Going Shopping 2004

The Definitive Guide to Shopping Centres

Executive Summary

by Trevor Wood

CHURSTON HEARD

TW Research Associates

The Definitive Guide to Shopping Centres - Going Shopping 2004 is sponsored by Churston Heard and has been comprehensively updated and extended as a result of continuous research by TW Research Associates. Copies of the full review are available for £295 from the address overleaf, with overseas orders at $525 and 525 Euros.

This year's review includes more detailed analyses and incorporates the tabular layout style of our Retail Parks review for ease of reference. One thousand schemes are reviewed, with details shown including location, scheme name, gross area, anchor tenants, nearby foodstores, other nearby developments, owners / investment managers and letting agents. For proposed schemes planning status and year of scheduled opening are also shown. Recent lettings are detailed together with recent investment transactions, current and proposed developments and a considerable number of league tables.

As always, there is much informed comment within the review supplied from owners, managers, tenants and agents or derived from desk research. I would like to thank these contacts and also our many database clients who regularly pass on updated market news and information throughout the year - 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 160 page review.

The key points are summarised below.

Trevor Wood

Shopping Centres ranked by overall attractiveness

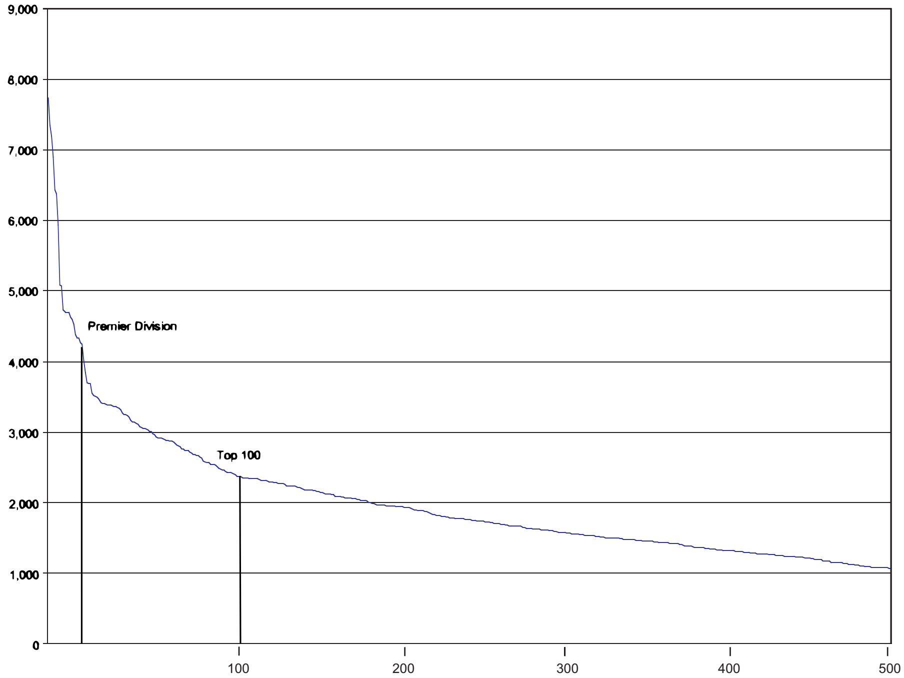
Shopping centres currently trading were again ranked by overall attractiveness to shoppers, retailers and investors. This was achieved by confirming detailed information for each scheme thought to be larger than 50,000 sq. ft in the United Kingdom. The information was converted into points for selected 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. Seventeen of the hundred largest schemes do not feature in the top 100. Two of the hundred largest schemes, Wythenshawe Shopping Centre and Charles Square Shopping Centre in Bracknell, do not even feature in the top 200.

