

Analyses and Strategies for Markets and Locations in Europe

The general Service Range for all our Clients:

- Location and Potential Analyses
- Feasibility Studies
- Analyses for Investment and Financing Decisions
- Expert Statements and Consulting in Approval Procedures for large-scale Retail Projects
- Impact Studies according to § 11.3 BauNVO in Germany respective the relevant Laws and Regulations in other Countries
- Verification and Validation of already available Surveys, Studies and Expert Statements concerning retail and real estate issues
- Competitive Analyses
- Opinion Research

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- Concepts for the Revitalisation of non-performing Shopping Centres and Retail Parks
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- Tenant Demand Reports
- Strategies for Market Entry and Market Development
- Analyses to optimise the Branch Network

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- Advisory Guidance of Town Planning Measurements & Urban Development Projects
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- Analyses on Local Retail Supply
- Analyses on Industrial Real Estate Demand

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Preliminary remarks

Beginning in the USA and, over the past 25 years, subsequently spreading in Europe as well, a new retail format has been established: the Factory Outlet Centre (FOC) or Designer Outlet Centre (DOC). In the meantime, such a high density of Outlet Centres already exists in some European countries (e.g. Great Britain), that one can certainly speak of market saturation here. Thus, in Great Britain, as in the USA also, a market shakeout is observable among locations of Outlet Centres, whereby the most professional operators, and accordingly suitable locations, win out over less productive concepts or locations with weaknesses.

The situation in continental Europe is somehow different. Due what are, to date, extremely restrictive building permission procedures compared to those in the rest of Europe, Germany has only a very few Outlet Centres in relation to the size of this national market. However, there is little doubt that this will change in the medium-term perspective, at least. The kind of emotional argument that often used to take place until just a few years ago has now given way to a much more factual discussion on the advantages and disadvantages of establishing an Outlet Centre.

Whereas Germany still shows a lot of potential for new Outlet Centres, Italy has seen a rapid development in the last years, and it's difficult to discover any "white spots" on the map there. The same applies to Switzerland and Austria. In the Central and East European Countries (CEE) the development took up pace but slowed down again in the aftermath of the credit crunch. So still there are significant differences on the development of Outlet Centres and the numbers of such centres in the European countries.

For more than 12 years now, ecostra is publishing this survey on Outlet Centres in Europe. Gathering reliable market-data requires a clear definition of the subject of investigation. Starting with the December 2014 issue, ecostra adapted the definition to new developments in the outlet markets, in particular the up-coming outlet-hybrids (e.g. Value Centres, Outlet Agglomerations). The **new definition of an Outlet Centre** is:¹

*Outlet Centres are an agglomeration of many outlet store units within a coordinately-planned or a spatially-interrelated complex of buildings with more than 5,000 m² retail sales area (= approx. 6,000 m² GLA) and with more than 20 outlet stores. There **brand** manufacturers and vertically-integrated retailers sell past seasons, factory seconds, surplus stock etc. directly to the consumer, without using retail businesses as (intermediate) distributive channels. All products are sold with a discount to the original high-street price of at least 25 %, **whereas double-pricing ("High Street Price" / "Outlet Price") is ruled by the leasing contract. The marketing targets a supraregional area and above all customers from far away are addressed. The coordination, organisation and marketing of an outlet centre is carried out by a centre management.***

The overview presented in this survey includes all those centres that are, currently either in operation or planned, that correspond to the above definition of Outlet Centres. For this reason, the Lifestyle Outlets Myland Crystallerie Wadgassen (www.myland.eu), the 50 Factory Store in the Italian town of Aosta (www.fifty.it) nor, among other sites, the Hackney Walk Luxury Outlet District (www.hackneywalk.com) in London have been included on the list.

At the same time such concepts like Outletcity Metzingen (www.outletcity-metzingen.com) or the City Outlet Bad Münstereifel (www.cityoutletbadmuenstereifel.com)² are not covered by the definition above. Following the request of many brand manufacturers, who were on the search for market data and informations for such projects ecostra now presents with "**Organized Outlet Agglomeration" (OOA)** a definition for such a retail format that does have various features similar to those of an outlet centre but at the same time is different in many aspects. OOA can be distinguished from FOC by the following features:

¹ The new elements in this definition are marked in red colour.

² The City Outlet Bad Münstereifel is the first professionally organized outlet concept using already existing historical buildings in the high streets of a city.



