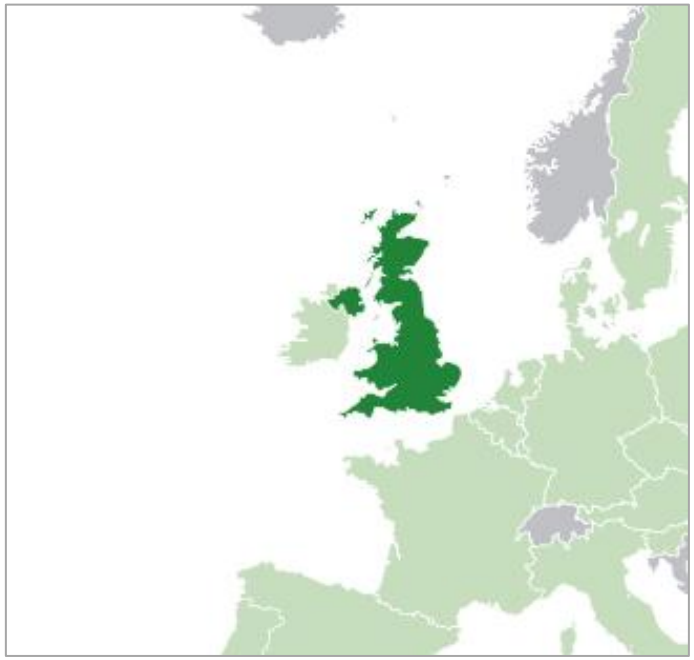
ACCESSIBLE RETAIL

Out of Town Retail Sector Overview

2012



Accessible Retail

CBRE

Contents

- Economic Context ..... Pages 4 - 8
- Retail Trends ..... Pages 9 - 18
- The Out Of Town Sector ..... Pages 19 - 30

Executive Summary

Economic Context

- GDP flat in 2012, however, recovery forecast for 2013 and 2-3% annual growth by 2015.
- Despite low interest rates (0.5% since Q1 2009), the number of mortgage approvals are still less than half that seen in 2007.
- Inflation has dropped significantly during 2012 and is now in line with the Bank of England target rate.
- UK unemployment (8%) has remained consistently lower than the Eurozone average.
- The retail sector is the third largest employer by industry sector, behind that of business services and the health service.

Retail Trends

- Out of town retail sales growth has historically been, and continues to be, higher than the equivalent in town centres.
- The proportion of retail spending on bulky goods will continue to grow year-on-year going forward.
- Shopping centre completions continue to be centred around town centres as opposed to out of town locations.
- Smaller units in town reduced between 2003 and 2009.
- Out of town units between 2,000 and 50,000 sq ft grew between the same period.
- Compared to in town retail, out of town sales densities are higher.
- Vacancy rates are lower out of town versus in town location.
- The retail pipeline is showing signs of recovery.
- The value of retail warehousing grew by £4.7 billion between 2009 and 2011 – the highest amongst any asset class.

Out Of Town Sector

- Bluewater remains the top out of town mall in the UK, followed by both London based Westfield schemes. Fosse Park is the top retail park.
- Out of town retail now accounts for 25% of total floorspace.
- From a spend density perspective, new space requirements are highest in Greater London, East Anglia and the South West.
- Out of town retail growth has been driven by grocery demand.
- The sector must adapt to changing consumer demands such as the ability to 'click and collect' as well as coping with retail casualties such as Comet.

ECONOMIC CONTEXT

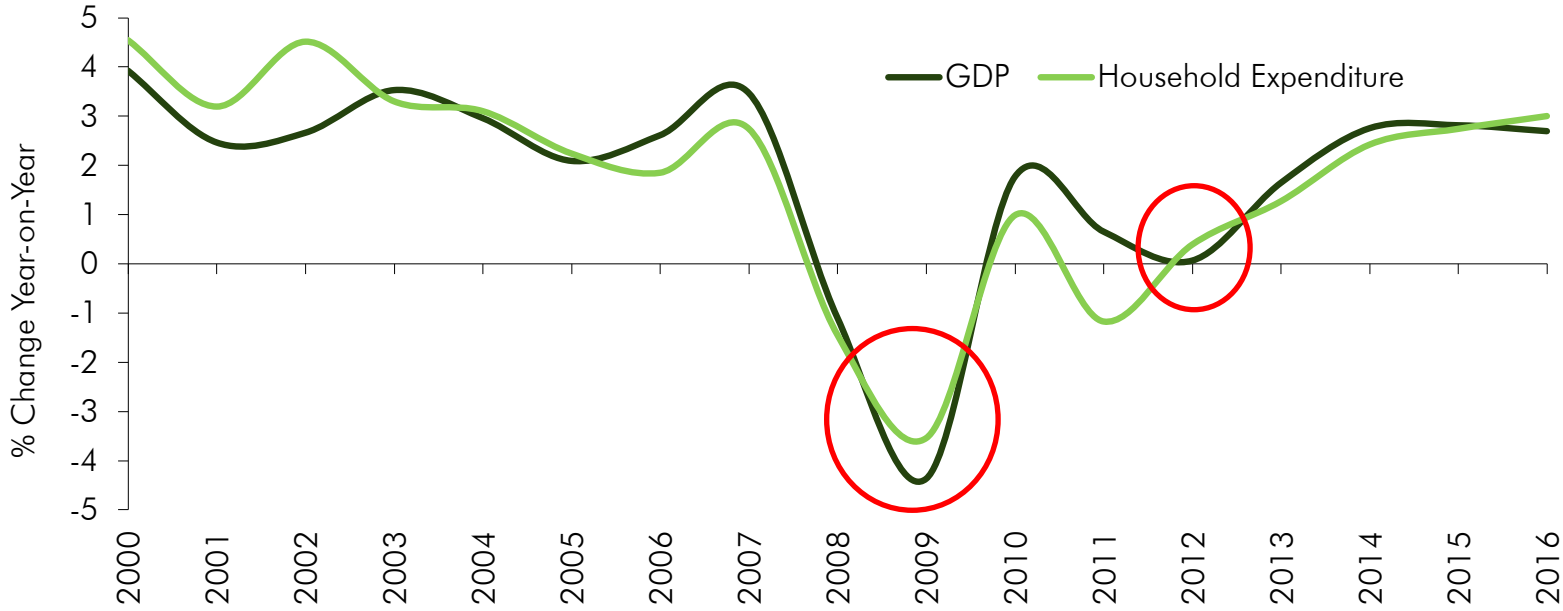
GDP Growth and Household Expenditure

Minimal GDP growth in 2012 with improving medium term prospects

The UK economy is forecast to grow only marginally in 2012. Despite this nominal growth, the emergence from the double dip recession should begin due to the slow and steady recovery that many economists are forecasting. Household expenditure rebounded in 2011 but remained flat in 2012, in response to cautious consumers and stagnant wage growth. A pick up in spending is forecast from 2013.

Lack of GDP growth seen across other European economies

The lack of growth in the UK is echoed by some of Europe's largest economies. Similarly low levels of growth in Germany (0.68%) and flat GDP growth in France were also experienced in 2012. Falling consumer demand in Europe has had a negative impact on the UK's ability to export goods – the share of British exports going to the EU is circa 45% (HMRC, 2012) and this is likely to remain constrained in the short to medium term.



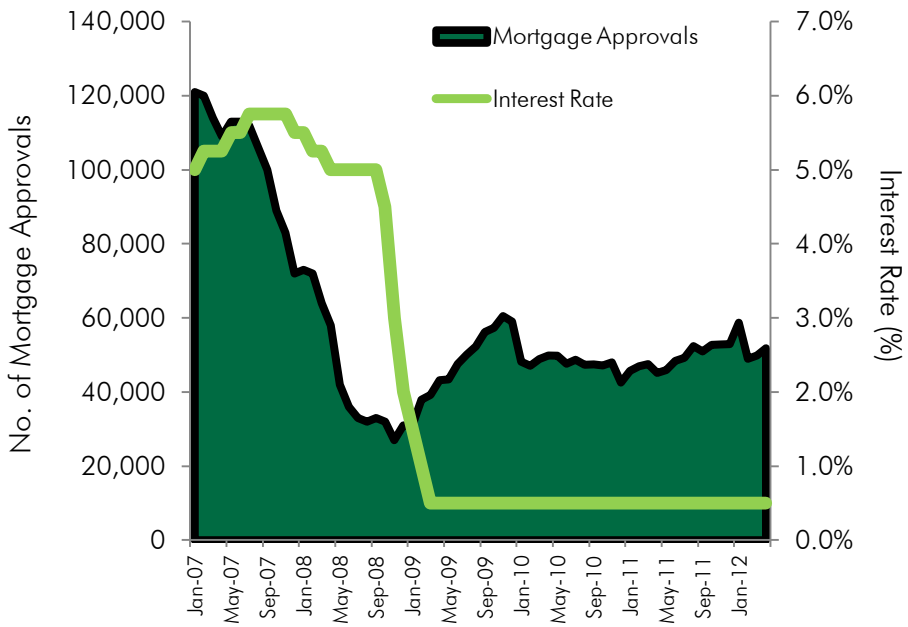
Source: CBRE, Oxford Economics

Mortgages and Inflation

Mortgage approvals still significantly below pre-recession levels

Mortgage approvals before the property crash were in excess of 120,000 per month (January 2007), buoyed by positive equity growth and confidence amongst buyers. By January 2008, the number had fallen to 73,000 and January 2009 saw just 31,000 approvals.

As the interest rate fell to 0.5%, mortgage approvals began to increase again and have stabilised to circa 50,000 per month since January 2010.

