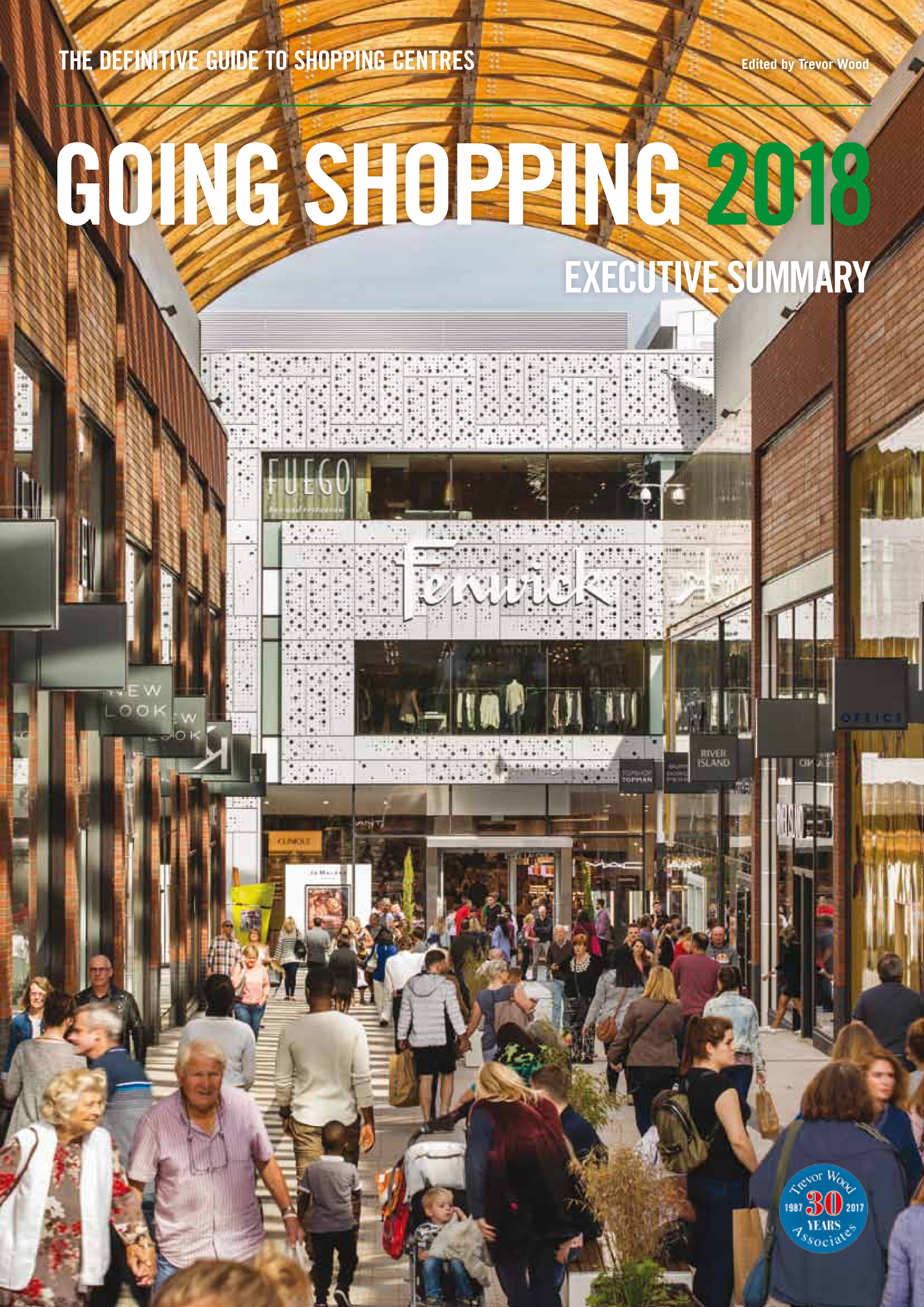
THE DEFINITIVE GUIDE TO SHOPPING CENTRES

Edited by Trevor Wood

GOING SHOPPING 2018

EXECUTIVE SUMMARY



Trevor Wood Associates 1987 30 YEARS 2017

Going Shopping 2018 - The Definitive Guide to Shopping Centres has - in our thirtieth anniversary year - been updated and extended as a result of comprehensive research by my colleagues at **Trevor Wood Associates**. Copies of the detailed 314 page review are available for £395 from the address overleaf.

We regularly discuss the review contents with many subscribers and, once again, included several new analyses and extended many others - in particular, we have introduced several analyses of leading anchor tenants and looked at the pipeline in much more detail. 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 our comments may spark heated debates.

