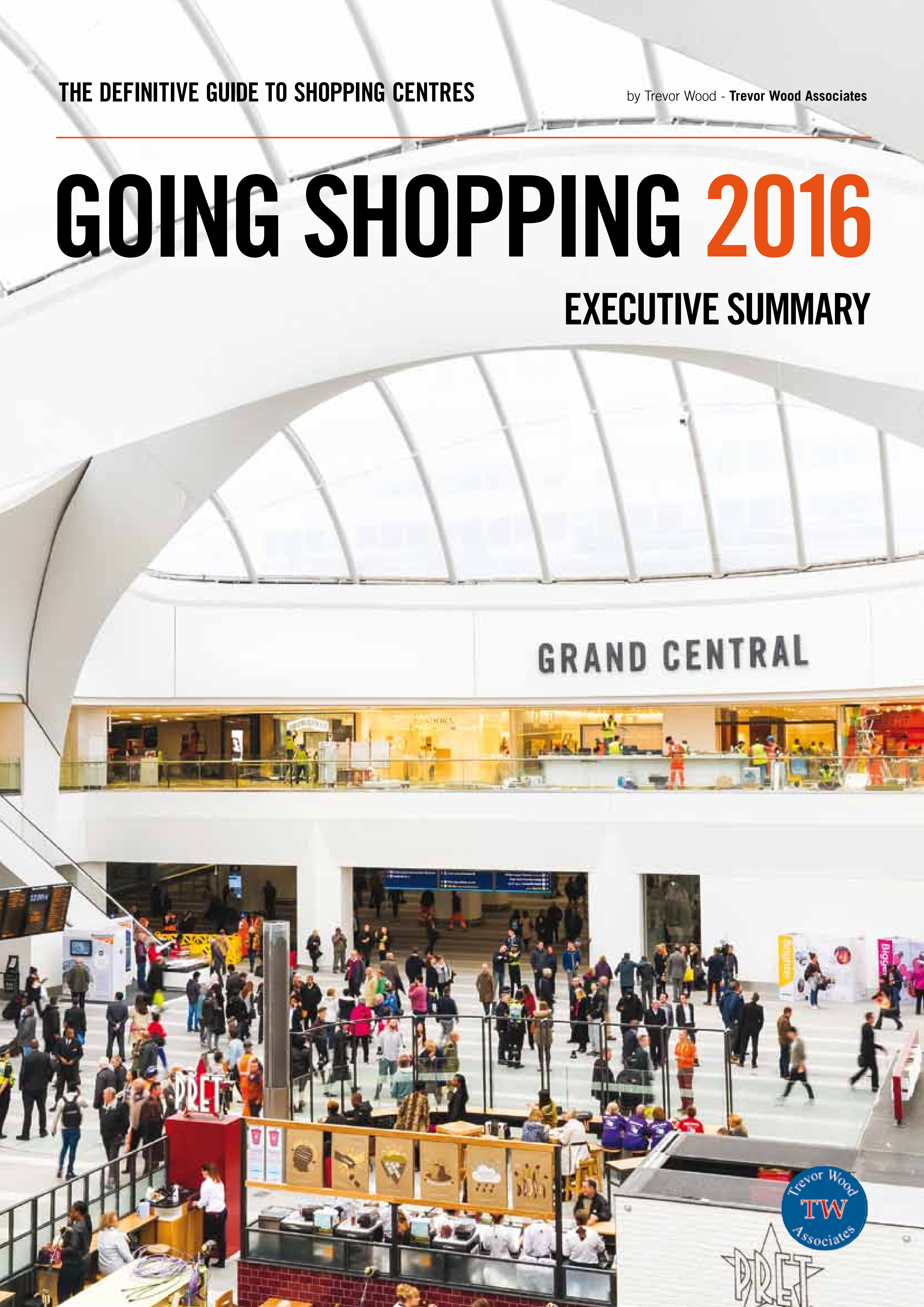
THE DEFINITIVE GUIDE TO SHOPPING CENTRES

by Trevor Wood - **Trevor Wood Associates**

GOING SHOPPING 2016

EXECUTIVE SUMMARY



Going Shopping 2016 - The Definitive Guide to Shopping Centres has, once again, been comprehensively updated and extended as a result of ongoing research by my colleagues at **Trevor Wood Associates**. Copies of the full review are available for £375 from the address overleaf.