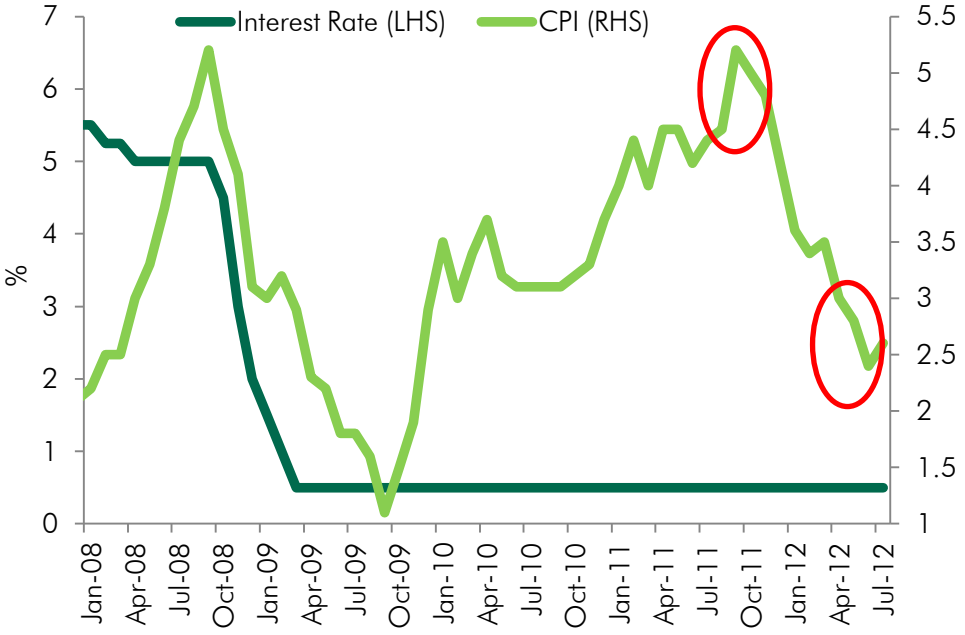


Source: CBRE, EcoWin

Inflation in 2012 is now the lowest since 2010

Inflation has fallen from a peak of over 5% in October 2011 to just over the Bank of England's target rate of 2%. For consumers already feeling the effects of stagnated incomes, this has eased the pressure on disposable incomes as the cost of their usual basket of products remains fairly constant.

The Bank of England base rate has remained unchanged at 0.5% - a problem for those trying to save money, but of obvious benefit to those paying for their mortgages through base rate-linked products.



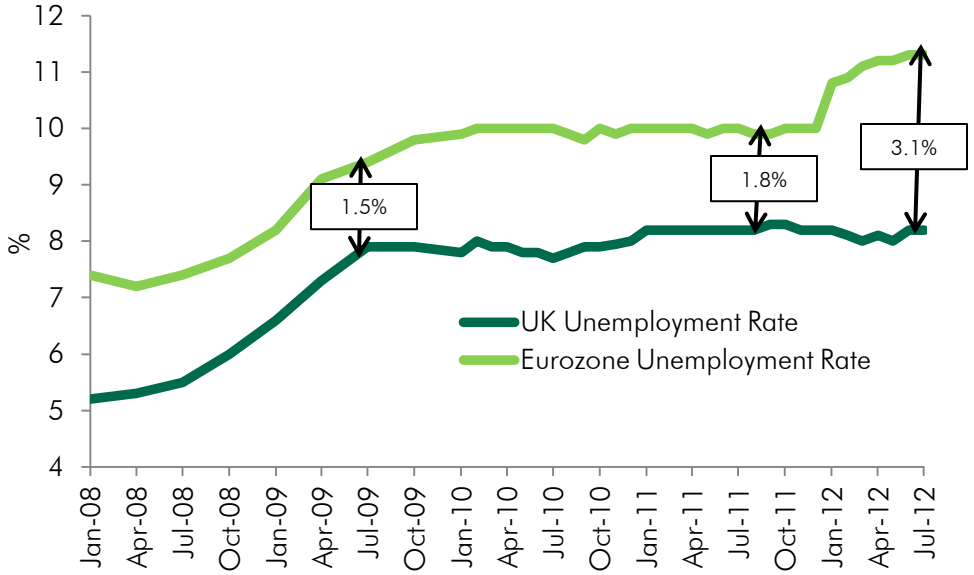
Source: CBRE, EcoWin

Unemployment and Recession Comparison

UK unemployment rate stable as the Eurozone struggles

The number of people unemployed within the UK (circa 2.5 million) remained relatively stable in 2011 at between 7.5% and 8.0%. Despite the double dip recession in 2012, unemployment remained stable and currently stands at 7.9%. This has been supported, in part, by the increase in part time employment, a key staple of the retail industry.

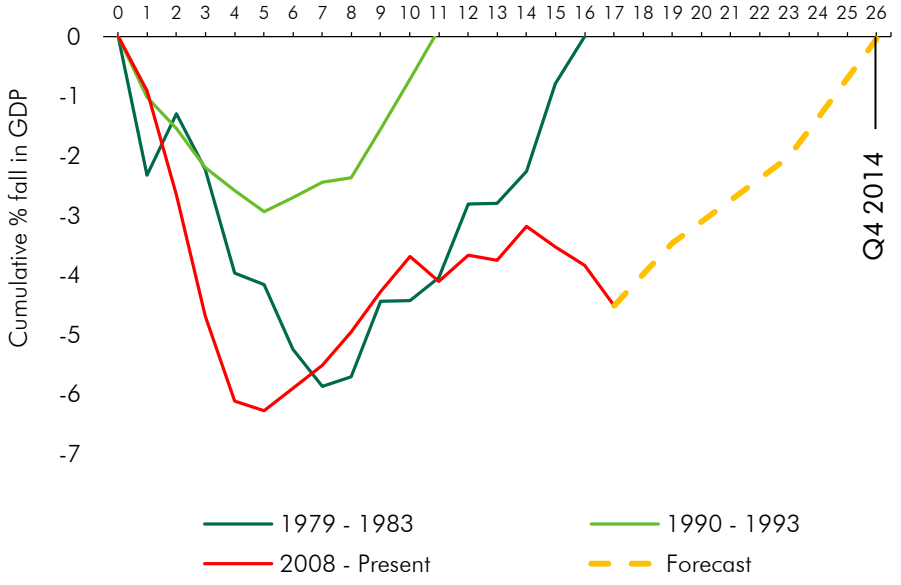
Benchmarked against the Eurozone, the UK unemployment rate has remained consistently lower (Eurozone unemployment currently 11%). In late 2011, economic problems in Greece, Italy and Spain pushed the unemployment rate up to the highest rate seen since the Euro was implemented in 1999.



Source: CBRE, EcoWin

The current recession is the longest and deepest in recent history

The current recession is far longer than those of the early '80s and '90s. The nature of the recovery, slow growth which has faltered, a second recessionary period, and subsequent slow recovery, have also resulted in an extended period of hardship for consumers and industry. The wider structural issues within the Eurozone will continue to act as a drag on growth over the short to medium term.



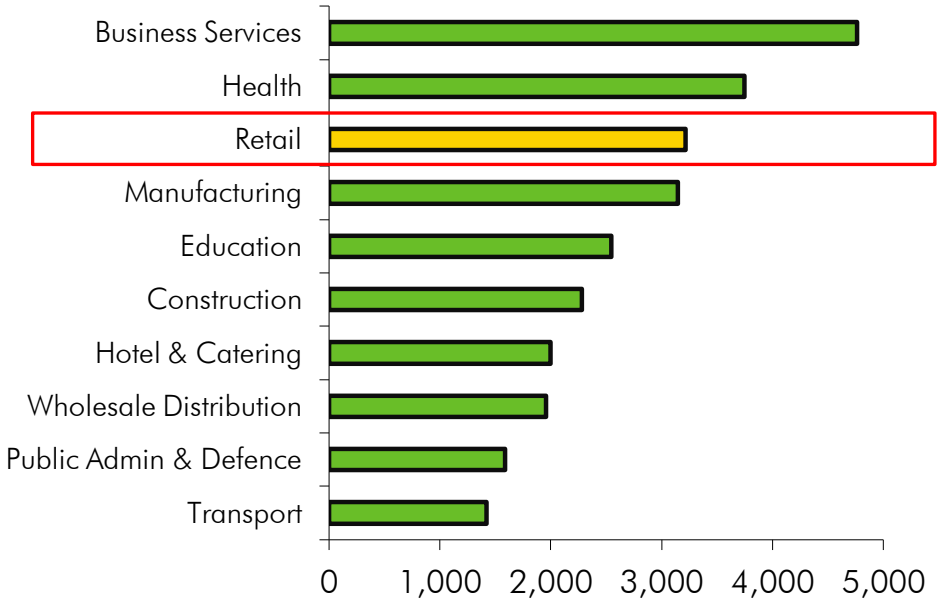
Source: CBRE, Macrobond, Oxford Economics

Retail Employment Comparison

Retail accounts for 10% of all employment in the UK

Retail accounts for 10% of the UK's labour force – equivalent to approximately 3 million jobs. The ongoing job cuts from the public sector continue to bite – influenced by the government's need to reduce its debt burden - will have some impact on the employment structure within the UK. However, any significant rebalancing of the economy is unlikely.

Retail has felt the effects of the recession with dwindling consumer spending resulting in a number of retailers falling into administration. Notable high street names include Clintons, La Senza, Peacocks and Comet – with the impact being a loss of front and back line staff.