Points awarded for tenants are revised to reflect latest available retail turnovers. It is, therefore, 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 has happened to a number of schemes where one or more tenant's turnover either declined or rose by less than the government average. While going to print we were advised of sales, letting and tenant changes which will be verified by my colleagues then incorporated in our client database as soon as possible before being covered in detail within our 2019 review.

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. A considerable amount of informed comment within the review is always supplied by owners, managers, tenants and agents or derived from our own desk research. I would also like to thank our growing band of over one hundred database clients 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!

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 comprehensive review and we have summarised the key points for you below.

Trevor Wood
Managing Director
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 twenty of the hundred largest schemes do not feature in the top 100.

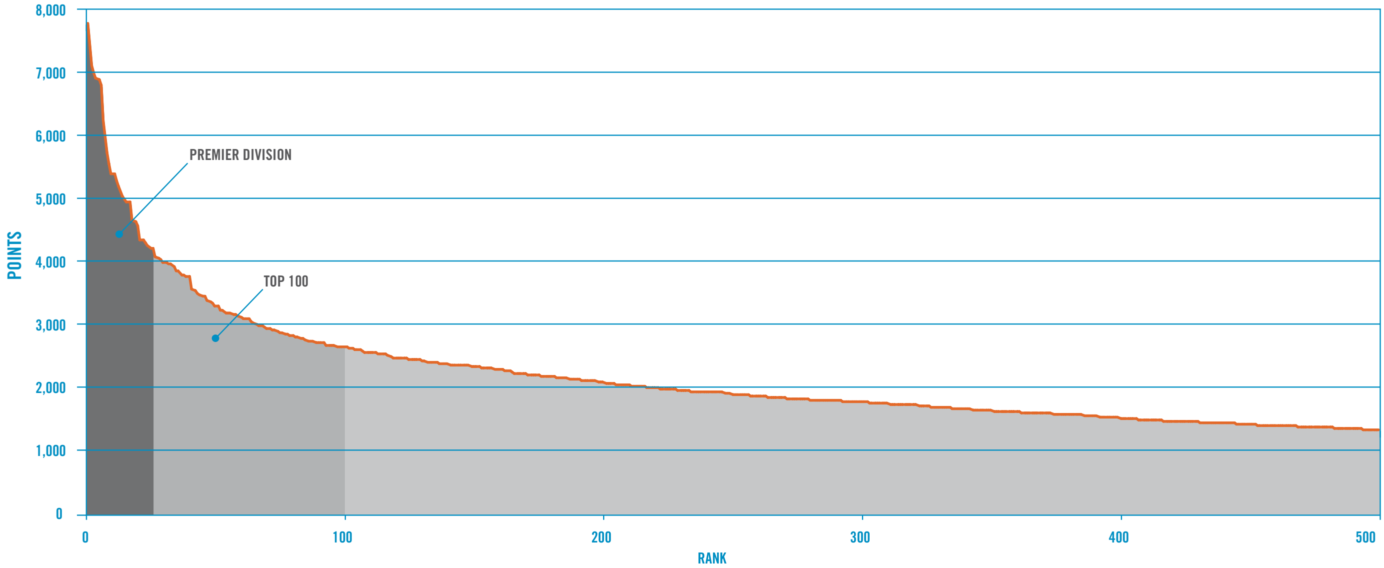
2018 Rank	2017	2016		Scheme	Location	2018 Points	2017	GIA	Type
1	1	1	–	Westfield Stratford City	London - Stratford	7,768	7,801	1,900,000	Comp
2	2	2	–	Bluewater	Dartford - Greenhithe	7,116	7,298	1,610,000	Comp
3	3	3	–	Westfield London	London - Shepherds Bush	6,993	7,092	1,610,000	Comp
4	4	4	–	intu Metrocentre	Gateshead	6,905	6,967	1,870,000	Comp
5	5	5	–	Meadowhall	Sheffield	6,898	6,911	1,545,238	Comp
6	6	6	–	intu Trafford Centre	Manchester - Trafford	6,806	6,828	1,947,000	Comp
7	7	7	–	intu Lakeside	Grays - Thurrock	6,254	6,362	1,434,000	Comp
8	9	10	▲	St David's	Cardiff	5,746	5,792	1,394,500	Comp
9	8	9	▼	Manchester Arndale	Manchester	5,560	5,800	1,400,000	Comp
10	10	8	–	intu Merry Hill	Brierley Hill	5,413	5,656	1,088,066	Comp
11	12	11	▲	the centre:mk	Milton Keynes	5,411	5,303	1,350,000	Comp
12	11	13	▼	Canary Wharf	London - Docklands	5,282	5,315	955,000	Comp
13	13	12	–	Liverpool One	Liverpool	5,206	5,280	1,420,000	Comp
14	14	14	–	Bullring	Birmingham	5,041	5,128	1,335,000	Comp
15	15	16	–	intu Eldon Square	Newcastle-upon-Tyne	4,998	5,032	1,350,000	Comp
16	16	15	–	intu Derby	Derby	4,962	4,989	1,177,000	Comp
17	17	17	–	East Kilbride Shopping Centre	East Kilbride	4,949	4,971	1,190,000	Comp
18	19	19	▲	The Centre	Livingston	4,678	4,698	1,050,000	Comp
19	18	18	▼	Highcross Leicester	Leicester	4,658	4,752	1,217,950	Comp
20	20	22	–	Festival Place	Basingstoke	4,581	4,564	1,100,000	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 latest research shows the presence of a Premier Division of 26 leading shopping centres. With a minimum possible total of 250 points, the Premier Division schemes amass more than 4,200 points each, with the top ten scoring over 5,400 points. Every scheme in the top 500 received at least 1,350 points and the entry level for the top 200 schemes is more than 2,100 points.

