RETAIL NEWS

SECONDARY SHOPPING CENTRES

ISSUE 3

SHOPPING AROUND

Hark's solutions for town centres

BEST OF BREED

The second tier towns that are first choice for retail investors

BUYERS' RULE BOOK

Separating the winners from the losers

HEART OF THE MATTER

How Capital & Regional are reviving the community spirit

REASONS TO INVEST IN SECONDARY SHOPPING CENTRES

- GOOD LEVELS OF INCOME RETURN
- ABUNDANT VALUE-ADDED INITIATIVES
- CONTROL OVER THE RETAILING ENVIRONMENT
- DIVERSE TENANT MARKET
- POTENTIAL FOR ALTERNATIVE USES OFF LOW BASE VALUES
- MANY HAVE BEEN UNDER-MANAGED
- ATTRACTIVE FINANCING OPTIONS
- VACANCY CAN BE ACQUIRED CHEAPLY

SECONDARY SHOPPING CENTRES

Shopping centres are inextricably linked to the communities they serve. But more than just places to shop, they are places to meet and socialise, to work, enjoy leisure and entertainment and to attract new visitors and investment.

They are retail assets, but they are also community assets, and represent an important part in the fabric of our society. Stakeholders therefore have a social and financial responsibility to ensure that they flourish.

In recent years, however, the retail market – particularly the second tier of UK shopping centres – has suffered mixed fortunes. In this edition of Retail News, we set out to explain how the health of secondary shopping centres is key to our future prosperity, and why investors should be encouraged by the sector's potential.

Of the estimated 625 managed shopping centres in the UK (those exceeding 100,000 sq. ft.), no more than 100 should be categorised as 'prime', leaving a secondary market of over 500 assets.

Some industry observers have commented that many of these will be unlikely to survive the seismic change in shopping habits over the past few decades and that some will even become so-called 'Dead Malls', of the sort that have blighted the US retail landscape.

The peculiar complexities of the secondary market, combined with some alarming headlines about the over-supply of retail space in the UK, have fuelled uncertainty and deterred many investors from considering the sector over the past 10 years. But there are many investors who, with prudent judgement and advice, have continued to make significant returns from secondary shopping centres.

At Knight Frank we believe there is sound investment potential in this sector. Here we set out to provide a short but authoritative guide through an often hazardous retail environment that is perceived as something of a minefield.

We also welcome the views of two highly active and experienced players in the market. James Ryman offers an insight into Capital & Regional's investment strategy, and Mark Williams explains how The Hark Group are able to make such retail assets outperform.

CHARLIE BARKE

SURRENDERING VANITY FOR AFFORDABILITY

WORDS: STEPHEN SPRINGHAM

Head of Retail Research at Knight Frank, Stephen Springham makes a case for Investment.

In the dark years of the recession, a fellow property agent released the following statistic: a UK retailer needs only 90 stores to reach more than 50% of the population. Rightly or wrongly, this became widely adopted as a rule of thumb.

Implicitly, this statistic points almost exclusively to the prime retail property market – represented by the regional malls and the largest cities. By inference, if retailers focus purely on these prime locations, they will achieve the national coverage they so desire.

The methodology and data that underpin this assumption may be sound, but the mind-set behind it is deeply flawed. It's a 'top down' property view of the UK retail market, rather than the 'bottom up' view that a retailer should embrace.

In simple terms, a retailer should be targeting stores where it can generate the most profit, wherever that may be. The sales levels achieved and the extent to which national coverage is realised are subordinate to maintaining as profitable a portfolio as possible.

Are prime shopping centres the only place to be? Certainly not. That is not to detract from Bluewater, Westfield London et al. They remain 'best in class' shopping destinations in so many ways and rightly achieve phenomenal footfall and spend levels. The sales potential for retailers in prime schemes such as these is huge. However, this potential comes at a significant cost. Substantial rents (plus hefty service charges and business rates) can soon erode a seemingly robust sales figure.

