2022 Predictions for Consumer, Occupier and Investment Markets

No alarms and no surprises. Please.

Retail Property Market Outlook 2022

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2022 – THE YEAR OF THE "RE-"

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To quote Radiohead: "No alarms and no surprises. Please." A more benign, lockdown-free environment in 2022 will enable the Retail sector to continue on its long road to recovery. If 2021 was all about re-opening , the retail landscape in 2022 (and beyond) will be defined by 10 other "re-s".

REBUILDING

In almost every sense imaginable, but particularly true amongst retail occupiers in terms of the tangible (repairing battered balance sheets on the back of improving cashflow) and the intangible (reconnecting with their customer base).

RESOLVING

The thorny issue of rent arrears ahead of the lifting of the moratorium on forfeiture in March. Appropriate compromise solutions reached between landlords and tenants, with limited recourse to arbitration. A foundation for a more collaborative relationship going forward.

REENGINEERING

Supply chain practices to counteract both short-term issues (e.g. rising prices, stock shortages, lack of HGV drivers) and far deeper long-term challenges (e.g. consumer demand for ever shorter online lead times versus product provenance and wider ESG concerns).

REEVALUATING

Floorspace need and affordability. The ongoing process of rightsizing store portfolios and achieving a more sustainable rental base. Greater understanding of the dynamics of multi-channel retailing and the co-dependencies of online and store-based retailing.

REBASING

2022 will see a bottoming out of significant rent and capital value corrections of recent years to create 1. a more sustainable retail market 2. a more compelling investment case for the right retail stock.

REPRICING

Drastic price revision has made retail increasingly good value versus other property investment classes. Yields have already started to compress in retail warehouses and foodstores, better quality high street and shopping centre stock will follow suit in 2022.

REDEFINING

The role of the high street and reinvigorating our town centres, on the basis that every location is different, has its own story to tell and will require bespoke solutions. More coordinated strategies involving all relevant stakeholders (local authorities, landlords, developers) and appropriate investment.

REPURPOSING

Of surplus retail stock to other uses, less a knee-jerk reaction to Covid-driven fall-out, more as long-term regeneration projects designed to redress property uses within a town centre (with retail sometimes reducing to a supporting rather dominant role).

REBALANCING

Sentiment towards the retail sector, which is both unequivocally and disproportionately negative. The notion that retail is either 'boom or bust' is a perennial barrier to meaningful but necessary change.

RENAISSANCE

2022 will definitely be a more stable year for the retail sector, but "back to pre-pandemic levels" narrative falsely assumes a return to a normality that doesn't exist. The high street is not dead, but it will continue to evolve. Unwelcome as it was, Covid was no more than a stage of this evolution process.

2022 SPECIFICS

ON THE LIFTING OF THE MORATORIUM

What we'd like to see

Landlords and tenants agree appropriate compromise solutions to rent arrears ahead of March 2022 through proactive, collaborative, adult discussions. Halfway house compromises e.g. staggered repayments, lease re-gears, the most equitable solutions in many cases.

What we're likely to see

No bloodbath, but inevitably some landlord and tenant disputes escalating to full arbitration. But only as a last resort and the exception rather than the rule. Limited examples of retail landlords forcibly evicting tenants and only in instances where there are back-filling options.

ON RE-PURPOSINGS

What we'd like to see

A much more informed, forensic approach to retail re-purposing opportunities, rather than a short-term "gold rush" mindset that will more often than not end in disappointment. Re-purposings pitched as creative, collaborative, long-term regeneration opportunities that revitalise and re-engineer whole town centres.

What we're likely to see

Actual retail re-purposing activity still failing to match the level of narrative. An ongoing focus on "quick wins" such as free-standing department stores in London and South East locations. A growing realisation that re-purposing projects are very complex, seldom viable and there are no "one size fits all" turnkey solutions.

ON BUSINESS RATES

What we'd like to see

The current consultation results in a full, root and branch review of the antiquated business rate process and creation of a level playing field with the online pure-players. This is unlikely to be a blanket "online tax", but one that distinguishes (through caps/thresholds) the proportion of a retailer's sales that are purely online and made through stores/multi-channel.

What we're likely to see

The UK Government continuing to fudge the issue by not fully understanding the realities of modern day multi-channel retailing. Possibly further relief measures, but only ones that are of any benefit to small and independent operators, rather than addressing the root of the problem. Ultimately no real disruption to a tax that is easy to collect, electorate-neutral and worth £25bn a year.

ON CVAS

What we'd like to see

No recourse to CVAs whatsoever. Failing that, a clamp down on current practices and implementation of a much more transparent and regulated code of practice. Legislation needs to be brought in to ensure the system is equitable and is only used as a last resort for retailers that are deserving of support and have a fighting chance of future survival if they receive it. It should only be a lifeline for viable businesses, rather than a temporary safety net for failing ones.

What we're likely to see

A re-emergence of occupier CVAs as the year progresses, but fairly isolated incidences rather than a flurry or constant flow. Landlord challenge to the CVA process is likely to be fiercer and more coordinated than before, especially for serial offenders. A slight shift back towards pre-pack administrations, only slightly the lesser of evils.

ON ESG

What we'd like to see

Enhanced understanding and education of ESG issues across all retail stakeholders (consumers, retailers, retail landlords etc). Greater recognition of (and reaction to) the Social and Governance aspects of sustainability. Actions speaking louder than words – people walking the ESG walk, rather than just talking the ESG talk.

What we're likely to see

A massive surge in ESG consciousness, but a disproportionate focus on the Environmental aspects. Plenty of noise around carbon footprints and related initiatives (e.g. packaging, waste, real estate, supply chain), but plenty of "green-washing" to boot. People still just talking the ESG talk, rather than walking the ESG walk.

