

ICSC EUROPEAN CONFERENCE / REUROPE SHOPPING CENTRE TREND SURVEY

REDEVELOPMENT TOP PRIORITY, PROPERTY MANAGEMENT SKILLS KEY

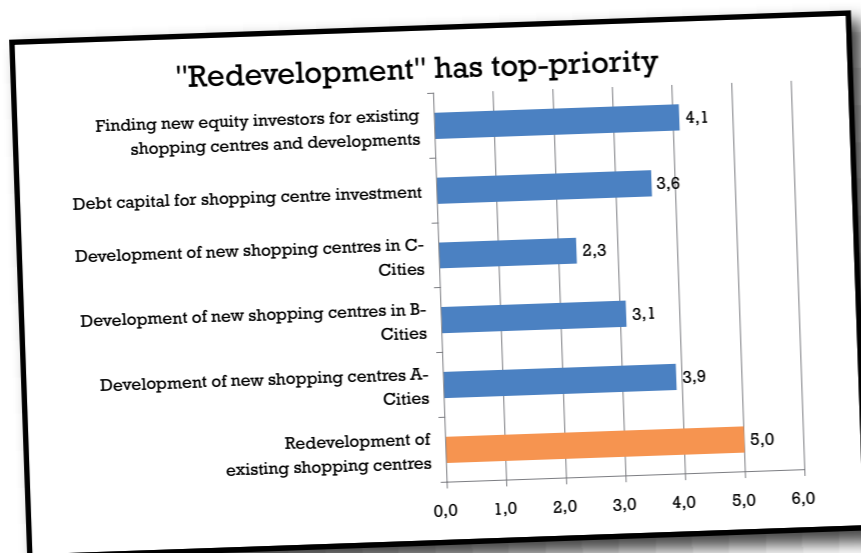
The first ever REurope Shopping Centre Trend Survey, in association with RueckerConsult, found that respondents prize the location of shopping centres over other factors, while a range of retail sectors is judged as the key criterion for success. According to respondents, the redevelopment of existing centres is likely to be the number one priority for the shopping centre industry in the immediate future, while finding new equity for existing structures came in a close second. The number one key skill for shopping centre managers is perceived as property management and letting, which the majority of re-

spondents would like to see performed internally, rather than giving it over to external advisors. In terms of the location of new centres, an overwhelming 81% of respondents said that they thought they should be constructed in inner city locations. Interestingly, most respondents thought that projects exceeding 50,000 sq m had the most potential in the current climate, with 39% voting for that category. Isobel Lee, Editor-in-Chief of REurope Magazine, commented: "There is a clear awareness that the shopping centre development

industry is likely to be preoccupied with re-developing existing structures in the coming years, as key European cities reach saturation point in terms of their retail offer. The survey does demonstrate faith in inner-city centres, which continue to represent the success stories of our time and breathe life into urban conglomerates in this difficult economic climate." RueckerConsult is a Berlin based consultancy company for communication, research and marketing in the real estate industry. The survey, carried out at the ICSC European Conference in Berlin, asked:

1. "WHAT ARE THE PRIORITY REQUIREMENTS FOR INVESTORS WITHIN THE NEXT THREE YEARS FOR SHOPPING CENTRES?"
6=MOST IMPORTANT 1=LEAST IMPORTANT (EACH FIGURE ONLY ONCE)

