A Cushman & Wakefield Research Publication

MAIN STREETS ACROSS THE WORLD

2015/2016

A Cushman & Wakefield Research Publication

CONTENTS

CAUSEWAY BAY, HONG KONG

INTRODUCTION

Welcome to 27th edition of Cushman & Wakefield's global flagship report, *Main Streets Across The World*. This report tracks over 500 of the top retail streets around the globe, ranking the most expensive in each country by their prime rental value and thus enabling us to analyse the headline trends in retail real estate performance. Our latest results show that rents have risen in 35% of streets around the world – despite the increased global uncertainty experienced over the last 12 months Going forward, improving employment prospects, rising real wages and healthier consumer confidence in advanced economies are set to offer positive momentum for the retail sector.

Information on the markets has been provided by Cushman & Wakefield, external sources and the alliance partners of legacy Cushman & Wakefield listed in the table below:

COUNTRY	ALLIANCE PARTNER
Austria	BAR bareal Immobilientreuhand GmbH
Bahrain	Cluttons LLP
Bulgaria	Forton International
Channel Islands	Buckley & Company Ltd.
Denmark	RED – Property Advisers
Estonia	Ober-Haus Real Estate Advisers
Finland	Tuloskiinteistot Oy
Georgia	Veritas Brown
Greece	Proprius SA
Ireland	Lisney LLP
Israel	Inter Israel Real Estate Consultants
Kazakhstan	Veritas Brown
Latvia	Ober-Haus Real Estate Advisers
Lebanon	Michael Dunn & Co S.A.L
Lithuania	Ober-Haus Real Estate Advisers
Malaysia	IVPS Property Consultant Sdn Bhd
New Zealand	Bayleys Realty Group Ltd.
Norway	Eiendomshuset Malling & Co.
Oman	Cluttons LLP
Qatar	Cluttons LLP
Rep. of Macedonia	Forton International
Romania	Activ Property Services SRL
Serbia	Forton International
Slovenia	S-Invest d.o.o
South Africa	ProAfrica Property Services
Switzerland	SPG Intercity Commercial Property Consultants
Thailand	Nexus Property Consultants Ltd.
United Arab Emirates	Cluttons LLP

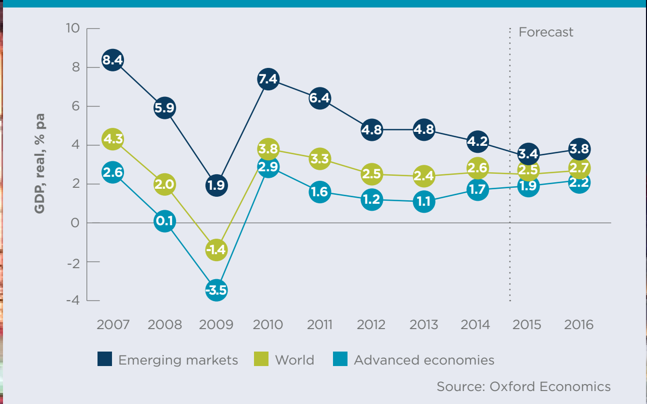
GLOBAL MACROECONOMIC OVERVIEW

The tectonic plates of the global economy saw a shift in 2015 as market forces moved against many emerging economies in favour of selected advanced economies.

Volatility in equities, commodities and energy markets – coupled with continuing speculation over monetary tightening in the U.S. and UK, a strong U.S. dollar, continued quantitative easing (QE) in the Eurozone and Japan and a slowdown in global trade – have all conspired to shape the global economic environment over the last 12 months.

The world economy is expected to expand by 2.5% in 2015 (Fig 1), consistent with annual performances since 2012; however, the contribution to growth from emerging markets continues to decline as major economies such as China, Brazil and Russia slowdown or even contract. Improvements in advanced economies, principally the U.S. and UK, have propelled growth to an estimated 2% per annum in 2015, up from just 1% in 2012-13, helping to balance out this muted performance in emerging markets. Overall, while emerging markets remain the main contributors to economic growth, over the remainder of 2015 and in 2016 they are likely to face the greater headwinds. Indeed, emerging market performance has been the principal reason why the global economic growth outlook has been revised down over recent quarters and, more importantly, is a key explanation why the downside risks now appear more prominent than they did just a few months ago.

Fig 1: **ADVANCED ECONOMIES HAVE BEEN IN RECOVERY SINCE 2013, WHILE EMERGING MARKETS HAVE BEEN SLOWING SINCE THEIR PEAK IN 2010**



Source: Oxford Economics

BEIJING, CHINA

CHINESE SLOWDOWN

One crucial concern facing the future of the global picture is the Chinese economic slowdown. Third quarter 2015 estimates of economic growth were 6.9% per annum: the slowest since the first quarter of 2009. Nevertheless, some positive news emerged from the consumer sector as retail sales increased by 10.9% over the year to September 2015, having dipped to 10% per annum earlier in the year. Despite this, the slowing economy and a strong U.S. dollar have hampered consumer demand for high-end goods, particularly evident in Hong Kong. Chinese luxury consumer demand is also still feeling the effect of the corruption clampdown initiated in 2012 by President Xi Jinping, which made the purchase and display of expensive watches and designer accessories off-limits for government officials and state-owned company executives.

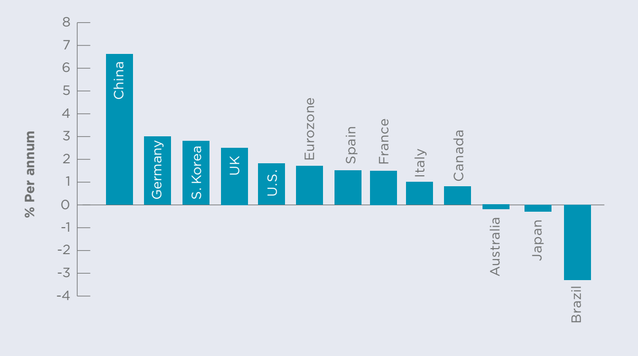
In contrast, the ongoing Abenomics[1] policies of Japan have weakened the yen, making the traditionally pricey Tokyo an attractive alternative as a shopping destination. Retail locations in South Korea and Europe have also benefited from weakening currencies and the increased willingness of Chinese consumers to travel abroad in search of high-quality goods.

MORE MONEY IN THE POCKET

More broadly speaking, the global consumer has benefited from many of the macro trends evident in 2015. The oil price decline from US$115 per barrel in mid-2014 to US$50 per barrel by mid-2015 has reduced petrol prices, domestic energy costs and lowered input costs for a variety of consumer products, prompting disinflation for a whole range of goods and services. In turn, commodity prices have fallen for a wide range of natural resources as slowing economic growth and industrial production persists in key emerging economies.This has provided further disinflationary pressure across the globe, resulting in inflation rates of near zero in the U.S., UK and Eurozone.

In the near term, lower prices for goods and services is a positive for the consumer – especially during a period when unemployment rates are falling and generating upward wage pressure, prompting a period of improved real wage growth in many economies (Fig 2). In addition, a continuation of the low interest rate environment has afforded households a stable and prolonged period of lower debt servicing costs and enabled a recovery in household balance sheets.

Fig 2: **REAL EARNINGS GROWTH, 2015 FORECAST**

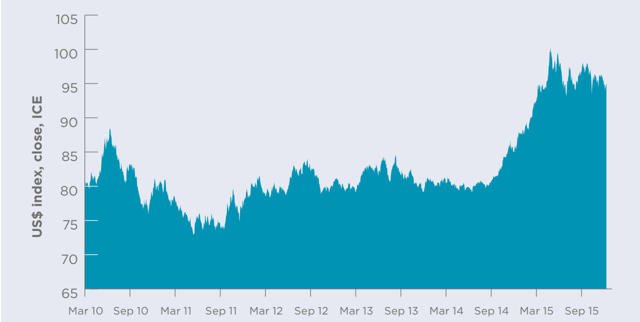


Source: Oxford Economics

SHOPPERS ON TOUR

According to the United Nations World Tourism Organisation, world tourism increased by 4% in the first half of 2015 – representing an additional 21 million international arrivals of overnight visitors. Europe and Asia Pacific each recorded growth of 5%, while the Americas saw an increase of 4%. A strong U.S. dollar (Fig 3) is likely to have moderated international visitation and spending in the U.S. and other U.S.-dollar-linked economies, such as Hong Kong. Conversely, QE in the Eurozone and Japan has weakened the euro and yen, which is likely to have aided international visitation and spending in those locations. In addition, lower oil prices have reduced operational costs for airlines – albeit with a lag resulting from fixed hedging contracts protecting operators from oil price uncertainty. Over time, as these hedging contracts expire, many of the largest airlines are expected to pass on the fuel savings directly to consumers via reduced ticket prices which should help to support tourism in 2016.

Fig 3: **U.S. DOLLAR INDEX**



Source: Macrobond

Nonetheless, the most popular tourist destinations are enduring, with cities such as London, Paris, New York, Singapore, Hong Kong, Tokyo and Dubai all regularly appearing towards the top of the global rankings based on visitation and spending. This long-lasting appeal is what drives tourism to these vibrant and dynamic locations year after year, helping to bolster retail demand across many of the main shopping streets tracked in this publication.

KEY MACRO THEMES AFFECTING GLOBAL RETAIL IN 2015

[1] Abenomics refers to the economic policies advocated by Shinzō Abe since the December 2012 general election, which elected Abe to his second term as Prime Minister of Japan.

GLOBAL MACROECONOMIC OVERVIEW

DRIVING RETAIL IN THE LONG-TERM

Looking ahead, the expectation is that global economic growth will improve in 2016 thanks in general to better domestic demand and corporate investment. However, in an environment where economic performance is increasingly divergent, there will be considerable differences from country to country. Amongst others, economic fortunes will depend upon exposure to commodities, trading deficits and geo-political stability.

Alongside short-term and cyclical global macro-economic issues, there are also long-term and structural trends that will continue to affect the retail sector to a varying degree over the coming years. **These megatrends include:**

AGEING POPULATIONS

Ageing populations in Europe, Japan, China, the UK and U.S. are all contributing to lower future growth prospects as the labour force shrinks and greater government spending is allocated to pensions and healthcare. There are many different approaches to the problem, some of which include: relaxing restrictions on the number of children (in the case of China); promoting greater female labour market participation (in the case of Japan); and discussing the role of migration in Europe, the UK and U.S. Ultimately, the most successful retailers will mirror the demographic profile of their customers in order to remain relevant.

ACCELERATING URBANISATION

According to the United Nations, 54% of the world's population resided in urban areas in 2014, which is up from 30% in 1950 and likely to increase further to 66% by 2050. As populations become more densely located, opportunities arise for retailers to benefit from agglomeration and economies of scale. A critical mass of shopping locations helps create a destination that increases attractiveness to tourists and residents alike. Urbanisation leads to greater competition that, in turn, amplifies the need to stand-out – leading to a greater focus on branding, customer loyalty and advertising. Having a store on the mains streets noted in this publication is an important part of meeting many of these objectives.

LONDON, UNITED KINGDOM

RISE OF OMNI-CHANNEL RETAILING

Although e-commerce has grown rapidly over the last 10 years, permanently altering many industries (bookselling, music, travel, banking), it still represents a relatively small proportion of overall retail sales. The highest level of online penetration in Europe is in the UK, at 12.2% in 2014. As such, physical stores still remain an important part of retailing as they offer the ability to interact with the merchandise, instant gratification for consumers, personal service and professional guidance, and thus experiential and entertaining stores will increasingly compete for customers. In an omni-channel environment, a customer's in-store experience will matter more.

TECHNOLOGICAL BREAKTHROUGHS

As technology advances, new opportunities emerge. A prime example is the growing use of big data to analyse consumer patterns and behaviour in order to inform everything from store location and product range to marketing strategy. According to McKinsey & Company, those that use big data and analytics effectively demonstrate productivity and profitability five to six per cent higher than their peers do. Some technological advances are more radical than others – such as the Amazon drone delivery concept – but they will all help shape consumption patterns of the future that, over time, will invariably influence the built environment in which we shop.

CLIMATE CHANGE AWARENESS AND CORPORATE RESPONSIBILITY

Businesses have been addressing sustainability concerns for many years as governments increase regulation and consumers become more environmentally aware, altering their purchasing decision making accordingly. Corporate initiatives stretch right along the value chain – from raw materials sourcing, manufacturing and packaging right through to distribution and the store. As consumer expectations and government regulation continue to evolve in this area, we are likely to see further enhancements reacting and anticipating trends associated with climate change, sustainability and the environment.

