Dartford - Greenhithe | 7,663 | 7,522 | 1,610,000 | Comp |
| 2 | 1 | 1 | ▼ | MetroCentre | Gateshead | 7,644 | 7,673 | 1,818,000 | Comp |
| 3 | *** | *** | ▲ | Westfield London | London - Shepherds Bush | 7,599 | *** | 1,610,000 | Comp |
| 4 | 3 | 3 | ▼ | Meadowhall | Sheffield | 7,310 | 7,220 | 1,484,000 | Comp |
| 5 | 4 | 4 | ▼ | The Trafford Centre | Manchester - Trafford | 6,992 | 7,127 | 1,600,000 | Comp |
| 6 | 5 | 5 | ▼ | Lakeside Shopping Centre | Grays - Thurrock | 6,826 | 6,753 | 1,433,610 | Comp |
| 7 | 6 | 6 | ▼ | Westfield Merry Hill | Brierley Hill | 6,466 | 6,518 | 1,088,066 | Comp |
| 8 | 7 | 9 | ▼ | Manchester Arndale | Manchester | 6,021 | 5,903 | 1,400,000 | Comp |
| 9 | 8 | 7 | ▼ | the centre:mk | Milton Keynes | 5,870 | 5,667 | 1,350,000 | Comp |
| 10 | 70 | 61 | ▲ | St David's | Cardiff | 5,628 | 3,012 | 1,394,500 | Comp |
| 11 | 10 | 51 | ▼ | Westfield Derby | Derby | 5,600 | 5,299 | 1,140,000 | Comp |
| 12 | 9 | 8 | ▼ | East Kilbride Shopping Centre | East Kilbride | 5,392 | 5,522 | 1,190,000 | Comp |
| 13 | 19 | 11 | ▲ | Eldon Square Shopping Centre | Newcastle-upon-Tyne | 5,354 | 4,433 | 1,400,000 | Comp |
| 14 | 11 | 12 | ▼ | Bullring | Birmingham | 5,215 | 5,236 | 1,314,000 | Comp |
| 15 | 79 | *** | ▲ | Liverpool One | Liverpool | 5,052 | 2,905 | 1,420,000 | Comp |
| 16 | 32 | 25 | ▲ | The Centre | Livingston | 4,966 | 3,706 | 980,000 | Comp |
| 17 | 17 | 73 | – | Highcross Leicester | Leicester | 4,888 | 4,488 | 1,217,950 | Comp |
| 18 | 12 | 14 | ▼ | The Telford Shopping Centre | Telford | 4,691 | 4,706 | 1,025,000 | Comp |
| 19 | 15 | 16 | ▼ | The Mall at Cribbs Causeway | Bristol - Cribbs Causeway | 4,663 | 4,638 | 780,000 | Comp |
| 20 | 16 | 17 | ▼ | Brent Cross Shopping Centre | London - Hendon | 4,649 | 4,596 | 864,000 | Comp |

**Key:** ▲ Moved up ▼ Moved down – Maintained position

For a listing of the Top 500 and reviews of all schemes please see the full review.

## TOP 10 TENANTS

There are almost 32,000 retail units within the 500 leading schemes, and some 24,000 are occupied by major comparison goods retailers or groups with turnovers in excess of £3 million pa, involving 1,500 different trading fascias.

| 2011 Rank | 2008 | 2006 | | Fascia | Points | 2008 Points | Units |
|---|---|---|---|---|---|---|---|
| 1 | 1 | 1 | – | Clinton Cards | 759,092 | 768,409 | 279 |
| 2 | 2 | 2 | – | Claire's Accessories | 749,665 | 710,950 | 263 |
| 3 | 3 | 3 | – | Boots | 725,095 | 654,698 | 278 |
| 4 | 4 | 5 | – | New Look | 693,017 | 632,927 | 278 |
| 5 | 6 | 13 | ▲ | The Carphone Warehouse | 662,359 | 579,886 | 219 |
| 6 | 5 | 4 | ▼ | Game | 656,288 | 616,487 | 222 |
| 7 | 13 | 17 | ▲ | Greggs | 646,702 | 475,246 | 244 |
| 8 | 7 | 12 | ▼ | O2 | 641,474 | 578,761 | 226 |
| 9 | 16 | 28 | ▲ | Orange | 595,832 | 461,763 | 206 |
| 10 | 8 | 6 | ▼ | Superdrug | 579,834 | 548,646 | 232 |

**Key:** ▲ Moved up ▼ Moved down – Maintained position

For a listing of the Top 40 please see the full review.