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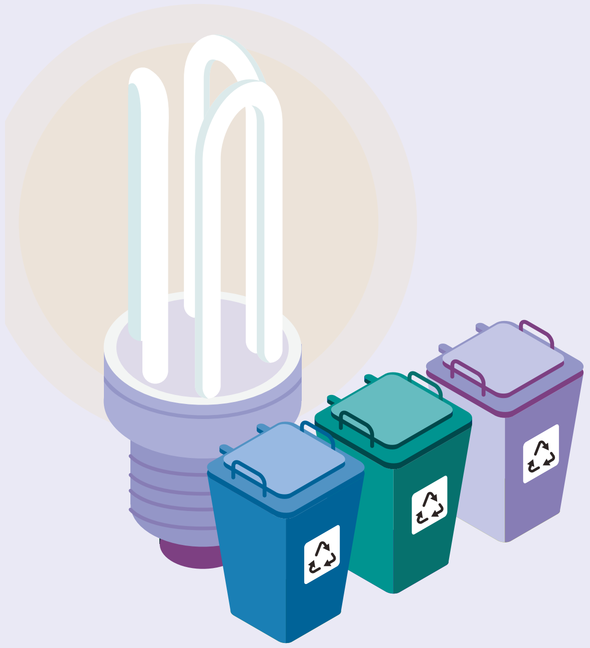

MACRO-ECONOMICS

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UK economy forecast to grow by **+5.7%**, with **RPI inflation** hitting **5.0%** on an annualised basis. **Short-term interest rates** rising to **0.5%** by 2022 year-end.

Macro- and retail economies buoyed by strong employment markets – an increase in **working population** of **+0.2%**, labour supply rising by **+1.6%** and a moderate **unemployment rate** of **4.5%** and **average earnings growth** of **+3.2%**.

A full year unencumbered by lockdown will prompt accelerated release of pent-up consumer demand. **Consumer spending** is forecast to grow **+7.5%**. A return to more “normalised” **retail sales value** (exc fuel) growth of **+3.5%**, in line with long term (30 year) averages of **+3.6%** and above 10 year averages of **+3.1%**.

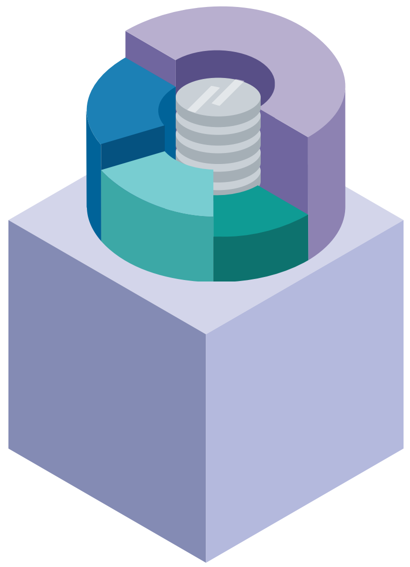
RETAIL PROPERTY OUTLOOK 2022

2022 PROPERTY PROSPECTS

All Retail forecast to achieve **total return** of **7.2%,** with a second consecutive year of **capital growth** of **+1.9%.** Very polarised performance between retail sub-sectors, with **supermarkets (+6.5%), retail warehouses (+4.8%)** and **standard shops (+0.9%)** achieving capital gains, but **shopping centres (-2.4%)** still seeing declines.

Forecast **underlying rental decline** of **-0.7%** across the retail sector; but retail warehouses **(+0.5%)** and supermarkets **(+0.4%)** returning to positive growth after respectively 4 and 7 years of re-basing. Standard shops to see a further underlying rental decline of -2.0%, with **Central London** down -0.4% despite a return to positive growth during H2 2022.

Hardening of **yields** across the retail market. Yield compression of 100bps at **retail warehouses** to **5.50%** and 50bps at both **prime shops** to **6.00%** and **regional shopping centres** to **8.00%.** Already keen pricing on **foodstores (with RPI increases)** to sharpen by 25bps to **3.50%.**



LONGER TERM PROSPECTS

Return to **underlying rent growth in 2023**, with all retail sub-sectors in positive growth territory. Underlying retail rents forecast to grow an average annual rate of **+0.6%** between 2022 and 2026.

Annual average total returns between 2022 and 2026 are forecast to be **6.4%**, with 5 year **annual average capital increases of +1.2%.** All retail property sub-sectors to deliver positive total returns from 2022, including shopping centres **(2.3%).**

Retail remains a very solid income play, with **annual average income returns** between 2022 and 2026 of **5.1%,** higher than both **offices (4.1%)** and **industrial (3.6%).**

SOURCES: KNIGHT FRANK, OXFORD ECONOMICS, EXPERIAN, REAL ESTATE FORECASTING

RETAIL OCCUPIER MARKETS: THE ONLY WAY IS UP

Recovering footfall and increasing spend, but potential supply chain disruption and the issue of rent arrears. What 2022 holds in store for retail occupational markets.

WORDS: DAVID LEGAT – PARTNER, RETAIL AGENCY

Overview

A certainty amidst all the uncertainty: 2022 will definitely mark an improvement on this year. The steady advance in trading conditions we have seen throughout 2021, and what is set to be a decent enough Christmas trading period i.e. with no lockdowns or restrictions, will provide increasingly positive footing for occupiers, as well as significant momentum going into 2022.

The sentiment for the start of 2022 is the most positive it has been in 18 months.

