

# SHOPPING CENTRE

# DEVELOPMENT

# SLOWS ACROSS EUROPE

Extensions to established shopping centres will be a significant driver of new floor space across Europe in the next two years, according to Cushman & Wakefield's European Shopping Centre Development Report

Shopping centres took up a total 159.4 million m<sup>2</sup> of space in Europe at the start of this year, with Western Europe accounting for 108.6 million m<sup>2</sup> and Central and Eastern Europe (CEE) taking the remaining 50.8 million m<sup>2</sup>.

This overall total represents a modest year-on-year increase of 4.5 million m<sup>2</sup> during 2016. Despite the cancellation of several projects, Russia was Europe's most active development market, adding more floor space (863,000 m<sup>2</sup>) in the second half of the year than Poland, France and Turkey – the next three countries by completions – combined (748,000 m<sup>2</sup>).

Looking ahead, the amount of new space set to be delivered in the next two years is estimated to reach 6.8 million m<sup>2</sup>. Since the Global Financial Crisis, Western Europe has lagged behind CEE in terms of new space added and while that will remain true in 2017, Cushman & Wakefield expects the former to re-emerge as the best-performing region in 2018.

Development activity is increasingly focusing on new formats with a stronger presence of food and beverage (F&B) operators and leisure and entertainment companies to increase footfall and dwell time and to capture more leisure spend.

## CAPITALISING ON TOURISM TO BOOST FOOTFALL

Amsterdam might be seeking to ban new shops targeting tourists in the city's historic centre, but across Europe shopping centre developers are making strategic decisions to build close to tourism hotspots. We look at two developments in Poland and Italy.

### MULTI POLAND'S NEW FORUM GDAŃSK TAKES SHAPE

Despite 95% of Gdańsk having to be rebuilt after the Second World War, this Baltic city is steeped in 20th century history, thanks to Lech Walesa whose Solidarity movement started a revolt that eventually led to the end of Communist rule in the country. Drive through the Polish city now and there's plenty of evidence of the city's shipyard heritage slowly being restored for future generations. Gdańsk is now part of what's known as the Tri-City, an urban complex including Gdańsk, Sopot and Gdynia ex-

MULTI POLAND'S NEW FORUM GDAŃSK







ECE'S ADIGEO, VERONA

## KEY HIGHLIGHTS

### 159.4 mln m<sup>2</sup>

total shopping centre floor space in Europe at January 1 2017

### 6.8 mln m<sup>2</sup>

amount of new space estimated to be delivered in the next two years

SOURCE: CUSHMAN & WAKEFIELD

tending along the Bay of Gdańsk on the Baltic Coast, and now one of Poland's largest tourist attractions. At the centre of the city of Gdańsk, reconstructed after World War II, shops and restaurants sit cheek by jowl on Długa Street (Long Street), alongside the celebrated Neptune Fountain, a 17th-century symbol of the city topped by a bronze statue of the sea god.

Here, developer Multi Poland is building the 62,000 m<sup>2</sup> Forum Gdańsk shopping centre in a public private partnership with the City. Straddling the city's canal, the new centre is taking shape on 5.5 hectares directly connected to the newly built communication hub: railway, tram and bus station as well as Old Town.

With around 200 shops, restaurants, a cinema, parking for 1,100 cars and a catchment area of 2.2 million, Forum Gdańsk has already attracted some of Europe's most active retailers ahead of its opening in the spring of 2018. H&M group brand '& Other Stories' will open its first store in Pomerania in Forum Gdańsk. The shop will occupy a two-storey unit comprising over 900 m<sup>2</sup>. Other brands which have committed to the centre well ahead of opening include Zara, Massimo Dutti, Media Markt, Mohito, New Look, Reserved and TK Maxx. Van Graaf, one of the largest multi-brand fashion houses, will open its first store in Gdansk.

In all, 179 of the 200 retail units have been leased. Jatom Fitness Gym will take a 1,556 m<sup>2</sup> space and F&B operators including Va Bene restaurant will move into the former nunnery and nursery at the heart of the site. The higher floors of this historic building will become unique boutique-style hotel rooms.

Acknowledging the legend of the Gdańsk lions, Multi Poland has commissioned well known artists to create a lion's head that will be installed 10 metres above the entrance overlooking the Piazza. A new tourist and cultural centre, 'Kunst Wodny', is expected to change the flow of people around the city.

## HOME OF ROMEO AND JULIET WELCOMES ADIGEO

ECE Projektmanagement has located its first shopping centre development in Italy in Verona. This tourist city is best known for being home to the legend of Romeo and Juliet and for its stunning Arena, a first century amphitheatre and the venue for the city's annual Summer opera festival.

Adigeo, ECE's new development which opened in March, isn't located in quite such a pretty environment – yet. However, Verona is growing and the former industrial site to the south of the city is now being absorbed into its expanding urban area. Named after the river Adige, Italy's second-longest river which flows through the city, the mall has become the leading centre in Verona, the developer says.

With a leasable area of 47,000 m<sup>2</sup>, more than 130 shops are trading well. There is parking for 2,000 cars and 16% of the retail space is dedicated to gastronomy. In fact, such was the demand for modern retail space in the city, that ECE had to add further space during the planning and construction phase to accommodate Primark as an extra anchor tenant, which boosted the retail space from 42,000 m<sup>2</sup> to its current 46,000 m<sup>2</sup>.

As ECE's first shopping centre development in Italy, the company looked at retail demand in and around Verona. 'We looked at brands which were hot, and which were not. The region was naturally Italian brand-dominated, so we brought in some new international brands which we felt would fit well,' said Klaus Striebich, managing director of leasing at ECE. New entrants included Snipes, the Dutch streetwear brand, and Superdry. ECE also did a deal with Deichmann, which was having problems finding the right stores. Other newcomers included the Inditex labels Oysho and Zara Home, JD Sports and Just Play It by Nike as well as Fielmann, Guess, Jack&Jones, Lego, New Balance and Tommy Hilfiger. ■