**Retailers featured in more than 60% of the top 100 schemes** are 3 Store, Boots, Claire's Accessories, Clarks, Clinton Cards, Costa Coffee, Ernest Jones, Game, Greggs, H Samuel, H & M, HMV, Holland & Barrett, JD Sports, New Look, Next, O2, Orange, Phones 4 U, River Island, Starbucks, Superdrug, T Mobile, The Body Shop, The Carphone Warehouse, The Perfume Shop, Thomas Cook, Thorntons, Vision Express, Vodafone and WH Smith.

## TOP 5 FACTORY OUTLETS

Cheshire Oaks Designer Outlet in Ellesmere Port is, for the fourth review running, considered the leading factory outlet centre. Of the forty two factory outlet centres, only the top two schemes would feature if a combined table of the top 100 shopping and factory outlet centres were to be produced.

| 2011 Rank | 2008 | 2006 | Scheme | Location | Points | GIA | Type |
|---|---|---|---|---|---|---|---|
| 1 | 1 | 1 | Cheshire Oaks Designer Outlet | Ellesmere Port | 2,961 | 334,636 | Comp |
| 2 | 2 | 2 | York Designer Outlet | York | 2,784 | 248,000 | Comp |
| 3 | 3 | 3 | McArthurGlen Designer Outlet Livingston | Livingston | 2,609 | 291,019 | Comp |
| 4 | 4 | 4 | The Galleria Outlet Centre | Hatfield | 2,580 | 330,000 | Comp |
| 5 | 5 | 5 | Swindon Designer Outlet | Swindon | 2,485 | 207,000 | Comp |

For a listing of the Top 30 please see the full review.

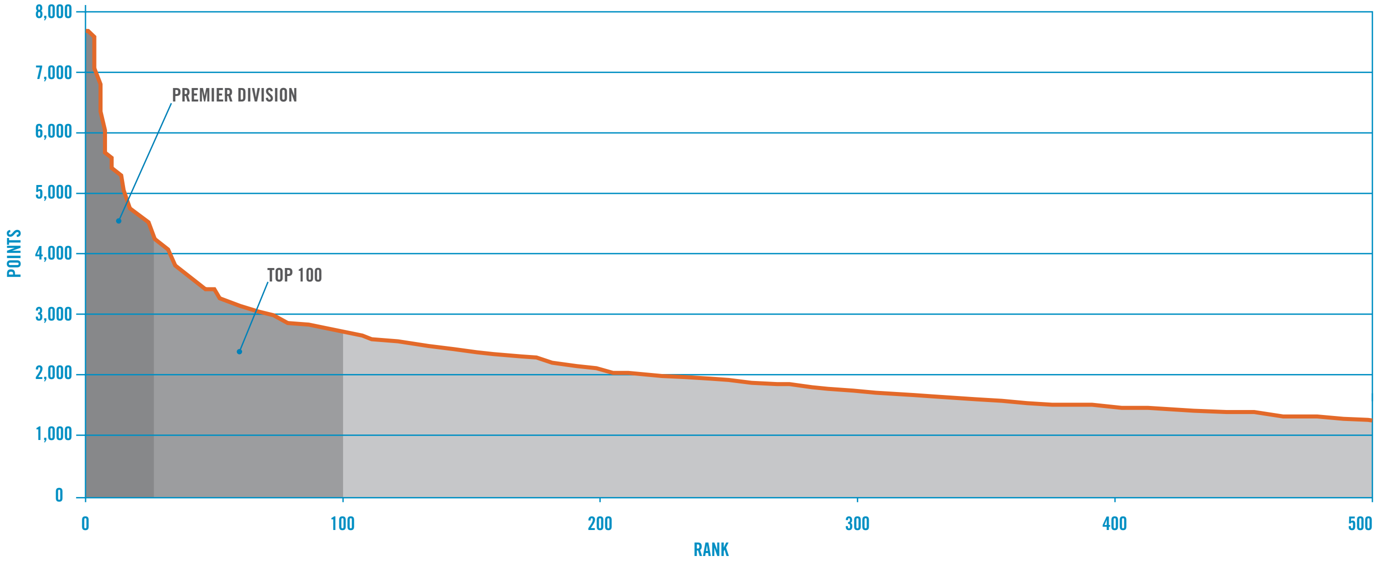
## TOP 5 SHOPPING PARKS

Fort Kinnaird in Newcraighall, Edinburgh is still considered to be the leading shopping park and Fosse Shopping Park in Narborough Road, Leicester has regained third position.

| 2011 Rank | 2008 | 2006 | Scheme | Location | Points | GIA | Type |
|---|---|---|---|---|---|---|---|
| 1 | 1 | 2 | Fort Kinnaird | Edinburgh - Newcraighall | 2,750 | 506,000 | Comp |
| 2 | 2 | 1 | Castlepoint | Bournemouth - Charminster | 2,692 | 645,000 | |
| 3 | 4 | 3 | Fosse Shopping Park | Leicester - Narborough Road | 2,475 | 416,536 | Comp |
| 4 | 3 | 4 | New Mersey Shopping Park | Liverpool - Speke | 2,452 | 483,268 | Comp |
| 5 | 5 | 5 | Glasgow Fort Shopping Park | Glasgow - Easterhouse | 2,396 | 384,373 | Comp |

For a listing of the Top 30 please see the full review.