- There is no coordinately-planned or spatially-interrelated complex of buildings. Such common features can refer to some sections of the object, but not the whole. This is most obvious by differences in architecture and missing common functional areas, e.g. heating, storage, waste.
- There are other uses – e.g. services, retail businesses, gastronomy, flats – located between the outlet stores of the OOA. These premises are not necessarily jointly owned by the investor of the OOA nor are they necessarily leased by the operator of the OOA.
- There are public roads, streets and pavements passing through the area where the outlets are located.
- Other than a more or less random agglomeration of outlet stores, an OOA does have a centre-management, which is responsible for marketing and sometimes even for leasing of the object.
- All other features correspond to those of an FOC (see definition above).

The following survey of existing and planned Outlet Centres and Organized Outlet Agglomerations in Europe is intended to help improve transparency on the retail trade market. This survey is free of charge and is available to everyone without any limitations as a PDF-download at the [ecostra](http://ecostra.com)-website. The overview has been compiled according to the best of [ecostra](http://ecostra.com)'s knowledge and is updated approximately every 3 months. Plans, developments or other information disclosed to the authors on a confidential basis have not been included in the overview, in consideration of protection of confidence. No guarantee can be given for the completeness or correctness of the said information.

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We're proud to announce: In March 2019, [ecostra](http://ecostra.com)'s market survey "Outlet Centres in Europe" was ranked as No. 2 in the Top 5 download list of Germany's most relevant real estate magazine, the "Immobilien Zeitung" (see snapshot below).



Aktuelle Top-Downloads

- 1. Immobilienmarktbericht Rhein-Neckar 2019** ([Metropolregion Rhein-Neckar GmbH](#))
- 2. Outlet Centres in Europe** ([ecostra](#))
- 3. Marktbericht Industrie- und Logistikkimmobilien Stuttgart 2018** ([Realogis](#))
- 4. Das Bestellerprinzip in der Immobilienvermittlung** ([IVW Köln](#))
- 5. Marktbericht Industrie- und Logistikkimmobilien Nordrhein-Westfalen 2018** ([Realogis](#))



Location	Type	Status	Name of the Object / Project	Operator	Developer / Investor / other Partners	Gross Leasable Area (GLA) in m ²	Retail Sales Area (SA) in m ²	Remarks
Soltau (Lower Saxony)	FOC	operating	Designer Outlet Soltau	ROS Retail Outlet Shopping	Mutschler Group / Resolution Property	13.200	9.900	Centre opened on 30th August 2012. In March 2015 the town council of Soltau decided to extend the centres retail sales area to 20,000 m ² . In 2017 the state government decided not to change the state development plan, which is a pre-condition for such an extension. In May 2018 the owner of the Designer Outlet Soltau took legal action against this decision. Now the administrative court of Luneburg has to decide.
Montabaur (Rhineland-Palatinate)	FOC	operating	Montabaur The Style Outlets	Neinver	S.K.E.T. Gesellschaft für Immobilienmanagement mbH / Fashion Outlet Grundbesitz GmbH + Co. KG / Neinver	12.500	10.000	After almost 10 years of planning procedure, the centre finally opened doors in July 30th 2015. In 2016 the centre had approx. 1.6 m visitors. Starting from the opening, the centre was managed by Stable International until the beginning of 2017, then the management duties were run by the investor itself for half a year. After signing a long term contract Neinver became the new manager of the centre in July 2017. Starting with June 2018, the centre is re-named from Fashion Outlet Montabaur to the Neinver brand The Style Outlets.
Wittenburg (Mecklenburg-West Pomerania)	FOC	advanced planning phase	Wittenburg Village	n.s.	Van der Valk, Ontwikkelfonds	16.000	12.600	Project was already discussed back in 1999 at the initiative of the Department of Trade and Industry of Mecklenburg-Vorpommern, but abandoned due to opposition. Then this project seemed to be up and running again In 2007, planning activities were resumed again in the immediate vicinity of the "Alpin Center Hamburg-Wittenburg", however the British Miller Group which had a stake in this project withdrew again. The project was continued in 2014 / 15 by the Dutch developer Ontwikkelfonds together with Stable International and the owner of the Alpin Center, the Dutch van der Valk group. The regional planning procedure to get a building permit started in September 2016 and ended in December 2017 with a positive verdict. Now the procedure for the building plan is on its way. Construction work is supposed to start in 2019.