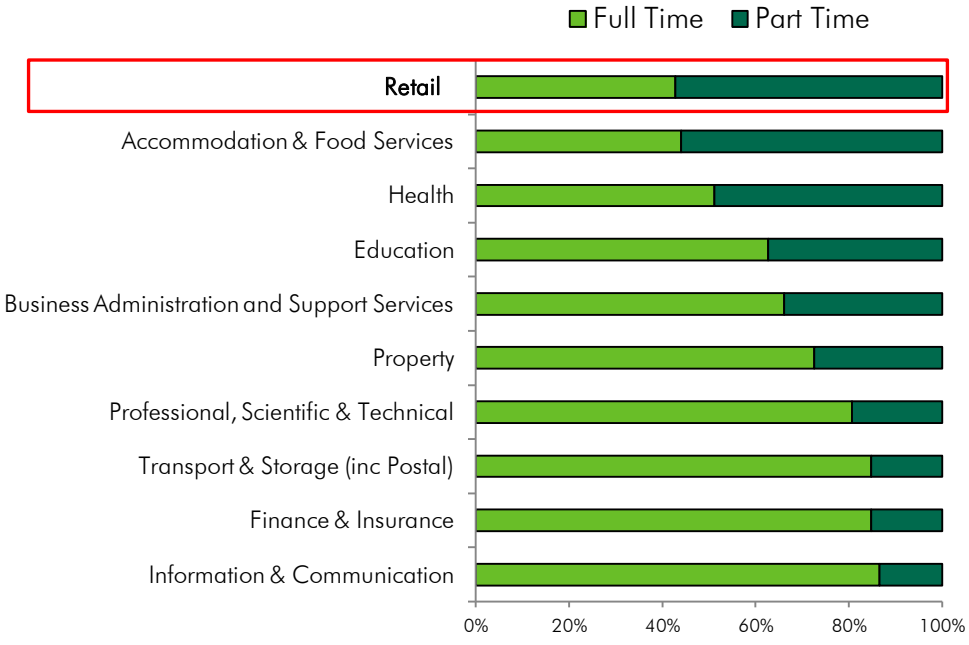
Number Employed (1,000s)

Source: CBRE, LFS

Retail has the highest proportion of part time workers

More than 40% of those employed in the retail sector are part time workers. This is higher than any other industry. As mentioned, the stable unemployment rate has been supported by a significant increase in part time employment, much of which is within the retail sector.

The number of people employed within the retail sector dropped between 2008 and 2011. The majority of these losses have been seen amongst full time employees as retailers turn to casual workers with more flexible working hours in an effort to reduce fixed costs.



Source: CBRE, ONS

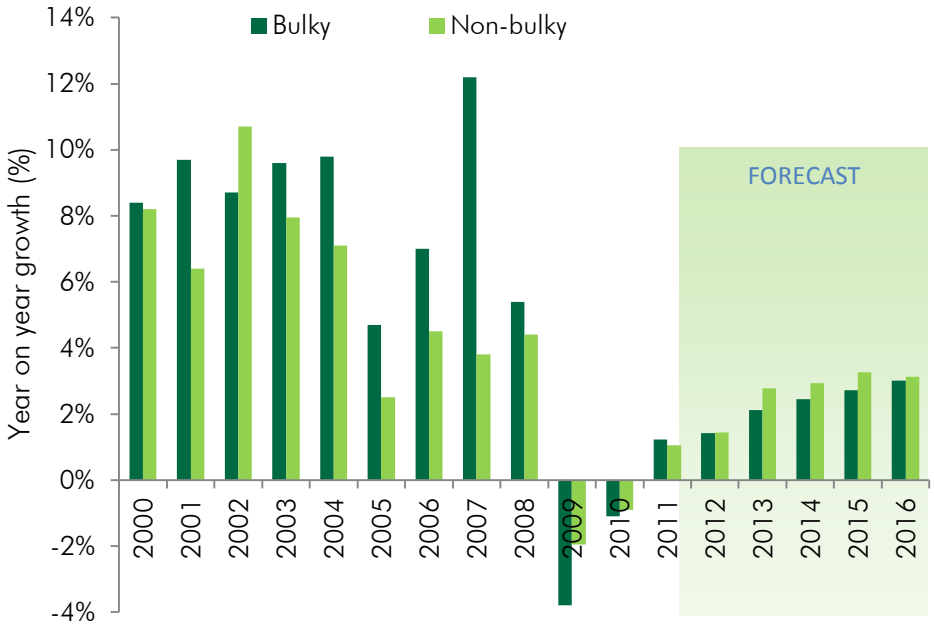
RETAIL TRENDS

Retail Spending

Future non-bulky spending will grow more quickly

Bulky goods spending is set to grow moderately year-on-year to 2016. In 2012, bulky and non-bulky goods grew at a similar pace (1%), however, going forward this will change in favour of non-bulky items.

By 2016, relying upon a resolution of the Eurozone crisis and improved consumer confidence, growth in bulky goods will be greater than 2% per annum. This will have positive impacts upon demand for new space from retailers.

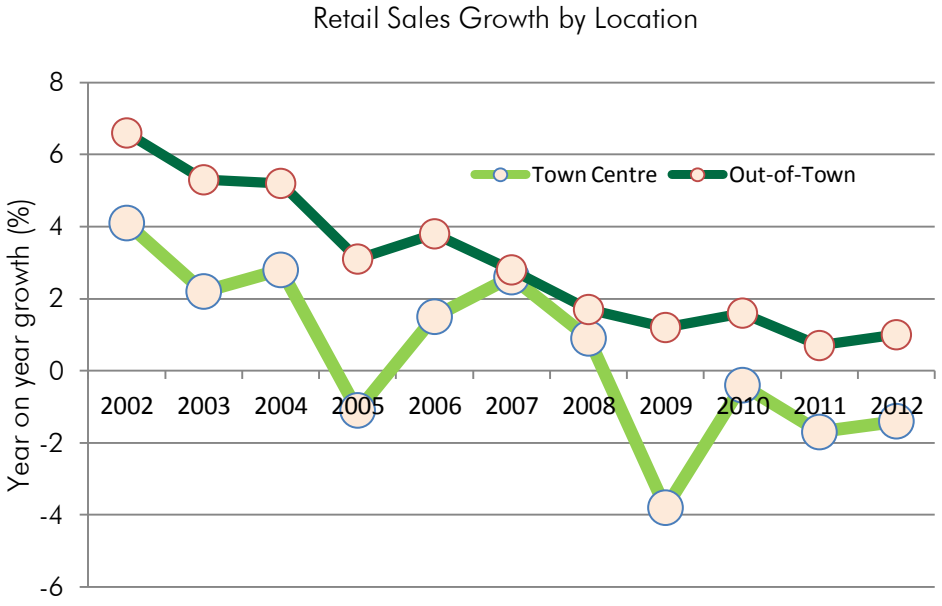


Source: ONS, CBRE

Out of town spend growth has outstripped town centres since 2007

Since 2007 when town centre and out-of-town sales growth were in line with each other, town centres have since grown at a lower rate in consecutive years.

As town centres have seen increased vacancy rates and car parking charges implemented, out of town shopping has become increasingly popular as this format is more accessible and allows for new formats and more product lines to be sold in one location.



Source: Verdict, CBRE

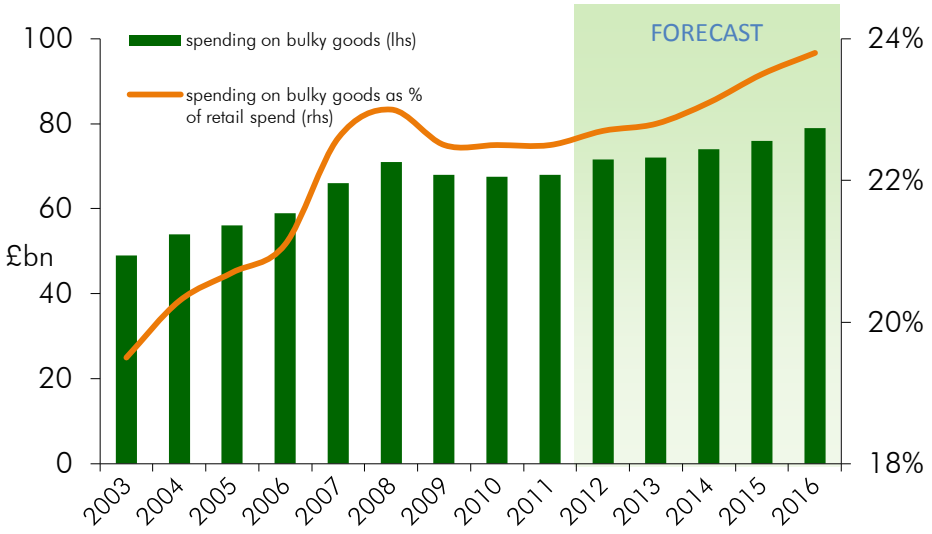
Bulky and Non-Bulky Goods Spend

Proportions spent on bulky goods set to rise to 2016

Spending on bulky goods increased significantly in the pre-recession period, however, this stagnated between 2009 and 2011 (£68 Billion). In 2012, full year forecasts suggest that growth will return and will continue to do so until at least 2016.

In terms of the proportion that bulky goods achieves of total retail spend, this also remained relatively flat throughout the recession at a consistent 23% and is forecast to remain relatively similar to 2016.

Spending on bulky goods (2003 prices)

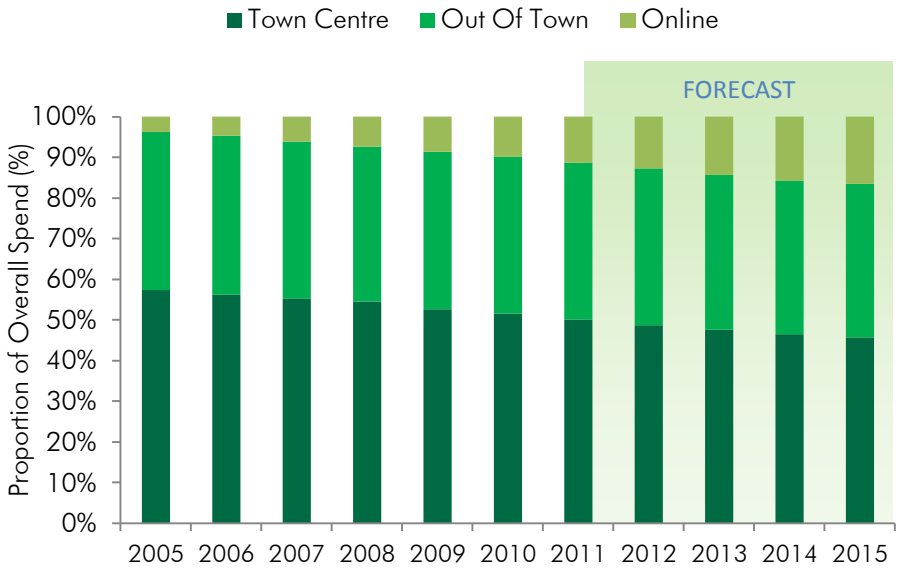


Source: ONS, CBRE

Online retailing forecast to further increase market share

The growth in online sales looks set to continue as retailers develop their multi channel offer and easily 'transferable goods' such as books and electronic items move to an online channel. As a proportion of total retail sales, online is forecast to grow consistently to 2015.