The research shows the presence of a distinct Premier Division of 27 leading shopping centres. To our previous list of 24 super-centres we can now add **Westfield London** in Shepherds Bush, London, **St David's** in Cardiff and **Liverpool One** in Liverpool. With a minimum possible total of 250 points, the Premier Division schemes amass more than 4,250 points each, with the top eleven scoring over 5,600 points. Every scheme in the top 500 received at least 1,285 points and the entry level for the top 200 schemes is over 2,100 points.




Many of the twenty-seven leading schemes have plans to expand or enhance their tenant mix, and this will further consolidate the dominance of this Premier Division of shopping centres. Below the Premier Division, there has been a fair amount of activity with thirty four of the 500 leading schemes refurbished or extended in the last twenty four months. Several major schemes have opened, or re-opened following redevelopment, since our 2008 review. These include **The Rock** in Bury, **Southgate Shopping Centre** in Bath, **Eagles Meadow** in Wrexham, **One New Change** in London, **arc** in Bury St Edmunds, **Sanderson Arcade** in Morpeth, **St Catherines Walk** in Carmarthen and **Marriotts Walk** in Witney. Details of all this activity is contained in the eleven regional sections, along with reviews of other items of interest.

## SHOPPING CENTRES - COMPARISON OR CONVENIENCE DOMINATED?

A turnover model looked at every tenant. Breakdowns for convenience, comparison and other stores were created to indicate if each scheme was convenience or comparison dominated. Within the top 50 only **the Eastgate Shopping Centre in Basildon is not seen as a Comparison dominated scheme**. This is because the scheme includes a 157,000 sq. ft. Asda Wal-Mart which is deemed to be a convenience dominated store with a greater turnover than many of the smaller shopping centres.

**Of the top 100 schemes, ninety seven are seen as Comparison dominated**, with only one seen as Convenience dominated. Ranked at 61 is the Galleries Shopping Centre in Washington, anchored by a 113,000 sq. ft. Asda and a 165,000 sq. ft. Sainsbury's with a wide range of comparison shops.

## SUNDAY TRADING

The increase in Sunday trading activity within the 500 leading schemes has continued over the past few years. **95% of the 500 leading schemes now have stores trading every Sunday** and all open on Sundays in the run up to Christmas and the former has increased compared to the comparative figure of 92% recorded in our 2008 survey. Of the top 500 schemes, 67% open every Sunday with the majority of their retail tenants trading, compared to 63% in 2008. 32% of the top 500 schemes show all retail tenants trading every Sunday, up slightly from 31% in 2008.
At the other extreme, 14% (19%) of the leading centres opening throughout the year have less than half of their stores open for business, and most of those trading appear to be grocers or other convenience stores.

**Every one of the top 100 schemes opens every Sunday** throughout the year. Of these, 34 also incorporate a food court, while twenty eight feature a cinema, ten have libraries, four have bowling alleys and seventeen have fitness or leisure centres, possibly making shopping trips on Sunday more of a social occasion. 96 of the top 100 schemes reported that more than half or, in 72 cases, all of their retail tenants were open for trading. These figures have increased slightly from the respective 2008 figures of 93 and 72.

## TRANSPORT LINKS AND PARKING PROVISION

Our research shows that 104 of the top 500 schemes now have an integral bus station, and 40 of these are in the top 100 schemes.

Of the 100 leading schemes, eleven have integral or adjacent railway stations, and there are 30 railway stations in the top 500 schemes.

Some 435 of the 500 leading schemes have integral parking facilities, with 198 providing more than the average of three parking spaces per 1,000 sq. ft. of gross lettable area and only 102 having a ratio below two. Five schemes provide more than 10 parking spaces per 1,000 sq. ft. of current gross area.

43 schemes provide more than 2,000 integral parking spaces, with four of the top schemes providing more than 10,000 spaces and fourteen providing more than 4,000 spaces.

## LEISURE AND OTHER FACILITIES

100 of the top 500 schemes incorporate food courts and 41 of these provide more than the average of 1.1 seats per 1,000 sq. ft. of current gross lettable retail area. Six schemes have a ratio of more than three seats.

There are over 200 seats provided at 63 of the schemes and 27 schemes have over 500 food court seats, with six schemes having over 1,000 seats.

Multiplex cinemas can be found in 54 leading schemes including 28 of the top 100 schemes.

56 public libraries are now found within shopping centres with creches or nurseries situated in 37 schemes.

