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

For our Clients from the Private Sector we offer the following specific Services:

- Location Analyses for the Process of Due Dilligence to evalue the economic Sustainability of Financing and Investments
- Area and Utilisation Concepts for large scale Retail Projects
- Concepts for the Revitalisation of non-performing Shopping Centres and Retail Parks
- Leasing Analyses (Mix of Branches, Mix of Type of Businesses, Anchor Stores, Lease Prices, Incentives etc.)
- Tenant Demand Reports
- Strategies for Market Entry and Market Development
- Analyses to optimise the Branch Network

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- Retail Trade and Market Concepts
- Advisory Guidance of Town Planning Measurements & Urban Development Projects
- List of Measures to be taken for the Stabilization and Advancement of Inner City Shopping Streets
- Regional Economic Analyses (Impacts, Indirect Returns of e.g. Congresses and Fairs)
- 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-website. The overview has been compiled according to the best of ecostra'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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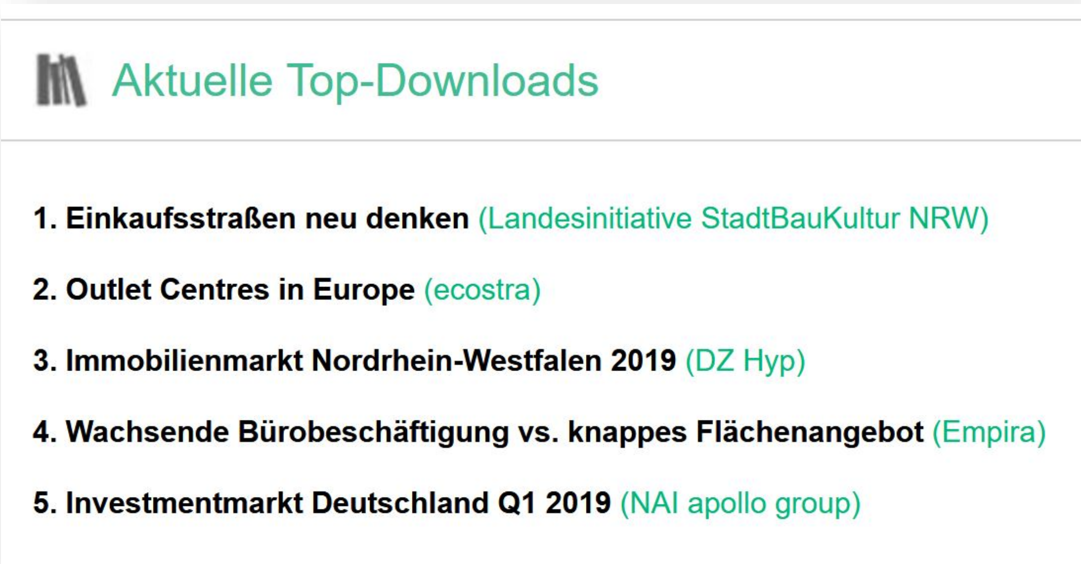
We´re proud to announce: In June 2019, ecostra´s market survey "Outlet Centres in Europe" again was ranked as No. 2 in the Top 5 download list of Germany´s most relevant real estate magazine, the "Immobilien Zeitung" (see snapshot below).