MOST EXPENSIVE RETAIL LOCATIONS IN EACH COUNTRY

RANK 2015	RANK 2014	COUNTRY	CITY	LOCATION	RENT €/ SQ.M/YEAR	RENT US$/ SQ.FT/YEAR	OUTLOOK
1	1	USA	New York	Upper 5th Avenue (49th - 60th Sts)	33,812	3,500.0	
2	2	Hong Kong	Hong Kong	Causeway Bay (main street shops)	23,178	2,399.2	
3	3	France	Paris	Avenue des Champs Elysees	13,255	1,372.1	
4	4	United Kingdom	London	New Bond Street	12,762	1,321.2	
5	7	Italy	Milan	Via Montenapoleone	10,000	1,035.1	
6	5	Australia	Sydney	Pitt Street Mall	8,898	921.1	
7	9	Switzerland	Zurich	Bahnhofstrasse	8,643	894.6	
8	6	Japan	Tokyo	The Ginza	8,520	881.9	
9	8	South Korea	Seoul	Myeongdong	8,519	881.8	
10	10	Austria	Vienna	Kohlmarkt	4,620	478.2	
11	12	Germany	Munich	Kaufinger/Neuhauser	4,440	459.6	
12	13	China	Shanghai	West Nanjing Road	4,233	438.1	
13	11	Russia	Moscow	Stoleshnikov	3,814	394.8	
14	16	Singapore	Singapore	Orchard Road	3,253	336.8	
15	14	Spain	Barcelona	Portal de L'Angel	3,240	335.4	
16	19	Ireland	Dublin	Grafton Street	3,091	320.0	
17	18	Turkey	Istanbul	Bagdat Caddesi	3,016	312.2	
18	17	Netherlands	Amsterdam	Kalverstraat	2,900	300.2	
19	15	Norway	Oslo	Karl Johan	2,852	295.2	
20	23	Taiwan	Taipei	ZhongXiao E. Road	2,640	273.2	
21	20	Canada	Toronto	Bloor Street	2,515	260.3	
22	21	Denmark	Copenhagen	Stroget (including Vimmelskaftet)	2,413	249.8	
23	22	Czech Republic	Prague	Wenceslas Square	2,280	236.0	
24	26	India	New Delhi	Khan Market	2,276	235.6	
25	25	Greece	Athens	Ermou	2,160	223.6	
26	27	Finland	Helsinki	City Centre	1,968	203.7	
27	28	Belgium	Antwerp	Meir	1,750	181.1	
28	30	New Zealand	Auckland	Queen Street	1,675	173.4	
29	31	Luxembourg	Luxembourg City	Grand Rue	1,620	167.7	
30	24	Ukraine	Kiev	Kreschatik Street	1,616	167.7	
31	29	Sweden	Stockholm	Biblioteksgatan	1,612	166.8	
32	33	Vietnam	Ho Chi Minh City	Prime High Street	1,454	150.5	
33	34	UAE	Dubai	Prime - A	1,447	149.7	
34	35	Israel	Tel Aviv	Kikar Hamedina	1,285	133.0	
35	44	Thailand	Bangkok	Central Retail District (CRD) (Rajprasong/ Sukhumvit street)	1,212	125.4	
36	42	Argentina	Buenos Aires	Florida	1,206	124.9	
37	38	Portugal	Lisbon	Chiado	1,170	121.1	
38	36	Hungary	Budapest	Vaci utca	1,140	118.0	
39	32	Brazil	Rio de Janeiro	Garcia D'avilla (Ipanema)	1,127	116.6	
40	39	Malaysia	Kuala Lumpur	Bukit Bintang	1,075	111.3	
41	43	Channel Islands	St Peter Port	High Street	1,033	107.0	
42	40	Serbia	Belgrade	Kneza Mihaila	1,020	105.6	
43	41	Poland	Warsaw	Nowy Swiat	1,020	105.6	
44	46	Mexico	Mexico City	Mazaryk	991	102.6	
45	37	Colombia	Bogota	Zona T - 82 Calle	969	100.3	
46	47	Kazakhstan	Almaty	Gogol, Furmanov, Kabanbai Batyr	969	100.3	
47	48	Qatar	Doha	Prime High Street	887	91.8	
48	50	Lebanon	Beirut	Rue Verdun	853	88.3	
49	45	Croatia	Zagreb	Ilica Street	840	87.0	
50	49	Slovenia	Ljubljana	Čopova	720	74.5	
51	59	Philippines	Taguig (Metro Manila)	Bonifacio High Street	545	56.4	
52	51	Romania	Bucharest	Magheru Boulevard	540	55.9	
53	54	Slovakia	Bratislava	Obchodna ulica	528	54.7	
54	52	Bulgaria	Sofia	Vitosha Blvd.	528	54.7	
55	57	Bahrain	Juffair	Prime High Street	514	53.2	
56	53	Georgia	Tbilisi	Pekini Street	485	50.2	
57	55	Lithuania	Vilnius	Gedimino Ave./Pilies St.Didzioji St.	480	49.7	
58	58	Peru	Lima	San Isidro	452	46.8	
59	61	Oman	Muscat	High Street	420	43.4	
60	56	Macedonia	Skopje	Makedonija Street	360	37.3	
61	60	Latvia	Riga	Kalku St./Valnu St./Audeju St./Terbatas St./ Kr.Barona St.	360	37.3	
62	62	Ecuador	Quito	Av Naciones Unidas (Av. NNUU)	345	35.7	
63	63	Estonia	Tallinn	Viru Street	300	31.1	
64	65	South Africa	Belleville	Durban Road	222	23.0	
65	64	Cyprus	Limassol	Anexartisisas Ave	216	22.4	

Please note that this global ranking focuses on high street locations

AMERICAS

The Americas region is expected to sustain a positive trajectory going forward into 2016, bolstered by a steady consumer sector benefiting from a material reduction in energy costs and stable employment expectations, especially in the U.S. Retailers will continue to add physical stores to support their expansion plans, at the same time optimizing their footprint to respond to the ongoing evolution of 'clicks and bricks.' Further, international luxury brands will continue to dominate the high street, providing a boost to the key destination cities with high exposure from tourism and strong footfall.

Gene Spiegelman
Vice Chairman
Head of Retail Services
North America

EMEA

Looking ahead, despite any economic and political uncertainties in certain nations, the EMEA retail market is expected to see further improvements. Indeed, a strong retail sales growth forecast, robust occupier demand and a continued lack of supply in many locations will sustain an upward pressure on the rents in the most popular high streets across Europe. Tight availability is shaping the retail landscape, pushing the geographic boundaries of well-established high street markets outward.

Justin Taylor
Head of Retail
EMEA

APAC

The outlook for Asia's retail market is largely positive, with retail sales growth averaging 8.5% over the next five years (in U.S. dollar terms), supported by rising tourist numbers which is, in turn, spurring robust and sustained retailer demand – albeit firmly focused on prime, well-located space. Although the growth of e-commerce is notable across the region, physical stores will remain important. However, landlords will need to focus on improving the shopping environment and customer experience in order to compete for retailer demand.

Theodore Knipfing
Head of Retail
Asia Pacific

EMEA OVERVIEW

EMEA's top high street locations saw medium-to-strong rental growth over the year, bolstered by a lack of supply combined with robust occupier demand – amplified by the willingness of retailers to pay higher rents in order to secure the best sites for their future expansion.

PARIS, FRANCE

Avenue des Champs Élysées in **Paris** retained its crown as the most expensive retail location within the EMEA region, followed closely by **London**'s New Bond Street. The strongest rental growth this year was recorded in **Dublin**'s Grafton Street and Covent Garden in London, as well as in top high streets in **Milan** and **Rome**. However, high streets in **Russia** and **Ukraine** experienced sharp falls linked to the turbulent political situations that yielded slowdowns in economic growth and retail sales.

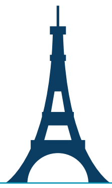
Paris's Avenue des Champs Élysées remains the most expensive high street in the EMEA region

France has the highest number of expensive high street locations within EMEA, representing five out of the top ten positions in our Main Streets ranking – all of which are located in **Paris**. While prime rents on Avenue des Champs Élysées – the most expensive location in the EMEA region – remained unchanged, rents across the majority of other Parisian high streets recorded positive growth in the year to June. This was most notable on Place Vendôme/Rue de la Paix (20%) and Rue Saint-Honoré (20%). Exceptional retailer demand, coupled with a shortage of prime space, resulted in continuous upward pressure on rents in the best locations. However, scarce supply was temporarily alleviated by a few large-scale relocations or closures of flagship retail units – such as the closure of the Benetton flagship store on Boulevard Haussmann in Paris – which provided momentum to the most desirable thoroughfares and allowed international retailers to open new flagships and heighten visibility. At the same time, some recent and upcoming luxury store openings show a decisive role of the luxury sector in the high street retail market. Several deals also confirm the spillover of the Paris luxury market outside its traditional boundaries, a trend further accentuated by projects completed or under way in Le Marais district (Moncler, Givenchy, Gucci, Fendi and Valentino menswear stores).

The **UK** high street retail market benefited from a year of positive growth, with the majority of locations recording solid expansion in the year to June – a stark contrast to 2014 when most markets saw stable, if not negative, rental change. **London**'s healthy rental performance was supported by various factors: the character of London's high street destinations, which offer a wide range of services for various types of clientele; generally high consumer expenditures; and strong competition for space among retailers. All of these were sustained by the fact that London has become the most visited city in the world, with 18.82 million international visitors in 2015 (by projected visitor arrivals). Demand has continued to outstrip supply, with an ever growing requirement from international brands from the US, Europe, Asia and the Middle East, with retailers such as Arc'teryx recently taking space in Piccadilly, Kikki-K in Covent Garden and New Balance on Oxford Street. Regionally, metropolitan centres have also shown signs of sustained rental recovery, albeit at a slower rate than London, evidenced by the likes of **Manchester** experiencing year-on-year rental growth of 4%, **Edinburgh** at 5.3%, **Sheffield** at 5.3% and **Leeds** 2.3%.

Ireland, which in 2014 witnessed stable or negligible increases in prime high street rents, recorded one of the strongest growths in the EMEA region, led by Grafton Street in **Dublin** with 27.9% growth in the year to June. This positive performance was bolstered by improved consumer sentiment and spending. Dublin's prime retail thoroughfares and shopping centres are seeing healthy demand from domestic and international retailers, while there has also been a surge in demand from restaurateurs for space in the city centre. The availability of prime units is tightening in core locations, and retailers are also now considering good secondary streets off the main thoroughfares. Outside of Dublin, there is steady demand for space on the best high streets in regional cities, such as **Cork** and **Galway**, while dominant regional shopping centres and prime out-of-town retail parks are also performing solidly. Refurbishments and extensions, such as Liffey Valley, Frascati and The Square in Dublin, are favoured, and this trend is expected to continue in the short term at least.

In **Italy**, retailers are willing to pay higher rents to secure spaces in the most sought-after locations of the luxury market. Via Montenapoleone in **Milan**, one of the most attractive high streets for international fashion brands, experienced one of the strongest annual rental growths (25.0%) and confirmed the 3rd place as most expensive location in EMEA. Via Condotti in **Rome** recorded an even higher rental growth (26.7%), positioning just behind Milan's Via Montenapoleone as the 4th most expensive high street. Positive rental expansion was also registered on Calle Larga XXII Marzo in Venice (14.3%) and Via Sant'Andrea in Milan (5.8%). Signs of recovery in consumer spending, strong retailer demand supported by increasing interest from international brands, combined with the very limited availability of space within the luxury areas are the primary elements that are defining the movements of high street rents.



5 out of the top 10 most expensive high streets in EMEA are in France

In **Germany,** tourism, high footfall, steady household income and rising private consumption are the main drivers of strong occupier demand within the high street retail market. Some prevalent trends include the development of new store concepts that come in variations of styles and offer a place to meet and work and a space for art and music, as well as the refurbishment of existing schemes – exemplified by the HSH Shopping Passage in **Hamburg**, the Maro in **Frankfurt** (both of which are already under construction) or new planned projects such as the Kö-Bogen II in **Düsseldorf.** Kaufingerstraße/ Neuhauser in **Munich** is the best performing high street retail location in Germany, although it recorded minimal rental increases in the year to June of 1.4%.

Swiss high street retailers have been impacted by the continuing growth of online shopping, shopping tourism and increasing portfolio optimization. Despite muted rental growth in the year to June, Bahnhofstrasse in **Zurich** remained one of the most expensive locations in the EMEA region as there is a continuous strong demand from watch and jewellery retailers.

The majority of high streets within **Austria** achieved some rental growth over the year, due to the lack of quality space and despite waning demand. The Kohlmarkt district in **Vienna**, with 4.1% rental growth in the year to June, remained the most expensive location within the country.

In the **Netherlands** international retailers are driving activity in core markets, with **Amsterdam** a top target and many still searching for opportunities to open flagship stores. Rents along Kalverstraat were stable over the year to June 2015, while declines were recorded on Lijnbaan in **Rotterdam** and Spuirstraat in **The Hague**. However, there is also a noticeable trend of occupiers seeking space in regionally dominant shopping centres. Bankruptcies are still a feature of the market – albeit not to the same extent as in 2014 – and demand from domestic retailers is still relatively weak, particularly in smaller regional cities. Space availability rose across the country, although not at the pace seen in previous quarters.

Belgium's retail scene is struggling somewhat; sluggish economic growth from weak wage growth, higher energy taxes and ongoing fiscal reforms has dettered many market entrants. This is likely to affect secondary streets more so than prime, and cities such as **Ghent**, **Bruges** and **Hasselt** have seen rents decline. **Brussels** is seeing robust demand for prime street units, reflected in rental growth of 2.9% since June 2014 along Avenue Louise in Brussels. The actual and future demographic growth in Belgium is one of the highest in Europe and will continue to underpin demand levels.

Spain's improving economy has helped boot domestic demand as well as occupier and investor confidence. There is a steady flow of new international entrants targeting opportunities to open flagship stores on prime retail streets in key cities and in regionally dominant shopping centres. Strong demand that is focused primarily on core stock leads to competitive bidding, putting downward pressure on yields.

Lisbon's Avenida da Liberdade and Chiado are seeing high demand and registering positive rental growth

The availability of space on the best streets in the key cities is limited, and some retailers are willing to consider streets off the prime thoroughfares. Strong market competition has kept good rental growth in **Madrid** along Serrano (4.7%) and Gran Vía (10.0%). In **Barcelona** Diagonal (11.1%) and Rambla. Catalunya (11.8%) have been the best performing streets, supported by increasing tourist numbers that are boosting retail sales.

Core high streets in **Portugal** are currently the best performing in the retail sector. **Lisbon**'s Avenida da Liberdade and Chiado saw high demand and registered positive growth over the twelve months to June 2015 at 6.1% and 5.4%, respectively. In **Porto**, the Clérigos area is still of great interest, and Avenida dos Aliados is an emerging location as occupier demand from exclusive brands is increasing and various redevelopment projects are planned for this area. Regionally dominant shopping centres are also performing well, helped by strong demand from international operators looking to introduce new brands and innovative concepts to the market. Rents for the best space remain under pressure to rise.

