# Executive Summary

The Definitive Guide to Retail & Leisure Parks 2006

The Definitive Guide to Retail & Leisure Parks 2006 contains 284 pages of information. Principally compiled from extensive research among owners, agents and tenants, the report contains reviews and detailed listings not only of those schemes currently trading but also those proposed to open during the next three years. The review was produced by **Trevor Wood Associates** in conjunction with Savills Commercial.

Detailed listings for each scheme include location, scheme name, GIA, tenants, scheme type, nearby foodstores, other nearby developments, planning permission, owners / investment managers and letting agents. For proposed schemes planning status and year open are also shown. Recent lettings are detailed together with recent investment transactions, current and proposed developments and numerous league tables. There is much informed comment within this review supplied from owners, managers, tenants and agents or from our own research.

## Established Schemes

Our research has identified 1,436 established schemes, that is to say they are trading or in the course of construction. These include 101 Leisure Parks, 123 Leisure Schemes, 826 Retail Parks, 39 Retail and Leisure Parks and 271 Retail Warehousing developments. The regional location of the established schemes is as follows: -

| Scheme Type | EA | EM | N | NI | NW | SC | SE | SW | WA | WM | YH | UK |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Leisure Park | 3 | 9 | 6 | 2 | 11 | 11 | 27 | 8 | 4 | 11 | 9 | 101 |
| Leisure Scheme | 5 | 9 | 7 | 2 | 12 | 5 | 41 | 8 | 11 | 13 | 10 | 123 |
| Retail and Leisure Park | 0 | 0 | 3 | 2 | 12 | 5 | 6 | 3 | 2 | 1 | 5 | 39 |
| Retail Park | 36 | 60 | 45 | 36 | 83 | 79 | 206 | 64 | 54 | 82 | 81 | 826 |
| Retail Warehousing development | 6 | 21 | 16 | 4 | 35 | 20 | 90 | 24 | 14 | 15 | 26 | 271 |
| Shopping and Leisure Centre | 0 | 1 | 0 | 0 | 1 | 2 | 13 | 1 | 1 | 3 | 2 | 24 |
| Shopping Park | 1 | 3 | 2 | 0 | 11 | 3 | 12 | 4 | 5 | 8 | 3 | 52 |

## Top 10 Retail Parks - for a listing of the top 100 please see the full review

| Rank | Scheme | Location | GIA Sq. ft. | Year Open | Region |
|---|---|---|---|---|---|
| 1 | Castlepoint | Bournemouth - Charminster | 645,000 | 2003 | South West |
| 2 | Middlebrook Retail & Leisure Park | Bolton - Horwich | 634,014 | 1998 | North West |
| 3 | Fort Kinnaird | Edinburgh - Newcraighall | 576,409 | 1989 | Scotland |
| 4 | Retail World | Rotherham | 560,425 | 1987 | Yorkshire & Humberside |
| 5 | Clifton Moor Centre (Phases 1 - 3) | York - Clifton Moor | 546,029 | 1988 | Yorkshire & Humberside |
| 6 | The Brewery | Romford | 530,006 | 2001 | South East |
| 7 | New Mersey Shopping Park | Liverpool - Speke | 483,268 | 1985 | North West |
| 8 | Gallagher Retail Park | Wednesbury | 470,000 | 1995 | West Midlands |
| 9 | The Junction, West Thurrock Shopping Park | Grays - Thurrock | 469,500 | 1988 | South East |
| 10 | Fosse Park Shopping Park | Leicester - Narborough Road | 416,536 | 1989 | East Midlands |