The impact, however, will be very sector specific and in terms of the overall change on branch network size, this is more likely to be influenced by the consolidation of spend and development in dominant in town and out of town locations.



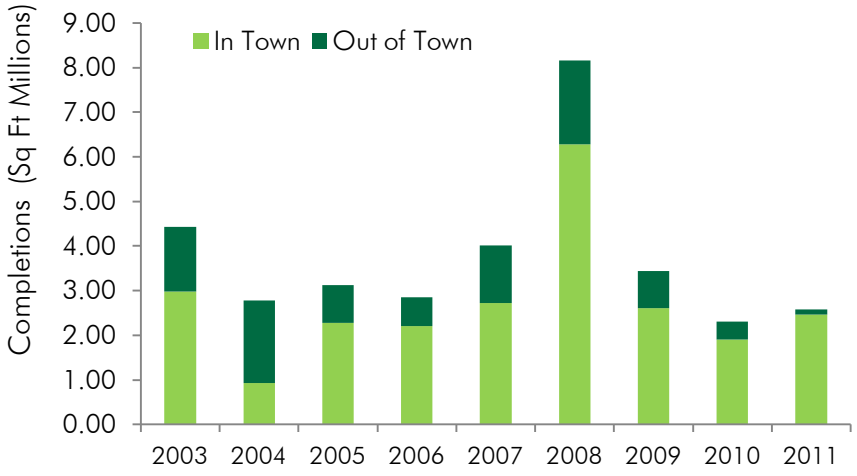
Source: Verdict

Shopping Centre & Retail Park Development

Little new shopping centre space found out of town

Since 2008 when circa. 2 million sq ft of out of town shopping centre space was added to the market, the quantum of new stock has dwindled. The limited supply of pipeline space under development pre recession enabled developers to put schemes on hold, in anticipation of a recovery further down the line. The truncated nature of the recession has resulted in many schemes being delayed for years and very low levels of development activity. Completions of in town shopping centre space has remained considerably higher, albeit below levels seen in 2008, with the completion of Westfield London and Westfield Stratford in recent years.

Shopping Centre Completions



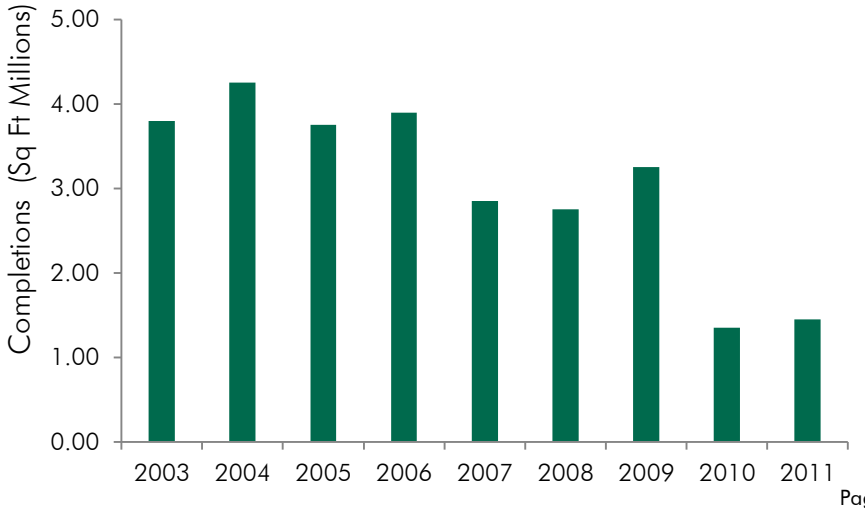
Source: CBRE, PMA

Retail park completions expected to remain at low levels

Between 2003 and 2009, retail park completions consistently reached in excess of 2.5m sq ft per annum. It is expected that retail warehouse park construction activity levels will remain at sub-1m sq ft levels each year until consumer spending strengthens markedly in the long term.

In addition to a lack of consumer spending growth, planning restrictions also heavily restrain developers.

Retail Park Completions



Source: CBRE, PMA

Changes in Number of Units

Declining numbers of smaller units in town

Since 2003, units in the 500 to 2,000 sq ft category have declined significantly. As a popular size of unit for retailers, this is a sign of the falling demand for retail units in town.

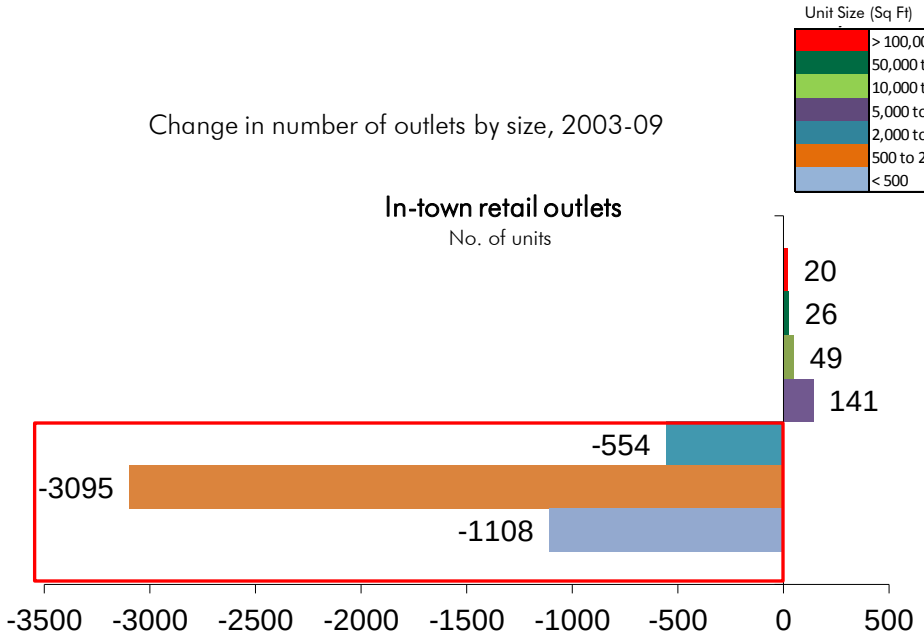
Insignificant increases in the number of units above 10,000 sq ft show that larger units, such as department stores, have remained in demand in town centres.

Significant increase in 2,000 to 50,000 sq ft units out of town

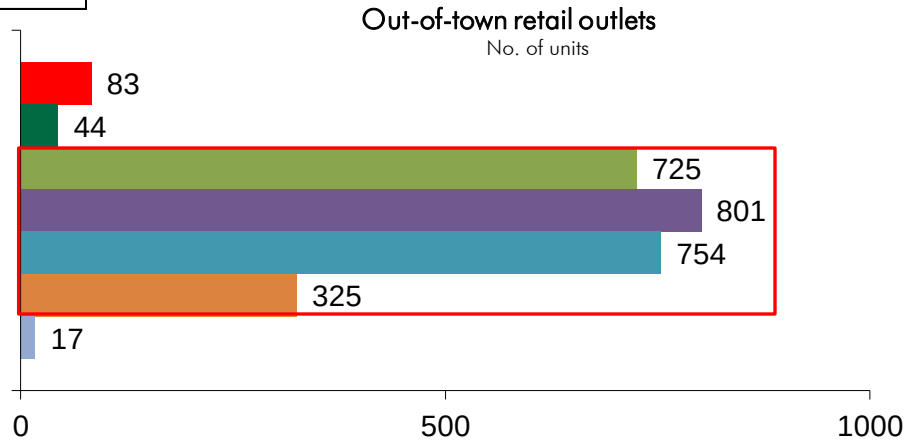
The growth in the supply of out of town stock is shown in the breakdown of additional units by size. Mid range units in particular have increased significantly between 2003 and 2012 as traditional town centre retailers diversify their portfolios and move out of town, often occupying smaller units than traditional bulky goods operators.

As a general trend, retailers have been moving out of town to develop new formats and take advantage of lower rents in the majority of cases, compared with town centre locations.

Change in number of outlets by size, 2003-09



Change in number of outlets by size, 2003-12



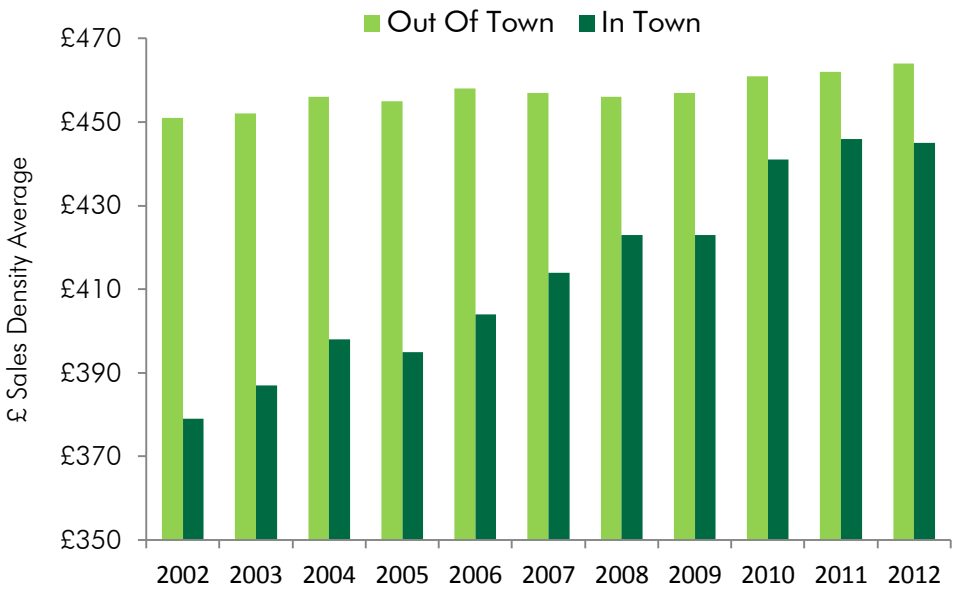
Source: Experian GOAD, Trevor Woods, CBRE

Sales Densities and Vacancy Rates

Out of town sales densities are consistently higher

Sales densities out of town (or sales per sq ft) have remained between £450 and £470 per sq ft for a decade. Since 2008, a minimal but steady increase has been seen whereby levels have now reached a peak of £464 per sq ft. This is a telling summary of the performance of the out of town sector and the fact that these locations deliver a greater return for retailers.