Secondary shopping centres clearly offer a much more affordable option for retailers. Lower sales, but much lower occupancy costs, can lead to much higher profitability. This is a simple metric that is far more complex on the ground. 'Secondary' covers such a multitude of schemes in terms of size, age, town/location type, demographics and catchment dynamics. Understanding these and formulating an appropriate location plan is tantamount to navigating a potential minefield.

Is there a flight to secondary shopping centres and second tier towns among retailers? A flight would be an exaggeration, but there is certainly renewed demand from a number of quarters.

In part, this has been driven by the well-documented rise of the non-food value operators (e.g. Poundland, B&M, Poundworld) who have few pretensions as to where they trade, as long as they make money. As they have morphed from niche stores with an unhelpful stigma to become respected, mainstream operators, they have become a welcome adjacency for many other retailers. Where they go, others are keen to follow. Equally, Primark and TK Maxx are now firmly established as credible anchors to secondary schemes.

Demand for space in secondary schemes is not being driven exclusively by value operators. Major global brands such as H&M are increasingly recognising the affordability offered by less prime space and are expanding accordingly. They can happily trade amid the bright lights of the West End, be a major tenant in a Westfield scheme, but also make good money in a far less celebrated location (e.g. Brixton, Bangor, Preston).

They are not alone. A number of 'new breed' operators are also building up substantial portfolios away from the glare of prime. These include the Christo Wieso-backed

and Andy Bond-led fashion business Pep&Co, which has already expanded to over 50 sites in less than a year. A good example of an overseas retailer taking a holistic view of the UK retail market is Danish homewares business Tiger. Having entered the UK in 2010, around 75 stores are likely to be trading by the end of this year, with prime sites on Oxford Street, King's Road and at Stratford City, counterbalanced by less-heralded locations such as Lewisham, Luton, Hounslow, St Albans, Banbury, Carmarthen and Cwmbran.

In part, this reappraisal of secondary locations has been driven by the financial crisis. In the 'boom' years prior to 2008, many retailers became lax in their location planning, often overpaying for sites in a vain chase for space. Matters obviously came to a head during the lean years of the recession and many were forced to re-trench, some through the painful process of administration. The correction is, in many respects, still playing out, with retailers taking a far more pragmatic view at lease expiry. If the store isn't sufficiently productive or profitable, they will simply walk away.

> "Towns and centres that may not instantly be on the radar can stand up very well when the numbers are examined."

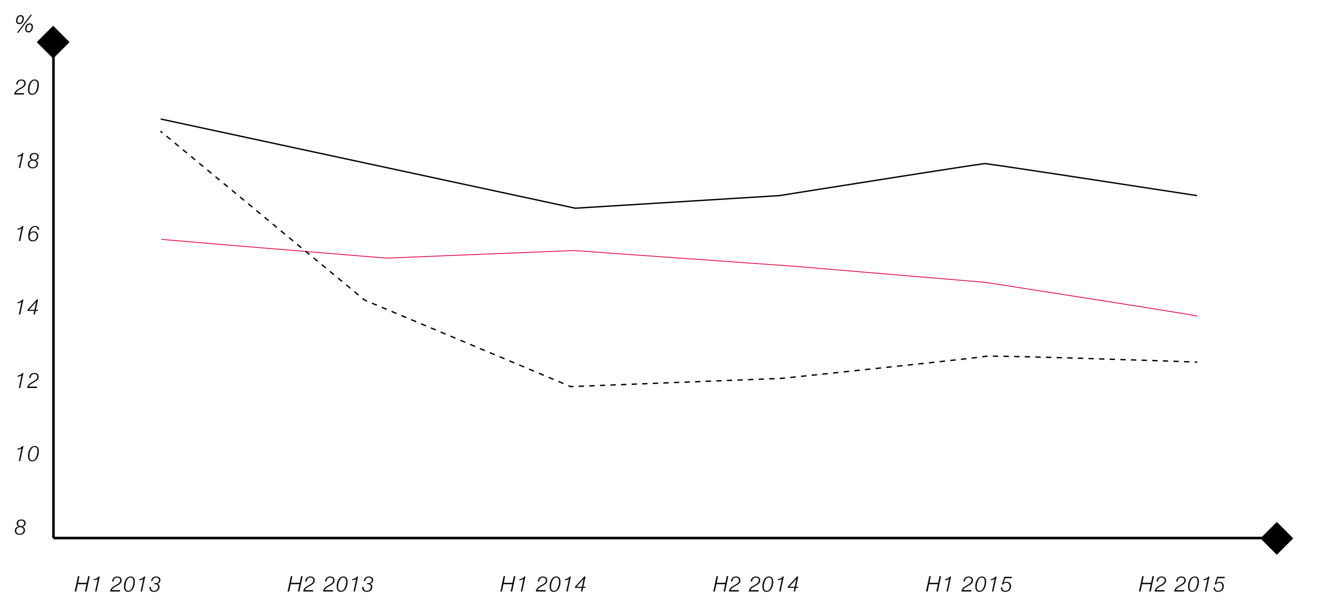
But one positive outcome from the recession is that retailers are taking a much more selective approach to location planning and are doing more homework on potential new sites.

