

The sector indicators are compiled quarterly from a detailed and exhaustive study prepared by experts in the Knight Frank Spain office and are based on real data and market trends.

Retail Snapshot

Q42021

RETAIL NEW OPENINGS



MADRID

DOÑA TOMASA
Velázquez

200 sq m

CARTIER
Canalejas

170 sq m

DYLLAN TRAVEL
Bravo Murillo

165 sq m



REST OF SPAIN

LEGO
Barcelona

800 sq m

SCALPERS
Pamplona

480 sq m

DECATHLON
Pamplona

318 sq m

Situation in Spain

The IMF estimates that the Spanish GDP will close the year with a growth of 4.6%. By 2022, the economy is expected to grow by 5.8%, making it one of the countries with the best projections within the Eurozone.

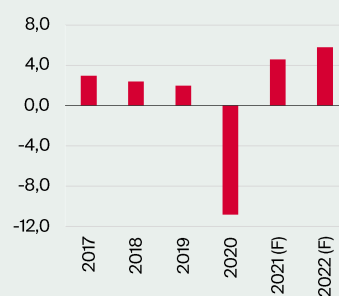
Although the tourism sector has been particularly affected by the health crisis, the latest figures show an upward trend in average spending per person. In October, average spending per tourist reached €1,100 per person, recovering spending figures like those recorded in the years prior to the health crisis.

CCI although it has not yet reached values above 100, registers better data than in the previous year, having reached around 85 points in the month of November, compared with almost 56 in the same month of 2020.

Ecommerce continues to stand out among consumer channels. 90.7% of households have made an online purchase in the last three months, with the autonomous communities of Madrid and Catalonia standing out.

Spain GDP

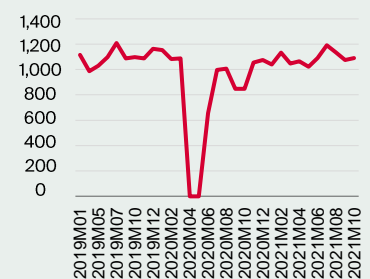
2017 - 2022 (forecast), y-o-y



Source: IMF

Average tourist spend

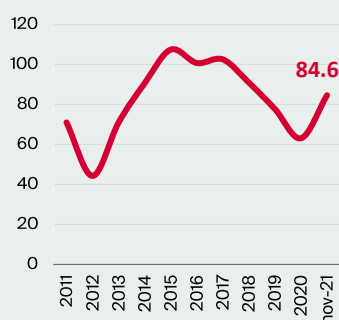
2019 - Oct 2021. €



Source: INE
* Covid restrictions

Consumer Confidence Index

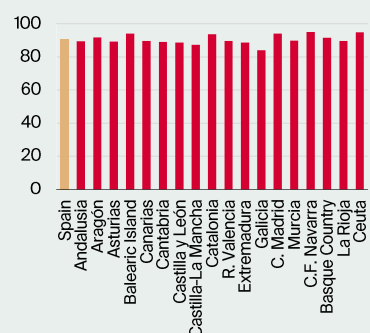
2011 - Nov 2021



Source: CIS

Online shopping (last 3 month)

People from 16 to 74 years. (%)



Fuente: INE

Retail investment in Spain

The fourth quarter of the year recorded an investment volume of almost €270 million, bringing the year-end cumulative investment to €1.1 billion.

Supermarkets continue to be the segment with the largest investment at year-end with more than 50% of the total for 2021. The leadership of supermarkets is closely followed by investments in retail outlets with almost 30% and investments in retail parks with 16% of the total.

Prime yields remain stable, although there is still a certain level of underperformance to show for it. In other European cities, a similar trend in retail investment can be observed as discussed above.



TOP 3 DEALS Q4 2021

CATALUÑA

30 SUPERMARKETS
VENDOR: MERLIN PROPERTIES
PURCHASER: REALTY INCOME
€110 M 1,986 €/sq m

Source: ObservatoriInmobiliario

VARIOUS

CARREFOUR SUPERMARKETS
VENDOR: N.A
PURCHASER: REALTY INCOME
€64 M N.A €/sq m

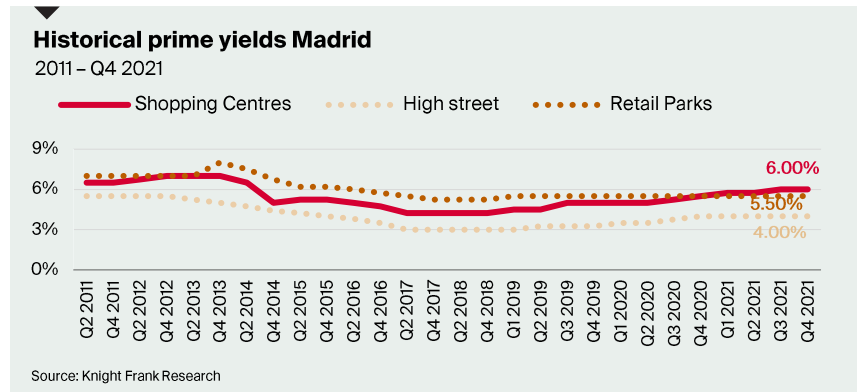
Source: EjePrime

BASQUE COUNTRY

IBERDROLA HS
VENDOR: IBERDROLA
PURCHASER: PAGODA CAPITAL
€7 M 2.500 €/sq m

Source: Brainsre

The socimi specialising in the acquisition and management of tertiary assets, Merlin Properties, has signed an agreement with Realty Income to purchase a portfolio for a value of €110 million, entirely located in Catalonia. The US asset manager reaffirms its interest in the Spanish market with the purchase of another portfolio leased to Supermercados Carrefour, which was another of the most important transactions of the quarter, worth €64 million.



EUROPEAN PRIME YIELDS

LATEST AVAILABLE DATA Q3 2021	SHOPPING CENTRE	RETAIL PARK	HIGH STREET
BRUSSELS	=5.25*	= 6.25	=4.75*
LONDON	n.a	n.a	=3.50
BERLIN	=4.25	↓4.15	=3.00
DUBLIN	=5.50	=5.75	=4.75
PARIS	=4.25	=5.25	=3.00

Source: Knight Frank Research
*Q1 2021 data

COVID-19: Across Europe and beyond, market activity is being impacted in all sectors due to the Novel Coronavirus (COVID-19) outbreak. As at the date of this report, we consider that we can attach less weight to previous market evidence for comparison purposes, in providing our opinions on the market. Given the unknown future impact that COVID-19 might have on the real estate market and limited recent comparable data, this report is meant to provide market insights as we see them at this time but we wish to highlight the material uncertainty which may cause swift changes in the market. Please get in touch with our team if you would like to discuss in further detail or receive an update regarding market conditions.

Retail

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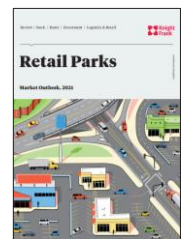
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Recent Publications



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