## Top 10 Retail Warehouse Clusters - for a listing of the top 100 please see the full review

| Rank | Cluster Name | Location | GIA Sq. ft. | Region |
|---|---|---|---|---|
| 1 | Lakeside | Grays - Thurrock | 1,033,019 | South East |
| 2 | Thanet | Broadstairs | 855,356 | South East |
| 3 | Middlebrook | Bolton - Horwich | 794,014 | North West |
| 4 | Festival Way | Stoke-on-Trent - Hanley | 774,327 | West Midlands |
| 5 | Sealand Road | Chester - Sealand Road | 753,601 | North West |
| 6 | Newmarket Road | Cambridge | 738,813 | East Anglia |
| 7 | Fosse Park | Leicester - Narborough Road | 731,333 | East Midlands |
| 8 | Great Eastern Way | Rotherham | 730,835 | Yorkshire & Humberside |
| 9 | Newcraighall | Edinburgh - Newcraighall | 708,057 | Scotland |
| 10 | Clifton Moor | York - Clifton Moor | 690,952 | Yorkshire & Humberside |

## Top 10 Leisure Schemes - for a listing of the top 100 please see the full review

| Rank | Scheme | Location | GIA Sq. ft. | Year Open | Region |
|---|---|---|---|---|---|
| 1= | Xscape | Castleford - Glasshoughton | 450,000 | 2003 | Yorkshire & Humberside |
| 1= | London Trocadero | London - Piccadilly | 450,000 | 1984 | South East |
| 3 | Gunwharf Quays | Portsmouth | 444,500 | 2001 | South East |
| 4 | Xscape | Milton Keynes | 424,000 | 2000 | South East |
| 5 | Star City | Birmingham - Nechells | 392,993 | 2000 | West Midlands |
| 6 | Brighton Marina | Brighton - Marina | 372,314 | 1985 | South East |
| 7 | The Great Northern | Manchester | 371,657 | 2001 | North West |
| 8= | Westwood Cross, The Fort | Broadstairs | 350,000 | 2005 | South East |
| 8= | The Light | Leeds | 350,000 | 2001 | Yorkshire & Humberside |
| 8= | The Printworks | Manchester | 350,000 | 2000 | North West |

## Leisure Facilities

The trend to incorporate leisure facilities such as Cinemas and Health & Fitness Centres within larger Retail Parks has slowed down. 34 Retail Parks, Retail and Leisure Parks or Shopping Parks incorporate Cinemas, 26 include a Bowling Alley or Family Entertainment Centre and 57 have Health & Fitness Centres.

Leisure Schemes sometimes incorporate retail units to broaden their appeal and this year we have identified 24 schemes that we categorise as Shopping and Leisure Centres. 20 Shopping and Leisure Centres incorporate Cinemas, 8 include a Bowling Alley or Family Entertainment Centre and 17 have Health & Fitness Centres.

**86 out of the 101 Leisure Parks incorporate Cinemas,** 52 include a Bowling Alley or Family Entertainment Centre and 39 have Health & Fitness Centres.

Of the 123 Leisure Schemes listed, 52 incorporate Cinemas, 12 include a Bowling Alley or Family Entertainment Centre and 52 have Health & Fitness Centres.

Night-clubs can be found on 63 schemes and 55 schemes incorporate a Hotel, while The Embassy Centre in Skegness, Tally Ho in Finchley, the Theatre District in Milton Keynes and Loch Lomond Shores in Alexandria include a theatre.

## Peak Rents for Retail Parks

There continues to be a wide variation in peak rents achieved on Retail Parks from £5.00 to £83.25 per sq. ft. with, as for the past few years, the majority of parks recording peak rents of between £10.00 and £20.00. **This year we found that the proportion of Retail Parks with peak rents above £25.00 per sq. ft. had risen to 17%** .

| Highest rent achieved Range (per sq. ft.) | 2005 % | 2004 % | 2003 % | 2002 % | 2001 % |
|---|---|---|---|---|---|
| Over £30.00 | 9 | 6 | 7 | 6 | 13 |
| £25.00 – £29.99 | 8 | 6 | | | |
| £22.50 – £24.99 | 5 | 6 | 8 | 7 | |
| £20.00 – £22.49 | 8 | 7 | | | |
| £15.00 – £19.99 | 25 | 26 | 28 | 28 | 26 |
| £10.00 – £14.99 | 36 | 37 | 42 | 44 | 44 |
| £ 5.00 – £ 9.99 | 9 | 12 | 15 | 15 | 17 |

There has been a continuing upward shift in the other rental bands, resulting in a 7% increase in the combined £20.00 to £25.00 band although this is mainly due to an increase in the lower band.