This more rigorous approach can bring more secondary locations back into play. Towns and centres that may not instantly be on the radar can stand up well when the numbers are examined.

That is not to say that each and every secondary location is a potential goldmine. Many locations are off the retail radar for good reason, either because they are chronically over-shopped, blighted by huge vacancy rates, or declining / dying as a retail destination. However affordable these locations may be, there is simply not the footfall and trade potential to justify the set up and running costs of these expanding retailers. Likewise, the 'flight to secondary' among occupiers will not necessarily continue as a matter of course. In other words, retailers may not take space in secondary schemes and locations if the building stock itself is not to the required standard, as is often the case.

> "There is huge unlocked potential in many secondary assets, but investment on the part of landlords is often necessary if this potential is to be fully exploited."

SHOPPING CENTRE VACANCY RATES BY REGION



SOURCE: INVESTMENT PROPERTY DATABANK

A large proportion of secondary shopping centres were originally built in the 1970s and 1980s, the heyday of first generation development. Many are very tired and in need of investment. Landlords cannot necessarily expect retailers to beat a path to their door if they do not undertake the appropriate asset management and investment to make those centres modern and attractive to both shoppers and would-be tenants. There is huge unlocked potential in many secondary assets, but investment on the part of landlords is often necessary if this potential is to be fully exploited.

Given the scale and range of opportunities available, generalisations are difficult to make. That is just the point: each location and asset needs to be appraised on its own merits. This caveat notwithstanding, the following generalisations can be flagged as 'non-prime' locations offering the greatest opportunity:

– Market towns (e.g. Winchester, Salisbury, Market Harborough, Cheltenham, Chichester, Horsham)

Occupier perception (and demand) tends to be stronger for aesthetically pleasing 'middle England' locations, particularly from upscale operators willing to pay a rental premium. At the same time, large proportions of retail stock in these towns takes the form of historic (and compromised) high street units. Shopping centres in these towns could prove an opportunity.

– Demographic mis-matches (e.g. Ealing, Wandsworth, Bishops Stortford, Maidenhead, Bromley, Sevenoaks, East Grinstead, Woking, Camberley)

Retail centres that do not reflect the quality of the catchment that serves them. The local demographics are strong (either affluent or with a high propensity to spend), yet the retail proposition in the town itself may be modest. Intervention (and investment) may well be rewarded.

– Dominant scheme in a steady catchment (e.g. Lincoln, Hereford, Truro, Yeovil, Worcester)

Assets in towns with limited competition have effectively a captive audience, all the more so if they are the dominant scheme or 'only show in town'.

– Rough diamonds (e.g. Stoke-on-Trent, Doncaster, Darlington, Lancaster, Livingston)

Arguably the hardest sell to both investors and some retailers, there is also a raft of locations with the potential to deliver solid returns. These are unlikely to be affluent areas and may suffer from something of a perception problem. But on the plus side, their fundamentals may be strong – critical mass, high local population density and substantial shopper populations.