In town sales densities, consistently below out of town locations, have increased at a greater rate than out of town retail in the past decade. However, declines have also been seen in 2005, 2009 and 2012.



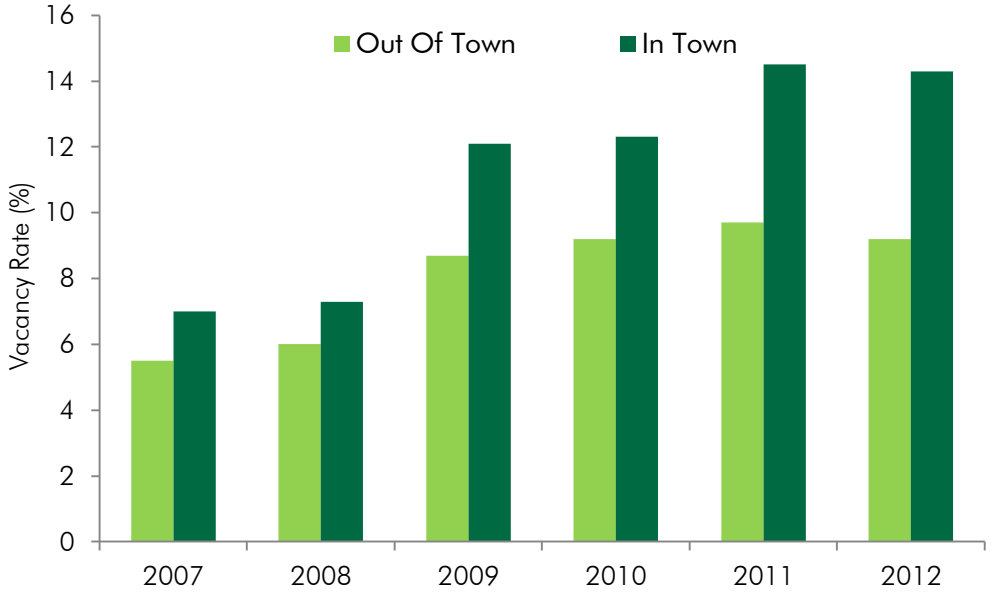
*Excluding online and trade sales

Source: CBRE, Verdict

Demand for out of town space limits vacancy rates

Out of town vacancy rates have remained consistently below that of in town retail centres since 2007. Out of town locations have never had vacancy rates above 10% at any point between 2007 and 2012 due to the level of demand continuing to keep pace with the total quantum of stock.

Town centre vacancy rates went above the 14% mark in 2011 and 2012 as a result of weakening retailer demand, particularly in secondary and tertiary locations. This disparity in performance between prime and secondary locations is less stark in the out of town market which is reflected in the vacancy rates.



Source: CBRE, LDC, Trevor Woods

Property Performance

Sustained rental growth to continue to 2015

Throughout 2011 and the early stages of 2012, the retail sector struggled to deliver growth. Retail warehousing did, however, outperform other asset classes over this period from a rental growth perspective.

Returns to recover from a low point in 2012

Following on from marked falls in 2008 and 2009, retail total returns recovered in 2010. However, the ongoing weaknesses in the wider economy, combined with faltering consumer and occupier demand, impacted retail property performance in 2011 & early 2012.

Rental Growth

Source: IPD, CBRE

Total Return

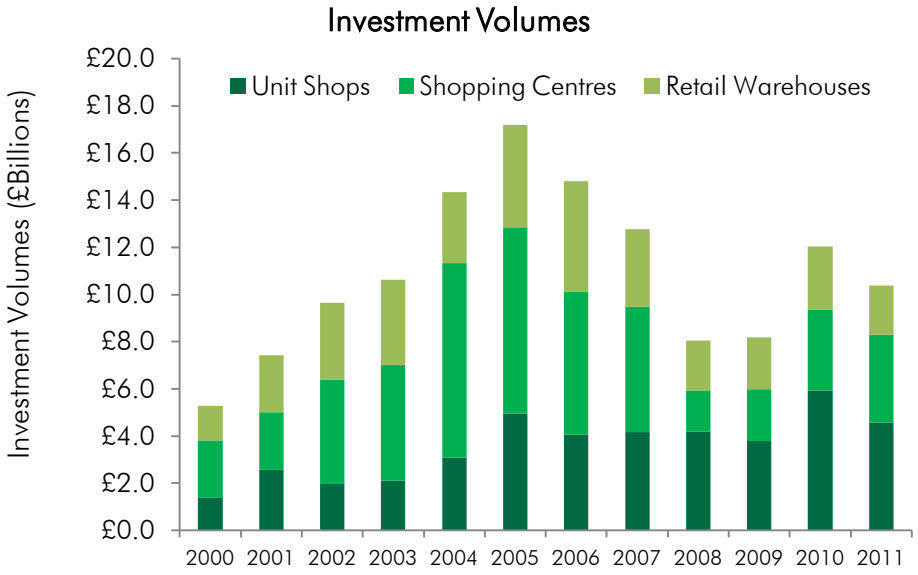
Source: IPD, CBRE

Investment Volumes and Sources

Retail investment volumes yet to recover to pre-recession levels

Investment volumes in 2008 and 2009 were under half the level seen pre recession. Whilst investment levels have picked up, general sentiment is still very risk adverse and a lack of available prime stock is likely to limit a significant upturn in investment volumes.

The most recent full year figures from 2011 show that investment volumes totalled £10.4 billion, a fall when compared with the 2010 figures.

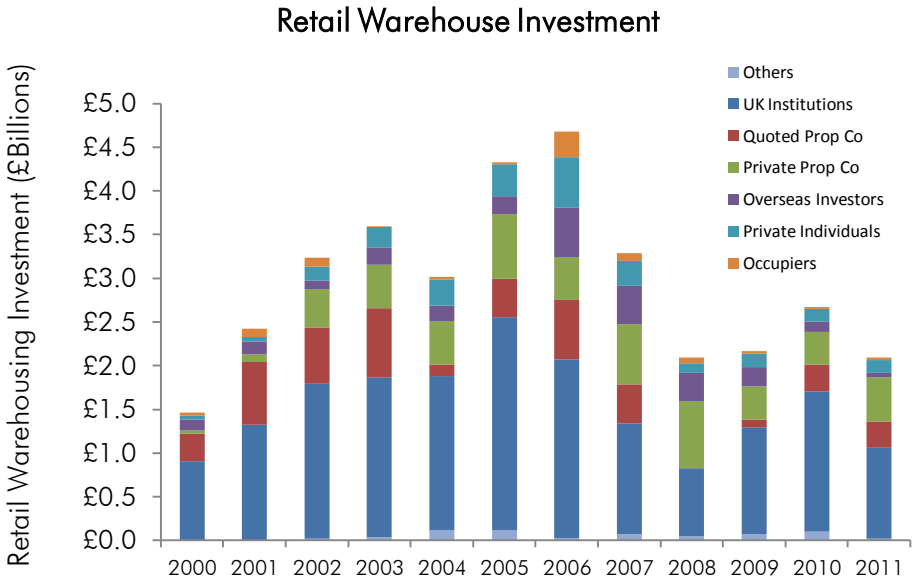


Source: Property Data, CBRE

Retail warehousing investment driven by UK institutions

50% of retail warehousing investment volumes in 2011 were from UK institutions. This is lower than in previous years (60% in 2010, 56% in 2009).

Overseas investment has dropped significantly since 2006 as the credit crisis hit the UK. This represents further evidence of a more cautious investor only willing to invest in secure, prime assets within Eurozone countries such as the UK.



Source: Property Data, CBRE

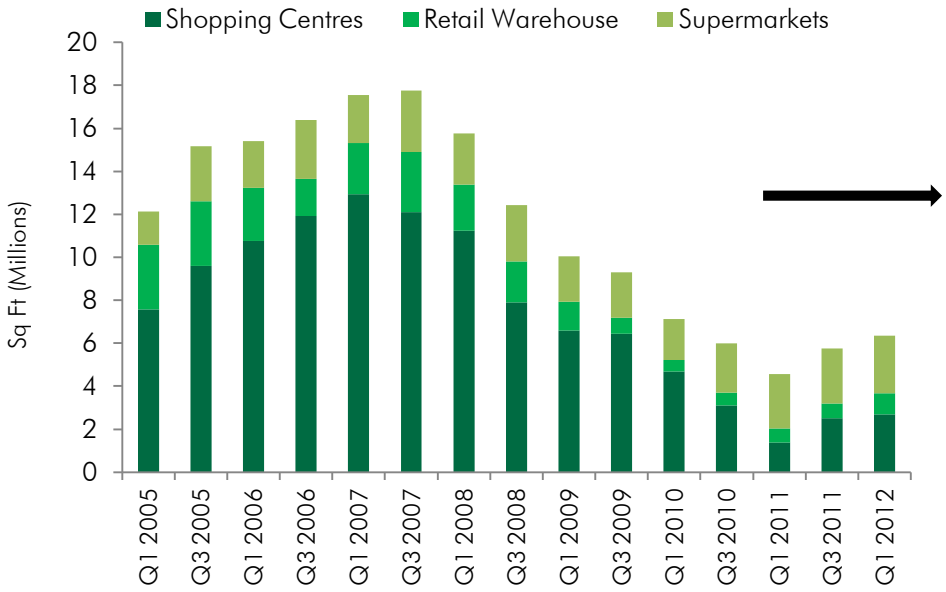
Retail Pipeline

Total pipeline driven by supermarket space race

New space currently under construction (circa. 6.4m sq ft) is being driven by the grocery operators looking to capture market share from competitors. A lack of speculative development from other retail sectors has provided an opportunity for growth.