2004 Rank	2000 Rank	1998 Rank	Scheme	Location	Points	Gross Area (Sq. Ft.)	Type
1	1	***	Bluewater	Dartford - Greenhithe	7,743	1,610,000	Comp
2	2	1	MetroCentre	Gateshead	7,354	1,598,000	Comp
3	4	3	Meadowhall	Sheffield	7,193	1,453,000	Comp
4	3	2	Lakeside Shopping Centre	Grays - Thurrock	6,900	1,377,000	Comp
5	6	***	The Trafford Centre	Manchester - Trafford	6,435	1,400,000	Comp
6	5	4	Merry Hill Centre	Brierley Hill	6,383	1,500,000	Comp
7	7	5	The Centre:MK	Milton Keynes	5,938	1,300,000	Comp
8	8	7	Eldon Square Shopping Centre	Newcastle-upon-Tyne	5,081	961,000	Comp
9	14	12	Whitgift Centre	Croydon	5,070	1,236,000	Comp
10	91	68	Festival Place	Basingstoke	4,734	850,000	Comp
11	12	10	Brent Cross Shopping Centre	London - Hendon	4,704	855,000	Comp
12	10	8	The Harlequin	Watford	4,703	721,000	Comp
13	11	9	The Mall at Cribbs Causeway	Bristol - Cribbs Causeway	4,702	725,000	Comp
14	***	***	Bullring	Birmingham	4,630	1,200,000	Comp
15	17	11	The Telford Shopping Centre	Telford	4,594	1,000,000	Comp
16	15	14	The Victoria Centre	Nottingham	4,530	956,000	Comp
17	16	16	The Arndale Shopping Centre	Luton	4,385	750,000	Comp
18	***	***	Braehead Shopping and Leisure Centre	Glasgow - Braehead	4,339	800,000	Comp
19	23	20	Kingfisher Shopping Centre	Redditch	4,332	1,000,000	Comp
20	13	15	Queensgate Shopping Centre	Peterborough	4,262	807,000	Comp

For a listing of the Top 500 please see the full review.

The research shows the presence of a distinct Premier Division of 21 leading shopping centres. With a minimum possible total of 100 points, these schemes amass more than 4,200 points each, with the top six scoring over 6,000 points. Every scheme in the top 500 received more than 1,070 points.

Top 500 Schemes



Many of the twenty one leading schemes have plans to expand, 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 fifty six of the 500 leading schemes refurbished or extended in the last eighteen months. Several major schemes have opened, or re-opened following redevelopment, since our 2000 review. Apart from the Bullring and Braehead Shopping and Leisure Centre, these include WestQuay in Southampton, The Oracle in Reading, Touchwood in Solihull, The Chimes Shopping Centre in Uxbridge, Overgate in Dundee and Castle Quay Shopping in Banbury. 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 30, only the Almondvale Shopping Centre in Livingston is not seen as a Comparison dominated scheme. This is because Asda Wal-Mart anchors the scheme and Safeway are also present.

Of the top 100 schemes, ninety five are seen as Comparison dominated, with only two seen as Convenience dominated. Ranked at 43 is the Galleries Shopping Centre in Washington, anchored by Asda and Sainsbury Savacentre but also including Iceland and a wide range of comparison shops. Ranked at 99 is Manor Walks Shopping Centre in Cramlington, which has Asda, Iceland and Safeway units.

Sunday Trading

Sunday trading activity has increased further within the 500 leading schemes over the past few years. 83% of the 500 leading schemes now have stores trading every Sunday and 98% open on Sundays in the run up to Christmas. Of the top 500 schemes, 50% open every Sunday with the majority of their retail tenants trading, compared to our 2000 survey figure of 37%. 24% of the top 500 schemes show all retail tenants trading every Sunday, up from 12% in 2000. At the other extreme, 24% 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.

Of the 500 leading schemes, as we found in our 2000 survey, the most active regions were Northern Ireland and Scotland. 94% of the 31 leading Northern Irish schemes open throughout the year, with 86% of these reporting that the majority of retail units were trading every Sunday. 93% of the 57 leading Scottish schemes open throughout the year, with 64% of these reporting that the majority of retail units were trading every Sunday.