To further quantify the complexities in understanding the breadth of occupiers and the depth of choice of location they have, the consumer and market analysis company CACI identifies more than 3,200 distinct retail centres in the UK, which excludes retail parks and food stores. These range from Primary Centres (45) and Regional Malls (13) through to Local (1,000+) and Rural Centres (530+). On the occupier side, Experian's Goad system lists over 2,300 retail/leisure multiples, each operating two or more locations.

Horses for courses. One man's trash is another man's treasure. Whatever the most appropriate idiom is, these figures paint a much richer and truer picture of the retail landscape than the contention that a retailer can reach 50% of the population through a network of just 90 stores.

PRIME AND PRIDE IN THE COMMUNITY

WORDS: JAMES RYMAN

James Ryman, Investment Director of Capital & Regional, explains why the company's shopping centre schemes are a vital part of the communities they serve.

Capital & Regional is a UK-focused property REIT specialising in dominant community shopping centres. We invest in centres with strong cash generating characteristics and future growth potential. Our portfolio extends to nine centres across the UK, with more than 4.6 million sq ft of floor space, including the recent addition of The Marlowes Shopping Centre in Hemel Hempstead.

Our schemes sit at the heart of their towns, acting as a focal point for the community. They typically dominate the landscape, with excellent transport connectivity, helping to serve a loyal customer base of regular visitors.

We aim to create great places and experiences for our customers and profitable environments for our retail and leisure partners. We look to deliver convenience, affordability and a sense of place for the whole community, with an extensive and quality range of retail, leisure and ancillary services.

Importantly, we recognise the need to invest in our assets, helping them to evolve so they remain relevant in a changing sector. We see effective evolution and associated investment as key to capturing sustained performance in the future. The nature of the assets we target provides significant scope for active management, ensuring that we can constantly refresh and improve the offer to both retailers and shoppers.

We currently have an ongoing capital expenditure programme that will see £65m of investment in our centres, delivering transformational changes that will help the assets thrive. With this investment programme, we believe such properties make good investment propositions.

For example, we have recently completed a £4m refurbishment in The Mall, Walthamstow, aligning the scheme with the demographic and gentrification trends emerging in the Borough of Waltham Forest. This investment has been a catalyst for immediate improvements in tenant mix, with new MSU stores created for TK Maxx and Sports Direct.

We are also underway with a similar transformational refurbishment at The Mall, Maidstone, and that has already led to a new 33,000 sq ft letting to TJ Hughes.

While retail is at the core of our centres, we recognise that it is important to have a significant proportion of other uses beyond retail. This now accounts for more than one quarter of our total ERV.

Leisure is an increasingly important element of the mixed use environments, giving greater reasons to visit our schemes and increasing dwell time. Our overall leisure provision across our core portfolio has increased by 25% over the last 12 months to now account for more than 8% of total ERV. We will have delivered five new gyms over the last 24 months and we have just concluded terms with Travelodge for a 78-room hotel.

Physical changes are, however, only half of the story for securing continued success. Landlords must embrace the opportunities that multi-channel trading can provide as part of a cohesive offer for shoppers. More than 70% of our retailers offer Click & Collect services from their stores. In addition, we offer a related service, handling deliveries and returns from our Information Points for retailers and retail businesses not present in our schemes (or towns). These ideas offer opportunities to increase visitor frequency to centres and help to access new shoppers, whose visits are often converted into a wider shopping trip.

Looking ahead, we are excited by the prospects these 'community prime' assets provide. Active management is a prerequisite to ensure they evolve with the changing retail and leisure landscape. However, with affordable rents, significant footfall and a scale that provides plenty of opportunity for flexibility, the fundamentals for growth are ingrained.

James Ryman

"While retail is at the core of our centres, we recognise that it is important to have a significant proportion of other uses beyond retail."

SHOPPING AROUND FOR THE RIGHT LOCATION

WORDS: MARK WILLIAMS

Mark Williams, Director of The Hark Group and Vice President of BCSC, advises us not to overlook the town centre when considering where to invest in retail assets.

> “Clearly, repositioning comes at a price. Today’s occupational costs have to reflect the world we live in.”

Where to invest in retail properties? For those who believe everything they read in the press, the answer might be an unequivocal ‘why bother?’