EMEA KEY FACTS

Most expensive retail location

Paris's Avenue des Champs Elysees, France
US$ 1,372 sq.ft/yr
€13,255 sq.m/yr

Most affordable retail location

Batumi, Georgia
US$20.1 sq.ft/yr
€194 sq.m/yr

Strongest rental growth

Dublin's Grafton Street, Ireland
+28%

Biggest rental decline

St. Petersburg's Nevsky Prospect, Russia
-60%

Proportion of rental growth types in EMEA

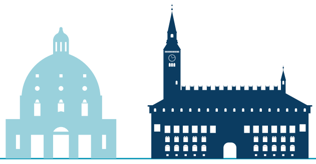
Ones to watch

Milan's Via Montenapoleone and Dublin's Grafton Street

- Strong rental outlook
- Solid economic forecast
- Steady appetite from both domestic and international retailers

Prime high streets in **Stockholm** and other key regional cities in **Sweden** continue to outperform, but the lack of suitable space is pushing more retailers to assess opportunities on streets adjacent to the main thoroughfares. There is a better availability of space in secondary and in non-central high streets, but demand is still selective in these locations. Modern, well-configured shopping centres are also performing strongly, with healthy demand from new brands and international operators. **Denmark** is also seeing positive market conditions, with prime retail thoroughfares in **Copenhagen** – such as Strøget and Købmagergade – remaining the top targets for expanding retailers as a steady stream of new entrants look to open flagship stores, or are intending to do so, over the next 12 months. Rental pressures are building in neighbouring streets such as Pilestræde and Ny Østergade, bolstered by high rents and lack of space on core streets that is forcing occupiers to target these alternative locations. The lower part of Købmagergade is developing rapidly; indeed, there is expected to be 4-5 openings from high-end retailers in this area in the year to come.

In **Helsinki** demand remains strong for the very best space along the prime streets with 2.5% growth over the year to June 2015 in these locations. Elsewhere rents are reasonably stable with a number of retailers cost conscious and either unable or unwilling to pay top rents. However, retailers can negotiate for good space close to the best high streets while lowering their overheads. Indeed, some retailers have been looking to locate to smaller units as online shopping becomes more prevalent. Landlords are keen to accommodate new and well-known international brands as a draw for consumers and there is evidence of them ready to restack their tenant portfolio and make spaces available where possible. There is no distinct luxury area in Helsinki, although Mikonkatu and Pohjoisesplanadi in the CBD are closest to the luxury market and there will be at least two new to Finland, high-end retailers in Mikonkatu in autumn 2015.



Denmark is seeing positive market conditions, with Copenhagen's prime retail thoroughfares top targets for expanding retailers

Although **Turkey** reported the highest rental growth in EMEA in 2014 – most notably in Istanbul on Caddesi at 24.4%, Istiklal Street at 27.3% and Abdi Ipecki 20.9% – over the 12 months to June, the majority of high street locations in **Istanbul, Ankara** and **Izmir** saw little to no rental growth. However, occupier markets are performing solidly, with healthy demand from a broad range of local and international retailers whom are mainly targeting prime high street shops and well-located shopping centres in key cities. Demand is also spurred by struggling local brands that are seeking to transfer stores and even store portfolios, which is creating prime location opportunities. There was a steady stream of new brands entering the market in Q3: Legoland secured 3,000 sq.m in Forum Istanbul; a Belgian Hamburger chain, Quick, opened four stores in Istanbul; and Create & Barrel opened their fourth store in Ankara Next Level. The Nisantasi district in Istanbul continued to attract luxury brands with the opening of Zadig & Voltaire's third store, boutique Swiss watch maker Ulysse Nardin opening its first store and Armani opened an umbrella store for all of its brands. Many international retailers are entering the market in partnership with a local company, typified by Kiko Milano and Under Armour entering the market with Dogus Holding.

The **Czech Republic** is seeing good levels of demand, driven by strong turnover performance underpinned by rising tourist numbers and local purchasing power. **Prague** is considered a safe destination, and consequently the city generates higher levels of interest than can be satisfied by current supply levels. This has thus led to rental growth along Parizska Street, where rents rose by 4.5% over 12 months to June. The majority of activity over the next 12-18 months is expected to be from existing retailers with the confidence to enact on their expansion plans and increase their store numbers. New retailers are also keen to open in the top locations with high visibility and will pay market rent for high footfall units.

In **Budapest**, despite the small size of the market, the number of international retailers has increased – although this is yet to be reflected in any rental growth along Váci utca or Andrassy ut. However, an uplift in prime rents is anticipated in H2 2015 and 2016 as new retailers search for suitable flagship stores and luxury retailers seek expansion opportunities in prime high streets and well-located shopping centres. Demand for secondary space is limited, and some retailers operating in out-of-town locations decided to postpone their future expansion plans when the Sunday closure came into force in March 2015. Although this regulation was expected to have some impact on consumer behavior and habits, no changes have yet materialized, and the retail sales forecast will remain fairly robust in the short term.

In **Poland**, high street rents have generally remained stable over the 12 months to June. The most sought after locations are in **Warsaw**, particularly Nowy Świat for the mass market sector although rental growth was seen in 2014 and levels were flat in 2015. However, its importance recently has grown due to the opening of the second line of the Warsaw underground, resulting in increasing interest from retailers and likely to put upward pressure on rents in 2016. On the other hand, an up-market zone in the heart of Warsaw is emerging at Krakowskie Przedmieście due to the redevelopment of the Hotel Europejski into a luxury destination that includes retail space. Trzech Krzyzy – a focus for luxury brands – also saw rental growth of 5.5% over the 12 months to June. It is worth mentioning the extension of the high street zone in Kraków by Grodzka Street, which is becoming a complementary location to the traditional Rynek and Floriańska Streets. In other larger cities, high street retail is rather stable, with a slight impact from new shopping schemes located in the strict city centres in **Poznań**, **Katowice** and **Łódź.**

The sharpest high street rental contraction in EMEA was seen in **Russia** and **Ukraine**, where the uncertain geopolitical and economic situations within the countries were significant deterrents to existing or expanding retailers and prime high street rents have dropped rapidly in the year to June 2015. In **Moscow**, Stoleshnikov Street registered declines of -29.2%, Petrovka -13.3%, and Tverskaya -43.7%. In Kiev, a sharp decline in prime rents of -36.2% was recorded on the main shopping street of Khreschatyk.

Similarly, the **Middle East** is suffering under the weight of political instability, which is having a debilitating effect on tourism in the wider area. However, some markets like **Dubai**, continue to buck the trend with tourist numbers continuing to swell as momentum builds for the World Expo in 2020. Indeed, more positive did occur – **Jordan** and the **UAE** saw some rental growth, and **Abu Dhabi** witnessed a 25% growth in high street rents in the year to June 2015. There were no significant changes on a supply site of the market, and vacancies remain minimal. **Oman**'s key high streets saw sustained rental growth as well, maintained by the popularity of the major retail streets with both retailers and consumers.

Bahrain's retail sector has benefited from a new real estate law that lifted market confidence, enticing an increasing number of investors to seek out small-scale retail developments as retail penetration rises and the industry continues to flourish. However, going forward, there is an outside risk that the market may be in danger of reaching a position of oversupply, should the economy succumb to the global economic headwinds. Indeed, other markets such as **Lebanon** have a series of developments in the pipeline in an already saturated market, which is hampering rental growth in the short-to-medium term.

In **South Africa** retail rents in key cities, both along high streets and in shopping centres have been stable over the last twelve months to June 2015. The rising cost of utilities and fuel, coupled with the weakened rand are putting pressure on disposable income levels which, in turn, is impacting on retailers' performance. Those that stand to profit are brands that are positioning themselves in destination centres where footfall is supported by tourist numbers and those that are aligning their strategies and adopting a multi-channel approach in light of the growth of online shopping.

ASIA PACIFIC OVERVIEW

The global retail landscape in Asia is evolving, and the pace of change is fast. Retailers are having to rethink their strategies as traditional bricks-and-mortar meet the increasing accessibility and innovation from e-commerce. Consumers are in charge, and as physical and virtual channels intertwine further, retailers need to consider their offerings across multiple channels, including click-and-collect, pop-up shops and beacons, for example, to enhance the consumer experience.

HONG KONG, CHINA

In Asia, some international retailers are setting up operations; others, however, are looking to limit exposure and are opting for the franchise route. This is particularly evident for first time entrants. The food & beverage (F&B) sector is active, and there has been a number of new entrants. In contrast, luxury brands need to revisit their strategies as currency weaknesses will hit profits, shaking sentiment and thus leaving them exposed following aggressive expansion plans in the recent past. Further, there are intra-regional differences to consider – such as decelerating growth in China, weakness in Japan and mixed signals from India.

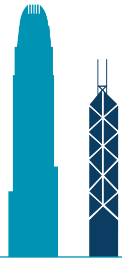
Causeway Bay in **Hong Kong** maintained its position as the most expensive retail location in the Asia Pacific region and second in the global rankings after New York. However, downward pressure on rents is becoming increasingly evident on the back of weaker retail sales and the slowing in tourist arrivals. Indeed, Causeway Bay fell by 12.0% over the year to June 2015 and Central, Tsim Sha Tsui and Mongkok all fell by between 11.9% and 13.9%, paving the way for a more tenant-friendly environment. In addition, the tariff reduction on certain fast moving consumer goods (FMCG) imposed by the Chinese Government to boost domestic Chinese consumption is impacting on demand. From a positive angle, the lower rental levels will create opportunities for luxury brands and high street retailers to enter the market such as Monica Vinader, Sotheby's Wine, Claudie Pierlot, Rebecca Minkoff, Perrin Paris and Filson. However, going forward, interest rate hikes and concerns over the property market will likely impact demand from 2016 and thus see retail sales growth decline.

High-profile international retailers seek the **Australian** luxury market to cash in on the stable economy, rising middle class population and surging number of Asian tourists. This year has seen, or will see, the arrival of high-end brands including Collection of Style, Kit and Ace, Rimowa, Sephora and Forever 21. However, the lack of suitable space for flagship stores in prime locations has been the main barrier to entry for many global brands. Over the last 12 months, the national retail market has seen rental growth in **Sydney** (Pitt Street) and **Melbourne** (Bourke Street), while **Brisbane** (Queen Street) has been stable. International retailers are pushing up top-end rents in prime locations in Sydney and Melbourne: the core destinations for offshore brands entering the Australian luxury market. However, suburban centres with strong population growth, such as Parramatta and Danedong are emerging hotspots more broadly.

Over the next 12 months, the luxury retail market is expected to maintain positive momentum as economic growth picks up and consumer confidence improves on the back of a stronger outlook, supported by the current low interest rate environment. However, the lower Australian dollar might constrain the sales of luxury goods, as most are imported and thus will become moderately more expensive for local buyers. Outside of the luxury market, rental growth in the high street retail space is likely to remain bifurcated over the next 12 months with international retailers continuing to compete for the highest profile locations and thereby driving top-end rents, while the remainder of the market is expected to remain more stable.

The robust growth in foreign tourist numbers, especially from Asian nations, is seeing retails sales increase on the major high streets of **Tokyo**. Indeed, high tourism is propelling increased demand for high streets such as Ginza and Omotesando leading to rises in store expansions for luxury tenants such as Burberry, Moncler, Brunello Cucinelli. Further, prime rents are under upward pressurising by 20% along Omotesando over the last twelve months to Q2. However, levels are not far off their peak and may have gone beyond the sustainable and affordable threshold for most tenants – primarily affecting domestic brands over international ones. However, in some cases tenants will accept these high asking rents during rent renewals in order to combat strong competition for retail space.

In addition, many foreign F&B brands expanded and increased their presence significantly: indeed, Shake Shack, Dominique Ansel Bakery and Guzman y Gomez have launched business expansions in Japan, usually in partnership with local companies. This increased competition has put pressure on domestic retailers, with World and TSI Holdings announcing plans to close large-scale shops and discontinue multiple brands. Longer-term growth will be supported by the 2020 Olympic Games to be held in Japan as retailers capitalise on the influx of visitors.



Causeway Bay in Hong Kong maintained its position as the most expensive retail location in the Asia Pacific region

Prime high street locations in **New Zealand** have remained popular and vacancy rates are generally low. Rents in **Auckland** have risen 9.5% over the last twelve months to Q2 2015. The number of international luxury brands is slowly increasing, although generally only within prime shopping precincts in Auckland and, to a lesser degree, Wellington – with notable openings including FCUK, Christian Dior, Prada, Seed Heritage and Top Shop. In addition, more international brands have been looking to gain access to the Auckland market particularly in areas close to the international Cruise Liner terminal, for example around Lower Queen Street and Britomart.

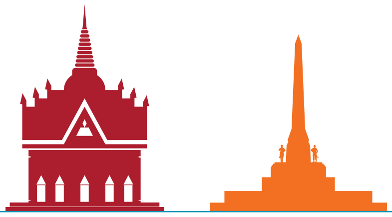
It is likely that CBDs across New Zealand will evolve around far smaller compact cores in order to maximise the footfall which can be generated. Rising levels of high intensity residential development located around the fringe of such cores will be promoted in order to increase vibrancy. The formation of retail precincts is becoming more noticeable and new developments are increasing as a result of a strong economic backdrop. Mall development within city centre locations is of the next generation utilising laneways over multiple levels, while out-of-town development is seeing the creation and expansion of regional shopping centres.

Demand in **Metro Manila** is fuelled by foreign brands entering or expanding in shopping malls and high streets, both of which have seen double digit growth over the year to June 2015. New entrants include H&M, Old Navy, Pottery Barn, Crate and Barrel, UnderAmour, Burton, Brooks Brothers, F&F, Sfera, Shana, Paul & Shark, Pull and Bear, Casadei and Hamleys, as well as convenience stores Lawson and All Home. Robust activity is due to healthy domestic consumption on the back of higher income from remittances and the BPO industry. Developers are now moving into community mall formats, which may enable them to capture latent demand in other areas of Metro Manila. E-commerce may gain in popularity, but bricks-and-mortar stores will remain in strong favour with consumers.

Luxury retailers remain concentrated within **Makati City** (Greenbelt and Power Plant Mall), Mandaluyong City (Shangri-la Plaza Mall), and Taguig City (Bonifacio Global City) and this is not expected to change although the upcoming hotels in Entertainment City along the Bay area may attract some high-end brands as they look to set-up as a new hub for new luxury brands.

The retail market in **Bangkok** has been seeing strong competition for space particularly along prime streets where supply is limited and the vacancy rate is below 5%. With an influx of retailers effectively on waiting lists for space this is putting strong upward pressure on rents and positive growth is evident – all characteristics that are expected to continue over the next 12-18 months. Along Rajprasong/Sukhumvit streets positive rental growth was in the region of 15.2% over the last twelve months to Q2 2015.