Transport links and parking provision

Our research shows that 97 of the top 500 schemes now have an integral bus station, and 39 of these are in the 100 largest schemes.

Of the 100 leading schemes, ten have integral or adjacent railway stations, and there are 27 railway stations in the top 500 schemes. Many of these also link in to local tram and railway schemes.

Some 413 of the 500 leading schemes have integral parking facilities, with 214 providing more than the average of three parking spaces per 1,000 sq. ft of gross lettable area and only 84 having a ratio below two. Seven schemes provide more than 10 parking spaces per 1,000 sq. ft of current gross area.

38 schemes provide more than 2,000 integral parking spaces, with five of the top 500 schemes providing more than 10,000 spaces and twelve providing more than 4,000 spaces.

Leisure and other facilities

117 of the top 500 schemes incorporate food courts and 37 of these provide more than the average of 1.2 seats per 1,000 sq. ft of current gross lettable retail area. Four schemes have a ratio of more than three seats.

There are over 200 seats provided at 66 of the schemes and 23 schemes have over 500 food court seats, with six schemes having over 900 seats.

Multiplex cinemas can be found in 37 leading schemes including 21 of the top 100 schemes.

79 post offices and 45 public libraries are now found within shopping centres with creches or nurseries situated in 53 schemes.

Top 5 Investment Managers

Rank	Owner / Investment Manager	Points
1	Prudential Property Investment Managers	56,548
2	Capital Shopping Centres	43,263
3	The Mall Corporation	35,863
4	LaSalle Investment Management	35,103
5	Land Securities Properties	33,216

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

Prudential Property Investment Managers are the leading investment managers for Shopping Centres in the United Kingdom, following a growing trend for third party portfolios to be handled by fewer managers. The top five score more than double the points of those ranked below seventeenth place and points fall away faster still outside the top twenty.

Top 5 Managing Agents

Rank	Managing Agent	Points
1	Donaldsons	98,900
2	Jones Lang LaSalle	93,667
3	DTZ Debenham Tie Leung	68,445
4	CB Richard Ellis	56,633
5	Workman & Partners	38,960

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

Donaldsons are the leading managing agents for Shopping Centres in the United Kingdom. There have been a number of positional changes recently, following changes in ownership. However, the two leading practices still amass ten times as many points as every other practice outside the top fourteen.

Top 5 Letting Agents

Rank	Letting Agent	Points
1	DTZ Debenham Tie Leung	124,809
2	Churston Heard	109,798
3	Lunson Mitchenall	100,321
4	Dalgleish & Co	86,551
5	Cushman & Wakefield Healey & Baker	85,922

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

DTZ Debenham Tie Leung are the leading letting agents for Shopping Centres in the United Kingdom. The three leading firms amass ten times as many points as every other surveyor outside the top forty.

Top 5 Tenants

Rank	Fascia	Points
1	Clinton Cards	754,950
2	Boots	677,643
3	Claire's Accessories	663,117
4	New Look	570,139
5	Game	543,885

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

There are over 28,000 retail units within the 500 leading schemes, and some 20,000 are occupied by major comparison goods retailers or groups with turnovers in excess of £3 million pa, involving 1,100 different trading fascias.

Retailers featured in more than 60% of the top 100 schemes are Adams, All:sports, Birthdays, Boots, Claire's Accessories, Clarks, Clinton Cards, Dorothy Perkins, Ernest Jones, Game, The Link, Next, New Look, Phones 4 U, H Samuel, WH Smith, Superdrug, Thorntons, Vision Express and The Vodafone Shop.