Yet despite what the media might have us believe, the reality is that there is a thriving retail environment in the UK – albeit one that has dramatically changed over the past 10 years.

Shoppers continue to gravitate to the ‘super prime’ locations for high value spends in a ‘retail tourist’ destination. But it should not be forgotten that they also continue to live, work and shop in their own communities – frequently located in town centres. If these locations have failed to give them what they want, their shopping centres have inevitably withered on the retail vine.

> “The simple truth is that many assets are in the right place and just need investment and repositioning to satisfy the communities they serve.”

But the simple truth is that many assets are in the right place, and just need investment and repositioning to satisfy the communities they serve. It is this area that Hark Group focuses on.

As an added value player, the company targets assets that, through research, investment, collaboration, energy and drive, can be adapted to meet the long-term needs of its customers. These needs can be defined as: choice, convenience, value and entertainment.

As asset managers, Hark have been working in partnership with Infrared Capital Partners (IRCP), which bought the Mill Gate shopping centre in Bury in 2014. Severely diminished by the recession and other economic factors, the centre had lost its anchor and was 35% void. Following a major review of the tenant mix (including two new anchors) and substantial new investment, it is now 99% let, footfall is up by 600,000 and more than 400 new jobs have been created. Mill Gate now sits at the heart of the community, vindicating a strategy of acquiring and reinvigorating dominant town centre assets.

To give another example, Clayton Square in Liverpool was another failed secondary shopping centre in the heart of the city. Again working with IRCP, Hark made extensive physical changes to convert it into a group of famous high street names including a 60,000 square feet flagship Boots (their largest single-level store in the world), Wildwood, easyGym and Morrisons. Service charges were halved, the centre is now virtually fully let and Clayton Square has become a prime city centre investment.

Clearly, repositioning comes at a price. Today’s occupational costs have to reflect the world we live in. But having rebased an asset and with business rates set to fall, the opportunity for growth is good. Thriving community centres are exactly where I would want to see my pension invested.

Mark Williams

A SUITABLE CASE FOR INVESTMENT?

WORDS: MARK SMITH

Mark Smith, Partner at Knight Frank Investment Team, considers whether shopping centres look "cheap" from a historical perspective when compared to other sectors?

Uniquely, Knight Frank's Retail Investment Team sits in a cross-sector Capital Markets Group. Whilst working day-to-day with our thriving Retail department, we also sit together with investment colleagues dealing in other sectors and, as a consequence, have regular internal and external meetings that allow us access to the latest activities and trends across asset classes.

To be blunt, excluding the relatively small number of transactions involving the top regional or Central London schemes (five of 84 transactions), 2015 was a depressing year for the retail sector. Other sectors enjoyed a return to rental growth, which retail did not. As a result, and hardly helped by headlines that erroneously predicted the 'death of the high street', UK institutions put retail – and in particular secondary shopping centres – at the bottom of their requirements list and the sector duly underperformed.

Yields in the industrial and office sectors contracted and, as investors sought to determine where value could be found, these sectors traded at yields significantly below their long term IPD average.

In contrast retail traded at a 10bps discount, dragged largely by secondary shopping centres finishing 2015 at a higher yield than they started at.

So, are secondary shopping centres now where the value lies? A run through the statistics lends credence to our view that the sector offers good value opportunities.

At present secondary schemes are trading at a discount of over 50bps to their 10-year average. This compares with other shopping centre categories – prime and 'regionally dominant' – which are trading at 110bps and 125bps premium respectively.

> "Hardly helped by headlines erroneously predicting the 'death of the high street', UK institutions put retail, and in particular secondary shopping centres, at the bottom of their requirements list."

The difference is even more pronounced across the sectors. Secondary Industrial estates are trading at a 135bps premium to their 10 year average whilst secondary offices are trading at 75bps premium.

It is unsurprising because the growth in rents for offices and industrial have been well publicised over the past two years. Retail has shown minimal rental growth and is still at a 7.50% discount to the long term IPD average stretching back to 1980.

But is recent past behaviour the best predictor of the future? Do yields reflect a structural oversupply in retail and the lack of future growth potential?