The UK pipeline retracted significantly during the recession with construction levels falling as low a 5m sq ft from a pre recession peak of nearly 18m sq ft.

Pipeline –Total Under Construction



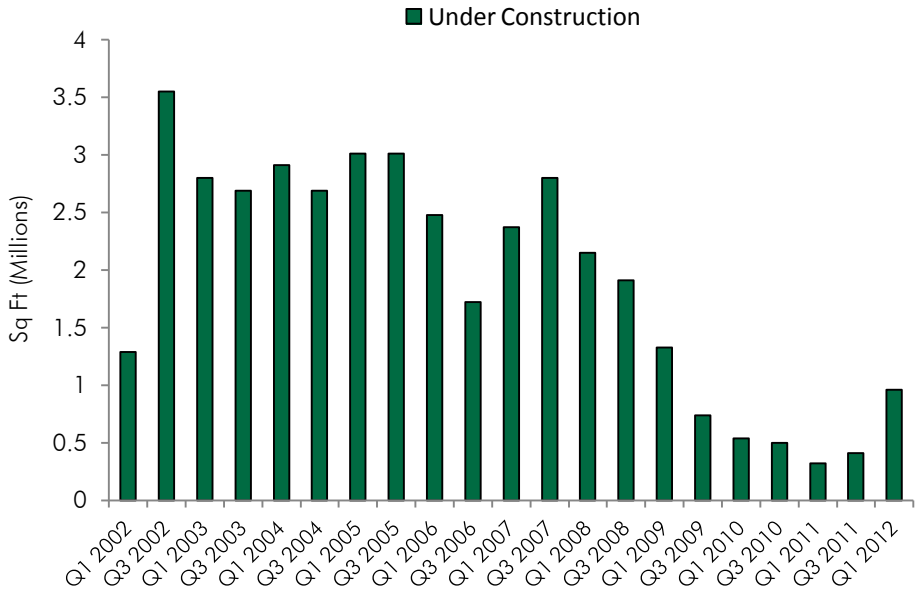
Source: PMA, CBRE

Retail warehousing showing signs of recovery

Retail warehousing space under construction fell from a peak of 2.8m sq ft in Q3 2007, pre-recession, to a low of 0.54m sq ft in Q1 2010. This represented a significant decline in speculative development as a result of the economic uncertainty.

Since Q1 2010, however, data shows that development has begun to slowly increase to more encouraging levels of 0.96m sq ft in Q1 2012, an indication that developers and investors are more confident about the outlook.

Retail Warehousing –Total Under Construction



Source: PMA, CBRE

UK Retail Commercial Property

The value of retail warehousing has grown significantly since 2009

The value of retail warehousing in the UK grew by £4.7 billion between 2009 and 2011 – the highest across all three asset classes. Shopping centres showed growth of £4 billion over the same period, whilst struggling town centres showed minimal growth. This was based on an IPD index of the same assets surveyed in both 2009 and 2011.

Source:IPD, CBRE

OUT OF TOWN SECTOR

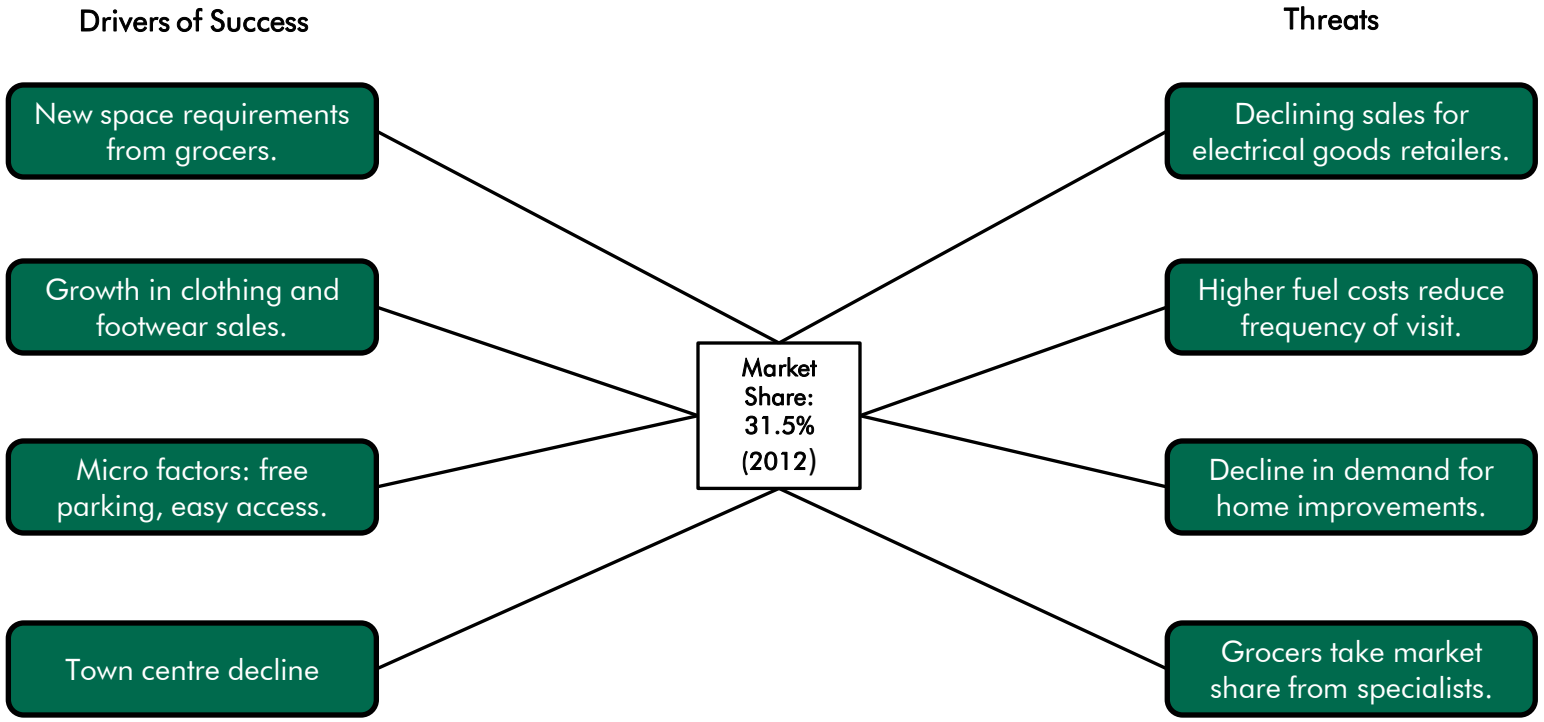
Retail Parks Market Overview

Retail parks have performed well for the past decade

Retail parks have experienced significant growth in the past decade as retail spending at out of town locations grew 21.9% between 2002 and 2007 (8.1% in town centres). In the economic downturn between 2007 and 2012, out of town locations saw spend growth of 6.4% versus -1.6% in town centres.

Retailers see the benefits of diversification out of town

Grocery retailers such as ASDA, Morrisons and Sainsbury's have seen as high level of sales growth in 2012 from out of town locations compared with their overall portfolios. Retail park locations allow for larger stores to be developed which often include significant non-food elements (up to 45% of net sales area).



Source: Verdict

Outlet Centre Market Overview

The UK has now grown to almost 50 outlet centres since 1992

Since their introduction in the early 1990s, outlet centres have provided an alternative to traditional methods of retailing such as the town centre and shopping mall formats. Retailers were attracted by the opportunity to dispose of end of season stock, over-orders and returned stock. Price points in outlet centres are lower than equivalent High Street pricing.

As of Q4 2012, there were close to 50 outlet centres across the UK. By region, Northern Ireland and the South West have greatest amount of outlet centre floorspace on a per capita basis. London will receive its first outlet centre, the London Designer Outlet, in 2013.

McArthurGlen Group operate many of the UK's most successful schemes

McArthurGlen Group was one of the first to introduce the concept to the UK with its Cheshire Oaks development in 1995 and it continues to be a major player in the UK outlet market, along with Realm. The now pan-European operator McArthurGlen manages a portfolio of seven of the most successful UK outlets.

There is a clear hierarchy of outlet centres within the UK with Bicester Village, Gunwharf Quays, Cheshire Oaks, The Galleria Hatfield and York Designer Outlet in the top tier.

Outlet Centre Space by Region

Region	Space (000 sq ft)	Pop (000s)	Per Capita (sq ft)
Northern Ireland	531	1,810	0.29
South West	997	5,317	0.19
Yorkshire and the Humber	878	5,339	0.16
South East	1,094	8,605	0.13
North West	803	6,971	0.12
Wales	340	3,013	0.11
North East	290	2,622	0.11
East	647	5,889	0.11
East Midlands	483	4,515	0.11
Scotland	560	5,241	0.11
West Midlands	454	5,478	0.08
Greater London	0	7,908	0.00

Source: Trevor Wood, CBRE

Pipeline by Region

Region	Total Additional GLA (000 sq ft)
London	350
South West	313
Scotland	184
Wales	97
West Midlands	79
North West	28
Yorkshire & the Humber	8
Grand Total	1,059

Source: PMA, CBRE

Top 10 Out of Town Malls

Greater London Focus

Three of the top 10 out of town malls (as measured by the level of weighted / shopper spend attracted) are located within London. As both a cause and effect, the high weighted spend available ensures a demand for retail space and also provides retailers with the platform to deliver strong sales.