The F&B sector is seeing the strongest growth although requirements are being noted from the luxury sector and demand going forward will be driven by rising visitor numbers which will boost spending power. 2015 saw the addition of new spaces in luxury shopping malls in the Bangkok Central Retail District which satisfied some of the pent up demand – by way of example was the opening of a Tiffany & Co store. Despite new supply vacancy in this area is low and supporting positive growth in rents which have risen to THB 3,800/sq.m/month, up from THB 3,300/sq.m/month in Q2 2014.



Bangkok has seen strong competition for prime street retail space, where supply is limited and vacancy is below 5%

Growth in **Taiwan**'s prime retail market is driven by new international brands willing to pay top rents in streets with the highest footfall numbers and rising tourist spend. Fast fashion brands such as H&M, Forever 21 and GAP that prefer large format stores are instigating demand in the traditional retail areas such as ZhongXiao E. Road in **Taipei** where rents rose by 4.2% in the year to June. However, these increases sometimes do not match with the quality befiting retailer expectation – even for those high margin retailers – leading to rising vacancy.

Indeed, F&B retailers who cannot afford the premiums are increasingly seeking opportunities in department stores that offer the much needed footfall but at lower rents. Some landlords are also beginning to adjust their asking rents in order to keep units income producing since the longer the vacant period, the higher the uncertainty of the market. Expansion activity will be driven by those brands already in the market and looking to capitalise on their footprints and will look to open new stores over the next 12-24 months.

The inflow of Chinese tourists and the associated rise in retail consumption in **South Korea** has had great influence over the commercial environment. The main shopping area in **Seoul** has expanded from the traditional Myeongdong retail area to include Garosu-gil and Hongdae (Hongik University). Further, with the growing number of smart consumers or value shoppers choosing to make purchases via the internet, imported luxury brands may be pressured to change their pricing policy. Hugo Boss, however, decided to terminate its partnership with its local partner and enter the market directly in 2015.

Lifestyle shops offering interiors, home appliances and accessories are gaining in popularity as fashion retailing slows, with several global fashion brands such as ZARA Home and H&M Home opening their doors and accelerating expansion plans. Others including Crate and Barrel and Tiger Copenhagen are also expected to soon reveal themselves in the Korean market. Further, South Korea's retail giants such as Lotte, Shinsegae, Hanwha and E-Land are in a fierce competition to win a license for an urban duty-free store in Seoul, which is expected to be a good income generator. In addition, the recently built Gwanghwamun D-Tower has plans to fill its 1st to 5th floors with commercial shops, attracting arcades such as fashion, various types of lifestyle business tenants and restaurants.

In **Singapore**, labour pressures, declining tourist arrivals and falling retail sales has led to lower demand for retail space, forcing major retailers and retail groups to focus on their better performing stores. Thus more available space is coming to the market and easing rental pressure. Orchard Road rents have declined by 1.8% over the year to Q2. Pop-up stores are increasingly utilised – a measure taken by landlords to retain occupancy levels and enhance customers' shopping experience. E-commerce is also on the rise which is eating into the turnover from physical stores. Existing landlords will need to refresh the shopping experience in order to cater to the changing needs and demands of shoppers. In the luxury market, the strong Singapore dollar versus Indonesia's rupiah and Malaysia's ringgit – as well as declining tourism from China and Indonesia – are among the more compelling factors hurting retail spending. However, Singapore remains an entry market for the wider Southeast Asian market, sought after by luxury brands such as Alexander McQueen, Zadig & Voltaire and Carmina.

Retail supply across in **Indonesia** is largely fragmented; however in **Jakarta**, shopping centres are increasing in number, with many global retailers entering the market in 2015. To limit risk retailers will typically seek a joint venture party as they look to use the local company's distribution network and expertise of how the markets function. There is limited quality retail space and this is supporting rental growth which saw positive growth of 2.9% for prime space over the twelve months to Q2 2015. Shopping centres are becoming a more important part of the overall retail scene as changing consumer behaviour is seeing more and more people go to shopping centres seeking an overall and all-under-one-roof experience. This is at the expense of small, independent retailers that are struggling to compete not only for the footfall but also the rising rents that they are being asked to pay.

In **India**, government opposition to foreign investment in multi-brand retail is hampering growth potential in the retail market – with little in the way of indicating that this will change in the near term. Mr Modi, elected in May 2014, is seeking to protect the many small and independent businesses. Foreign brands will therefore need to concentrate on single brand retail and pay heed to the mooted liberalisation of e-commerce channels as a means of developing their market share. However, in the **Delhi-NCR** market, several international brands have entered in the past year such as Burger King, GAP, H&M, Starbucks and Wendy's. While some of these retailers focused purely on taking space in malls, several brands took up space in main street locations too to broaden their exposure to consumers.

Significant new supply is expected for 2016 across Noida, Greater Noida, Gurgaon and West Delhi, which is likely to affect rental values. In Delhi, Connaught Place – with rents rising by 13.3% in the 12 months to Q2 –and Khan Market remain popular destinations. In **Hyderabad**, entry by new brands along with expansion by F&B brands drove demand in 2015, although the steady balance between supply and demand kept rents relatively firm. However, healthy consumer demand in the main streets of Tolichowki, Kothapet, Habsiguda is attracting retailer interest in anticipation of large footfalls and sturdy sales. In **Kolkata** prime main streets such as Camac Street, Park Street, Theatre Road and Elgin Road sustained retailer demand in the clothing, F&B and home furnishing sectors. Rents should hold firm as new supply providing wider options satiates retailer demand.

China is on course to become the world's largest retail market by 2018.[1] While physical retail in high streets and shopping centres remains popular, retail sales growth is slowing as attention turns to the fast growing e-commerce market. However, this is already a crowded marketplace, and the dominance of Alibaba in China will make it difficult for foreign e-tailers to grow online market share. A weaker economic outlook as well as concerns over retailer exposure are causing uncertainty for the luxury market, with the sector also facing government-led opposition to flashy luxury accessories and anti-corruption drives cracking down on practices such as gift-giving. The rise of the middle class is expected to drive rapid expansion of luxury brands, such as Michael Kors and Victoria's Secret. Shopping malls are embracing the concept of a one-stop lifestyle centre and are increasing areas of recreational facilities – such as theatres, kids playgrounds, and fitness centres – in order to differentiate from the online shopping experience and bring further sources of revenue.

China is on course to become the world's largest retail market by 2018

In **Shanghai**, a number of retailers have opened flagship stores to increase brand exposure and are diversifying their product lines to capture more market share. For example, some luxury fashion brands are testing out F&B concepts by opening cafes and restaurants. Owners are adopting new technology, such as shopping apps and free wifi, to promote "online to offline" shopping and to collect customer demographic information. Further, the grand opening of the Disney Resort in 2016 is expected to begin a boom period for child-oriented retailers.

The trend in **Beijing** is very similar, with developers looking to deliver a shopping destination instead of just providing retail space, thus increasingly including F&B and a children's education sector. Amid more robust demand levels, construction and financing costs are rising, which is being passed to the tenant in the form of rental rises.

Looking at specific submarkets, Middle Huaihai Road in Shanghai is adapting to tap into the spending power of the booming middle class, with international brands such as Rado and Fabi moving out, Folli Follie and G-shock relocating to the better western area and a number of domestic retailers opening their doors. Demand outweighs supply here, and rents saw positive growth of 16.5% over the last 4 quarters. In addition, the Oriental Shopping Center in the western area has been closed for renovation since Q1 2015, and upon completion, it will host the largest MUJI flagship store worldwide, along with an Under Armour national flagship as well as a Vertical Space bookstore. On the east side of the submarket, Links of London will locate its new store to be near to established luxury boutique shops, including Hermès Maison and Dunhill Home.

In other markets, such as **Vietnam** and **Malaysia**, the growth of the retail market and entrance of international brands is underpinned by rising average incomes as well as more stable economic conditions, which are providing a boost to retail sales. This is further bolstered by a growing e-commerce sector that is capturing a larger share of overall retail activity, although there remains an appetite for consumers to visit physical stores. In Vietnam, the liberalisation of the retail market in 2009 saw the entrance of a number of foreign brands and a wave of expansion efforts by domestic firms in an attempt to maintain a presence in the market. The most dynamic segments at the moment are F&B and consumer products.

ASIA PACIFIC KEY FACTS

Most expensive retail location

Hong Kong's Causeway Bay
(US$2,399 sq.ft/yr/
€23,178 sq.m/yr)

Most affordable retail location

Ahmedabad's Satellite Road, India
(US$28.3 sq.ft/yr/
€273 sq.m/yr)

Strongest rental growth

Manila's Bonifacio High Street, Philippines
+24%

Biggest rental decline

Colaba Causeway, Mumbai, India
-14.3%

Proportion of rental growth types in APAC

Stable 45%
Growing 35%
Declining 20%

One to watch

Seoul's Myeongdong
- Expanding submarket
- Growth in retailer types
- Gateway market to wider APAC region

[1] Industry Report – Consumer Goods and Retail: China. *Economist Intelligence Unit*, Sep 2014.

AMERICAS OVERVIEW

Economic growth across the Americas has decelerated; however, the consumer sector remains buoyant which bodes well for continued modest expansion going forward. In the high street market, rents increased 2.7% on average across the region in the year to June 2015, a moderate easing on that achieved in 2014.
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NEW YORK, USA

Vacancy rates are generally tight in all the core streets tracked across the Americas – largely due to a combination of international and luxury retailer store demand and retailers acknowledging the importance of opening bricks-and-mortar stores alongside their e-commerce platform. New and existing tenants in the market are looking for high-exposure branding opportunities, often leading to pioneering concepts as a way to make a splash in the market.

Once again, **New York**'s 5th Avenue retained its position as the most expensive global retail location. By the second quarter of 2015, rents reached US$3,500/sq.ft/year, a year-on-year to June 2015 increase of 3.6%. Strong footfall in Manhattan has helped keep New York's position elevated, with overseas tourists attracted to the vibrant retail environment and luxury retailers still dominating the high street – with no slowdown in sight. At a regional level, the USA alone represents seven cities of the top ten most expensive cities in the Americas, with **Toronto** and **Vancouver** standing at 6th and 8th position respectively and **Buenos Aires** at 13th.

New York's 5th Avenue retained its position as the most expensive global retail location

Rents across the **U.S.** increased by 6.9% year-on-year, with **Seattle** experiencing the strongest growth of 27% albeit it remains at a relatively low level of US$70/sq.ft/year. Other robust high streets in the country include Rodeo Drive in **Los Angeles**, which maintained its second position as the most expensive high street list on the back of impressive rental growth of 23%.

Further, the gateway cities of **Chicago** and **San Francisco** have witnessed healthy growth rates and are expected to continue to expand, bolstered by solid international retailer demand. With the continued success along Michigan Avenue and some other core high streets in **Chicago**, flagship retail stores are expected to grow outside these traditional prime pitches and expand the established core market. In **San Francisco**, a combination of a bustling tourism market – the city is one of the top international destinations – and an improving local economy has led to strong luxury retail space demand. As a result, vacancy rates at Union Square have eased to a record low of 1.1%. This helped to support rental growth of 13% over the 12 months to June 2015, following last year's 21% growth.

Palm Beach has also witnessed strong rental growth, with prime rents increasing by 20% in the year to June. The city's emergence as a top tier retail destination is in part thanks to an affluent local demographic, as well as an increasing number of international visitors and part time residents.

In **Canada**, prime high street rents were unchanged over the year; however, as vacancy rates gradually tighten across most markets, a return to growth is anticipated in the medium term. Bloor Street in **Toronto** remains the most expensive location in Canada, maintaining sixth position in the regional city ranking. There has been an increasing trend of high-end retailers targeting shopping centres rather than the more traditional high street space. Indeed, many shopping centres have recently undergone renovations and expansions in order to attract and cater for these high-end tenants. Retailers continue to assess their store footprint, closing unprofitable stores but keeping an online presence.

Mexico witnessed a minimal average rental increase of 0.5% in the year to June. Mazaryk High Street in **Mexico City** remained the most expensive destination, experiencing strong demand against a lack of availability pushing rents up by 2.2% over the year to June 2015. Indeed, in these mature markets (including **Monterrey**), developers are expanding shopping centres to accommodate an increasing number of tenants – such as Antara, Parque Delta and Perisur in Mexico City. In the less mature markets, shopping centres dominate the retail landscape. Interestingly, the search for space for small, centrally-located distribution-centres for firms to service their e-commerce platforms is mounting.

The sharp drop in oil prices – which began in the second half 2014 and continued over 2015 – has taken a heavy toll on economic growth in South America. **Bogotá** has seen a divergence between high street and shopping centre rental growth; indeed, while high street rents fell by 31%, shopping centre rents increased by 9%. The previous boom in commodities in turn stimulated a widening middle class in Colombia, as well as increased the country's purchasing power – resulting in more demand from new entrants and an expansion of existing national retailers. The food and beverage segment is particularly active, witnessing fierce competition between different sorts of players, both local and international. International investors are increasing their presence in the shopping centre market in Colombia, with rental growth expected to remain strong in the short term but stabilise as more prime space comes online.

AMERICAS KEY FACTS

Most expensive retail location

New York's Upper 5th Av. (49th - 60th Sts), U.S.
(US$3,500 sq.ft/yr/
€33,812 sq.m/yr)

Most affordable retail location

Edmonton's Whyte Avenue, Canada
(US$34.4 sq.ft/yr/
€333 sq.m/yr)

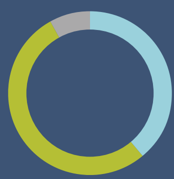
Strongest rental growth

Seattle's High Street, U.S.
27.3%

Biggest rental decline

Bogota's Zona T – 82 Calle, Colombia
-30.8%

Proportion of rental growth types in the Americas



Stable 39%
Growing 53%
Declining 8%

One to watch

San Francisco's Union Square

- Expanding tourism
- Innovative technology
- Strong competition

The poor performance of the **Brazilian** economy is due to the economical mistakes of the incumbent party which has led to a crisis of confidence with inflation now at 10%, interest rates at 14.25% and GDP growth of -3%. However, on average, retail rents across Brazil have risen by 3.5% with both high streets and shopping centres popular. With rental growth of 4.8% over the year to June 2015, Garcia D'Avila is the most expensive street in Rio by a long way and remains a target location on retailers' growth strategies with turnover supported by tourists.