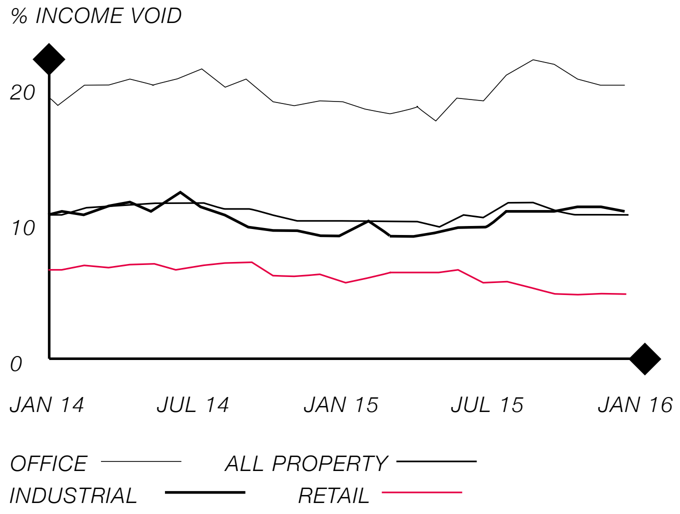
The fact is that retail now has the lowest vacancy rates of any of the three sectors highlighted. Furthermore, as one prominent asset manager put it recently: "We have seen a staggering improvement in the terms we are agreeing with retailers across our portfolio over the past year". Charlie Barke's following article further negates the predicted death of the high street, with physical presence and e-commerce sales proving to be mutually beneficial.

So yields look attractive relative to both historical levels and other sub sectors. Vacancy is comparatively low and, where rents have been rebased, these are at levels lower than any other sub sector when compared to the average. Combine this with a growing appetite for space from the repositioned occupiers and the forthcoming rates revaluation – which will mirror the underperformance and therefore benefit secondary shopping centres – and the sector looks well positioned to see rental growth.

However, as Charlie will emphasise, finding value requires good management, sticking to certain rules, and ultimately applying experienced judgement.

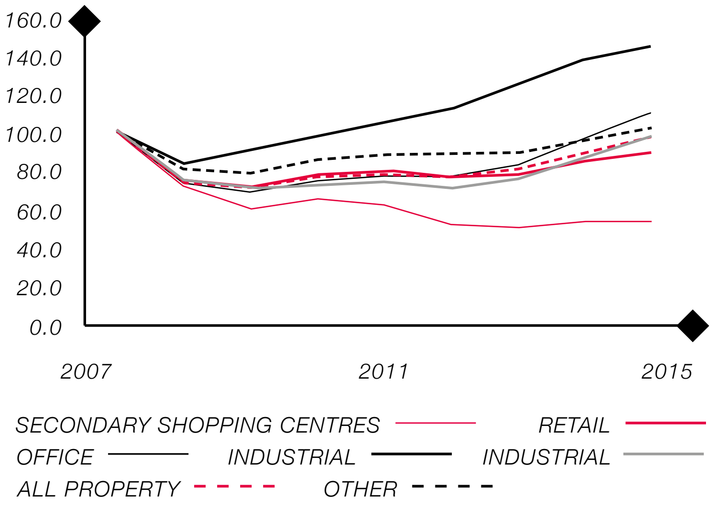
Secondary shopping centres have been unfairly stigmatised by damaging headlines and a presumption that recent trends will continue indefinitely. The long-term statistics show that there is value in the sector. Not everything that glitters is gold and not every secondary shopping centre is in a downward spiral.

VOIDS AS A PERCENTAGE OF INCOME
JAN 2014 – JAN 2016



SOURCE: INVESTMENT PROPERTY DATABANK

CROSS SECTOR CAPITAL VALUE
PERFORMANCE SINCE 2007 PEAK



SOURCE: IPD UK ANNUAL PROPERTY DIGEST 2015 / KNIGHT FRANK

NAVIGATING THE MINEFIELD

WORDS: CHARLIE BARKE

Charlie Barke, Head of Shopping Centre Investment at Knight Frank, sets out the guiding principles for investing in secondary shopping centres

There is little doubt that our shopping habits have changed dramatically over the past 10 years. Few of us would bet against this fundamental shift in retail culture continuing at a similar pace over the next decade.