Two thirds of Leisure Park peak rents were in excess of £20.00 per sq. ft. and peak rents ranged from £10.00 per sq. ft. to £41.50. Three quarters of Retail Warehousing developments recorded rents below £15.00, with rents ranging from £3.75 to £40.00 per sq. ft.

| Rank 2005 | Rank 2004 | Rank 2003 | Rent | Scheme | Location | GIA Sq. ft. |
|---|---|---|---|---|---|---|
| 1 | 1 | 1 | £83.25 | Fosse Park Shopping Park | Leicester - Narborough Road | 416,536 |
| 2 | 4= | 4= | £62.50 | Castlepoint | Bournemouth - Charminster | 645,000 |
| 3 | 3 | 2 | £60.00 | Brookfield Retail Park | Cheshunt | 90,000 |
| 4 | | | £57.50 | Colney Fields Shopping Park | St Albans - London Colney | 58,212 |
| 5 | 2 | 3 | £51.00 | The Fort Shopping Park | Birmingham | 256,947 |
| 6= | 8 | 4= | £50.00 | Fort Kinnaird | Edinburgh - Newcraighall | 576,409 |
| 6= | 11= | 6= | £50.00 | Ladymead Retail Park | Guildford | 125,000 |
| 6= | | | £50.00 | Brent Cross Shopping Park | London - Hendon | 92,000 |
| 6= | 7 | 38= | £50.00 | Gallagher Retail Park | Wednesbury | 470,000 |
| 6= | 9 | 6= | £50.00 | Birstall Shopping Park | Leeds - Birstall | 149,396 |

For a listing of the top 100 please see the full review

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## Vacant or Available Space

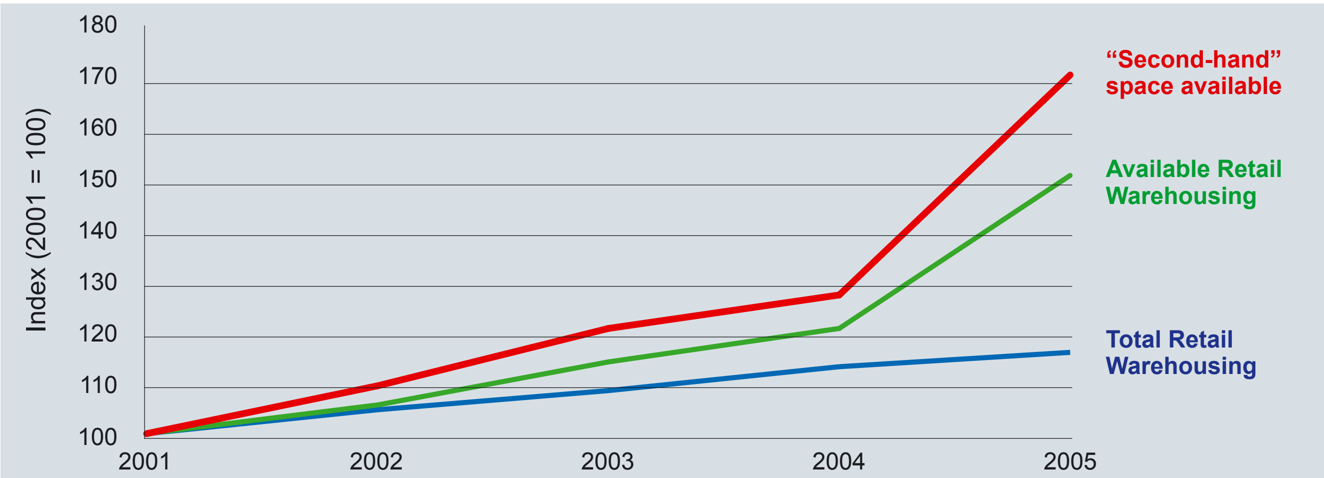
**For the last few years we have been highlighting the fact that Retail Parks have had to face a new problem of "Second-hand" supply.** During this time administration, receiverships and declining confidence among some retailers has led to an explosion in available space.