Westfield London and Westfield Stratford have both performed extremely well since opening. Their scale, retail offer, and lack of shopping centre provision locally allows them to trade from large catchment areas from which they attract high levels of shopper expenditure.

Regional malls continue to perform well as retail 'destinations'

Bluewater retains its position as the best out of town mall in the UK, attracting a weighted spend of £1,585m. Located close to the M25, strong tenants and transport links ensure this position.

Meadowhall, the highest ranked centre outside the Greater London area, trades from a large catchment area situated in a relatively uncompetitive retail landscape, from an out of town mall perspective, which is reflected in the high level of weighted spend attracted.

Centre Name	Weighted Comparison Spend (£m)	CBRE Gravity Model Ranking - 2012	Region
Bluewater	£1,585	10	South East
Westfield London	£1,222	16	Greater London
Westfield Stratford	£1,202	19	Greater London
Meadowhall Centre	£1,115	24	Yorkshire & Humberside
Trafford Centre	£1,031	27	North West
Metro Centre	£1,018	29	North East
Lakeside	£1,013	30	South East
Brent Cross	£983	32	Greater London
Merry Hill	£922	33	West Midlands
Cribbs Causeway	£594	73	South West

*CBRE Gravity Model Ranking -2012 relates to CBRE's UK gravity model

Retail Parks and Outlet Centres

Fosse Park continues to be the highest ranked park

Leicester Fosse Park, situated slightly to the south west of the city centre, trades from an extremely large catchment area with a high weighted spend. The scheme is currently 508,000 sq ft in size.

Lakeside Retail Park is a large scheme containing bulky goods retailers such as Dreams, Harveys and Next Home. It also has an element of comparison goods retailers such as Argos, IKEA, Mothercare and Next. Dwell times are further increased by a food retail element from Nandos and Pizza Hut.

Bicester Village increases its standing

Bicester Village has increased its position slightly in our rankings since the previous report. The scheme benefits from significant numbers of high spending tourists travelling from London, as well as Oxford shoppers. Population growth has also significantly increased in the area through the Kingsmere housing development. Cheshire Oaks remains the top outlet centre within our national retail rankings.

Top 5 Retail Parks

Centre Name	2009 Rank	2012 Rank
Leicester Fosse Park	153	141
Lakeside Retail Park	161	162
Bournemouth - Castlepoint	170	173
Eastleigh - Hedge End Park	209	221
Warrington - Gemini Retail Park	227	228

Top 5 Outlet Centres

Centre Name	2009 Rank	2012 Rank
Cheshire Oaks	162	165
Bicester Village	301	299
Galleria Outlet Mall	-	-
Portsmouth Gunwharf Quays	360	346
York Designer Outlet	-	-

Distance Travelled and Catchment Population

Shoppers will travel further than the national average to retail parks

A key reason for the development of successful retail parks is the ability to provide shoppers with a level of convenience not offered in town centres. As such, the distance that shoppers are required to travel to reach a retail park is actually fairly small.

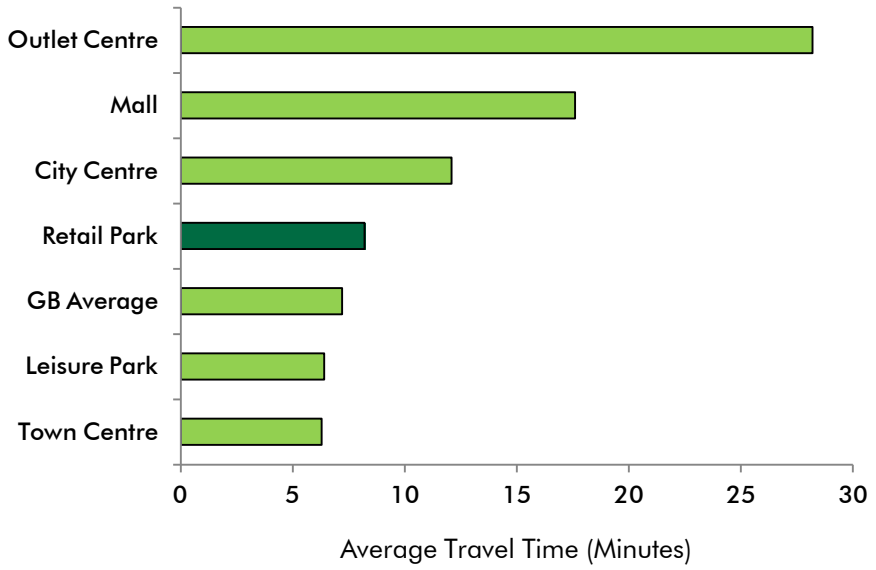
Due to their rarity, outlet centres attract the largest average drivetimes of 28 minutes. In the UK, there are just 48 outlet centres of which the largest is Cheshire Oaks Designer Outlet. The national average distance travelled to a retail location is just 6 minutes by comparison.

Out of town malls attract the largest catchment populations

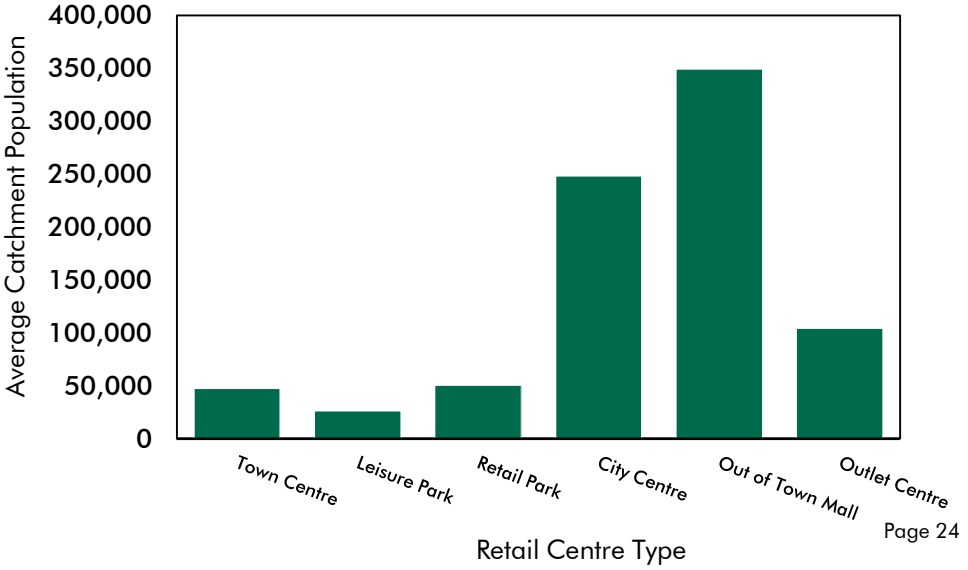
Out of town malls, on average, attract the largest catchment populations. Aside from being able to develop a strong retail mix and be asset managed, these schemes are often suitable for all weather types, easier to access and have plentiful parking provision.

Town centres are shown to serve a smaller catchment area as they act as a local destination. Shoppers are unlikely to travel very far to reach these, as seen on the adjoining graph.

Distance Travelled by Retail Type



Average Catchment Population by Retail Type



In Town vs Out of Town by Region

Out of town now accounts for 25% of total UK retail floorspace

Out of town retail space now represents 25% of national retail floorspace. This is due to the level of new floorspace added in the past 5 years.

Greater London has amongst the lowest amount of out of town floorspace due to the scale of existing town centre provision, whilst the North East has amongst the highest percentage of out of town floorspace (30.9%).

Retail parks account for the greatest proportion of retail space

Within the out of town sector itself, retail parks are by far the dominant type of retail format, followed by out of town malls.

Greater London has the largest amount of mall floorspace out of town. This is largely due to the presence of Westfield London and Westfield Stratford.

			Out of Town			
Region	**Total In Town**	**Total Out of Town**	**Mall**	**Outlet Centre**	**Retail Park**	**Leisure Park**
East Anglia	81.7%	18.3%	0.0%	0.0%	16.0%	2.4%
East Midlands	74.0%	26.0%	0.0%	6.7%	18.6%	0.7%
Greater London	80.1%	19.9%	11.6%	0.2%	8.1%	0.0%
North West	77.2%	22.8%	3.7%	3.2%	15.3%	0.6%
North East	69.1%	30.9%	10.9%	2.5%	17.5%	0.0%
Scotland	73.3%	26.7%	11.0%	1.2%	14.0%	0.6%
South East	75.0%	25.0%	4.9%	1.9%	17.6%	0.5%
South West	73.6%	26.4%	2.9%	2.1%	18.6%	2.8%
Wales	72.4%	27.6%	0.1%	4.8%	22.4%	0.3%
West Midlands	78.4%	21.6%	6.3%	1.2%	13.7%	0.5%
Yorkshire & Humberside	61.0%	39.0%	9.9%	6.8%	21.5%	0.8%
Grand Total	**74.1%**	**25.9%**	**6.5%**	**2.7%**	**16.1%**	**0.6%**

Outlet Size

Out of town units are much larger in town locations

All three types of out of town retail allow retailers to trade from larger units, particularly in retail parks and malls. The average size of an in town unit (2,572 sq ft) compares less than favourably with the size of retail parks (6,816 sq ft). This enables retailers to provide their customers with a better shopping experience overall.

At a regional level, units at retail parks are larger in the south of the country. Greater London (14,077 sq ft) has the highest average unit size whilst the South East and South West also provide larger units to trade from.