However, now the need for "clicks" to work alongside "bricks" is being increasingly embraced rather than resisted. This is a critical step change in the retail environment and underpins a growing confidence that there is a sound future in shopping centre investments.

But potential investors might ask how many of the estimated 500-plus secondary shopping centres in the UK face the prospect of becoming the sort of 'Dead Malls' as many have in the US? In reality, this is likely to be a very small percentage. Even in the absence of a vigorous and proactive repositioning, we suspect that most centres will find a role to play – even if the weakest may experience high vacancy rates and low rents.

> "It is only in the past few years that landlords have been able to justify injecting meaningful capital into these assets to enhance returns."

However, a combination of modest survival and lack of ambition is unlikely to encourage investment or deliver acceptable performance.

This begs the question: how many of these 500-plus centres need a radical re-think if they are to be seen as sound commercial investment propositions? That is a higher percentage, which could be as high as 50%.

How many of these centres need significant capital expenditure if they are to thrive in the changing retail landscape? That could be at least 75%.

Many of these secondary centres have suffered years of under-investment, and the chickens are coming home to roost.

In 2000-2007, most investors saw exceptional returns and there was a reluctance to dilute those returns by re-investing the proceeds into the assets.

In 2008-2012, the rug was pulled from beneath many investors, who consequently suffered extensive losses. This also made it hard to justify further capital outlay.

It is only in the past few years that landlords have been able to justify injecting meaningful capital into these assets to enhance returns. While many purchasers plan to make capital commitments at the outset, as yet only a few have followed through with their resolutions.

So is the sector really a minefield for prospective investors? For the ill-informed and ill-advised, the answer is almost certainly yes. There are mistakes to be made, some obvious and some harder to determine at the outset. But for the investor who has a carefully deliberated approach, a clear understanding of the sector and a willingness to seek advice from a well-qualified expert, there are some good returns to be made.

MULTI-CHANNEL RETAILING

E-COMMERCE STATISTICS INCLUDE ALL OF THESE ROUTES TO THE CONSUMER AND MORE, MOST OF WHICH STILL UTILISE SHOPS AS PART OF THE CHAIN.

The answer to sustained success increasingly lies in understanding the changes in shopping habits, principally with the dynamic growth of e-commerce.

E-commerce covers a multitude of retailing avenues and most of today's leading retailers are now omni-channel, focused on the benefits of synergy between online retailing and physical retailing space.

When assessing a centre, the principal question should be: "Does this destination have a reason to exist in the future?" Ideally the answer should provide reasons to visit beyond just a traditional shopping trip.

> "Many of these secondary centres have suffered years of under-investment and the chickens are now coming home to roost."

Time is an ever more precious commodity and if one can browse, try, buy, collect or return goods en route to or from another daily purpose, then the location is likely to be more successful in the future.

Centres that have a second and even a third reason for customers to be in the location are better prospects. Typically these might include supermarkets, cinemas and restaurants. But proximity to major public transport interchanges should also rank highly in any tick list of selection criteria, as should easy access to a health centre, gym, theatre, schools – anything that invites a shopper to visit while going to or from another destination. Lastly, car parking must be plentiful, accessible and affordable, to facilitate quick collections/returns and more comprehensive shopping trips.

In addition to this core principle, there needs to be an acute awareness of the demand/supply balance in the context of available retail space and affordability, and a close assessment of required capital expenditure.

Much of this is common sense. Yet mistakes are too often made, challenges underestimated and circumstances wrongly appraised.

But with careful assessment, sound principles and good supporting advice, secondary shopping centres can continue to bring excellent rewards.