Many of the twenty six 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 fifty of the 500 leading schemes refurbished or extended in the last twenty four months. The two major schemes to have opened since our last review were **The Lexicon** in Bracknell and **Westgate Shopping Centre** in Oxford. These opened in October and November 2017 while **Cathedral Square** in Worcester opened in July 2017. 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 165,000 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 six are seen as Comparison dominated, while eighty two of the schemes ranked from 101 to 200 are seen as Comparison dominated, with four seen as Convenience dominated.

TOP ANCHOR TENANTS

This year we have looked at tenants who anchor schemes and list the top 20 anchor tenants within the top 100, 200 and 500 schemes. Using this analysis, Boots are the leading anchor store for both the top 500 and top 200 schemes with H & M second while the positions are reversed for the top 100 schemes. Twenty four tenants anchor at least ten top 100 schemes, thirty one tenants anchor at least ten top 200 schemes and thirty seven tenants anchor at least ten top 500 schemes.

We have also continued our analyses of fastest growing retailers as well as fastest decreasers and list the top 5 of each within the league tables section of the review.

TRANSPORT LINKS AND PARKING PROVISION

Our research shows that 112 of the top 500 schemes now have an integral bus station and 41 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 435 of the 500 leading schemes have integral parking facilities, with 195 providing more than the average of three parking spaces per 1,000 sq. ft. of gross lettable area. Only 111 have a ratio below two while 6 schemes have a ratio above ten.

45 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

87 of the top 500 schemes incorporate food courts and 34 of these provide more than the average of 1.1 seats per 1,000 sq. ft. of current gross lettable retail area while 4 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 70 leading schemes including 34 of the top 100 schemes.

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

PIPELINE

In the last 10 years 219 developments accounting for more than 60 million square foot of floor space have been proposed. Sixty four of these proposals were for extensions to existing schemes, of which only twenty three have been built out with 15 being either refused planning or withdrawn while ten proposed schemes were refused planning or withdrawn which in total accounts for 9 million sq. ft. of floorspace.

110 developments have been built in the last 10 years, including this years' number one ranked Westfield Stratford City in Stratford, London as well as two more in the top 20 while a further two of the top 20 had major extensions.

There are proposals for extensions on 5 of the top twenty – including intu Trafford Centre in Trafford, Manchester which is proposing its' second major extension, meaning more than half of this years' top 20 schemes have either opened or had major extensions over the last ten years or have one in the pipeline.

A total of more than 26 million sq. ft. of floorspace has been added by 87 new schemes that have opened in the last ten years, while 23 extensions, accounting for a further 6 million sq. ft. of additional floorspace have been completed.

84 schemes are currently proposed, including twenty eight extensions and details of these can be found in the Schemes coming out of the ground section of this review. It is important to note that this analysis only includes extensions of over 100,000 sq. ft. and new schemes of over 50,000 sq. ft.

When looking at changes since last years' analyses it is interesting to note that there are 5 less proposals, but three more than two years ago while fourteen of last years' pipeline are now open and trading.

TOP 5 INVESTMENT MANAGERS

As can be seen, LaSalle Investment Management regain top spot as the leading investment manager for Shopping Centres in the United Kingdom. Our regional analyses show marked differences to both 2017 and the national position.