As this year draws to a close, we are seeing an almost universal increase in average spend across our centres – if consumers are making the effort to go out, they are making the most of it and spending money. Coupled with positive trends in footfall, the sentiment for the start of 2022 is the most positive it has been in 18 months.

Supply issues and rent arrears

It obviously isn't a clear and certain path ahead. Q1 2022 will be dominated by two headlines; supply issues and rent collection. There is no doubt this is a real issue occupiers continue to battle as we emerge from the pandemic, look no further than 'No Chicken Nandos' for an example. Supply issues are, however, specific to individual occupiers, and no doubt some will use them as an excuse for their own operational shortcomings. There will have been occupiers that were ultra-cautious back in the height of the pandemic in Q1 2021 when they were making their Christmas orders, so they may be suffering from empty shelves syndrome for self-inflicted reasons. Genuine supply issues are likely to be item specific; toys, games consoles, some fashion and some foodstuffs. Under ordering issues are likely to be evident during the sales season, rather than necessarily pre-Christmas.

Rent collection and the end of the moratorium on 25 March 2022 will not be the cliff edge many are predicting. The reality is that most owners and occupiers have already found resolution on Covid arrears. The end of the moratorium will swing the balance of power back to the owner, but ultimately resolution needs to be found to keep occupiers in and trading, and at sustainable rent levels. At the end of the day, it is in both parties' interests.

There have been a variety of solutions to the unpaid rent conundrum but the most successful tool has been the lease re-gear; with a portion of the Covid rent arrears being written off in return for an extended term certain. While there has been no set formula for this, most deals have been settled around a ratio of 1:4 i.e. 1 quarter arrears written off for 4 quarters more term. Beyond this, we have seen simple repayment plans used to recoup rent, and in other instances pure rent free as a gesture of goodwill to help keep the lights on. Of course, there are still some occupiers with a pile of unpaid rent and no resolution agreed… 25 March will start looming far larger over them.

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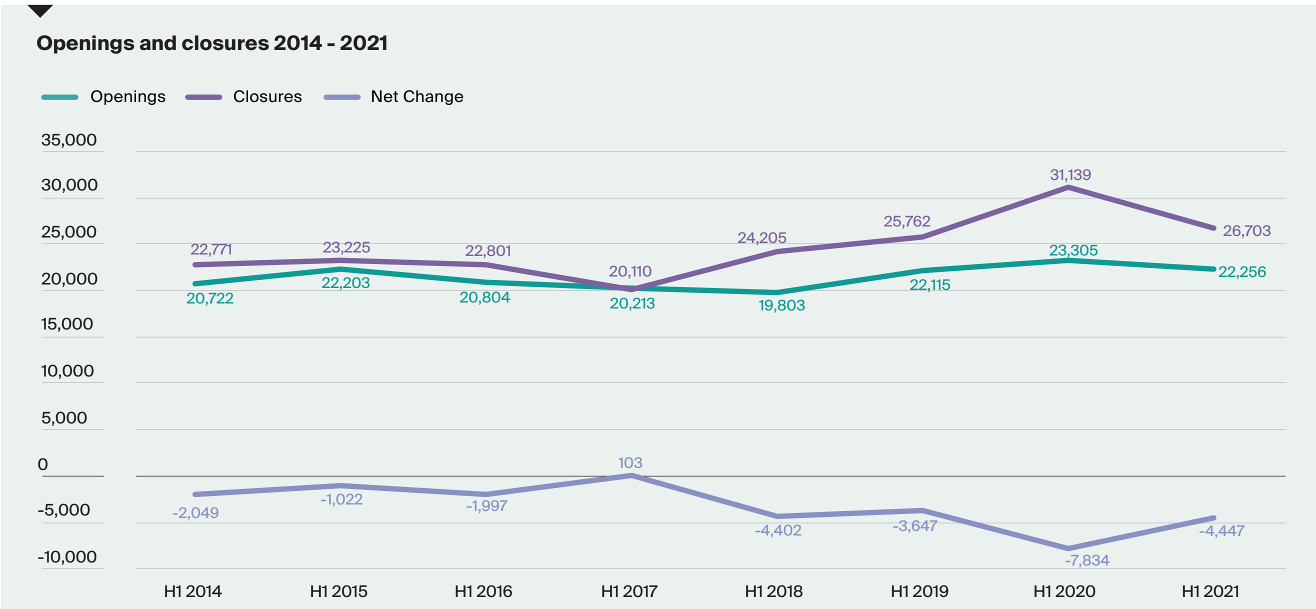
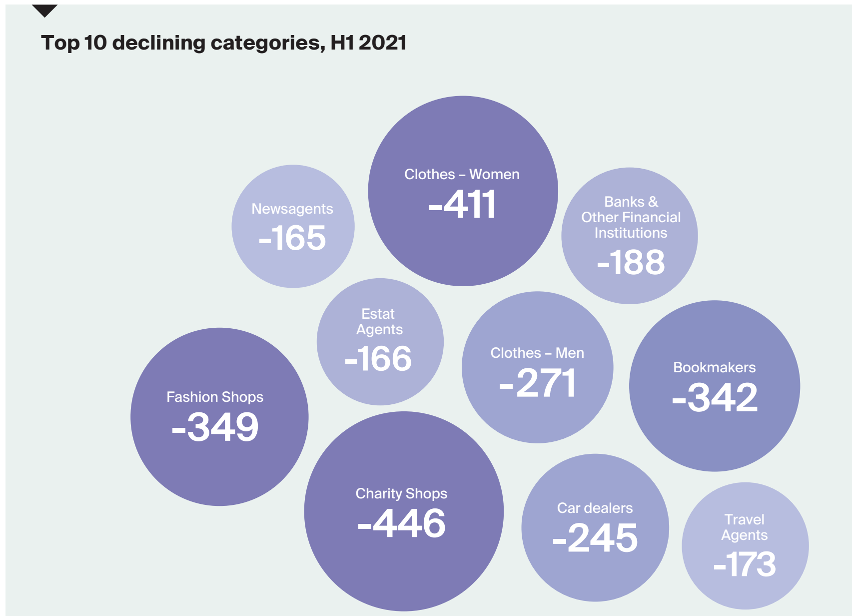
CVAs / further fall out?