*All figures are average unit sizes (Sq Ft)

		Out of Town		
Region	**In Town**	**Mall**	**Outlet Centre**	**Retail Park**
East Anglia	2,343	0	0	7,211
East Midlands	2,642	0	2,732	6,928
Greater London	2,824	5,688	0	14,077
North West	2,639	9,195	3,375	6,769
North East	2,668	5,197	3,451	4,569
Scotland	2,702	7,559	4,618	3,064
South East	2,608	5,357	3,132	8,317
South West	2,286	5,279	2,424	13,957
Wales	2,805	0	3,099	3,071
West Midlands	2,540	7,185	2,439	2,445
Yorkshire & Humberside	2,323	4,881	3,192	3,072
Grand Total	**2,572**	**6,407**	**3,208**	**6,816**

Spend Density and Future Floorspace Requirements

Greater London requires the most new space to 2020

At present, spend available on a square foot basis is highest in the East and the South of the UK. This is a product of higher incomes in the South and lower levels of retail competition in the East of the UK.

Population and spend growth to 2020 drives demand for retail goods. Future floorspace requirements (2020) measure the amount of new space needed to return spend densities to the same level as in 2012. Greater London will see strong population and spend growth to 2020 creating the demand for 3.1m sq ft of additional floorspace.

Region	Current Spend Density (£ per Sq Ft)	2020 Retail Floorspace (Incl. Construction or Consented, Sq Ft)]	2020 Spend Density (£ per Sq Ft)	Floorspace Requirements (Sq Ft)
East Anglia	£579	57,204,240	£709	2,529,839
East Midlands	£586	43,265,893	£660	1,565,517
Greater London	£541	82,256,909	£671	3,154,353
North West	£497	72,003,433	£601	611,135
North East	£480	28,015,895	£507	306,851
Scotland	£471	60,415,940	£547	-
South East	£575	87,453,531	£684	1,899,693
South West	£532	54,853,459	£639	2,196,119
Wales	£471	31,464,080	£542	-
West Midlands	£488	55,918,718	£571	-
Yorkshire & Humberside	£526	51,715,530	£608	-
Grand Total	**£527**	**624,567,630**	**£625**	**12,263,508**

*Spend densities to 2020 exclude inflation

Future Trends and the Out Of Town Market

Growth of online retailing

Current estimates suggest that online sales account for 8% of total retail sales in the UK (Javelin, 2011). However, the impact on bricks and mortar stores varies significantly by sector. Many retailers are seeking to provide a fully integrated multi-channel offer to drive sales from online into stores.

Both landlords and retailers in the out of town sector must adapt to changing consumer demands by embracing the item collection model introduced by Amazon and others, as well as allowing customers to 'click and collect' items from physical stores. This provides the opportunity to target 'active' customers so that bricks and mortar becomes more than simply a collection point.

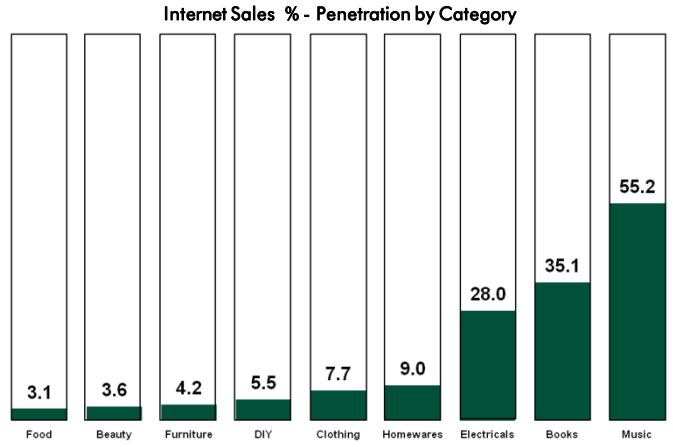
The charts displayed on the right illustrate that the shift of retail to online suppliers varies considerably by category. Key out of town product categories such as food, furniture and DIY have seen minimal impact ensuring that demand for retail space is sustained. Moreover, the number of 'tangible retail' units has still increased significantly since 1988 despite the growing presence of e-commerce.

Changing demand from grocery retailers

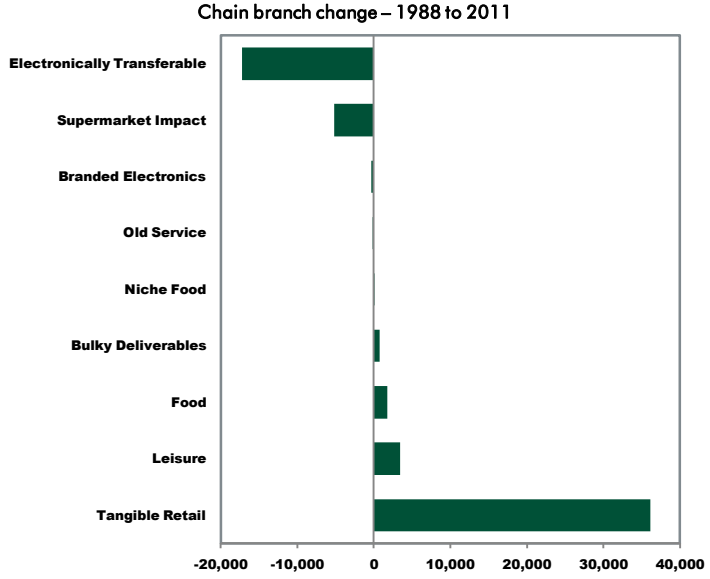
Grocery retailers have driven demand for new out of town space, particularly through larger hypermarket formats with higher proportions of non-food space. However, Tesco has recently stated its intentions to reduce its Tesco Extra format. Coupled with a focus on convenience town centre supermarkets (Aldi, Co-Op, Tesco and Waitrose) this could potentially reduce out of town requirements going forward.

Retail casualties

Retail parks were impacted by a series of administrations in 2008 and 2009 as well as more recently with the failure of Blacks, Comet and La Senza. Due to a shortage of A1 consent, fashion parks have recovered well through strong demand. Moreover, when retailers fall into administration they still want to remain in bigger, more dominant schemes.



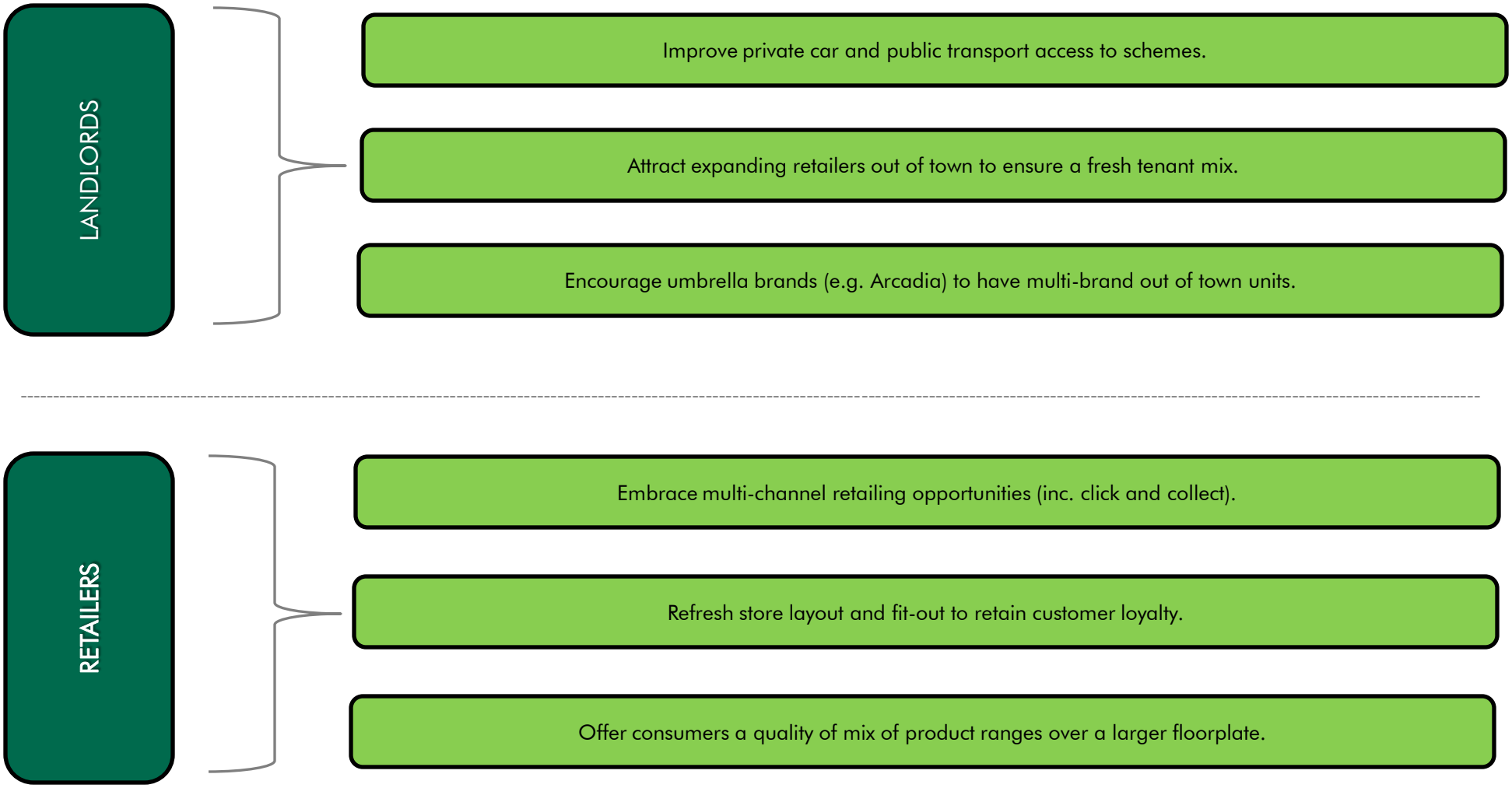
Source: CBRE, Verdict



Source: Retail Locations

Future Trends and the Out Of Town Market

Strategies for success can be implemented by both landlords and retailers



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