As usual, we discussed the review with many subscribers and, with improved market conditions, have reviewed even more schemes. Once again, this year's review is larger than ever at more than twice the size of our first review - published in the last century! We are grateful to all who kindly submitted photographs for inclusion and apologise for those left 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.

A considerable amount of informed comment within the review is supplied by owners, managers, tenants and agents or derived from our own desk research. I would like to take this annual opportunity to thank the hundreds of people within the industry who help make our reviews as useful as possible. I would also like to thank our growing band of database clients - more than one hundred companies 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 are revised to reflect latest available retail turnovers. It is possible for a centre where no changes have taken place to rise or slip down the hierarchy in response to extreme changes in tenant's turnover. This happened to a number of schemes where one or more tenant's turnover declined or rose by less than the government average. While going to print major changes have been incorporated in our database and schemes opening in November 2015 will be covered in our 2017 review.

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 314 page review and we have summarized the key points below.

Trevor Wood
Senior Partner
Trevor Wood Associates

SHOPPING CENTRES RANKED BY OVERALL ATTRACTIVENESS

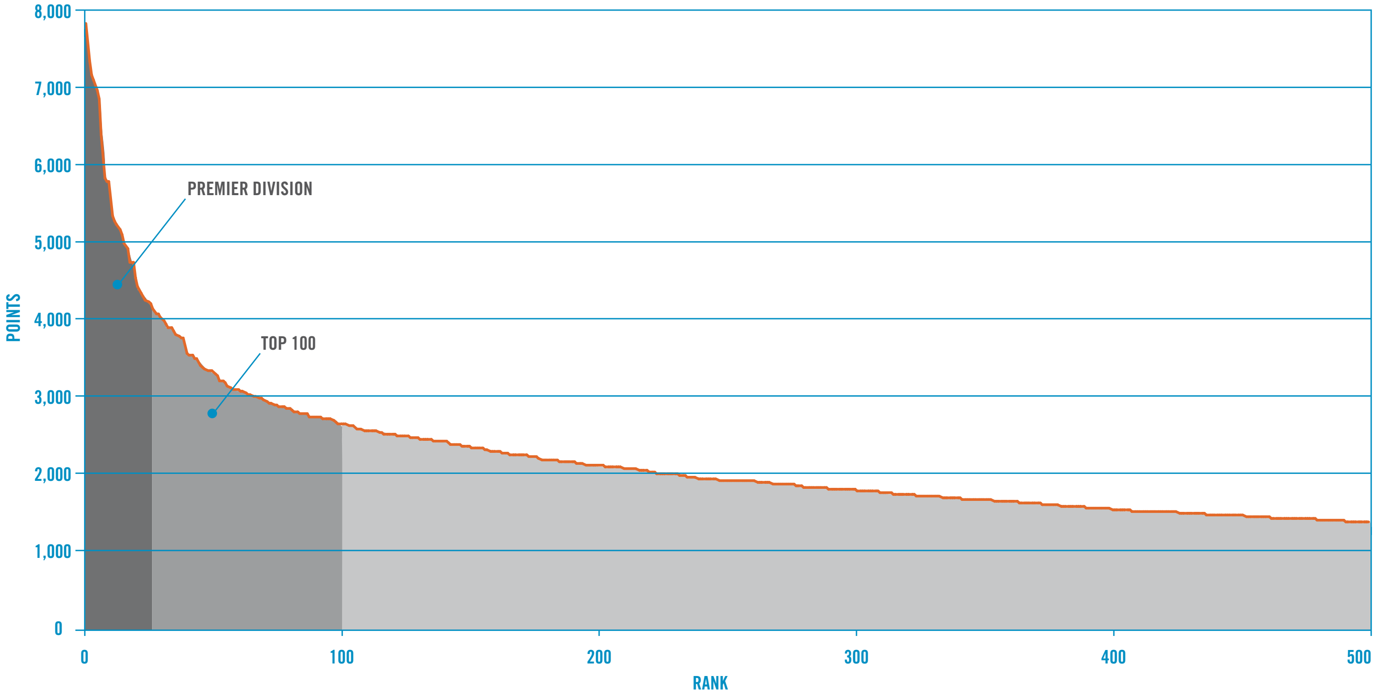
Shopping centres currently trading were again ranked by overall attractiveness to shoppers, retailers and investors. This was achieved by confirming detailed information for each scheme thought to be larger than 50,000 sq. ft. in the United Kingdom. The information was converted into points for selected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