Property research has traditionally focused on the development pipeline for Retail Parks and warehouses but we have always looked at the market from a different perspective.

**Trevor Wood Associates** have the most comprehensive retail warehousing database in the United Kingdom. What we are uniquely able to focus on is the considerable hidden supply of "second-hand" space coming on to the market each year.

Despite the take-up of space by the expanding retailers there has been an abundance of second-hand retail warehousing coming on to the market during 2004 and 2005. There is also a considerable amount of floorspace previously occupied by tenants such as Landmark, Powerhouse, Tempo, Texstyle World, What Everyone Wants and World of Leather still available.

Large space users continue to relocate and shed former units or close down marginal stores. As a result, 3.3 million sq. ft. or 30.7% of "Second-hand" floorspace in 2005 was accounted for by the top ten Retail Park tenants, compared to 26.4% in 2004.




**Our research shows that the total retail warehouse market grew marginally to 163.5 million sq. ft. in 2005** from 160 million sq. ft. in 2004 and 140 million sq. ft. in 2001.

During the past four years, as can be seen in the above chart, the overall supply of retail warehousing floorspace has grown by 17%. However, vacant or available floorspace has grown by 54% while "Second-hand" floorspace has grown by a massive 75%. **This has contributed to an increase in vacant or available retail warehousing from 5.8% in 2001 to 7.6% in 2005.**

## Top 10 Investment Managers – Retail Parks

| Rank 2005 | Rank 2004 | | Owner / Investment Manager | Area (Million Sq. Ft.) 2005 | Area (Million Sq. Ft.) 2004 |
|---|---|---|---|---|---|
| 1 | 7 | ▲ | British Land | 9.51 | 3.67 |
| 2 | 2 | – | Standard Life Investments | 5.99 | 5.13 |
| 3 | 3 | – | Morley Fund Management | 4.94 | 4.73 |
| 4 | 5 | ▲ | Land Securities | 4.58 | 3.86 |
| 5 | 4 | ▼ | Prudential Property Investment Managers | 4.14 | 4.11 |
| 6 | 9 | ▲ | Junction Properties | 3.77 | 3.09 |
| 7 | 6 | ▼ | Henderson Global Investors | 3.35 | 3.76 |
| 8 | 10 | ▲ | Legal & General Investment Management | 2.84 | 2.71 |
| 9 | 8 | ▼ | LaSalle Investment Management | 2.50 | 3.21 |
| 10 | 16 | ▲ | Hammerson | 2.27 | 1.40 |
| | | | **All Retail Parks** | **100.98** | **96.61** |

Following the recent acquisition of the previous market leader, Pillar Property, **British Land is by far the leading investment manager of Retail Parks in the UK.** They actively manage 9.5 million sq. ft, almost 10% of the total market. Their closest challenger is Standard Life Investments who have increased their floorspace by 17% in the past year and have almost tripled the floorspace under their management since 2001.

For a listing of the top 20 since 2001 please see the full review

Fourteen investment managers covered more than 2 million sq. ft. of retail parks, four more than last year. **Twenty five investment managers cover more than 1 million sq. ft. of retail parks,** the same as last year. The ten leading investment managers now look after 43.4% of the overall 100.98 million sq. ft. of retail park floorspace, compared to last year's 41.6%.