Rents held firm over the year in **Argentina**, with Florida in **Buenos Aires** retaining its place as the most expensive retail destination in the country.

An improving economy, albeit from a low base, as well as an increase in purchasing power have provided a boost to **Peru**'s retail industry and a rapid expansion of new shopping centres: a growth of 16 to 60 in less than 10 years. Luxury brands have now entered the market, and e-commerce is an increasingly utilised and thus necessary shopping medium for the consumer. Although high street rents have fallen to a lesser extent than those in shopping centres, by 0.4% on average – Peru's previous boom led to the arrival of many new brands and retail development.

GLOBAL RETAIL RENTS

COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 2015	ANNUAL RENTAL GROWTH %	RENT US$/ SQ.FT/ YR	RENT €/SQ.M/ YR	END 2016 TREND (COMPARED WITH 2015)
NORTH AMERICA								
Canada	Calgary	17th Avenue SW	CAD/sq.ft/year	50	0.0%	40.0	387	→
Canada	Edmonton	Whyte Avenue	CAD/sq.ft/year	43	0.0%	34.4	333	→
Canada	Montreal	Saint-Catherine W – Street Level	CAD/sq.ft/year	180	0.0%	144.2	1,393	↗
Canada	Toronto	Bloor Street	CAD/sq.ft/year	325	0.0%	260.3	2,515	↗
Canada	Toronto	Queen Street West	CAD/sq.ft/year	110	0.0%	88.1	851	→
Canada	Vancouver	Robson Street	CAD/sq.ft/year	210	0.0%	168.2	1,625	→
U.S.	Boston	Newbury Street	US$/sq.ft/year	150	3.4%	150.0	1,449	↗
U.S.	Chicago	North Michigan Avenue	US$/sq.ft/year	525	8.2%	525.0	5,072	↗
U.S.	Chicago	East Oak Street	US$/sq.ft/year	340	7.9%	340.0	3,285	→
U.S.	Chicago	State Street	US$/sq.ft/year	175	16.7%	175.0	1,691	→
U.S.	Los Angeles	Rodeo Drive (Beverly Hills)	US$/sq.ft/year	800	23.1%	800.0	7,729	↗
U.S.	Miami	Lincoln Road	US$/sq.ft/year	325	0.0%	325.0	3,140	→
U.S.	New York	Upper 5th Avenue (49th - 60th Sts)	US$/sq.ft/year	3,500	3.6%	3,500.0	33,812	→
U.S.	New York	Lower 5th Avenue (42nd - 49th Sts)	US$/sq.ft/year	1,000	2.0%	1,000.0	9,661	↗
U.S.	New York	Madison Avenue	US$/sq.ft/year	1,500	7.9%	1,500.0	14,491	↗
U.S.	New York	SoHo (High Streets: Broadway, Prince & Spring Streets)	US$/sq.ft/year	795	4.6%	795.0	7,680	↗
U.S.	Palm Beach	Worth Avenue	US$/sq.ft/year	150	20.0%	150.0	1,449	→
U.S.	Philadelphia	Walnut Street	US$/sq.ft/year	145	7.4%	145.0	1,401	→
U.S.	San Diego	5th Avenue, Gaslamp	US$/sq.ft/year	72	0.0%	72.0	696	→
U.S.	San Diego	Del Mar Heights Blvd (Suburban Del Mar Heights)	US$/sq.ft/year	78	0.0%	78.0	754	→
U.S.	San Francisco	Union Square	US$/sq.ft/year	650	13.0%	650.0	6,279	↗
U.S.	San Francisco	Post Street	US$/sq.ft/year	495	6.5%	495.0	4,782	→
U.S.	Seattle		US$/sq.ft/year	70	27.3%	70.0	676	↗
U.S.	Washington DC	Georgetown	US$/sq.ft/year	150	0.0%	150.0	1,449	→
U.S.	Washington DC	Chevy Chase	US$/sq.ft/year	90	0.0%	90.0	869	→
U.S.	Washington DC	Penn Quarter	US$/sq.ft/year	220	0.0%	220.0	2,125	→
U.S.	Washington DC	Dupon Circle	US$/sq.ft/year	110	0.0%	110.0	1,063	→
Mexico	Mexico City	Mazaryk	US$/sq.m/month	92	2.2%	102.6	991	↗
Mexico	Mexico City	Madero Street	US$/sq.m/month	89	2.3%	99.2	959	→
Mexico	Mexico City	Altavista Street	US$/sq.m/month	36	0.0%	40.1	388	→
Mexico	Monterrey	Calzada del Valle	US$/sq.m/month	55	-1.8%	61.3	592	→
SOUTH AMERICA								
Argentina	Buenos Aires	Florida	US$/sq.m/month	112	0.0%	124.9	1,206	→
Argentina	Buenos Aires	Avenue Cabildo	US$/sq.m/month	59	0.0%	65.8	635	→
Argentina	Buenos Aires	Avenue Santa Fe	US$/sq.m/month	62	0.0%	69.1	668	→
Argentina	Buenos Aires	Av Callao/Quintana/Alvear	US$/sq.m/month	57	0.0%	63.5	614	→
Brazil	Rio de Janeiro	Visconde de Pirajá (Ipanema)	BRL/sq.m/month	117	3.3%	41.9	404	→
Brazil	Rio de Janeiro	Garcia D'avilla (Ipanema)	BRL/sq.m/month	325	4.8%	116.6	1,127	→
Brazil	São Paulo	Oscar Freire Jardins	BRL/sq.m/month	210	3.3%	75.4	728	→
Brazil	São Paulo	Haddock Lobo	BRL/sq.m/month	120	3.3%	43.1	416	→
Brazil	São Paulo	Alameda Lorena	BRL/sq.m/month	125	3.3%	44.9	433	→
Brazil	São Paulo	Bela Cintra	BRL/sq.m/month	130	3.3%	46.7	451	→
Colombia	Bogota	Zona T - 82 Calle	US$/sq.m/month	90	-30.8%	100.3	969	↘
Ecuador	Quito	Av Naciones Unidas (Av. NNUU)	US$/sq.m/month	32	0.0%	35.7	345	→
Peru	Lima	Otros	US$/sq.m/month	35	7.8%	38.5	372	→
Peru	Lima	San Isidro	US$/sq.m/month	42	-8.7%	46.8	452	→
ASIA PACIFIC								
Australia	Sydney	Pitt Street Mall	AUD/sq.m/year	12,900	3.2%	921.1	8,898	↗
Australia	Melbourne	Bourke Street	AUD/sq.m/year	6,375	2.8%	455.2	4,397	↗
Australia	Brisbane	Queen Street Mall	AUD/sq.m/year	4,250	0.0%	303.5	2,932	→
Australia	Perth	CBD	AUD/sq.m/year	3,975	0.0%	283.8	2,742	→
China	Beijing	CBD	CNY/sq.m/month	2,560	18.5%	460.2	4,446	→
China	Beijing	Wangfujing	CNY/sq.m/month	2,820	8.5%	507.0	4,898	→
China	Beijing	Xidan	CNY/sq.m/month	2,650	10.4%	476.4	4,603	→
China	Chengdu	Chunxi Road	CNY/sq.m/month	1,683	-5.6%	302.6	2,923	→
China	Chengdu	Yanshikou	CNY/sq.m/month	931	16.4%	167.4	1,617	→
China	Shanghai	East Nanjing Road	CNY/sq.m/month	2,213	-3.2%	397.9	3,844	→
China	Shanghai	West Nanjing Road	CNY/sq.m/month	2,437	6.0%	438.1	4,233	↗
China	Shanghai	Middle Huaihai Road	CNY/sq.m/month	1,948	16.5%	350.2	3,383	↗
China	Shanghai	Xujiahui	CNY/sq.m/month	2,136	3.9%	384.0	3,710	→
China	Shanghai	Lujiazui	CNY/sq.m/month	2,093	0.1%	376.3	3,635	→
China	Shenzhen	Luohu	CNY/sq.m/month	1,642	0.9%	295.2	2,852	→
China	Guangzhou	Tianhe	CNY/sq.m/month	2,300	6.5%	413.5	3,995	→
Hong Kong	Hong Kong	Central (main street shops)	HKD/sq.ft/month	1,250	-12.0%	1,934.9	18,692	↘
Hong Kong	Hong Kong	Causeway Bay (main street shops)	HKD/sq.ft/month	1,550	-13.9%	2,399.2	23,178	↘
Hong Kong	Hong Kong	Tsim Sha Tsui (main street shops)	HKD/sq.ft/month	1,190	-11.9%	1,842.0	17,795	↘
Hong Kong	Hong Kong	Mongkok (main street shops)	HKD/sq.ft/month	880	-12.0%	1,362.1	13,159	↘
India	Bengaluru	Brigade Road	INR/sq.ft/month	285	-10.9%	53.7	519	↘
India	Bengaluru	MG Road	INR/sq.ft/month	240	0.0%	45.2	437	→
India	Bengaluru	Jayanagar 4th Block, 11th Main	INR/sq.ft/month	330	0.0%	62.2	601	↗
India	Bengaluru	Sampige Road, Malleswaram	INR/sq.ft/month	120	0.0%	22.6	218	→
India	Bengaluru	Koramangala 80 Feet Road	INR/sq.ft/month	120	-4.0%	22.6	218	→
India	Bengaluru	Vittal Mallya Road	INR/sq.ft/month	270	0.0%	50.9	492	→
India	Bengaluru	New BEL Road	INR/sq.ft/month	145	3.6%	27.3	264	→
India	Bengaluru	Marathahalli Junction	INR/sq.ft/month	125	0.0%	23.6	228	→
India	Bengaluru	Kamanahalli Main Road	INR/sq.ft/month	140	12.0%	26.4	255	↗
India	Bengaluru	Indiranagar 100 Feer Road	INR/sq.ft/month	190	-5.0%	35.8	346	→
India	Bengaluru	HSR Layout 27th Main	INR/sq.ft/month	130	8.3%	24.5	237	↗
India	Chennai	Nugambakkam	INR/sq.ft/month	150	0.0%	28.3	273	→
India	Chennai	Khader Nawaz Khan Road	INR/sq.ft/month	210	0.0%	39.6	382	→
India	Chennai	Cathedral Road - RK Salai	INR/sq.ft/month	140	0.0%	26.4	255	→
India	Chennai	Usman Road - South	INR/sq.ft/month	130	0.0%	24.5	237	→
India	Chennai	Usman Road - North	INR/sq.ft/month	140	0.0%	26.4	255	→
India	Chennai	Adyar Main Road	INR/sq.ft/month	160	6.7%	30.2	291	→
India	Chennai	Anna Nagar 2nd Avenue	INR/sq.ft/month	150	15.4%	28.3	273	→
India	Chennai	PurU.S.vakam High Road	INR/sq.ft/month	125	13.6%	23.6	228	→
India	Chennai	Pondy Bazaar	INR/sq.ft/month	160	6.7%	30.2	291	→