The moratorium deadline will not bring with it a raft of CVAs. This runs contrary to the assumption that can be made almost out of habit given the volume of business restructuring that has happened over recent years. The reason for this is simple; the majority of occupiers who were going



Source: LDC



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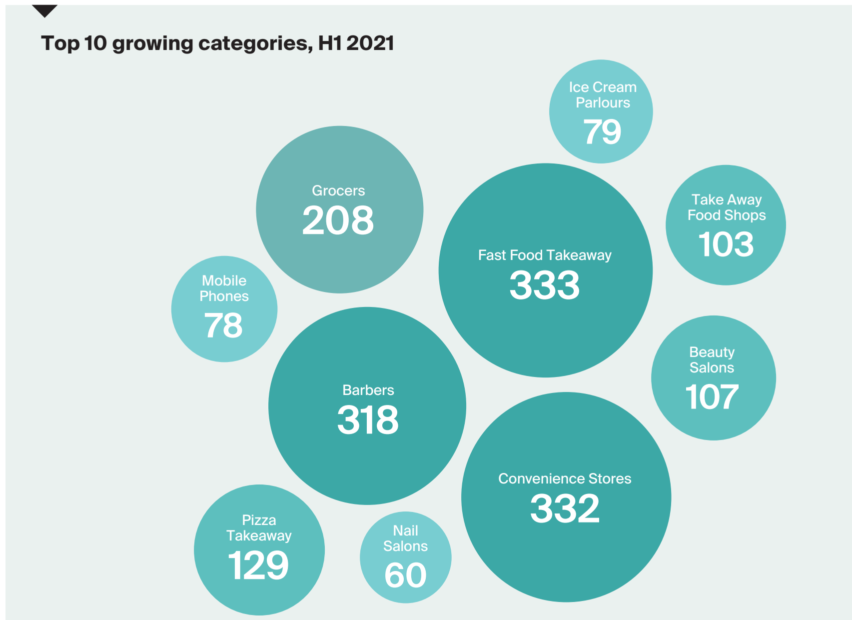


Source: LDC

to go under have already gone. Thankfully, this sentiment seems to be spreading through the market, with the former perpetual demands for 'the watch list' from owner clients now an almost redundant request. Some casualties at worst, but no procession of failures.

2022 will see continued changes to the evaluation of covenant strength and a generally more relaxed approach. Yes, there is still recognition that major multiples are the big players, but even then owners want to know 1. are they right sized? 2. does this specific location work for them? 3. does this specific store work for them? Everything is more granular. Once you are out of the 'Top Tier' of occupiers in terms of covenant strength, there is a growing sense of acceptance that it could go either way; will they stand the test of time or not and quite frankly the mantra 'it's anyone's guess' seems to be prevalent in the market. This is not to say owners don't care, it is more an acceptance that in this market risks have to be accepted and contingency plans need to be in place.

The consequence of this uncertainty around the quality of occupiers is that lease negotiations are all focussed around providing the owner flexibility, should the occupier not be long for this world. Outside the Act leases, Landlord breaks, redevelopment breaks, turnover-linked breaks are all tools increasingly being used to provide occupiers with the comfort they need.

For most established occupiers, the main aspiration for 2022 will be little more than continued and steady recovery. Christmas will allow some positive cashflow from which occupiers can continue to build.

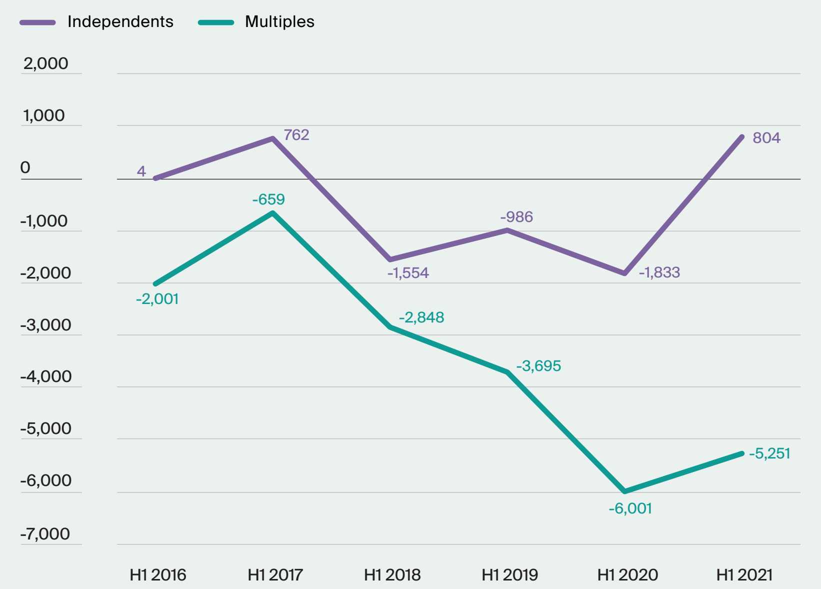
An upside of this doubt over covenant strength is the continued acceptance (and indeed welcoming) of small and independent occupiers, from all size of owners. For these golden nuggets of individuality that make a location stand out from the others, covenant isn't even considered. As costs of occupation are correcting and demand from the historic pool of occupiers is shrinking, locations previously unattainable for independent and niche occupiers are becoming realistic targets. Throughout 2022 we will see the saturation of independent occupiers increase in all locations throughout the country, as they ramp up their activity and owners actively try to entice them. Longer term, some of today's independent operators will be future national multiples.