## TOP 5 INVESTMENT MANAGERS

As can be seen below, Capital Shopping Centres are now the leading investment manager for Shopping Centres in the United Kingdom.

| 2011 Rank | 2008 | 2006 | | Owner / Investment Manager | Points | 2008 Points | Gross Area (Million Sq. Ft.) | Centres |
|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | ▲ | Capital Shopping Centres | 61,480 | 54,446 | 12.6 | 15 |
| 2 | 3 | 2 | ▲ | Land Securities Properties | 49,633 | 47,450 | 8.1 | 23 |
| 3 | 4 | 4 | ▲ | Threadneedle Property Investments | 43,071 | 44,166 | 4.1 | 32 |
| 4 | 16 | 12 | ▲ | LaSalle Investment Management | 38,864 | 18,615 | 4.3 | 23 |
| 5 | 1 | 1 | ▼ | Capital & Regional Property Management | 36,941 | 55,032 | 5.4 | 13 |

**Key:** ▲ Moved up ▼ Moved down — Maintained position

For a listing of the Top 20 please see the full review.

## TOP 5 MANAGING AGENTS

Jones Lang LaSalle are the leading managing agents for Shopping Centres in the United Kingdom. We found that the eight leading practices each amassed ten times as many points as every other practice outside the top thirty and no managing agent outside the top fifty scored more than 2,000 points.

| 2011 Rank | 2008 | 2006 | | Managing Agent | Points | 2008 Points | Gross Area (Million Sq. Ft.) |
|---|---|---|---|---|---|---|---|
| 1 | 2 | 2 | ▲ | Jones Lang LaSalle | 137,818 | 105,252 | 18.7 |
| 2 | 1 | 3 | ▼ | DTZ | 117,513 | 165,669 | 17.7 |
| 3 | 3 | 4 | — | Savills | 99,588 | 56,438 | 12.5 |
| 4 | 4 | 5 | — | BTWShiells | 61,971 | 54,255 | 6.8 |
| 5 | 5 | 6 | — | Workman | 61,187 | 46,263 | 5.8 |

**Key:** ▲ Moved up ▼ Moved down — Maintained position

For a listing of the Top 20 please see the full review.

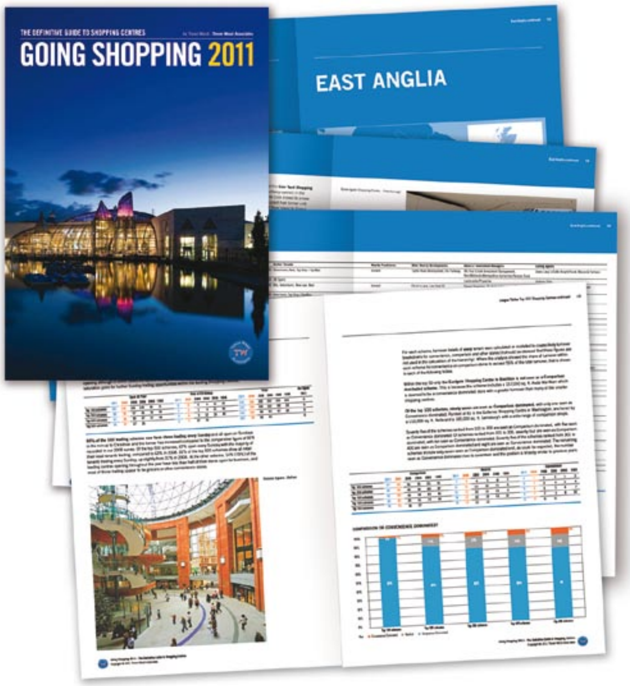
## TOP 5 LETTING AGENTS

The leading letting agent for Shopping Centres in the United Kingdom continues to be Cushman & Wakefield. The six leading firms each amass ten times as many points as every surveyor outside of the top fifty letting agents and they all have instructions in excess of 12 million square feet.

| 2011 Rank | 2008 | 2006 | | Letting Agent | Points | 2008 Points | Gross Area (Million Sq. Ft.) | Centres |
|---|---|---|---|---|---|---|---|---|
| 1 | 1 | 3 | — | Cushman & Wakefield | 159,373 | 175,166 | 24.6 | 63 |
| 2 | 3 | 2 | ▲ | Lunson Mitchenall | 144,049 | 128,994 | 26.1 | 42 |
| 3 | 2 | 15 | ▼ | Jones Lang LaSalle | 141,327 | 170,810 | 19.6 | 60 |
| 4 | 7 | 6 | ▲ | Savills | 113,375 | 66,425 | 12.9 | 62 |
| 5 | 5 | 7 | — | CB Richard Ellis | 94,573 | 84,464 | 16.0 | 32 |

**Key:** ▲ Moved up ▼ Moved down — Maintained position

For a listing of the Top 50 please see the full review.

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