Location	Type	Status	Name of the Object / Project	Operator	Developer / Investor / other Partners	Gross Leasable Area (GLA) in m²	Retail Sales Area (SA) in m²	Remarks
Austria								
Parndorf (Burgenland)	FOC	operating	McArthurGlen Designer Outlet Parndorf	McArthurGlen	McArthurGlen Group / Simon Properties Group / TIAA Henderson Real Estate Limited	35.900	32.000	Opened in August 1998. Approx. 170 shops and approx. 3,000 parking spaces. Sales area includes that of the neighbouring BIGG outlet centre (now "The Galeries"), which was taken over by McArthur-Glen. The 4th construction phase was opened at beginning of October 2011 and the 5th phase with an additional 5,200 m² GLA opened in April 2017. In April 2014 the building of "The Galeries" was sold to the owners of the neighbouring Fashion Outlet Parndorf.
Wals-Siezenheim (Salzburg)	FOC	operating	McAthurGlen Designer Outlet Salzburg	McArthurGlen	McArthurGlen Group / Kramar / Richardsons Capital LLP / Wiener Städtische Versicherung	28.000	23.000	Conversion of the former "Airport Center" shopping centre into an OC. Project was opened on 10th September 2009. Approx. 2,200 parking spaces. There are plans to extend the centre to the neigh-bouring site of the former Baumaxx DIY-Store. Pro-cedure to obtain a building permit for this extension started in 2012 but due to the resistance of the state government, no progress is made so far to aquire a building permit.
Leobersdorf (Lower Austria)	FOC	closed	Leoville Premium Outlet	European Outlet AG			10.000	Project put into operation as part of a "Soft Opening" in May 2005. However, due to the intensive competi-tion and unsuitable market positioning, the centre had not fulfilled expectations. As of 31.07.2008, contract cancellation agreements were concluded with the remaining tenants and the operation of the OC provisionally closed down. In mid-2011, the object was taken over by Christian Blazek, the en-trepreneur and patron of the arts. The centre was relaunched as a lifestyle centre under the name of "Bloomfield". Opening of this lifestyle centre took place at 17th October 2013.
Reutte (Tyrol)	OOA	cancelled	City Outlet Reutte	n.s.			8.500	In the city centre of Reutte, there are a lot of empty shops. To solve this problem a group of local actors intend to establish an outlet centre concept compa-rable to those in Bad Münstereifel (Germany). At the end of April 2016, the results of a feasibility study were presented to the local council. Due to the fact, that it wasn't possible to create a critical mass of shops the project was given up.

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Parndorf (Burgenland)	FOC	operating	Parndorf Fashion Outlet	Fashion Outlet Group / Haslinger Consulting	Fashion Outlet Parndorf Beteiligungs GmbH / Haslinger Consulting	20.800	19.000	Opened in April 2012. In April 2013 the management was taken over by Freeport Retail from Villagio Centermanagement GmbH and in February 2014 ROS was entrusted with the management. In April 2014 the neighbouring building of "The Galeries" with 10,600 m² was aquired from Warburg-Henderson KAG Funds and integrated into the Fashion Outlet Parndorf; this center opened doors in August 2005 by the Signa Group and was shortly after bought by Warburg-Henderson and McArthur-Glen was entrusted with the management. In October 2015 construction work started to connect both centres. Parallel to that, the centre was re-designed in the style of die Viennas' art nouveau. At the end of 2016 the management-contract with ROS was cancelled and the owner of the centre started to manage the centre by himself.
Graz (Styria)	FOC	cancelled	n.s.	Freeport	111 Werner Gröbl Projektentwicklungs GmbH / Carlyle		20.000	The former furniture retailer Gröbl was planning an OC on the former brewery grounds in Graz-Puntigam (near IKEA). The building plan had allowed this utilisation. Freeport plc. was appointed as the operator, but they claimed that they “only held talks” at the site. As Freeport wanted to withdraw from apparently already signed contracts and thus from the project, Gröbl had brought a law suit against them. This suit was rejected in September 2011. The project must thus have definitely died!
Eben im Pongau (Salzburg)	FOC	uncertain	Tauern Outlet Center	n.s.	R&B Immobilienverwaltungsgesellschaft / Haslinger Consulting		2.730	At a site in immediate proximity to the A10 (Tauern-Motorway) a rather small-sized outlet centre is planned. Construction work started in July 2015. The topping-out ceremony took place in December 2015. Opened on 29th April 2016 with 6 Outlet Stores and approx. 2.730 m² sales area. In the final building phase, the centre is supposed to have approx. 6.500 m² sales area. Until then the status has to be set to uncertain, as it currently misses the benchmark of having 5.000 m² sales area as a minimum.
Graz (Styria)	FOC	cancelled	Fashion Hill Designer Outlet Graz	n.s.	Pichler & Sohn GmbH		6.700	In North Graz, a former furniture shop with 3 sales levels was supposed to be converted into an OC. Building plan allowed this utilisation. 475 parking spaces. Up-to-dateness of information uncertain; project has possibly been abandoned again