GLOBAL RETAIL RENTS

COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 2015	ANNUAL RENTAL GROWTH %	RENT US$/ SQ.FT/ YR	RENT €/SQ.M/ YR	END 2016 TREND (COMPARED WITH 2015)
India	Chennai	Velachery Bypass Road	INR/sq.ft/month	130	0.0%	24.5	237	
India	Chennai	Ambattur (MTH Road)	INR/sq.ft/month	120	n/a	22.6	218	
India	Hyderabad	Banjara Hills	INR/sq.ft/month	130	0.0%	24.5	237	
India	Hyderabad	MG Road	INR/sq.ft/month	110	0.0%	20.7	200	
India	Hyderabad	SP Road/Begumpet	INR/sq.ft/month	110	0.0%	20.7	200	
India	Hyderabad	Raj Bhavan Road/Somajiguda	INR/sq.ft/month	90	0.0%	17.0	164	
India	Hyderabad	Abids	INR/sq.ft/month	110	0.0%	20.7	200	
India	Hyderabad	Himayathnagar	INR/sq.ft/month	140	3.7%	26.4	255	
India	Hyderabad	Ameerpet	INR/sq.ft/month	125	0.0%	23.6	228	
India	Hyderabad	Jubilee Hills Road No. 36	INR/sq.ft/month	125	-3.8%	23.6	228	
India	Hyderabad	Kukatpally NH No. 9	INR/sq.ft/month	140	0.0%	26.4	255	
India	Hyderabad	A.S. Rao Nagar	INR/sq.ft/month	120	0.0%	22.6	218	
India	Hyderabad	Madhapur	INR/sq.ft/month	100	0.0%	18.8	182	
India	Hyderabad	Punjagutta	INR/sq.ft/month	155	0.0%	29.2	282	
India	Pune	M G Road	INR/sq.ft/month	310	-3.1%	58.4	564	
India	Pune	JM Road	INR/sq.ft/month	380	0.0%	71.6	692	
India	Pune	FC Road	INR/sq.ft/month	245	-2.0%	46.2	446	
India	Pune	Koregaon Park	INR/sq.ft/month	120	-7.7%	22.6	218	
India	Pune	Aundh	INR/sq.ft/month	190	5.6%	35.8	346	
India	Pune	Bund Garden	INR/sq.ft/month	140	0.0%	26.4	255	
India	Pune	Mumbai Pune Highway - PCMC	INR/sq.ft/month	115	4.5%	21.7	209	
India	Kolkata	Park Street	INR/sq.ft/month	500	0.0%	94.2	910	
India	Kolkata	Camac Street	INR/sq.ft/month	450	0.0%	84.8	819	
India	Kolkata	Elgin Road	INR/sq.ft/month	320	0.0%	60.3	583	
India	Kolkata	Theatre Road	INR/sq.ft/month	200	0.0%	37.7	364	
India	Ahmedabad	C G Road	INR/sq.ft/month	150	0.0%	28.3	273	
India	Ahmedabad	Law Garden	INR/sq.ft/month	120	0.0%	22.6	218	
India	Ahmedabad	Satellite Road	INR/sq.ft/month	150	0.0%	28.3	273	
India	Ahmedabad	Maninagar	INR/sq.ft/month	140	n/a	26.4	255	
India	Ahmedabad	Prahladnagar	INR/sq.ft/month	130	0.0%	24.5	237	
India	Ahmedabad	S.G. Highway	INR/sq.ft/month	100	11.1%	18.8	182	
India	Mumbai	Linking Road, Western Suburban	INR/sq.ft/month	750	0.0%	141.3	1,365	
India	Mumbai	Kemps Corner, South Mumbai	INR/sq.ft/month	400	-11.1%	75.4	728	
India	Mumbai	Fort/Fountain, South Mumbai	INR/sq.ft/month	350	-6.7%	66.0	637	
India	Mumbai	Colaba Causeway	INR/sq.ft/month	600	-14.3%	113.1	1,092	
India	Mumbai	Lokhandwala, Andheri	INR/sq.ft/month	350	0.0%	66.0	637	
India	Mumbai	Borivali	INR/sq.ft/month	370	0.0%	69.7	674	
India	Mumbai	Chembur	INR/sq.ft/month	350	9.4%	66.0	637	
India	Mumbai	Vashi	INR/sq.ft/month	350	14.8%	66.0	637	
India	Mumbai	Thane	INR/sq.ft/month	250	0.0%	47.1	455	
India	New Delhi	Connaught Place	INR/sq.ft/month	850	13.3%	160.2	1,547	
India	New Delhi	Karol Bagh	INR/sq.ft/month	375	0.0%	70.7	683	
India	New Delhi	South Extension	INR/sq.ft/month	750	3.4%	141.3	1,365	
India	New Delhi	Khan Market	INR/sq.ft/month	1,250	0.0%	235.6	2,276	
India	New Delhi	Greater Kailash I	INR/sq.ft/month	550	0.0%	103.6	1,001	
India	New Delhi	Rajouri Garden	INR/sq.ft/month	200	5.3%	37.7	364	
India	New Delhi	Kamla Nagar	INR/sq.ft/month	400	0.0%	75.4	728	
India	Guragon	DLF Galleria	INR/sq.ft/month	750	15.4%	141.3	1,365	
India	Noida	Sector 18	INR/sq.ft/month	225	0.0%	42.4	410	
Indonesia	Jakarta	Prime	IDR/sq.m/month	878,300	2.5%	73.4	709	
Japan	Tokyo	The Ginza	JYP/Tsubo/month	320,000	3.2%	881.9	8,520	
Japan	Tokyo	Shibuya	JYP/Tsubo/month	150,000	0.0%	413.4	3,994	
Japan	Tokyo	Omotesando	JYP/Tsubo/month	300,000	20.0%	826.8	7,987	
Japan	Tokyo	Shinjuku	JYP/Tsubo/month	220,000	0.0%	606.3	5,857	
Malaysia	Kuala Lumpur	Bukit Bintang	MYR/sq.ft/month	35	0.0%	111.3	1,075	
Malaysia	Kuala Lumpur	Suria KLCC	MYR/sq.ft/month	70	0.0%	222.6	2,151	
Malaysia	Kuala Lumpur	Pavillion KL (prime lots)	MYR/sq.ft/month	82	-3.5%	260.8	2,519	
New Zealand	Auckland	Queen Street	NZD/sq.m/month	230	9.5%	173.4	1,675	
New Zealand	Wellington	Lambton Quay	NZD/sq.m/month	210	0.0%	158.3	1,530	
Philippines	Taguig (Metro Manila)	Bonifacio High Street	PHP/sq.m/month	2,282	24.0%	56.4	545	
Philippines	Makati (Metro Manila)	Makati CBD, Rockwell, Century City	PHP/sq.m/month	2,346	22.4%	58.0	560	
Singapore	Singapore	Orchard Road	SGD/sq.ft/month	38	-1.8%	336.8	3,253	
Singapore	Singapore	City Fringe	SGD/sq.ft/month	23	-2.9%	207.6	2,006	
Singapore	Singapore	Suburban	SGD/sq.ft/month	32	-1.0%	282.4	2,728	
South Korea	Seoul	Myeongdong	KRW/sq.m/month	882,288	0.0%	881.8	8,519	
South Korea	Seoul	Gangnam Station	KRW/sq.m/month	673,532	0.0%	673.2	6,503	
South Korea	Seoul	Garosugil	KRW/sq.m/month	328,828	0.0%	328.6	3,175	
Taiwan	Taipei	ZhongXiao E. Road	TWD/ping/month	25,000	4.2%	273.2	2,640	
Thailand	Bangkok	Central Retail District (CRD) (Rajprasong/ Sukhumvit street)	THB/sq.m/month	3,800	15.2%	125.4	1,212	
Vietnam	Ho Chi Minh City	Prime High Street	US$/sq.m/month	135	0.0%	150.5	1,454	
Vietnam	Ho Chi Minh City	Best Achieved Shopping Mall (GF)	US$/sq.m/month	190	-5.0%	211.8	2,046	
Vietnam	Hanoi	CBD Fringe	US$/sq.m/month	120	0.0%	133.8	1,292	
Vietnam	Hanoi	Prime shopping mall (ground floor)	US$/sq.m/month	190	0.0%	211.8	2,046	

EUROPE

COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 2015	ANNUAL RENTAL GROWTH %	RENT US$/ SQ.FT/ YR	RENT €/SQ.M/ YR	END 2016 TREND (COMPARED WITH 2015)
Austria	Vienna	Karntnerstrasse/Graben	€/sq.m/month	300	0.0%	372.6	3,600	
Austria	Vienna	Mariahilferstrasse	€/sq.m/month	135	0.0%	167.7	1,620	
Austria	Vienna	Kohlmarkt	€/sq.m/month	385	4.1%	478.2	4,620	
Austria	Graz	Herrengasse	€/sq.m/month	110	0.0%	136.6	1,320	
Austria	Linz	Landstrasse	€/sq.m/month	130	0.0%	161.5	1,560	
Austria	Salzburg	Getreidegasse	€/sq.m/month	125	0.0%	155.3	1,500	
Austria	Innsbruck	Maria Theresienstrasse	€/sq.m/month	110	0.0%	136.6	1,320	
Belgium	Brussels	Rue Neuve	€/sq.m/year	1,750	0.0%	181.1	1,750	
Belgium	Brussels	Avenue Louise	€/sq.m/year	1,750	2.9%	181.1	1,750	
Belgium	Antwerp	Meir	€/sq.m/year	1,750	0.0%	181.1	1,750	
Belgium	Liege	Vinave d'Ille	€/sq.m/year	1,050	0.0%	108.7	1,050	
Belgium	Ghent	Veldstraat	€/sq.m/year	1,350	-12.9%	139.7	1,350	
Belgium	Bruges	Steenstraat	€/sq.m/year	1,070	-7.0%	110.8	1,070	
Belgium	Hasselt	Hoogstraat	€/sq.m/year	1,010	-3.8%	104.5	1,010	
Bulgaria	Sofia	Vitosha Blvd	€/sq.m/month	44	0.0%	54.7	528	
Bulgaria	Plovdiv	Alexander Batenburg	€/sq.m/month	25	0.0%	31.1	300	

GLOBAL RETAIL RENTS

COUNTRY	CITY	LOCATION	LOCAL MEASURE	RENT JUNE 2015	ANNUAL RENTAL GROWTH %	RENT US$/ SQ.FT/ YR	RENT €/SQ.M/ YR	END 2016 TREND (COMPARED WITH 2015)
Bulgaria	Varna	Kniaz Boris 1	€/sq.m/month	30	0.0%	37.3	360	→
Bulgaria	Bourgas	Alexandrovska	€/sq.m/month	25	0.0%	31.1	300	→
Channel Islands	St Helier	King Street	Zone A £/sq.ft/year	120	0.0%	100.0	966	→
Channel Islands	St Helier	Queen Street	Zone A £/sq.ft/year	100	0.0%	83.4	805	→
Channel Islands	St Peter Port	High Street	Zone A £/sq.ft/year	100	0.0%	107.0	1,033	→
Croatia	Zagreb	Ilica Street	€/sq.m/month	70	0.0%	87.0	840	→
Cyprus	Nicosia	Makarios Ave	€/sq.m/month	18	0.0%	22.4	216	↘
Cyprus	Limassol	Anexartisisas Ave	€/sq.m/month	18	0.0%	22.4	216	↘
Czech Republic	Prague	Wenceslas Square	€/sq.m/month	190	2.7%	236.0	2,280	↗
Czech Republic	Prague	Parizska Street	€/sq.m/month	185	4.5%	229.8	2,220	↗
Czech Republic	Prague	Out of Town	€/sq.m/month	40	0.0%	49.7	480	→
Czech Republic	Brno	Svobody Square	€/sq.m/month	70	0.0%	87.0	840	→
Denmark	Copenhagen	Stroget (including Vimmelskaftet)	Dkr/sq.m/year	18,000	1.4%	249.8	2,413	↗
Denmark	Copenhagen	Stroget area	Dkr/sq.m/year	6,500	4.0%	90.2	871	↗
Denmark	Copenhagen	Osterbrogade	Dkr/sq.m/year	2,600	0.0%	36.1	349	→
Denmark	Copenhagen	Norrebrogade	Dkr/sq.m/year	1,900	0.0%	26.4	255	→
Denmark	Copenhagen	Kobmagergade	Dkr/sq.m/year	15,000	3.4%	208.1	2,011	↗
Denmark	Copenhagen	Lyngby	Dkr/sq.m/year	4,400	2.3%	61.1	590	↗
Denmark	Copenhagen	Suburban	Dkr/sq.m/year	1,000	0.0%	13.9	134	→
Denmark	Aarhus	Sondersarde	Dkr/sq.m/year	5,500	0.0%	76.3	737	→
Denmark	Odense	Vestergade	Dkr/sq.m/year	3,600	0.0%	50.0	483	→
Estonia	Tallinn	Viru Street	€/sq.m/month	25	13.6%	31.1	300	↗
Finland	Helsinki	City Centre	€/sq.m/month	164	2.5%	203.7	1,968	↗
Finland	Helsinki	Out of Town	€/sq.m/month	25	0.0%	31.1	300	→
Finland	Turku	Yliopistonkatu	€/sq.m/month	60	0.0%	74.5	720	→
Finland	Tampere	Hämeenkatu	€/sq.m/month	82	0.0%	101.9	984	→
Finland	Oulu	Kirkkokatu	€/sq.m/month	85	0.0%	105.6	1,020	→
France	Paris	Avenue Montaigne	Zone A €/sq.m/year	12,000	9.1%	914.7	8,837	↗
France	Paris	Avenue des Champs Elysees	Zone A €/sq.m/year	18,000	0.0%	1,372.1	13,255	→
France	Paris	Rue du Faubourg St Honore	Zone A €/sq.m/year	12,000	9.1%	914.7	8,837	↗
France	Paris	Rue de Rivoli	Zone A €/sq.m/year	3,500	0.0%	266.8	2,577	→
France	Paris	Boulevard St Germain	Zone A €/sq.m/year	6,500	8.3%	495.5	4,787	↗
France	Paris	Avenue George V/Rue François 1er	Zone A €/sq.m/year	3,500	0.0%	266.8	2,577	→
France	Paris	Place Vendôme/Rue de la Paix	Zone A €/sq.m/year	12,000	20.0%	914.7	8,837	↗
France	Paris	Rue St. Honoré	Zone A €/sq.m/year	12,000	20.0%	914.7	8,837	↗
France	Lyon	Rue de la Republique	Zone A €/sq.m/year	2,400	9.1%	182.9	1,767	→
France	Marseille	Rue St Ferreol	Zone A €/sq.m/year	1,800	-10.0%	137.2	1,326	→
France	Bordeaux	Rue St Catherine/Port Dijeaux	Zone A €/sq.m/year	2,200	0.0%	167.7	1,620	→
France	Strasbourg	Place Kleber	Zone A €/sq.m/year	2,000	0.0%	152.5	1,473	→
France	Strasbourg	Rue des Grandes Arcades	Zone A €/sq.m/year	2,000	0.0%	152.5	1,473	→
France	Lille	Rue Neuve	Zone A €/sq.m/year	2,000	0.0%	152.5	1,473	→
France	Toulouse	Rue Alsace Lorraine	Zone A €/sq.m/year	2,200	0.0%	167.7	1,620	→
France	Nice	Avenue Jean Medecin	Zone A €/sq.m/year	2,200	0.0%	167.7	1,620	→
France	Nantes	Rue Crébillon	Zone A €/sq.m/year	1,600	6.7%	122.0	1,178	→
France	Cannes	La Croisette	Zone A €/sq.m/year	8,000	14.3%	609.8	5,891	↗
Georgia	Tbilisi	Pekini street	US$/sq.m/month	45	-25.0%	50.2	485	→
Georgia	Batumi		US$/sq.m/month	18	-10.0%	20.1	194	→
Germany	Berlin	Tauentzienstrasse	€/sq.m/month	305	3.4%	378.9	3,660	↗
Germany	Berlin	Kurfürstendamm	€/sq.m/month	260	0.0%	323.0	3,120	↗
Germany	Berlin	Friedrichstraße	€/sq.m/month	160	0.0%	198.7	1,920	→
Germany	Frankfurt	Zeil	€/sq.m/month	315	1.6%	391.3	3,780	↗
Germany	Frankfurt	Goethestraße	€/sq.m/month	245	2.1%	304.3	2,940	↗
Germany	Hamburg	Monckebergstrasse	€/sq.m/month	285	0.0%	354.0	3,420	↗
Germany	Hamburg	Spitalerstraße	€/sq.m/month	310	1.6%	385.1	3,720	↗
Germany	Hamburg	Neuer Wall	€/sq.m/month	250	4.2%	310.5	3,000	↗
Germany	Munich	Kaufinger/Neuhauser	€/sq.m/month	370	1.4%	459.6	4,440	↗
Germany	Munich	Maximilianstraße	€/sq.m/month	285	3.6%	354.0	3,420	↗
Germany	Munich	Theatinerstraße	€/sq.m/month	265	1.9%	329.2	3,180	↗
Germany	Dusseldorf	Konigsallee	€/sq.m/month	275	0.0%	341.6	3,300	↗
Germany	Dusseldorf	Schadowstrasse	€/sq.m/month	265	0.0%	329.2	3,180	↗
Germany	Stuttgart	Konigstrasse	€/sq.m/month	275	1.9%	341.6	3,300	↗
Germany	Stuttgart	Stiftstraße	€/sq.m/month	185	0.0%	229.8	2,220	↗
Germany	Cologne	Schildergasse	€/sq.m/month	295	1.7%	366.4	3,540	↗
Germany	Dortmund	Westenhellweg	€/sq.m/month	225	0.0%	279.5	2,700	↗
Germany	Hannover	Georgstraße	€/sq.m/month	195	2.6%	242.2	2,340	→
Germany	Münster	Ludgeristraße	€/sq.m/month	165	0.0%	205.0	1,980	↗
Germany	Leipzig	Petersstrasse	€/sq.m/month	130	0.0%	161.5	1,560	→
Germany	Dresden	Pragerstrasse	€/sq.m/month	115	0.0%	142.8	1,380	→
Greece	Athens	Tsakalof	€/sq.m/month	90	0.0%	111.8	1,080	→
Greece	Athens	Ermou	€/sq.m/month	180	5.9%	223.6	2,160	→
Greece	Athens	Voukourestiou st.	€/sq.m/month	170	6.3%	211.2	2,040	→
Greece	Athens	Glyfada - Metaxa	€/sq.m/month	110	10.0%	136.6	1,320	→
Greece	Athens	Kiffisia-Kolokotroni	€/sq.m/month	110	10.0%	136.6	1,320	→
Greece	Athens	Piraeus - Sotiros	€/sq.m/month	70	16.7%	87.0	840	→
Greece	Athens	Chaimanta	€/sq.m/month	80	6.7%	99.4	960	→
Greece	Thessaloniki	Proxevou Koromila str	€/sq.m/month	50	0.0%	62.1	600	→
Greece	Thessaloniki	Tsimiski	€/sq.m/month	125	8.7%	155.3	1,500	→
Hungary	Budapest	Vaci utca	€/sq.m/month	95	0.0%	118.0	1,140	↗
Hungary	Budapest	Andrassy ut	€/sq.m/month	40	0.0%	49.7	480	→
Ireland	Dublin	Henry Street	Zone A €/sq.m/year	3,500	2.9%	183.7	1,775	↗
Ireland	Dublin	Grafton Street	Zone A €/sq.m/year	5,500	27.9%	320.0	3,091	↗
Ireland	Cork	Patrick Street	Zone A €/sq.m/year	1,900	5.6%	99.7	964	→
Ireland	Limerick	O'Connell Street	Zone A €/sq.m/year	550	10.0%	28.9	279	↗
Ireland	Waterford	Broad Street	Zone A €/sq.m/year	750	0.0%	39.4	380	→
Ireland	Galway	Shop Street	Zone A €/sq.m/year	1,500	0.0%	78.7	761	→
Italy	Rome	Via Condotti	€/sq.m/year	9,500	26.7%	983.4	9,500	↑
Italy	Rome	Piazza San Lorenzo	€/sq.m/year	6,000	0.0%	621.1	6,000	↘
Italy	Rome	Via del Corso	€/sq.m/year	4,300	0.0%	445.1	4,300	↑
Italy	Rome	Via Cola di Rienzo	€/sq.m/year	3,000	0.0%	310.5	3,000	↑
Italy	Rome	Piazza Di Spagna	€/sq.m/year	6,500	0.0%	672.8	6,500	↑
Italy	Milan	Corso Vittorio Emanuele	€/sq.m/year	5,500	0.0%	569.3	5,500	↑