2022 – improving cashflow and necessary change

For most established occupiers, the main aspiration for 2022 will be little more than continued and steady recovery. Christmas will allow some positive cashflow from which occupiers can continue to build. The focus will remain around rationalising portfolios to appropriate locations and right-sizing units. The path ahead is still uncertain and this process takes time - occupiers are still uncertain which locations will see the best post-Covid recovery. The consequence of which is again a significant focus on flexibility, this time from the occupiers' side. Portfolios cannot be tinkered with and units can't be upsized or downsized if there is a long onerous lease in place. Flexibility is key to occupiers achieving a profitable portfolio.

The debate about business rates / a new layer of tax will rumble on, but is unlikely to reach any conclusion in 2022. One thing is certain: the retail sector does not need more tax so whatever system is implemented, it needs to be well thought out to target and focus on online pure players. One school of thought is to tax retailers who have the lion's share of their turnover accounted for by online sales, set a threshold, arbitrarily say 90%. This will heighten the ongoing debate as to what counts for an in-store or online sale. A tax with a threshold for a business' total revenue by channel would result in multi-channel retailers being more eager to attribute sales to in-store if it keeps them under that threshold; reaffirming the importance of the store and the wider contribution it makes. In addition to this, it may also expedite the movement of pure play operators to open physical stores.

Net change in units by business type 2014 - 2021



Source: LDC

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Sustainable rents are how we now assess and value retail and leisure property in the real world. The vast majority of leases now include an element of turnover, which is one way to achieve sustainable rents, but this is still not a 'one size fits all' model. Different occupiers operate off different margin structures. Put simply, some can afford to pay more than others. The future of a vibrant destination needs to have no regard for comparable evidence, let alone the archaic notion of Zone A rents.

Pioneers of destination creation Make Shift have been aware of this for years; their occupiers pay different rents, for the simple reason they can afford different rents. The occupiers are all aware of this 'inequity' and embrace it. They recognise the value of the individuals that are needed to make the destination a success, and without that mix and balance the destination wouldn't work. Yes, it is easier to control and make a success in an urban market in London than it is in the average UK town, but lessons need to be taken from these destinations that people want to visit and in which occupiers are successful.

The improvement in market activity, sentiment and co-operation we have seen in the latter half of this year will continue throughout 2022. It will be a gradual route to a stabilised market as rents and store numbers continue to correct themselves. Peaks and troughs will not be as pronounced as some might believe- just remember to order the celebration champagne for those peaks early, there is a CO2 shortage!

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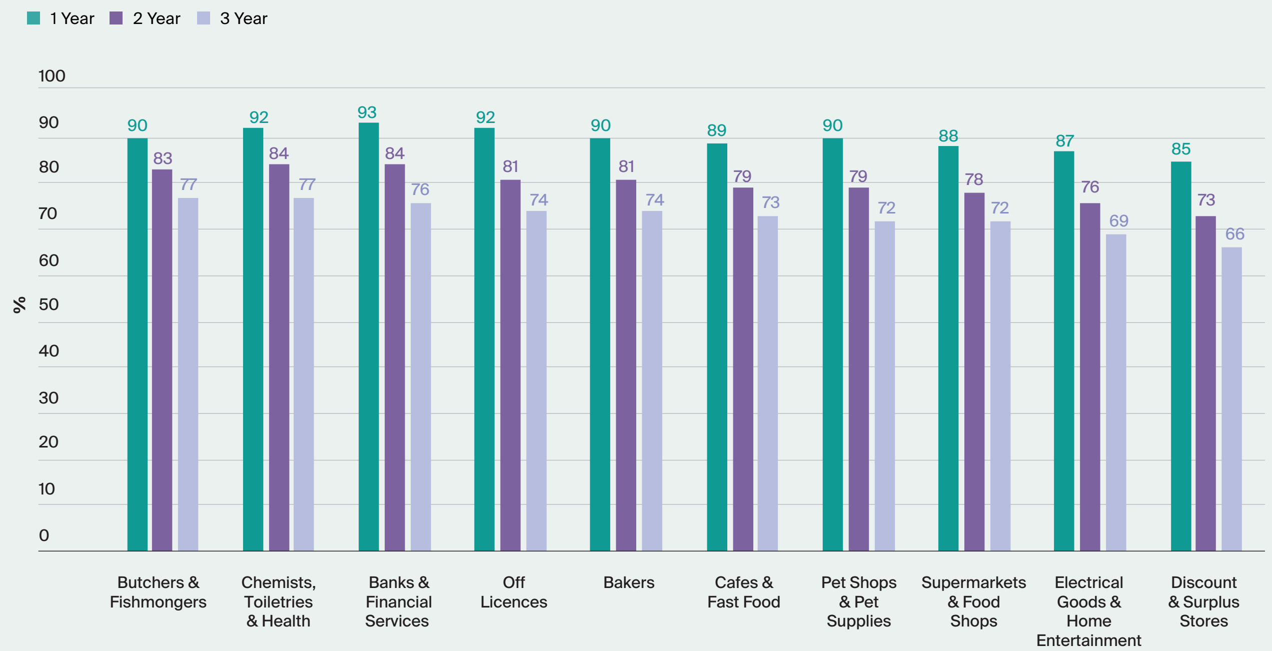
Survival rate for the top 10 fastest growing independent categories



Source: LDC

RETAIL INVESTMENT: A MIXED BAG, WITH HIDDEN GEMS

Highly polarised performance between retail sub-sectors and huge variances between assets within the same sub-sector – ongoing proof of the limitations of tarring all retail with the same brush.