2016 Rank	2015	2013		Scheme	Location	2016 Points	2015	GIA	Type
1	1	1	—	Westfield Stratford City	London - Stratford	7,820	7,744	1,900,000	Comp
2	2	4	—	Bluewater	Dartford - Greenhithe	7,331	7,267	1,610,000	Comp
3	3	2	—	Westfield London	London - Shepherds Bush	7,150	7,107	1,610,000	Comp
4	4	3	—	intu Metrocentre	Gateshead	7,101	7,076	1,870,000	Comp
5	5	5	—	Meadowhall	Sheffield	6,962	6,940	1,545,238	Comp
6	6	6	—	intu Trafford Centre	Manchester - Trafford	6,846	6,878	1,947,000	Comp
7	7	7	—	intu Lakeside	Grays - Thurrock	6,379	6,437	1,434,000	Comp
8	9	8	▲	intu Merry Hill	Brierley Hill	5,829	5,877	1,088,066	Comp
9	8	9	▼	Manchester Arndale	Manchester	5,783	5,886	1,400,000	Comp
10	10	10	—	St David's	Cardiff	5,776	5,736	1,394,500	Comp
11	11	11	—	the centre:mk	Milton Keynes	5,345	5,344	1,350,000	Comp
12	13	16	▲	Liverpool One	Liverpool	5,272	5,210	1,420,000	Comp
13	14	20	▲	Canary Wharf	London - Docklands	5,234	5,185	955,000	Comp
14	12	14	▼	Bullring	Birmingham	5,166	5,274	1,335,000	Comp
15	15	12	—	intu Derby	Derby	5,098	5,080	1,140,000	Comp
16	17	13	▲	intu Eldon Square	Newcastle-upon-Tyne	4,986	4,903	1,350,000	Comp
17	16	15	▼	East Kilbride Shopping Centre	East Kilbride	4,907	4,948	1,190,000	Comp
18	19	18	▲	Highcross Leicester	Leicester	4,736	4,679	1,217,950	Comp
19	18	17	▼	The Centre	Livingston	4,728	4,823	1,050,000	Comp
20	20	19	—	The Telford Shopping Centre	Telford	4,534	4,530	1,025,000	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.

The research confirms the presence of a distinct Premier Division of 29 leading shopping centres, including two new entries this year. With a minimum possible total of 250 points, the Premier Division schemes amassed more than 4,050 points each, with the top ten scoring over 5,750 points. Every scheme in the top 500 received at least 1,350 points and the entry level for the top 200 schemes is over 2,100 points.



Many of the twenty nine 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 seven of the 500 leading schemes refurbished or extended in the last twenty four months. The major scheme to have opened since our 2015 review was **Grand Central** in Birmingham, which opened in September 2015, while **East Shopping Centre** in Newham, London opened in March 2015. 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 four are seen as Comparison dominated while seventy six of the schemes ranked from 101 to 200 are seen as Comparison dominated, with three seen as Convenience dominated.

SUNDAY TRADING

The increase in Sunday trading activity within the 500 leading schemes has continued over the past few years. Every shopping centre now opens throughout the year with the majority of their units trading on Sundays. We appear to have reached saturation point for further Sunday trading opportunities within the leading Shopping Centres.

100% of the 500 leading schemes now have stores trading every Sunday and 99% open every Sunday with the majority of their retail tenants trading while 65% of the top 500 schemes show all retail tenants trading every Sunday. At the other extreme, only 1% of the leading centres opening throughout the year have less than half of their stores open for business.