GLOBAL RETAIL RENTS

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Italy	Milan	Via Montenapoleone	€/sq.m/year	10,000	25.0%	1,035.1	10,000	↑
Italy	Milan	Via della Spiga	€/sq.m/year	4,800	0.0%	496.9	4,800	→
Italy	Milan	Corso Buenos Aires	€/sq.m/year	2,200	0.0%	227.7	2,200	→
Italy	Milan	Corso Vercelli	€/sq.m/year	1,500	0.0%	155.3	1,500	→
Italy	Milan	Via Sant'Andrea	€/sq.m/year	5,500	5.8%	569.3	5,500	↑
Italy	Bologna	Galleria Cavour	€/sq.m/year	1,800	0.0%	186.3	1,800	↓
Italy	Bologna	Via Indipendenza	€/sq.m/year	2,200	0.0%	227.7	2,200	→
Italy	Bologna	Via Rizzoli	€/sq.m/year	1,600	0.0%	165.6	1,600	→
Italy	Naples	Via Roma/Via Toledo	€/sq.m/year	1,600	0.0%	165.6	1,600	→
Italy	Naples	Via Filangieri/Via dei Mille	€/sq.m/year	1,700	0.0%	176.0	1,700	→
Italy	Turin	Via Roma	€/sq.m/year	1,700	0.0%	176.0	1,700	→
Italy	Turin	Via Lagrange	€/sq.m/year	1,200	0.0%	124.2	1,200	→
Italy	Genoa	Via XX Settembre	€/sq.m/year	1,200	0.0%	124.2	1,200	↘
Italy	Florence	Via Tornabuoni	€/sq.m/year	2,700	0.0%	279.5	2,700	↑
Italy	Florence	Via Calzaiuoli	€/sq.m/year	3,100	0.0%	320.9	3,100	↗
Italy	Florence	Via Strozzi	€/sq.m/year	3,100	0.0%	320.9	3,100	↗
Italy	Florence	Via Roma	€/sq.m/year	4,000	0.0%	414.1	4,000	↗
Italy	Venezia	Mercerie	€/sq.m/year	3,100	0.0%	320.9	3,100	↘
Italy	Venezia	Calle Larga XXII Marzo / Calle San Moisè	€/sq.m/year	4,000	14.3%	414.1	4,000	↗
Italy	Verona	Via Mazzini	€/sq.m/year	2,200	0.0%	227.7	2,200	↑
Italy	Padova	Via Cavour	€/sq.m/year	1,500	0.0%	155.3	1,500	→
Italy	Bari	Via Sparano	€/sq.m/year	1,300	0.0%	134.6	1,300	→
Italy	Catania	Via Etnea	€/sq.m/year	900	-10.0%	93.2	900	→
Italy	Palermo	Via Ruggiero VII	€/sq.m/year	1,500	0.0%	155.3	1,500	→
Italy	Palermo	Via Libertà	€/sq.m/year	1,200	0.0%	124.2	1,200	→
Kazakhstan	Almaty	Gogol, Furmanov, Kabanbai Batyr	US$/sq.m/month	90	0.0%	100.3	969	→
Latvia	Riga	Kalku St./Valnu St./Audeju St./Terbatas St./ Kr.Barona St.	€/sq.m/month	30	7.1%	37.3	360	→
Lithuania	Vilnius	Gedimino Ave./Pilies St. Didzioji St.	€/sq.m/month	40	0.0%	49.7	480	↗
Luxembourg	Luxembourg City	Grand Rue	€/sq.m/month	135	8.0%	167.7	1,620	↗
Luxembourg	Luxembourg City	Avenue de la Gare	€/sq.m/month	70	0.0%	87.0	840	→
Macedonia	Skopje	Makedonija Street	€/sq.m/month	30	-14.3%	37.3	360	→
Netherlands	Amsterdam	Kalverstraat	€/sq.m/year	2,900	0.0%	300.2	2,900	→
Netherlands	Amsterdam	P.C. Hooftstraat	€/sq.m/year	2,050	2.5%	212.2	2,050	→
Netherlands	Rotterdam	Lijnbaan	€/sq.m/year	1,650	-8.3%	170.8	1,650	↘
Netherlands	The Hague	Spuistraat	€/sq.m/year	1,300	-7.1%	134.6	1,300	↘
Netherlands	Utrecht	Lange Elisabethstraat	€/sq.m/year	1,600	0.0%	165.6	1,600	→
Netherlands	Maastricht	Grote Staat	€/sq.m/year	1,600	3.2%	165.6	1,600	→
Netherlands	Eindhoven	Demer	€/sq.m/year	1,250	-10.7%	129.4	1,250	↘
Netherlands	Arnhem	Ketelstraat	€/sq.m/year	900	-18.2%	93.2	900	↘
Norway	Oslo	Karl Johan	Nkr/sq.m/year	25,000	0.0%	295.2	2,852	↗
Norway	Oslo	Bogstadt St.	Nkr/sq.m/year	12,000	0.0%	141.7	1,369	→
Norway	Oslo	Akersgata	Nkr/sq.m/year	12,000	0.0%	141.7	1,369	→
Norway	Oslo	Nedre Slottsgate	Nkr/sq.m/year	16,000	6.7%	188.9	1,825	→
Poland	Warsaw	Nowy Swiat	€/sq.m/month	85	0.0%	105.6	1,020	→
Poland	Warsaw	Chmielna	€/sq.m/month	70	0.0%	87.0	840	→
Poland	Warsaw	Al Jerozolimskie	€/sq.m/month	47	0.0%	58.4	564	→
Poland	Warsaw	Marszalkowska	€/sq.m/month	60	0.0%	74.5	720	→
Poland	Warsaw	Trzech Krzyzy	€/sq.m/month	58	5.5%	72.0	696	→
Poland	Krakow	ul Florianska	€/sq.m/month	72	-5.3%	89.4	864	→
Poland	Krakow	Rynek	€/sq.m/month	50	-2.0%	62.1	600	→
Poland	Katowice	ul 3 Maja	€/sq.m/month	50	-9.1%	62.1	600	→
Poland	Katowice	Stawowa	€/sq.m/month	39	-2.5%	48.4	468	→
Poland	Poznan	ul J H Dabrowkiego	€/sq.m/month	26	0.0%	32.3	312	→
Poland	Poznan	Sw. Marcin	€/sq.m/month	33	0.0%	41.0	396	→
Poland	Poznan	Polwiejska	€/sq.m/month	53	-3.6%	65.8	636	→
Poland	Lodz	ul Piotrkowska	€/sq.m/month	25	-3.8%	31.1	300	→
Poland	Wroclaw	ul Świdnicka	€/sq.m/month	40	0.0%	49.7	480	→
Poland	Szczecin	ul Niepodleglosci	€/sq.m/month	33	0.0%	41.0	396	→
Poland	Gdynia	ul.Swietojanska	€/sq.m/month	29	-3.3%	36.0	348	→
Portugal	Lisbon	Av da Liberdade	€/sq.m/month	88	6.1%	108.7	1,050	↗
Portugal	Lisbon	Chiado	€/sq.m/month	98	5.4%	121.1	1,170	↗
Portugal	Lisbon	Baixa	€/sq.m/month	60	9.1%	74.5	720	↗
Portugal	Oporto	Baixa (Rua de Santa Catarina)	€/sq.m/month	45	20.0%	55.9	540	→
Romania	Bucharest	Magheru Boulevard	€/sq.m/month	45	-10.0%	55.9	540	→
Romania	Bucharest	Calea Victoriei	€/sq.m/month	40	-11.1%	49.7	480	→
Romania	Brasov	Strada Republicii	€/sq.m/month	40	0.0%	49.7	480	→
Romania	Timisoara	Victoriei	€/sq.m/month	37	5.7%	46.0	444	↗
Romania	Iasi	Stefan cel Mare, Cuza Voda	€/sq.m/month	23	15.0%	28.6	276	→
Romania	Cluj	Memorandumului, Napoca, Eroilor	€/sq.m/month	37	0.0%	46.0	444	↗
Russia	Moscow	1st Tverskaya Yamskaya	US$/sq.m/year	1,150	-58.2%	106.8	1,032	→
Russia	Moscow	Arbat	US$/sq.m/year	1,850	-38.3%	171.9	1,660	→
Russia	Moscow	Garden Ring	US$/sq.m/year	1,100	-51.1%	102.2	987	↘
Russia	Moscow	Kutuzovskyi Prospekt	US$/sq.m/year	1,200	-52.0%	111.5	1,077	↘
Russia	Moscow	Kuznetskyi Most	US$/sq.m/year	2,150	-28.3%	199.7	1,930	↘
Russia	Moscow	Leningradskyi Prospekt	US$/sq.m/year	1,500	-11.8%	139.4	1,346	↘
Russia	Moscow	Leninskyi Prospekt	US$/sq.m/year	700	-39.1%	65.0	628	↘
Russia	Moscow	Prospekt Mira	US$/sq.m/year	1,250	-32.4%	116.1	1,122	↘
Russia	Moscow	Petrovka	US$/sq.m/year	3,250	-13.3%	301.9	2,917	→
Russia	Moscow	Pyatnitskaya	US$/sq.m/year	1,100	-45.0%	102.2	987	↘
Russia	Moscow	Stoleshnikov	US$/sq.m/year	4,250	-29.2%	394.8	3,814	↘
Russia	Moscow	Tverskaya	US$/sq.m/year	2,250	-43.8%	209.0	2,019	→
Russia	St Petersburg	Nevsky Prospect	US$/sq.m/year	1,000	-60.0%	92.9	898	↘
Serbia	Belgrade	Kneza Mihaila	€/sq.m/month	85	0.0%	105.6	1,020	→
Slovakia	Bratislava	Obchodna ulica	€/sq.m/month	44	10.0%	54.7	528	↗
Slovenia	Ljubljana	Slovenska ulica	€/sq.m/month	30	11.1%	37.3	360	↗
Slovenia	Ljubljana	Čopova	€/sq.m/month	60	9.1%	74.5	720	→
Slovenia	Ljubljana	Stari trg	€/sq.m/month	25	13.6%	31.1	300	→
Spain	Madrid	Serrano	€/sq.m/month	225	4.7%	279.5	2,700	↗
Spain	Madrid	Preciados	€/sq.m/month	250	4.2%	310.5	3,000	↗
Spain	Madrid	José Ortega y Gasset	€/sq.m/month	220	2.3%	273.3	2,640	→