Top 5 Factory Outlets

2004 Rank	2000 Rank	1998 Rank	Scheme	Location	Points	Gross Area (Sq. Ft.)	Type
1	2	2	McArthurGlen Designer Outlet Cheshire Oaks	Ellesmere Port	2,963	414,000	Comp
2	4	***	McArthurGlen Designer Outlet York	York	2,873	317,000	Comp
3	***	***	McArthurGlen Designer Outlet Livingston	Livingston	2,748	291,019	Comp
4	3	1	McArthurGlen Designer Outlet Great Western	Swindon	2,643	201,000	Comp
5	1	3	The Galleria Outlet Centre	Hatfield	2,598	330,000	Comp

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

McArthurGlen Designer Outlet Cheshire Oaks is considered the leading factory outlet centre. As a result of extensions, which created a number of additional units, the scheme has taken the top spot from The Galleria Outlet Centre. Of the forty-four factory outlet centres, five schemes would feature if a combined table of the top 100 shopping and factory outlet centres were to be produced.

Top 5 Shopping Parks

2004 Rank	2000 Rank	1998 Rank	Scheme	Location	Points	Gross Area (Sq. Ft.)	Type
1	***	***	Castlepoint	Bournemouth	2,813	645,000	
2	***	***	Fort Kinnaird	Edinburgh	2,384	576,409	Comp
3	***	***	Fosse Park Shopping Park	Leicester	2,276	416,536	Comp
4	***	***	Gallions Reach	London	1,824	318,399	
5	***	***	Monks Cross Shopping Park	York	1,664	268,331	Comp

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

As we found in our Retail & Leisure Parks review, Castlepoint is considered the leading Shopping Park. This is the only scheme that would feature if a combined table of the top 100 shopping centres and shopping parks were to be produced.

East Anglia

There are 13 shopping centres in the East Anglia region featured in the top 500 schemes. Of these, three feature in the top 100, all of which are defined as comparison dominated.

L'Aura Perfumery, Snappy Snaps, Sports World and The Computer Shop recently opened units at Lion Yard Shopping Centre in Cambridge.

The Grafton Centre in Cambridge is currently being extended with 70,000 sq. ft. under construction in Burleigh Street.

Newly constructed units are available at The Cloisters in Ely.

The Halfords unit at the Market Gates in Great Yarmouth is available.

New units are available at the Buttermarket Shopping Centre in Ipswich.

Warnford Investments sold the Eastgate Centre in Ipswich to Gresham Property Partners in 2003.

Heroes Fitness Store recently opened a unit at Tower Ramparts Shopping Centre in Ipswich and other units are available.

Specsavers recently opened a unit at The Rookery Shopping Centre in Newmarket and further developments are proposed.

East Anglia continued

Units are available at Anglia Square Shopping Centre in Norwich.

Birds, Blue Inc, Hawkins Bazaar, New Look, Prima Donna, Raffles, Sportizus, Studio Milano and Subway recently opened units at The Castle Mall in Norwich. The centre was transferred to The Mall Limited Partnership in 2003 and other units are available.

Units are available at Hereward Cross Shopping Centre in Peterborough.

The Carphone Warehouse recently opened a unit at the Queensgate Shopping Centre in Peterborough, where development proposals are currently being considered. The scheme is featured in the national top 20 and other units are available.

Dawns Designs and Mr Games recently opened units at Rivergate Shopping Centre in Peterborough and other units are available.

Dr China recently opened a unit at the Serpentine Green Shopping Centre in Peterborough and other units are available.

Sally Hair & Beauty recently opened a unit at the Werrington Centre in Peterborough and other units are available.

Wisbech Retail sold The Horsefair Shopping Centre in Wisbech to Private Investors in 2003. Units are available and the Richards unit is available via Dalgleish & Co.