WORDS: CHARLIE BARKE – HEAD OF RETAIL CAPITAL MARKETS

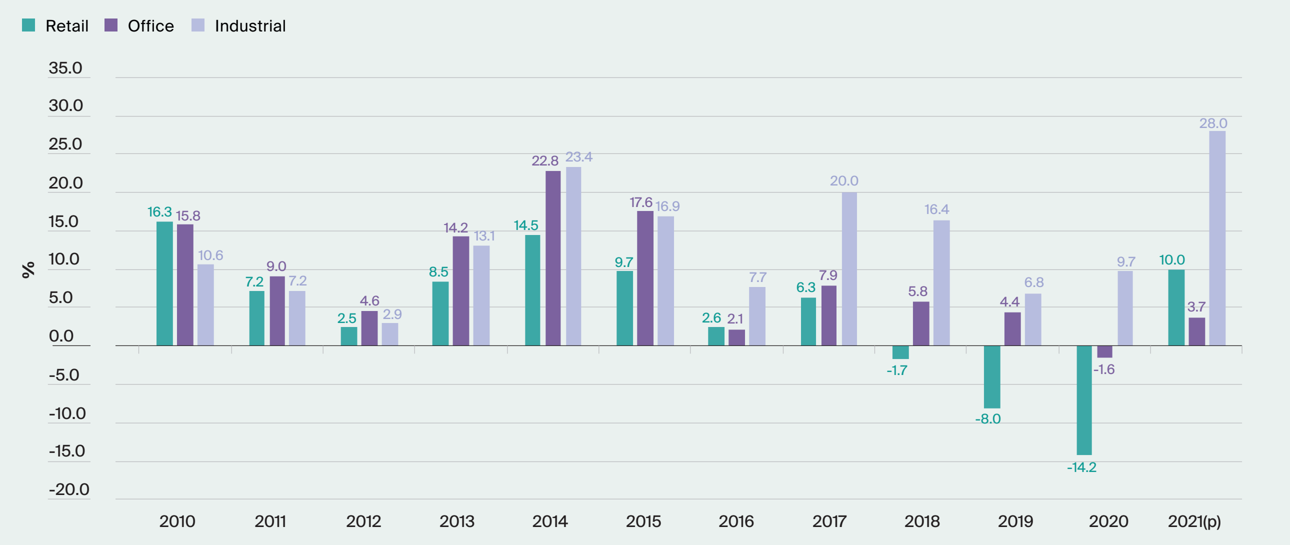
Overview

The retail sector has been the chronic underperformer of the principal sectors since the GFC. Faced with significant over-supply compounded by structural market change, rental and capital values fared poorly even prior to the impact of the Covid pandemic.

Looking ahead we see pockets of meaningful prosperity alongside many areas of further underperformance.

In the absence of the pandemic, retail's fortunes would most likely have continued on the same trajectory. The gradual reduction in rental and capital values would have extended well into the 2020s and it would likely have taken a further five years or more to reach a stabilised re-based level across the country.

Total returns by property class 2010-2021(p)



Source: MSCI

The upshot of the pandemic has been to deliver five years' of change in one year and with rental and capital values moving down by 30-50% in 12 months, there is a sense that this "shock" has indeed delivered a sufficient degree of re-basing where greater stability can now be expected going forwards.

Of course, not all locations and not all assets face equal fortunes and this is the difference we see ahead. Whilst all retail has been dragged down by the unavoidable gravity affecting the sector as a whole in the past few years, looking ahead we see pockets of meaningful prosperity alongside many areas of further underperformance. We have already started to see these changing fortunes with the stellar performance of the retail warehouse sector in 2021 and so this is where we will start our deeper dive.

Retail Warehousing – more of the same

As we correctly predicted at the start of the year, the retail warehouse market has seen something of a Lazarus style recovery, producing total return of 18.7% in the 12 months to October 2021 according to the latest MSCI data. The strong performance is delivered through a combination of high and more stable income alongside yield compression. Certainly, it is too early to talk of significant rental growth (or rather rental recovery), but with investment demand now matching market-peak levels, who would bet against double-digit performance next year with meaningful further yield compression highly likely?

For now the retail warehousing market is strong enough to forgive all manner of sins and yield compression is here to stay.

The simplicity of this product is one of its greatest strengths. Modest numbers of tenants, single level, open and well-spread, these parks are relatively easy to appraise in their existing state and relatively simple to consider for re-purposing. Relative to the complexities of town centre sites with dozens of tenants in units of varying sizes with enclosed communal parts, escalators, lifts and multi-story car parks, retail warehouses are far less complex and that means it is easier to feel confident in one's appraisal.

Of course, it's not just about simplicity, the market fundamentals beneath are also more sound than most town centres, with lower rents, more content tenants and more viable alternative use underwrites. For the risk taken, the current yields at 6-8% remain highly attractive and, whilst we would not imagine compression to the levels seen in their less-pretty industrial warehouse counterparts (beauty is in the eye of the beholder!), a further 100bps of compression is expected in the right product in 2022.