# Executive Summary



## Top 10 Investment Managers – Retail Warehousing

| Rank 2005 | Rank 2004 | | Owner / Investment Manager | Area (Million Sq. Ft.) 2005 | Area (Million Sq. Ft.) 2004 |
|---|---|---|---|---|---|
| 1 | 6 | ▲ | British Land | 11.29 | 4.80 |
| 2 | 1 | ▼ | Morley Fund Management | 7.50 | 6.88 |
| 3 | 3 | – | Standard Life Investments | 6.80 | 5.66 |
| 4 | 5 | ▲ | Land Securities | 5.69 | 4.93 |
| 5 | 4 | ▼ | Prudential Property Investment Managers | 5.62 | 5.61 |
| 6 | 7 | ▲ | Henderson Global Investors | 4.32 | 4.42 |
| 7 | 9 | ▲ | Legal & General Investment Management | 4.05 | 3.88 |
| 8 | 11 | ▲ | Junction Properties | 3.81 | 3.31 |
| 9 | 13 | ▲ | F & C Property Asset Management | 3.56 | 2.67 |
| 10 | 10 | – | B & Q Properties | 3.53 | 3.37 |
| | | | **All Retail Warehousing** | 163.50 | 160.00 |

Widening the analysis to include free-standing retail warehouse units, such as B & Q, Currys and Matalan always changes the picture dramatically. It is no surprise to see **British Land soar past Morley Fund Management into first place.** They now have 11.3 million sq. ft. under active management, compared to just 4.8 million last year.

For a listing of the top 20 since 2001 please see the full review

Most managers in the top ten increased the size of their retail warehouse portfolios and they now look after 34.5% of the overall 160 million sq. ft. of retail warehousing floorspace, compared to 31.1% last year.

## Top 10 Retail Park Tenants

| Rank 2005 | Rank 2004 | | Retailer | Total Area on Retail Parks (Million Sq. Ft.) 2005 | Total Area on Retail Parks (Million Sq. Ft.) 2004 | % increase in area |
|---|---|---|---|---|---|---|
| 1 | 1 | – | B & Q | 8.33 | 7.71 | 7 |
| 2 | 2 | – | Homebase | 5.03 | 4.83 | 4 |
| 3 | 3 | – | Currys | 4.56 | 4.43 | 3 |
| 4 | 6 | ▲ | Matalan | 3.33 | 3.16 | 5 |
| 5 | 5 | – | MFI | 3.14 | 3.21 | -2 |
| 6 | 4 | ▼ | Focus | 3.02 | 3.32 | -10 |
| 7 | 8 | ▲ | Comet | 2.85 | 2.78 | 2 |
| 8 | 7 | ▼ | Carpetright | 2.81 | 2.90 | -3 |
| 9 | 9 | – | JJB Sports | 2.79 | 2.75 | 1 |
| 10 | 10 | – | Halfords | 2.27 | 2.29 | -1 |

Almost 900 different tenants trade from Retail Parks, Shopping Parks, Retail and Leisure Parks, Leisure Parks, Leisure Schemes or Retail Warehousing developments. As in previous years, the tenants most likely to be found on Leisure Parks, Leisure Schemes, Shopping and Leisure Centres or Retail and Leisure Parks are Frankie & Benny's, McDonalds and Pizza Hut. The tenants most often found on Retail Parks, Shopping Parks or Retail and Leisure Parks are Carpetright, Currys and Halfords.

For a listing of the top 50 since 2002 please see the full review

As can be seen from this table, B & Q with 8.3 million square feet is still by far the largest Retail Park tenant, having increased retail park floorspace by 7% in the last year by the net addition of 620,000 square feet. For the first time in three years, the positioning of the top ten tenants is significantly different to last year. For the third year running, the Focus floorspace has decreased and sees them drop from 4th place to 6th. Matalan have increased floorspace again and overtake both Focus and MFI to claim 4th place. Before anyone queries any of these figures, it should be noted that we are only looking at space on Retail Parks, otherwise the figure for B & Q alone would more than double.

There are now eleven (11) retailers with more than 2 million sq. ft. of Retail Park floorspace. Twenty four retailers (25) have more than 1 million square feet while the thresholds for joining the top 30 and top 40 are 750,000 (720,000) square feet and 340,000 (310,000) sq. ft. respectively. Fifty one (50) different non-food fascias now occupy more than 200,000 sq. ft. on Retail Parks.