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Vösendorf (Lower Austria)	FOC	closed	Sale City Süd	SCS Shopping City Süd Management			10.000	Project opened in September 2006, but has meanwhile closed again due to lack of success; due to its basic concept, it had to be rated more as an off-price centre.
Jöß (Styria)	FOC	cancelled	Desygn Outlet Eybesfeld	n.s.	Eybesfeldsche Projektentwicklung GmbH		17.500	The private investor Conrad Eybesfeld was planning an OC on the A9 (Graz-Marburg) motorway. In July 2008, the Regional Government of Styria resolved to suspend proceedings for enacting a building permit; the project has therefore "died"
				Belgium				
Maasmechelen	FOC	operating	Maasmechelen Village	Value Retail	Value Retail / Hammerson	19.500	16.000	approx. 1,300 parking spaces at ground level.
Verviers	FOC	closed	Ardennes Outlet Center	Comer Homes Group		14.000	9.800	The centre was closed at the end of June 2012 and will be redeveloped, but not as an outlet centre. At the beginning of May 2012 the French sports retailer Decathlon decided to realize a power store at the plot.
Messancy	FOC	operating	McArthurGlen Designer Outlet Luxembourg	McArthurGlen	McArthurGlen Group / Henderson Global Investors / EOMF / TH Real Estate	16.485	16.000	Opened in 2003; approx. 1,150 parking spaces. OC generated unsatisfactory results and was sold to Henderson by Intervest Retail for only € 12 million in November 2007. With that, a change of operator took place, from GL Outlet to McArthurGlen. The Centre was restructured and underwent a relaunch. It was reopened in April 2011.
Ghent	FOC	advanced planning phase	McArthurGlen Designer Outlet Ghent	McArthurGlen	Banimmo / Schoonmeers Bugten	31.500	28.000	As part of the development of a new city district "The Loop", an Outlet Centre is planned. Together with it a leisure park (14.500 m²), a big box retail park (6.300 m²) and offices (21.000 m²) are scheduled. The Outlet Centre will have approx. 3.000 parking bays in an underground car park. The building permit for the first phase has been granted in January 2015, but opening has been delayed to the year 2019 or 2020.
Maaseik	FOC	cancelled	n.s.	n.s.			10.000	Up-to-dateness of information uncertain. Project possibly abandoned.
				Bulgaria				
Sofia	FOC	operating	Sofia Outlet Center	n.s.	ECE / K&K Engineering / Drees & Sommer	15.520	13.000	Opened in March 2010. Location next to Metro and Technomarkt and opposite the EXPO centre on Tsarigradsko Shousse Boulevard in south-east Sofia. Approx. 650 parking spaces