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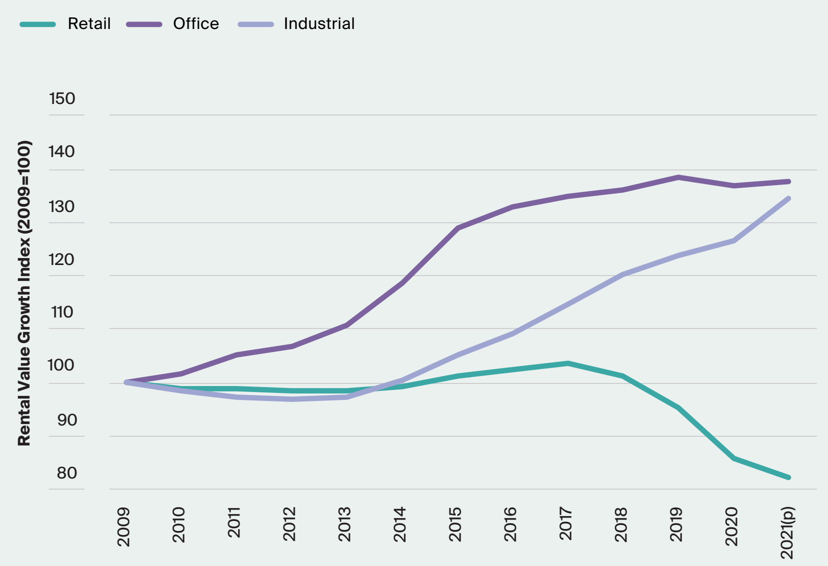
Rental growth index (2009=100) by property class 2010-2021(p)



Source: MSCI

Ahead of their time in terms of the positive landlord/tenant relationship, the top ca. 15 factory outlet centres in the UK are rare gems and should continue to offer strong returns for the active manager.

In the medium term, as yields return to long term average levels, there will be greater scrutiny over the winners and losers in this sub-sector. However, for now the market is strong enough to forgive all manner of sins and yield compression is here to stay.

Foodstores – popular and low(er) yielding

Perhaps the easiest sub-sector to call, these will remain extremely popular and low yielding. The specialist buyers will continue to absorb more stock than can be readily found. Beyond these investors, UK funds will continue to be attracted to the long income, indexation and high degree of resilience offered.

Can there be further yield compression? As we have seen in the sheds market, yes there can.

Outlet Malls – the virtues of transparency

Footfall, especially from overseas tourists, should continue to recover and factory outlets are set to be winners within retail once again. Ahead of their time in terms of the positive landlord/tenant relationship, the top ca. 15 outlets in the UK are rare gems and should continue to offer strong returns for the active manager. Off a relatively decent income return, due to the turnover leases, these schemes are not over-rented and the transparency over trading helps to get investors comfortable. Double-digit returns anticipated.

High Street – value-add redevelopment key

Town centres are more challenging. Over-supply is the biggest issue and, whilst one can argue the supply generally comes via secondary as opposed to prime space, significant vacancy is damaging in many respects.

As such, High Street investments will remain less popular than their out-of-town counterparts. Much of the capital that is willing to consider retail is "risk-on" money i.e. the investor is willing to invest in what is considered to be a risky sector but only if they are rewarded with value-add or even opportunistic returns. For this reason, the volume of capital targeting dry single-let High Street assets is limited, despite often being presented as seemingly solid rental income at a reasonable yield.

Multi-let value-add plays with underused upper parts, especially in the South East of England, will remain more popular and the market can stomach yield compression for such assets. London suburbs will be the outperformer due to strong retail performance and belief in longer term release of additional value through redevelopment.

There will remain a lack of trust in the UK High Street for a few years, but at some point the resilience and low obsolescence (at least of prime) will once again attract investors. Sub 5% yields look a thing of the past but a solid 5-7% income return, once there is more confidence in the occupational market, will work set against what the alternative sectors offer.

Shopping Centres – ??

One morning it's raining and dark. The bin lorry is blocking my road. Roadworks have sprung up and the red light takes an age to change despite no on-coming traffic. I get to the station and all the nearest parking spaces are gone. I dash over the bridge to the platform only to hear the whistle, the closing of the doors and the orange light go out. On the screen I look for the time of the next train and see "cancelled" next to it. My commute is synonymous with the shopping centre market!

The next morning the sun is shining, the traffic on the way to the station is light, the car park space nearest the concourse is free and as I walk onto the platform the train pulls up on time and I get a seat on an empty table of four. I start to believe that shopping

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centres will follow retail warehouses with improving investment demand driving rapid yield recovery and trading volumes...

"Every Storm Runs Out of Rain" was the title of our specialist shopping centre newsletter in 2018. It cannot rain forever and normally if it rains for an extended period of time, you end up with a good spell of weather after to balance things out.

More than any other part of the retail market, shopping centres face mixed fortunes. There are certainly parts of the market where the short-, medium- and even long-term prospects appear bleak. Over-supplied mid-market towns which are trying to offer more than pure convenience but really fail to offer any kind of quality offer or appealing shopping environment have a long term battle on their hands.

That said, there is increasing confidence amongst both the occupational and investment community that the significant re-basing experienced now gives the better centres a chance not only to survive but to thrive. By "better" we do not only mean prime regional malls, albeit most of these do fall into the "survive and thrive" list.

With all retail locations, their strength is defined by their relevance. Are they performing a relevant and sustainable function in the community? Are people shopping here now and will they continue to in 5, 10 years' time because, for example: it's the only offer for miles around; because the retail offer is appropriate (in nature and scale) to the relevant catchment; because the physical environment makes for an enjoyable experience; or because people are always in this location for reasons other than shopping.