## Proposed Schemes

178 schemes thought likely to proceed before the end of 2009 have been prepared and can be found on the following pages. The 178 schemes include4 Leisure Parks, 37 Leisure Schemes, 3 Shopping Parks, 84 Retail Parks and 6 Retail and Leisure Parks. There are also 36 Retail Warehousing developments and 8 Shopping and Leisure Centres. These schemes are listed in alphabetical order of location in the guide.

# Executive Summary

The **Definitive** Guide to

**RETAIL & LEISURE PARKS 2006**

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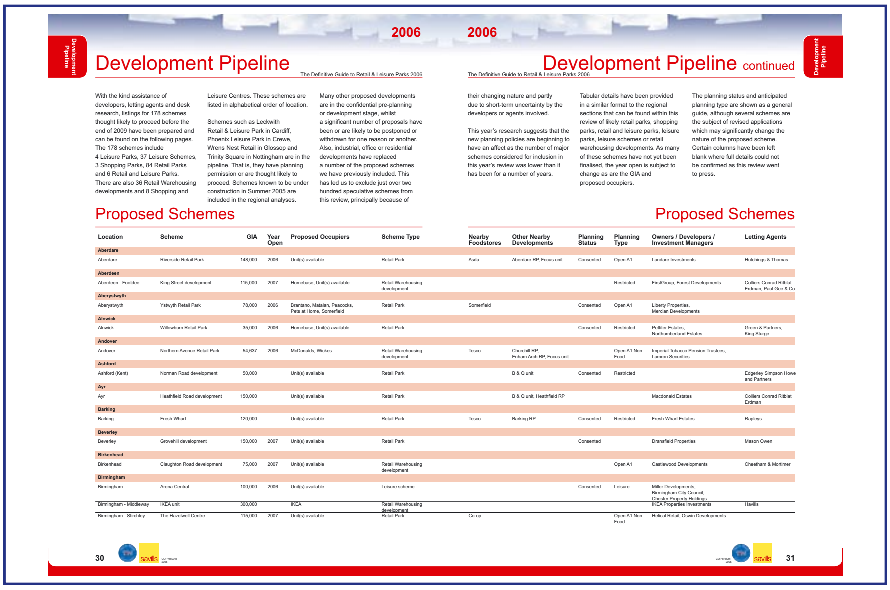
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Development Pipeline — Development Pipeline continued

Proposed Schemes — Proposed Schemes

**Trevor Wood Associates** and Savills Commercial Ltd have updated this review, which includes every known Retail Park, Leisure Park and major Retail Warehouse or Leisure scheme in the United Kingdom. Coverage has increased to 1,436 schemes trading or under construction, in addition to 178 proposed schemes.

The 284 page review is considered by over 1,000 users to be the essential reference guide to retail warehousing. The 2006 review has been comprehensively updated and extended. Features include vacancy rates and League tables of the Top 100 Retail Parks, Top 100 Retail Warehouse Clusters, Top 20 Shopping Parks, Top 20 Retail & Leisure Parks, Top 50 Leisure Schemes, Top 20 Retail Park Investment Managers, Top 20 Retail Warehousing Investment Managers, Top 50 Retailers and Top 100 Retail Park Rents.

**The Definitive Guide to Retail & Leisure Parks 2006** is compiled, in the main, from the **Trevor Wood Associates** databases and extensive research among owners, agents and tenants. The guide contains reviews and detailed listings not only of those schemes currently trading but also those proposed to open before 2010.

**The Definitive Guide to Retail & Leisure Parks 2006** is priced at £375 for delivery within the UK, **$600 / 600 Euros** for delivery outside the UK. All prices include postage & packing and Zero Rate VAT.

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The **Definitive** Guide to

# RETAIL & LEISURE PARKS 2006

By Trevor Wood