Location	Type	Status	Name of the Object / Project	Operator	Developer / Investor / other Partners	Gross Leasable Area (GLA) in m ²	Retail Sales Area (SA) in m ²	Remarks
Helmstedt (Lower Saxony)	FOC	cancelled	Ostfalen Outlet Center Helmstedt	HMCM Centermanagement GmbH	Müller Baugesellschaft, Helmstedt		9.900	At first, this project was conceived with a sales area of 17,000 m ² . An application for proceedings to obtain permission to deviate from a planning objective was made but later cancelled in light of the new state development regulations. As no activity had been observable for a long time, in March 2010 the City Council decided to take up the plans for an OC again. In December 2010, the regional planning authority of Greater Braunschweig ascertained that the project violated the state planning regulations. Again, after some years with no activity, the city council decided in January 2013 to start the procedure to obtain a building permit for an outlet centre with a reduced sales area of now less than 10,000 m ² . In March 2013 the regional administration union of Greater Area Braunschweig has enjoined the city of Helmstedt to carry on with the plannings. In May 2013, the city of Helmstedt has filed a court case to object to the decision of the regional administration. In August 2013 the administrative court rejected the claim and in January 2014 the higher administrative court rejected the following complaint of Helmstedt. Now this project can be considered to be dead.
Neumünster (Schleswig-Holstein)	FOC	operating	McArthurGlen Designer Outlet Neumünster	McArthurGlen	McArthurGlen Group / TIAA Henderson Real Estate / Henderson Global Investors	27.100	20.000	The opening of the first construction phase took place on the 20th September 2012. The second building phase opened in September 2015. Approx. 3,000 parking spaces.
Piding (Bavaria)	FOC	uncertain	n.s.	n.s.			8.100	In the municipality of Piding, located on the A8 near Bad Reichenhall, an OC was to be established in the business park on the Lattenbergstrasse, on the site of an existing Adidas outlet (approx. 1,000 m ² SA); however, in the meantime, a retail park is also being negotiated instead of an OC. In March 2007, the Bavarian Department of Trade and Industry approved enlargement to an OC with 8,100 m ² SA. However, to date no construction work has been observed at the site.



Location	Type	Status	Name of the Object / Project	Operator	Developer / Investor / other Partners	Gross Leasable Area (GLA) in m ²	Retail Sales Area (SA) in m ²	Remarks
Ochtrup (Northrhine-Westfalia)	FOC	operating	McArthurGlen Designer Outlet Ochtrup	McArthurGlen	Retail Development Group / Hütten Holding / EOC Ochtrup GmbH & Co. KG / McArthurGlen	17.350	11.650	Centre opened on 30th August 2012. Approx. 1.500 parking spaces. There are plans to extend the centre on up to 20,000 m ² SA; the impact study was published in November 2015 and came to the result, that an extension of 8,300 m ² retail sales area is compatible with the relevant requirements of spacial planning. In November 2015 McArthurGlen and Hütten Holding announced that from 2016 on they will partner. McArthurGlen now has the majority share and is responsible for the management. In June 2016 neighbouring cities formed an alliance against the projected extension and announced to fight this in court. At the end of September 2017 the city council of Ochtrup decided to change the plans for land use to enable the extension. In June 2018 the district government decided to approve the change in the land use plan. Start of construction is scheduled for 2018 and opening of the extension for 2019, but still this can be delayed by legal proceedings.
Hagen (Northrhine-Westfalia)	FOC	cancelled	n.s.	Stable International	Freiherr von Maydell GmbH		14.000	In the Hagen locality of Haspe, an OC was planned on the "Brandt grounds". In March 2008, the Department of Trade and Industry of North Rhine-Westphalia refused the start of proceedings to obtain permission to deviate from a planning objective, with reference to the path of creating "regional consensus". The project thus appeared to have already "died". After the ruling by the Constit. Court of NRW in the Ochtrup case, it was considered to resume proceedings again. However, the developer withdrew from the project in the middle of 2011. The project must therefore have "died".
Bad Fallingbostal (Lower Saxony)	FOC	cancelled	n.s.	Outlet Centres International (OCI)			n.s.	Bad Fallingbostal, together with the neighbouring municipalities of Walsrode and Bomlitz, wants to establish an OC on the A7 / A27 motorway intersection. The State Government of Lower Saxony ruled against Bad Fallingbostal on 03.02.2009 (see Soltau). The municipalities of Walsrode, Bad Fallingbostal und Bomlitz, the joint initiators of the project, accepted the decision.