GLOBAL RETAIL RENTS

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Spain	Madrid	Goya	€/sq.m/month	165	3.1%	205.0	1,980	→
Spain	Madrid	Princesa	€/sq.m/month	100	0.0%	124.2	1,200	→
Spain	Madrid	Gran Vía	€/sq.m/month	220	10.0%	273.3	2,640	→
Spain	Madrid	Fuencarral	€/sq.m/month	160	0.0%	198.7	1,920	→
Spain	Barcelona	Portal de L'Angel	€/sq.m/month	270	1.9%	335.4	3,240	↗
Spain	Barcelona	Passeig de Gracia	€/sq.m/month	230	4.5%	285.7	2,760	↗
Spain	Barcelona	Diagonal	€/sq.m/month	50	11.1%	62.1	600	→
Spain	Barcelona	Rambla Catalunya	€/sq.m/month	95	11.8%	118.0	1,140	→
Spain	Barcelona	Pelai	€/sq.m/month	175	2.9%	217.4	2,100	→
Spain	Barcelona	Portaferrissa	€/sq.m/month	160	6.7%	198.7	1,920	→
Spain	Seville	Tetuan	€/sq.m/month	125	4.2%	155.3	1,500	→
Spain	Bilbao	Gran Via	€/sq.m/month	125	0.0%	155.3	1,500	→
Spain	Valencia	Colon	€/sq.m/month	125	0.0%	155.3	1,500	→
Spain	Malaga	Marques de Larios	€/sq.m/month	150	3.4%	186.3	1,800	→
Spain	Palma de Mallorca	Jaime III	€/sq.m/month	95	11.8%	118.0	1,140	→
Spain	Zaragoza	Pl de la Independencia	€/sq.m/month	85	0.0%	105.6	1,020	→
Sweden	Stockholm	Biblioteksgatan	Skr/sq.m/year	14,900	0.0%	166.8	1,612	↗
Sweden	Gothenburg	Hamngatan/Ostra Nord	Skr/sq.m/year	8,100	0.0%	90.7	876	→
Sweden	Gothenburg	Kungsgaten	Skr/sq.m/year	8,100	0.0%	90.7	876	→
Sweden	Malmo	Hansakompaniet	Skr/sq.m/year	6,200	0.0%	69.4	671	→
Sweden	Malmo	Sodra Forstadsgatan	Skr/sq.m/year	6,100	0.0%	68.3	660	→
Sweden	Malmo	Triangeln	Skr/sq.m/year	5,000	0.0%	56.0	541	→
Switzerland	Zurich	Bahnhofstrasse	SFr/sq.m/year	9,000	0.0%	894.6	8,643	→
Switzerland	Geneva	Rue de Rhone	SFr/sq.m/year	4,000	0.0%	397.6	3,841	→
Switzerland	LaU.S.nne	Rue de Bourg	SFr/sq.m/year	1,500	0.0%	149.1	1,441	→
Switzerland	Bern	Spital-/Marktgasse	SFr/sq.m/year	3,100	0.0%	308.2	2,977	→
Switzerland	Basle	Freie Strasse	SFr/sq.m/year	2,700	-6.9%	268.4	2,593	→
Switzerland	Luzern	Weggisgasse/Hertensteinstrasse	SFr/sq.m/year	2,300	9.5%	228.6	2,209	→
Turkey	Istanbul	Istiklal Street	US$/sq.m/month	280	0.0%	312.2	3,016	↗
Turkey	Istanbul	Bagdat Caddesi	US$/sq.m/month	280	0.0%	312.2	3,016	→
Turkey	Istanbul	Abdi Ipecki	US$/sq.m/month	260	0.0%	289.9	2,800	→
Turkey	Istanbul	Valikonagi Caddesi	US$/sq.m/month	220	0.0%	245.3	2,369	→
Turkey	Istanbul	Rumeli Cadesi	US$/sq.m/month	145	0.0%	161.7	1,562	→
Turkey	Istanbul	Out of Town/ Suburban	US$/sq.m/month	60	0.0%	66.9	646	→
Turkey	Izmir	Alsancak	US$/sq.m/month	155	0.0%	172.8	1,669	→
Turkey	Izmir	Karşıyaka	US$/sq.m/month	135	0.0%	150.5	1,454	→
Turkey	Ankara	Kızılay Bulv.	US$/sq.m/month	175	0.0%	195.1	1,885	→
Turkey	Ankara	Tunalı Hilmi Street	US$/sq.m/month	165	0.0%	183.9	1,777	→
United Kingdom	London	City	Zone A £/sq.ft/year	260	4.0%	208.6	2,015	↗
United Kingdom	London	Croydon	Zone A £/sq.ft/year	170	0.0%	136.4	1,317	↗
United Kingdom	London	Sloane Street	Zone A £/sq.ft/year	825	3.1%	661.8	6,392	↗
United Kingdom	London	Brompton Road	Zone A £/sq.ft/year	850	25.9%	681.8	6,586	↗
United Kingdom	London	New Bond Street	Zone A £/sq.ft/year	1,400	12.0%	1,321.2	12,762	↗
United Kingdom	London	Oxford Street	Zone A £/sq.ft/year	950	16.6%	896.5	8,660	↗
United Kingdom	London	Regent Street	Zone A £/sq.ft/year	700	7.7%	660.6	6,381	↗
United Kingdom	London	Covent Garden	Zone A £/sq.ft/year	950	25.0%	762.0	7,361	↗
United Kingdom	Manchester	Market Square	Zone A £/sq.ft/year	260	4.0%	208.6	2,015	↗
United Kingdom	Birmingham	High St	Zone A £/sq.ft/year	225	0.0%	180.5	1,743	↗
United Kingdom	Bristol	Broadmead	Zone A £/sq.ft/year	145	-3.3%	116.3	1,123	→
United Kingdom	Leeds	Commercial Road	Zone A £/sq.ft/year	225	2.3%	180.5	1,743	→
United Kingdom	Newcastle	Northumberland	Zone A £/sq.ft/year	225	0.0%	180.5	1,743	→
United Kingdom	Cardiff	Queen Street	Zone A £/sq.ft/year	215	0.0%	172.5	1,666	→
United Kingdom	Edinburgh	Princes Street	Zone A £/sq.ft/year	200	5.3%	216.3	2,089	↗
United Kingdom	Glasgow	Buchanan Street	Zone A £/sq.ft/year	260	2.0%	281.1	2,716	↗
Ukraine	Kiev	Kreschatik Street	US$/sq.m/year	1,800	-36.2%	167.2	1,616	↘
Ukraine	Kiev	Gorodetskogo Street	US$/sq.m/year	1,440	-48.9%	133.8	1,292	↘
THE MIDDLE EAST & AFRICA								
Bahrain	Manama	Prime	BHD/sq.m/month	12	0.0%	35.5	343	→
Bahrain	Seef	Prime	BHD/sq.m/month	15	7.1%	44.3	428	→
Bahrain	Juffair	Prime	BHD/sq.m/month	18	0.0%	53.2	514	→
Israel	Tel Aviv	Dizengoff Street	NIS/sq.m/year	3,720	-3.6%	91.6	885	↘
Israel	Tel Aviv	Kikar Hamedina	NIS/sq.m/year	5,400	0.0%	133.0	1,285	→
Israel	Tel Aviv	Sarona Exclusive Park	NIS/sq.m/year	4,100	0.0%	101.0	975	→
Israel	Jerusalem	Mamilla	NIS/sq.m/year	4,200	0.0%	103.4	999	→
Israel	Jerusalem	King George Street	NIS/sq.m/year	3,600	0.0%	88.7	856	→
Jordan	Amman	City Centre (CBD)	US$/sq.m/year	450	12.5%	41.8	404	→
Lebanon	Beirut	Rue Verdun	US$/sq.m/year	950	11.8%	88.3	853	→
Lebanon	Beirut	Rue Hamra	US$/sq.m/year	850	0.0%	79.0	763	→
Lebanon	Beirut	Kaslik	US$/sq.m/year	850	0.0%	79.0	763	→
Oman	Muscat	High Street	OMR/sq.m/month	15	7.1%	43.4	420	→
Qatar	Doha	Prime	QAR/sq.m/month	300	7.1%	91.8	887	↗
UAE	Dubai	Prime - A	AED/sq.ft/year	550	0.0%	149.7	1,447	↗
UAE	Dubai	Sub Prime - B	AED/sq.ft/year	400	0.0%	108.9	1,052	→
UAE	Dubai	Secondary - C	AED/sq.ft/year	210	0.0%	57.2	552	→
UAE	Abu Dhabi	A	AED/sq.m/year	2,500	25.0%	63.2	611	↗
UAE	Abu Dhabi	B	AED/sq.m/year	1,500	15.4%	37.9	367	↗
UAE	Abu Dhabi	C	AED/sq.m/year	800	0.0%	20.2	195	→
UAE	Sharjah	A	AED/sq.ft/year	170	6.3%	46.3	447	↗
UAE	Sharjah	B	AED/sq.ft/year	130	8.3%	35.4	342	→
UAE	Sharjah	C	AED/sq.ft/year	90	0.0%	24.5	237	→
South Africa	Belleville	Durban Road	ZAR/sq.m/month	250	0.0%	23.0	222	→
South Africa	Cape Town	V&A Waterfront	ZAR/sq.m/month	1,200	0.0%	110.2	1,065	→
South Africa	Cape Town	St. Georges Mall	ZAR/sq.m/month	300	0.0%	27.6	266	→
South Africa	Johannesburg	Sandton City	ZAR/sq.m/month	1,000	0.0%	91.8	887	→
South Africa	Durban	The Pavillion	ZAR/sq.m/month	450	0.0%	41.3	399	→
South Africa	Durban	West Street	ZAR/sq.m/month	250	0.0%	23.0	222	→
South Africa	Pretoria	Menlyn Park	ZAR/sq.m/month	800	0.0%	73.5	710	→
South Africa	Claremont	CBD	ZAR/sq.m/month	350	0.0%	32.1	311	→

TECHNICAL SPECIFICATIONS

The information contained in this report has been collected as at June 2015, in a comprehensive survey of Cushman & Wakefield's international offices.

Our representation is designed to facilitate the rapid flow of information across borders and is supported by a comprehensive database of marketing information and regular liaison meetings. This allows for the exchange of local market knowledge and expertise and for the co-ordination of strategy for international investment and locational decision-making.

Data for retail rents relates to our professionals' opinion of the rent obtainable on a standard unit in a prime pitch of over 500 locations across 65 countries around the world. The report's analysis of rental performance does not include some of the locations listed in the 'Global Retail Rents' section due to the lack of an historical annual series. Service charges – such as building insurance, local taxes and costs of repair payable by the tenant – are not included.

In the dynamic international retailing sector, local market characteristics, technological advancements and the evolution of new retail formats are just several of the forces that affect the size and configurations of retail units. As a result, occupation costs vary from one country to another.

As far as possible, the objective is to provide a realistic comparison of these costs, but the exercise is constrained by a number of factors. These include differences in unit configuration, zoning practice and local lease structures – such as lease length, the inclusion of rent reviews to open market value and the right to assign the lease.

The format selection for each city is based on its dominance of the retail landscape and/or its status as the prime pitch/top destination in the city. The rents represent our agents' views as to what is consistently achievable for prime space; indeed, we do not quote asking rents for the highest rent obtainable. It is assumed that the unit is vacant and is available for letting on the open market, without any request for premium (key money). However, in many top locations around the world, vacant units are rarely marketed and substantial key money to sitting tenants is often payable.

Rents in most countries are supplied in local currency and converted to US$ for the purposes of international comparison. Rents in the UK, Channel Islands, France and Ireland are originally quoted in Zone A and are converted to an overall basis.

MAIN STREET DEFINITION

For the purposes of this survey, the standard main street unit is defined – where possible – as a unit with 150-200 sq.m of sales area. We could expect a unit to have a typical frontage of 6-8 meters. However, an element of flexibility is needed with the size definition, given that unit configuration varies from market to market. Assumptions regarding ancillary space follow local practice.

SHOPPING CENTRE DEFINITION

A shopping centre is defined as a purpose-built retail facility which is planned, developed, owned and centrally-managed as a single property. It typically has a gross leasable area (GLA) of over 5,000 sq.m and is comprised of over 10 retail units. However, an element of flexibility is needed concerning size and minimum number of units, given that they vary from market to market.

For more information please contact a member of our global Cushman & Wakefield research services.

CONTACTS

GLOBAL RETAIL SERVICES

Our specialist agents work together to deliver integrated and innovative solutions to each client, regardless of the size or scope of the assignment. We have real geographical coverage with an on-the-ground market presence and expert local knowledge.

Our teams have been created specifically to cater for the demands of international clients and cover geographic regions, shopping centres, out of town, leisure and restaurants, and lease advisory. Enhanced by our dedicated cross-border retail teams, we offer the widest range of services from any retail advisory company with true accountability and a clear understanding of our clients' needs.

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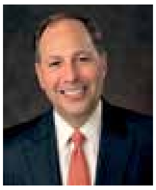

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OUR RESEARCH SERVICES

Cushman & Wakefield is known the world-over as an industry knowledge leader. Through the delivery of timely, accurate, high-quality research reports on the leading trends, markets and business issues of the day, we aim to assist our clients in making property decisions that meet their objectives and enhance their competitive position. In addition to producing regular reports such as global rankings and local quarterly updates available on a regular basis, Cushman & Wakefield also provides customized studies to meet specific information needs of owners, occupiers and investors.

ACCESSING CUSHMAN & WAKEFIELD RESEARCH

Cushman & Wakefield and DTZ have recently merged. We appreciate your patience as we integrate our legacy websites to create a new online presence. To access our industry-recognized research, please visit:

www.cushmanwakefield.com/research-and-insight

http://www.dtz.com/research

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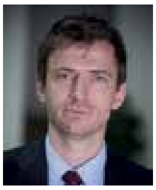

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The successful merger of Cushman & Wakefield and DTZ closed September 1, 2015. The firm now operates under the iconic Cushman & Wakefield brand and has a new visual identity and logo that position the firm for the future and reflect its trusted global legacy and wider history. The new Cushman & Wakefield is led by Chairman & Chief Executive Officer Brett White and Global President Tod Lickerman. The company is majority owned by an investor group led by TPG, PAG, and OTPP.

About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that helps clients transform the way people work, shop, and live. The firm's 43,000 employees in more than 60 countries provide deep local and global insights that create significant value for occupiers and investors around the world. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of $5 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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