2004 Rank	Points	2000 Rank	1998 Rank	Type	Location	Scheme	GIA	Anchor Tenants	Nearby Foodstores	Other Nearby Developments	Owners / Investment Managers	Letting Agents
404	1,316	***	***	Comp	Bury St Edmunds	Cornhill Walk Shopping Centre	125,000	JJB Sports			Landmaster Properties	
83	2,736	63	40	Comp	Cambridge	Grafton Centre	484,000	Bhs, Debenhams, Next	Iceland	Lion Yard SC	Prudential Assurance Company, Prudential Property Investment Managers	Lunson Mitchenall
265	1,708	248	267	Comp	Cambridge	Lion Yard Shopping Centre	121,000	Sports World		Grand Arcade, Grafton Centre	Aberdeen Property Investors, Barclays Bank UK Retirement Fund	Bidwells Drake, Smith Price
***	941	***	***	Conv	Cambridge - Bar Hill	Bar Hill District Centre	120,000	Tesco Extra	Tesco Extra		Tesco Stores	Morgan Williams
***	519	***	***	Conv	Ely	The Cloisters	60,000	Waitrose, Wilkinson	Tesco, Waitrose		Aardvark Developments	Capital Retail
477	1,126	389	***	Comp	Great Yarmouth	Market Gates	125,501	Boots, Iceland, Wilkinson	Iceland		LaSalle Investment Management, Mars Pension Trustees	Blair Kirkman, Francis Darrah
***	718	***	***		Huntingdon	Chequers Court	85,000		Sainsbury, Waitrose	St Germain Walk	Churchmanor Estates Company	Blair Kirkman, DH Barford & Co
***	888	***	320		Huntingdon	St Benedict's Court	105,000	Waitrose	Sainsbury, Waitrose	St Germain Walk	Allied Dunbar Life Property Fund, Threadneedle Property Investments	Churston Heard
***	1,010	***	***	Conv	Huntingdon	St Germain Walk	90,000	Sainsbury, Wilkinson	Sainsbury, Waitrose	Chequers Court, St Benedict's Court	Churchmanor Estates Company	Blair Kirkman, DH Barford & Co
278	1,671	226	162	Comp	Ipswich	Buttermarket Shopping Centre	295,000	Allders, New Look, TK Maxx	Sainsbury	Tower Ramparts SC	Crestform, Prime Commercial Properties	Churston Heard, EWS
***	700	***	339	Comp	Ipswich	Eastgate Centre	84,500	QD Stores	Co-op, Sainsbury		Gresham Property Partners Limited Partnership, Schroder Property Investment Management	Gooch Cunliffe Whale
264	1,713	211	182	Comp	Ipswich	Tower Ramparts Shopping Centre	133,000	Boots, Littlewoods / Index	Iceland	Buttermarket SC	iii Fonds	Briant Champion Long
474	1,131	***	***	Comp	Lowestoft	Britten Centre	100,000	Bhs	Iceland		Imperial Tobacco Pension Trustees	
307	1,572	315	256	Comp	Newmarket	The Rookery Shopping Centre	133,000	Marks & Spencer			City Grand Properties Ltd, Crestform, Prime Commercial Properties	Capital Retail
450	1,214	390	365	Comp	Norwich	Anglia Square Shopping Centre	150,000	99p Stores, Budgens, QD Stores	Budgens, Iceland	Anglia RP	Quintain Estates	Francis Darrah
71	2,888	58	72	Comp	Norwich	The Castle Mall	380,000	Argos, Boots, Early Learning, H & M Hennes, Mothercare, New Look, Virgin Megastores	Tesco	Chapelfield	The Mall Corporation, The Mall Limited Partnership	Dalgleish & Co
***	430	***	***		Norwich - Bowthorpe	Bowthorpe Main Centre	65,000					
***	1,004	***	***	Conv	Peterborough	Hereward Cross Shopping Centre	85,000	Tesco	Tesco	Rivergate SC	Frame Investments, Portfolio Holdings, Apollo	Morgan Williams
20	4,262	13	15	Comp	Peterborough	Queensgate Shopping Centre	807,000	Argos, Bhs, Boots, H & M Hennes,	Waitrose	Rivergate SC	Morley Fund Management,	CB Richard Ellis,

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