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					Croatia			
Donja Zelina	FOC	closed	Outlet Center Sveta Helena	Zelina Centar D.o.o.	Prigan Holdings Ltd.	13.000	10.000	Located 26 km north-east of Zagreb on the motorway running towards Varazdin. Project was opened in December 2008. 1,750 parking spaces. Due to a lack of tenant demand and low footfall this centre finally closed doors after almost 4 years of operation in June 2012.
Sveti Kriz Zacretje (north of Zagreb)	FOC	operating	Roses Designer Outlet Zagreb	Roses Values	Dayland Group / Venta Group / Soneva Immobilien GmbH	15.000	12.000	Approx. 1,800 parking spaces. Located on the Marburg – Zagreb motorway; the GLA is to be enlarged to a total of approx. 21,000 m² in Phase II.
Rugvica (east of Zagreb)	FOC	operating	Designer Outlet Croatia	ROS Retail Outlet Shopping	IKEA Centres Hrvatska / Mutschler Outlet Holding AG	20.000	15.000	Located in the south of Zagreb at the motorway A3/E71, wich connects Serbia and the east of Croatia to Zagreb. The centre is part of a big retail development together with an IKEA store, which operates already since August 2014. The first phase of the outlet centre comprises 15,000 sqm and 90 stores. Opening of phase 1 took place on 21st June 2018. In the final phase, the centre will encompass approx. 20,000 m² SA resp. 25,000 m² GLA. In addition to the outlet centre a hypermarket, a DIY-store, Fast-Food and a gas station is planned.
					Cyprus			
Nicosia	FOC	advanced planning phase	Neo Plaza Outlet Village	Neo Plaza Ltd.		9.220	7.500	Located in the west of Nicosia at the A9 motorway, closeby to the newly opened shopping centre "Nicosia Mall". Attached to the centre will be a 1,000 m² fun park. 700 parking spaces. Opening is scheduled for April 2020.
					Czech Republic			
Praha	FOC	operating	Fashion Arena Prague Outlet	VIA Outlets	TK Development / LMS Outlets / VIA Group	24.100	18.000	Opened in November 2007. Located in the Stirboholy district in the east of Prague, opposite the Europark shopping centre. Approx. 1,200 parking spaces.
Chvalovice (at the border to Austria)	FOC	operating	Freeport Fashion Outlet	Fashion Outlet Group	Freeport plc / Fashion Outlet Parndorf Beteiligungs-GmbH	22.400	18.000	Opened in September 2003; approx. 1,000 parking spaces. In November 2015 the owners of Fashion Outlet Parndorf (A) aquired the centre from the VIA Group and changed management to ROS. An additional 600 parking spaces were added in 2016. In 2017 the centre was re-designed in the style of the art nouveau. At the end of 2016 the management-contract with ROS was cancelled and the owner of the centre is managing the centre himself.

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Brzotice-Loket	FOC	cancelled	Exit 66 Outlet Center	Devo Group	BDL Czech		16.000	An OC is planned on a piece of land of approx. 180,000 m² on the D1 (Prague-Brünn) motorway; the project is to be enlarged, if need be, to 35,000 – 45,000 m² SA in further construction phases; according to the available information, construction work on the project was halted since some years due to financing problems. In the meantime, it can be assumed that this project can be called "dead".
Ruzyně	FOC	operating	Premium Outlet Prague Airport	The Prague Outlet One a.s.	Rioja Development / PPF Banka / The Prague Outlet a.s. (Dreitonel)	31.000	28.000	Construction work on the building was almost completed but the centre "Galleria Moda at Praha Airport", owned by Italian investors, never opened. In 2008 - according to the available information - the developer apparently gone bankrupt. Approx. 2,500 parking spaces. In 2013 the building was aquired by "The Prague Outlet" and in July 2014 it was announced that the project will be revitalized. In September 2016 a partnership with Neinver was announced and the name of the centre changed to "Prague The Style Outlets". Opening with - at first - 110 outlet stores and 20,000 m² GLA was at 28th April 2018. At the end of 2018 Neinver withdraw from this project and the owner took over management themselves. In Februar 2019 the centre was rebranded to "Premium Outlet Prague Airport".
Benesovice	FOC	uncertain	Bohemia Village Luxury Outlet	n.s.	Smile Department Stores s.r.o.	33.000	30.000	Location close to the German border at the motorway D5 (exit 119) to Plzen / Prague. Opening was scheduled for spring 2015, but nothing happened so far. According to available information the developer was trying to sell the project for some years but wasn't successful so far. Hence the status of this project has to be set to uncertain.
Karlovy Vary	FOC	uncertain	n.s.	n.s.	Wolfgang Dumproff	35.000	30.000	Location in a big-box retail agglomeration close to the motorway. According to available information, building permit is already issued. Opening was scheduled for spring 2017, but construction work hasn´t even started yet. According to rumors, the developer is trying to sell this project; so far without success. Hence the status of this project has to be set to uncertain.