Every one of the top 100 schemes opens every Sunday throughout the year. Of these, 33 also incorporate a food court, while 30 feature a cinema, 12 have libraries, 4 have bowling alleys and 27 have fitness or leisure centres, possibly making shopping trips on Sunday more of a social occasion. All of the top 100 schemes reported that more than half or, in 97 cases, all of their retail tenants were open for trading every Sunday.

TRANSPORT LINKS AND PARKING PROVISION

Our research shows that 106 of the top 500 schemes now have an integral bus station and 44 of these are in the top 100 schemes.

14 of the 100 leading schemes have integral or adjacent railway stations and there are 32 in the top 500 schemes.

Some 433 of the 500 leading schemes have integral parking facilities, with 201 providing more than the average of three parking spaces per 1,000 sq. ft. of gross lettable area. Only 110 have a ratio below two while 5 schemes provide more than 10 parking spaces per 1,000 sq. ft. of current gross area.

44 schemes provide more than 2,000 integral parking spaces with 3 of the top schemes providing more than 10,000 spaces and 15 schemes provide more than 4,000 spaces.

LEISURE AND OTHER FACILITIES

101 of the top 500 schemes incorporate food courts and 40 of these provide more than the average of 1.1 seats per 1,000 sq. ft. of current gross lettable retail area while 6 schemes have a ratio of more than three seats.

There are over 200 seats provided at 57 of the schemes and 25 schemes have over 500 food court seats with 6 schemes having over 1,000 seats.

Multiplex cinemas can be found in 64 leading schemes including 30 of the top 100 schemes.

55 public libraries are now found within shopping centres while creches or nurseries are situated in 36 schemes.

TOP 5 INVESTMENT MANAGERS

As can be seen, LaSalle Investment Management are still the leading investment manager for Shopping Centres in the United Kingdom. Our updated regional analyses show marked differences to both our 2015 findings and the national position.

2016 Rank	2015	2013		Owner / Investment Manager	2016 Points	2015	Gross Area (Million Sq. Ft.)	Centres
1	1	2	–	LaSalle Investment Management	79,518	83,891	9.5	44
2	2	1	–	Intu Properties	75,867	75,692	16.2	20
3	3	4	–	Columbia Threadneedle Investments	49,208	43,409	4.3	36
4	5	16	▲	NewRiver Retail (UK)	41,593	41,530	3.7	26
5	6	5	▲	Hammerson	40,188	38,635	8.4	14

For a listing of the national Top 20 and the Top 5 for each region please see the full review.

TOP 5 MANAGING AGENTS

The JLL network have retained their position as the leading managing agents for Shopping Centres in the United Kingdom. Our updated regional analyses show marked differences to both our 2015 findings and the national position.

2016 Rank	2015	2013		Managing Agent	2016 Points	2015	Gross Area (Million Sq. Ft.)
1	1	1	–	JLL	176,171	186,489	24.0
2	3	2	▲	Savills	145,980	83,851	20.5
3	2	4	▼	Workman	118,351	92,702	11.9
4	6	8	▲	CBRE	78,411	47,127	11.0
5	4	5	▼	Munroe K Asset Management	54,750	55,219	7.5

For a listing of the national Top 20 and the Top 5 for each region please see the full review.

TOP 5 LETTING AGENTS

The leading letting agent for Shopping Centres in the United Kingdom continues to be the Cushman & Wakefield network. Our updated regional analyses show marked differences to both our 2015 findings and the national position.

2016 Rank	2015	2013		Letting Agent	2016 Points	2015	Gross Area (Million Sq. Ft.)
1	1	1	–	Cushman & Wakefield	217,191	175,753	36.5
2	2	2	–	Lunson Mitchenall	144,507	146,994	26.2
3	3	3	–	Savills	123,643	133,016	15.6
4	5	4	▲	JLL	117,511	107,133	20.5
5	4	6	▼	CBRE	101,578	119,552	18.4

Key: ▲ Moved up ▼ Moved down – Maintained position

For a listing of the national Top 50 and the Top 5 for each region 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 1,700 different trading fascias. There are two new entries in the top 20 and also one addition to the top 40.