TOP 10 PRINCIPLES FOR INVESTING IN SECONDARY SHOPPING CENTRES

1	HAS THE CENTRE GOT A REASON TO EXIST IN THE FUTURE?	Is there a need for retailing in this location – e.g locational dominance, transport interchange, other incentives to visit?
2	ARE THERE MULTIPLE REASONS FOR PEOPLE TO BE IN THE AREA?	Shopping alone isn't enough to draw people these days. Is there an attractive A3 offer, busy public transport hub, major office park nearby etc.?
3	IS THE RETAIL SUPPLY CHAIN IN THE AREA STABLE?	Some of the biggest underperformers have seen assets undermined by new centres built nearby.
4	IS CURRENT FOOTFALL STABLE?	Look for stability – it is always hard to judge how far a centre will fall when it's still falling.
5	ARE THE EXISTING RETAILERS PROFITABLE?	If a centre isn't working now, are you confident of changing it sufficiently to make a sustainable difference?
6	IS THE CAPITAL EXPENDITURE FULLY AND ACCURATELY APPRAISED?	Underestimating the capital expenditure is a easy mistake to make. Check that there is capital to keep the building running, capital to improve it and capital to pay to tenants (existing and prospective).
7	ARE EPC RATINGS ACCEPTABLE?	Poor ratings, especially against vacant units, could cost the landlord capital expenditure in the future.
8	ARE SERVICE CHARGES (PER UNIT PER ANNUM) AFFORDABLE?	Make sure you are aware of total occupational costs to a retailer when assessing whether a unit is lettable.
9	HAS THE ASSET BEEN IN OWNERSHIP THAT HAS UNDER-MANAGED THE CENTRE?	Genuinely under-managed assets (esp. where landlord capital has been restricted) can offer easy and quick wins to drive returns.
10	HAS THE ASSET BEEN TRADED REGULARLY?	Conversely, assets that have changed hands regularly might have had the quick wins squeezed out. In addition, this may suggest that delivering the business plan is harder than one thinks.

COMMUNITY, CONVENIENCE, SECONDARY: HOW SHOULD WE DESCRIBE THOSE ASSETS THAT SIT OUTSIDE THE DOMINANT PRIME BAND?

Shopping centre specialists have, for some time, been driving a change in terminology for the broad class of shopping centres covered by the term "secondary".

The term "secondary" carries the inference of being inferior and therefore less strong, perhaps the "second" scheme in a town behind its superior prime neighbour. However, there are a number of other types of centre covered within this class and some arguably make better investment propositions than the prime regional alternatives.

In this document we have continued to use the term "secondary" to cover the wide range of non-prime assets available. This description includes "community prime" assets that dominate smaller catchments, "convenience" centres that serve the daily needs of the local population, "discount centres" that offer value retailing and, of course, those centres which play second or even third fiddle to their bigger, stronger neighbours.

The terminology makes for easier comparison across non-retail sectors and allows us to capture all assets beyond the dominant prime band.

Charlie Barke
Head of Shopping Centre Retail Investment
P: +44 207 861 1233
M: 07793 808 027
E: charlie.barke@knightfrank.com
55 Baker Street London W1U 8AN United Kingdom

KNIGHT FRANK RETAIL TEAM

Knight Frank are making a renewed commitment to Retail. Our rapidly expanding team covers Capital Markets, leasing, development, professional and research.

Recent recruit Charlie Barke joins from Cushman & Wakefield with over 15 years' experience in the Shopping Centre Investment market. Working with fellow Capital Markets' Partner Mark Smith, their combined market knowledge and commitment to provide best in class advice leave them well placed to advise investors on any shopping centre opportunity across the U.K.

On the leasing side we welcome Rowen Grandison to head up the Shopping Centre leasing team. Rowen joins with 20 years' experience in retail leasing (CBRE, Donaldsons, DTZ and C&W). His experience and first class knowledge of the shopping centre market will be incredibly valuable to our clients and Rowen will be working closely with Charlie Barke's Capital Markets team.

Rowen will be joined by another new recruit David Legat, who also joins as a Partner from Cushmans. Together they will work with the existing team, including Mike Wimble and Alex Munro, ensuring comprehensive occupational advice is delivered to retailers, landlords and investors.

If you would like to discuss any retail opportunities further or to hear more about this growing team please contact any of the team members listed.

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