2018 Rank	2017	2016		Owner / Investment Manager	2018 Points	2017	Gross Area (Million Sq. Ft.)	Total Area (Million Sq. Ft.)	Centres
1	2	1	▲	LaSalle Investment Management	72,321	71,612	9.0	9.9	40
2	1	2	▼	Intu Properties	69,761	74,029	15.7	17.6	18
3	6	9	▲	Ellandi LLP	53,047	36,791	6.4	7.2	30
4	3	4	▼	NewRiver REIT (UK)	52,090	51,323	4.9	5.1	31
5	4	3	▼	Columbia Threadneedle Investments	44,970	47,848	3.9	4.0	33

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

TOP 5 MANAGING AGENTS

Savills are still the leading managing agents for Shopping Centres in the United Kingdom and there are two new entries to this year's top twenty. Our updated regional analyses show many differences to both our 2017 findings and the national position.

2018 Rank	2017	2016		Managing Agent	2018 Points	2017	Gross Area (Million Sq. Ft.)
1	1	2	–	Savills	196,894	174,476	26.2
2	2	1	–	JLL	183,203	167,422	24.5
3	3	3	–	Workman	112,186	121,701	11.7
4	4	4	–	CBRE	80,200	81,026	11.3
5	5	6	–	Lambert Smith Hampton	54,613	49,350	6.9

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 many differences to both our 2017 findings and the national position.

2018 Rank	2017	2016		Letting Agent	2018 Points	2017	Gross Area (Million Sq. Ft.)
1	1	1	–	Cushman & Wakefield	175,839	190,933	30.5
2	2	2	–	Lunson Mitchenall	139,885	134,388	25.8
3	3	3	–	Savills	129,992	120,844	17.1
4	4	4	–	JLL	113,812	107,397	20.0
5	5	5	–	CBRE	112,074	102,279	20.1

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 over 31,000 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 almost 1,700 different trading fascias. There is one new entry in the top 20 and two additions to the top 40.

2018 Rank	2017	2016		Fascia	2018 Points	2017	Units	Centres
1	2	3	▲	Costa Coffee	799,428	766,960	286	261
2	3	4	▲	Card Factory	749,911	735,700	310	302
3	1	1	▼	EE	742,042	767,529	261	244
4	7	8	▲	New Look	726,259	639,884	273	256
5	4	2	▼	Boots	721,051	715,520	280	273
6	5	5	▼	Greggs	710,664	681,458	265	226
7	8	11	▲	Holland & Barrett	639,402	636,900	247	247
8	6	6	▼	Claire's	620,198	641,167	219	215
9	9	10	–	02	617,617	626,121	216	208
10	11	9	▲	The Carphone Warehouse	590,737	599,943	209	204

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, Smiggle, Starbucks, Subway, Superdrug, The Body Shop, The Carphone Warehouse, The Fragrance Shop, The Perfume Shop, Vision Express, Vodafone and Warren James.

TOP 5 FACTORY OUTLETS

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

2018 Rank	2017	2016	Scheme	Location	2018 Points	GIA	Type
1	1	1	Cheshire Oaks Designer Outlet	Ellesmere Port	3,130	352,636	Comp
2	2	2	York Designer Outlet	York	2,920	248,000	Comp
3	3	3	Livingston Designer Outlet	Livingston	2,881	292,680	Comp
4	4	4	Swindon Designer Outlet	Swindon	2,766	250,000	Comp
5	5	5	The Galleria Outlet Centre	Hatfield	2,561	330,000	Comp

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

TOP 5 SHOPPING PARKS

Following various lettings, Glasgow Fort in Easterhouse, Glasgow moves back in front of Fort Kinnaird in Newcraighall, Edinburgh to, once again, be considered the leading shopping park while Rushden Lakes Shopping Park in Rushden is a new entry to the top ten.

2018 Rank	2017	2016	Scheme	Location	2018 Points	GIA	Type
1	2	1	Glasgow Fort	Glasgow - Easterhouse	2,954	520,953	Comp
2	1	2	Fort Kinnaird	Edinburgh - Newcraighall	2,838	600,000	Comp
3	3	3	Castlepoint	Bournemouth - Charminster	2,514	645,000	
4	4	4	Fosse Shopping Park	Leicester - Narborough Road	2,430	416,536	Comp
5	5	5	New Mersey	Liverpool - Speke	2,310	483,268	Comp

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

ORDER FORM

Going Shopping 2018 - The Definitive Guide to Shopping Centres is priced at £395 for delivery within the UK. Prices include postage and packing and Zero Rate VAT.

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