



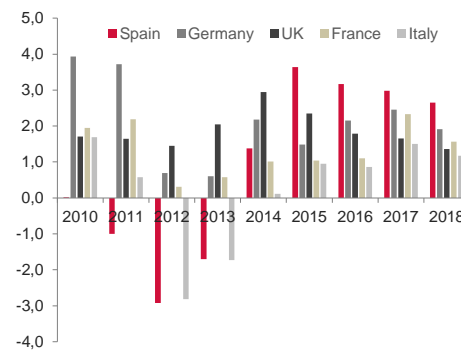
# RETAIL SNAPSHOT

Q4 2018

## SITUATION IN SPAIN

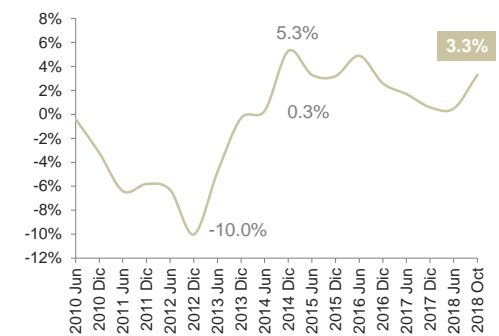
- Economic growth goes from strength to strength. Amongst other factors, GDP growth continues to cement its position above the European average, with Spain closing 2018 at a rate of 2.7%, above countries such as Great Britain, France and Germany, none of which reached 2%.
- Flagship stores continued to attract both investors and specialist operators, some of which utilised this trend as a marketing strategy to expand their brand in the most sought after commercial areas, exemplified by the recent opening of Johnnie Walker's first flagship store or the future launches of Huawei and Primor.
- Footfall closed the year with greater values than at the start of 2018; equally, this increase was supported by positive figures seen in retail trade.
- Tourist spending in 2018 has registered a growth of almost 3% when compared to the same period last year. The Madrid Region continues to have a higher average spend than Catalonia, at a rate of around 20%.

GRAPH 1  
**European GDP comparison**  
2010 - 2018



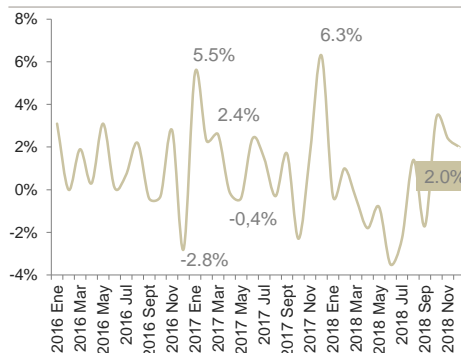
Source: IMF

GRAPH 2  
**Retail market**  
Transaction figures. Y-o-y (%)



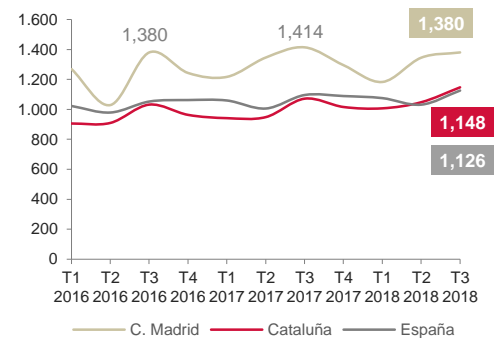
Source: INE

GRAPH 3  
**Footfall**  
Y-o-y (%)



Source: Shoppertrak

GRAPH 4  
**Average tourist spend**  
2016 - 2018 (€)



Source: INE | IET

GRAPH 5  
**Opening of flagship stores**  
Recent and future launches



**MUJI**  
Pº de Gracia 21, Barcelona  
GLA: 1.500 sq m  
November 2018



**JOHNNIE WALKER**  
Serrano 2, Madrid  
GLA: 842 sq m  
November 2018



**HUAWEI**  
Gran Vía 48, Madrid  
GLA: 1.400 sq m  
Q1 2019



**PRIMOR**  
Puerta del Sol 11, Madrid  
GLA: 1.100 sq m  
Q1 2019

# RETAIL INVESTMENT IN SPAIN

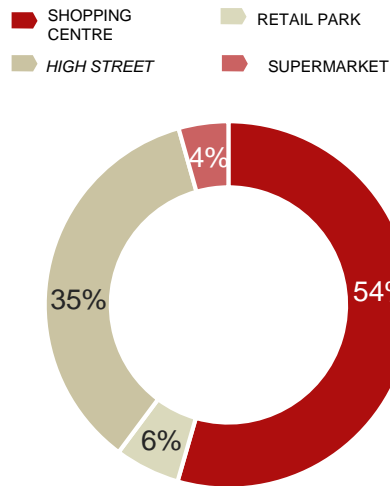
- Investment volume in 2018 was estimated at c. €3.7 billion, driven mainly by Shopping Centre and High Street investment.