Off notably lower income streams and off record high yields, provided you pick a winner, a relevant scheme offering sound purpose, these should now start to offer strong performance. The income return alone is exceptional and, if cashflows do prove to be more stable, the yield correction will come to deliver double-digit returns. We might well have to wait until 2023/24 for this but 2022 will be a good time to start looking as there should be plenty of stock to choose from.

Recent sales have generally attracted multiple bids and the strong prospects have achieved pricing ahead of initial expectations. In 2022/23 we should start to hear positive news about shopping centre investors who have made money from their 2020/21 acquisitions and that should help attract more capital back to the sector.

Overall sector performance will remain poor as the losers drag down the returns. However, for the knowledgeable investor the shopping centre sector might just hold the biggest hidden gems of all.

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	2020 YIELD	2021 YIELD	2022P YIELD	2020 VOLUMES	2021P VOLUMES	10Y AVE VOLUMES	2021P VOLUMES VS 2020	2021P VOLUMES VS 10 YR AVE	KEY BUYERS	KEY SELLERS	TRENDS
High Street	6.50%	7.00%	6.50%	£0.57bn	£0.80bn	£1.15bn	▲	▼	Private Investors	Institutions	Better liquidity in multi-let stock and the South East.
Shopping Centre	8.00%	8.50%	8.00%	£0.34bn	£1.30bn	£2.42m	▲	▼	Private equity, small propcos + Re-purposers	Any SC owner with debt + REITs & UK funds	Winners to be differentiated from losers.
Retail Warehousing	8.00%	6.50%	5.50%	£1.67bn	£3.39bn	£2.63bn	▲	▲	UK Institutions + British Land	Institutions + profit-takers	Strong demand to drive further yield compression.
Foodstores	4.00%	3.75%	3.50%	£1.73bn	£1.95bn	£1.43bn	▲	▲	Specialist Funds + Institutions	Institutions + profit-takers	To remain very popular with stock hard to unlock.

KNIGHT FRANK INVESTMENT DEALS

Over the course of 2021, Knight Frank have advised on over £1 billion of retail investment transactions. Across these 54 transactions, we have represented a broad spectrum of clients, ranging from Private Investors to Private Equity, Institutions and Lenders. We thank them for their continued business and look forward to working with them further in 2022.

Railpen (Fritillary) Portfolio - acquisition

August 2021
Client: ISEC
Price: £68m / 9.00% NIY

95-97 Clapham High Street, Clapham - disposal

November 2021
Client: Legal & General
Price: £9.9m / 4.60% NIY

St George's, Preston – disposal

August 2021
Client: Lender
Price: £21.5m / 11.75% NIY

Virgin Active, Chiswick Riverside – disposal

August 2021
Client: British Land
Price: £54.3m / 5.54% NIY

Meteor Retail Park, Derby – acquisition

October 2021
Client: Melford Capital
Price: £31m / 8.50% NIY

Martineau Place, Birmingham – disposal

September 2021
Client: Colony Capital
Price: £40m / 10.00% NIY

Touchwood Shopping Centre, Solihull - acquisition

July 2021
Client: Ardent Companies
Price: £90m / 9.50% NIY

72-76 Queen Street, Cardiff - disposal

July 2021
Client: M&G Real Estate
Price: £23.25m / 6.42% NIY

145-147 High Street North, East Ham - disposal

November 2021
Client: Legal & General
Price: £6.25m / 4.85% NIY

Charter Walk, Burnley – acquisition

October 2021
Client: Burnley Borough Council
Price: £21m / 13.20% NIY

KNIGHT FRANK LEASING DEALS

1-3 Avery Row, Mayfair, London - letting

October 2021

Letting to Madera Group on a new 15 year lease at £550,000pax

Client: Unbranded

56/59 Strand, London - letting

May 2021

Letting to Pizza Hut on a new 10 year lease at £300,000pax

Client: LMT holdings

Battersea Power Station, Unit 20 Circus Rd W, London - acquisition

June 2021

Acquisition for Black Sheep Coffee on a new 10 year lease

Client: Black Sheep Coffee

27 Neal Street, Seven Dials, London - acquisition

September 2021

Acquisition of first standalone UK store on behalf of Lids

14-16 Fouberts Place, Carnaby, London - acquisition

March 2021

Acquisition of flagship store on behalf of Lids / NBA

Fremlin Walk, Maidstone – re-gear

September 2021

Re-gear of the JD Sports lease in a key mall unit.

Client: M&G

Culver Square, Colchester - re-gear

May 2021

Re-gear of the H&M lease on to a new 10 year lease.

Client: M&G

Touchwood, Solihull - letting

October 2021

Letting to Laser Clinics UK on a new 10 year lease.

Client: Ardent / Sovereign Centros

The Beacon, Eastbourne – letting

June 2021

Letting to Boom Battle Bar in a double unit on the restaurant terrace.

Client: L&G

Grosvenor Shopping, Northampton – re-gear

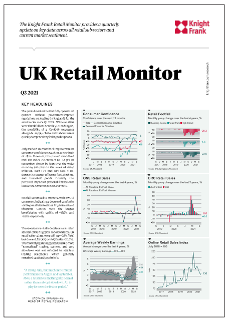
November 2021

Re-gear of the Superdry lease on a new 5 year lease.

Client: L&G

Recent market-leading research publications

Retail News Issue 12: Leisure: responding to an experiential crisis



Retail Monitor Q3 2021

Retail News Issue 11 Retail Warehousing: Catch a Falling Star

Knight Frank Research Reports are available at knightfrank.com/research

Knight Frank Research provides strategic advice, consultancy services and forecasting to a wide range of clients worldwide including developers, investors, funding organisations, corporate institutions and the public sector. All our clients recognise the need for expert independent advice customised to their specific needs.

Knight Frank