2016 Rank	2015	2013		Fascia	2016 Points	2015	Units
1	1	10	—	EE	837,216	882,152	295
2	2	1	—	Boots	729,407	722,218	282
3	3	6	—	Costa Coffee	726,102	697,205	255
4	6	8	▲	Card Factory	715,433	678,336	296
5	4	3	▼	Greggs	675,983	694,525	252
6	5	2	▼	Claire's	667,053	684,798	236
7	15	21	▲	Vodafone	643,810	528,559	231
8	7	4	▼	New Look	643,045	642,916	251
9	9	5	—	The Carphone Warehouse	623,163	607,311	219
10	8	7	▼	O2	621,316	614,138	215

Key: ▲ Moved up ▼ Moved down — Maintained position

For a listing of the national Top 40 and regional analyses please see the full review.

Retailers featured in more than 60% of the top 100 schemes are 3 Store, Boots, Card Factory, Claire's, Clarks, Clintons, Costa Coffee, EE, Ernest Jones, Game, Greggs, H Samuel, H & M, Holland & Barrett, JD Sports, New Look, Next, O2, Pandora, River Island, Starbucks, Superdrug, The Body Shop, The Carphone Warehouse, The Fragrance Shop, The Perfume Shop, Vision Express and Vodafone.

TOP 5 FACTORY OUTLETS

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

2016 Rank	2015	2013	Scheme	Location	2016 Points	GIA	Type
1	1	1	Cheshire Oaks Designer Outlet	Ellesmere Port	3,039	352,636	Comp
2	2	2	York Designer Outlet	York	2,813	248,000	Comp
3	3	4	Livingston Designer Outlet	Livingston	2,807	291,019	Comp
4	5	5	Swindon Designer Outlet	Swindon	2,615	250,000	Comp
5	4	3	The Galleria Outlet Centre	Hatfield	2,554	330,000	Comp

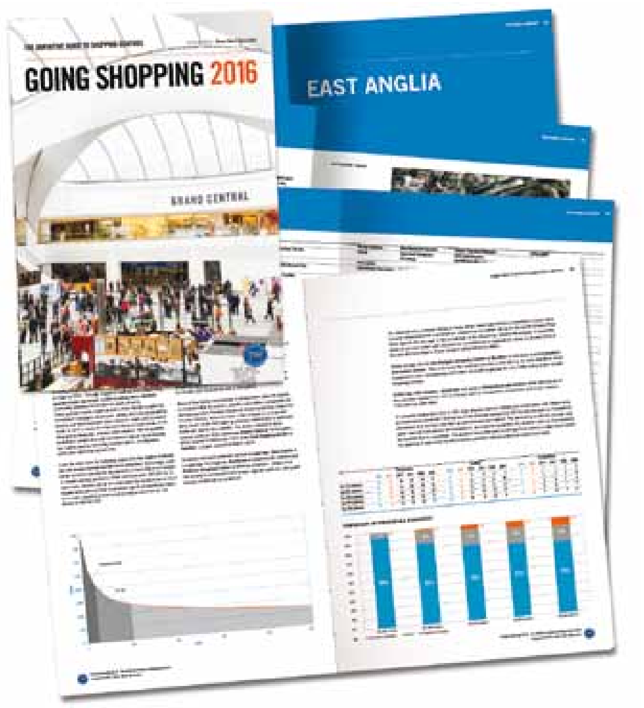
For a listing of the Top 30 please see the full review.

TOP 5 SHOPPING PARKS

Following a major extension, Glasgow Fort Shopping Park in Easterhouse, Glasgow is now considered to be the leading shopping park with Fort Kinnaird in Newcraighall, Edinburgh slipping to second position while there are three new entries in this year's top thirty.

20156Rank	2015	2013	Scheme	Location	2016 Points	GIA	Type
1	2	3	Glasgow Fort Shopping Park	Glasgow - Easterhouse	3,017	700,000	Comp
2	1	1	Fort Kinnaird	Edinburgh - Newcraighall	2,855	600,000	Comp
3	3	2	Castlepoint	Bournemouth - Charminster	2,526	645,000	
4	5	4	Fosse Shopping Park	Leicester - Narborough Road	2,412	416,536	Comp
5	4	5	New Mersey Shopping Park	Liverpool - Speke	2,241	483,268	Comp

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



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