- Investment interest in Shopping Centre retail continued to prompt large transactions, such as with the sale of Cartera Summit; Gran Casa, Max Center and Valle Real. Previously a joint venture between Sonae Sierra and Cbre GI, it now has 87% of its share managed by JT Real Estate with a smaller collaboration from Sonae Sierra.

- High Street investment experienced significant growth in 2018, totalling around €1.3 billion, a figure 84% higher than the previous year.

- There is increasing appetite amongst investors for retail parks and stand alone retail warehousing in good locations that lend themselves to last mile delivery points.

GRAPH 7  
**Retail investment**  
2018



Source: Knight Frank Research

GRAPH 8  
**European prime yields**  
Latest available data

	SHOPPING CENTRES	RETAIL PARKS	HIGH STREET
Brussels	= 4.25	= 5.00	↑ 3.75
London	= 4.50	↑ 5.00	↑ 3.15
Amsterdam	= 4.75	= 5.50	↓ 3.00
Frankfurt	= 3.75	↓ 5.00	= 3.60
Berlin	= 3.75	↓ 5.00	↓ 2.50
Paris	= 4.25	= 5.00	↑ 2.90
Dublin	= 4.50	= 5.25	= 3.50

Source: Knight Frank Research

GRAPH 9  
**TOP3 | Investment transactions**  
Q4 2018

## CARTERA SUMMIT

VENDOR: SONAE SIERRA & CBRE GI  
PURCHASER: SONAE SIERRA & JT REAL ESTATE

€485 m | 184,400 sq m

## C.INGLÉS (PARQUESUR Y LA VAGUADA)

VENDOR: EL CORTE INGLÉS  
PURCHASER: UNIBAIL RODAMCO

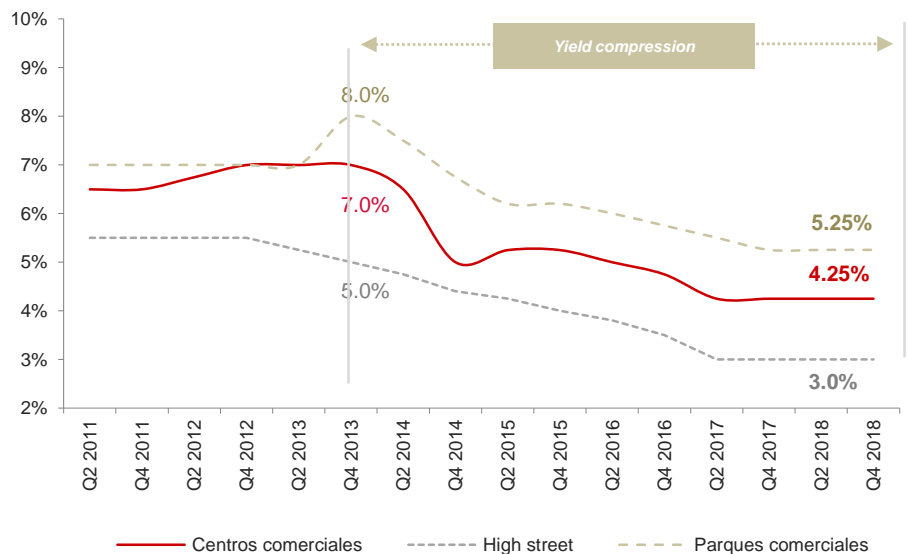
€160 m | 40,200 sq m

## EDIFICIO ESPAÑA

VENDOR: RIU  
PURCHASER: CORPFIN (INBEST REAL ESTATE)

€160 m | 15,000 sq m

GRAPH 10  
**Historical prime yields**  
2011 - 2018



Source: Knight Frank Research



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