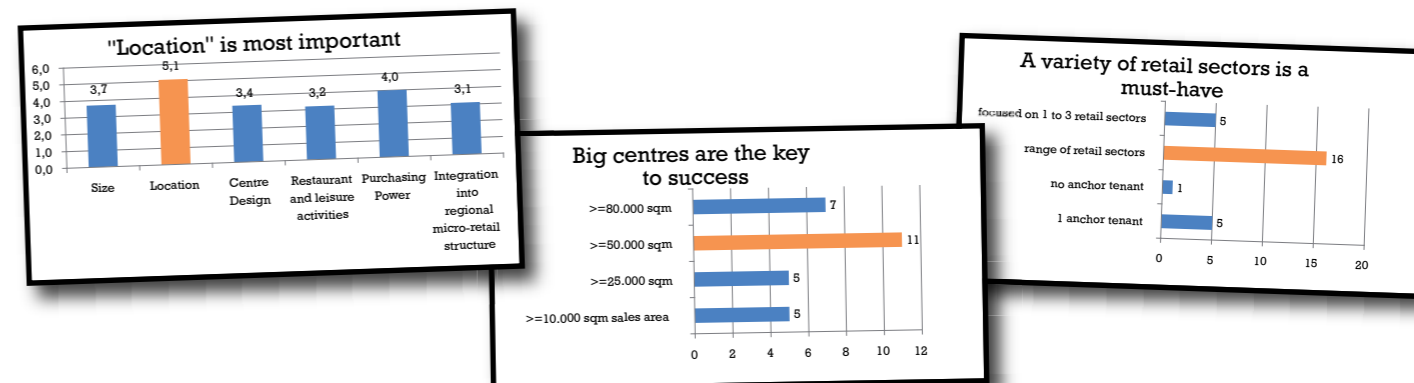
- REDEVELOPMENT OF EXISTING SHOPPING CENTRES
- DEVELOPMENT OF NEW SHOPPING CENTRES A-CITIES (→ 500K INHABITANTS)
- DEVELOPMENT OF NEW SHOPPING CENTRES IN B-CITIES (250K TO 500K INHABITANTS)
- DEVELOPMENT OF NEW SHOPPING CENTRES IN C-CITIES (← 250K INHABITANTS)
- DEBT CAPITAL FOR SHOPPING CENTRE INVESTMENT
- FINDING NEW EQUITY INVESTORS FOR EXISTING SHOPPING CENTRES AND DEVELOPMENTS



REurope Magazine and RueckerConsult polled delegates at the ICSC European Conference to find out their thoughts on key trends in shopping centres, with some fascinating results. The majority of respondents said that the redevelopment of existing centres would be the number one priority for the shopping centre industry in the immediate future, while finding new equity for existing structures came in a close second. In terms of new developments, location was identified as the most important criterion while big centres (exceeding 50,000 sq m GLA) were regarded as holding the most promise, while an overwhelming number said that they thought new schemes should be constructed in inner city locations. Property management and leasing meanwhile remains the key skill for our times, as the statistics reveal...

2. "WHAT WILL BE THE KEY CRITERIA FOR SUCCESS FOR SHOPPING CENTRES IN THE FUTURE?"
6=MOST IMPORTANT 1=LEAST IMPORTANT (EACH FIGURE ONLY ONCE AND CROSS BY SUB-ITEM)

- SIZE (→=10,000 SQ M SALES AREA / →=25,000 SQ M / →=50,000 SQ M / →=80,000 SQ M)
- LOCATION (INNER CITY / PERIPHERY / GREENFIELD / MOTORWAY JUNCTION)
- CENTRE DESIGN (ONE ANCHOR TENANT / NO ANCHOR TENANT / RANGE OF RETAIL SECTORS / FOCUSED ON ONE TO THREE RETAIL SECTORS)
- RESTAURANT AND LEISURE ACTIVITIES (→=6% / →=8% / →= 10% / →= 15%)
- PURCHASING POWER
- INTEGRATION INTO THE REGIONAL MICRO-RETAIL STRUCTURE DUE TO POLITICAL CONSTRAINTS



3. "WHAT WILL BE THE MOST IMPORTANT SKILLS AND WILL THEY BE PERFORMED INTERNALLY OR EXTERNALLY?"
6=MOST IMPORTANT 1=LEAST IMPORTANT (+ INDICATE INTERNALLY OR EXTERNALLY)

- FACILITY MANAGEMENT
- PROPERTY MANAGEMENT INCL. LETTING
- ASSET MANAGEMENT
- SHOPPING CENTRE CONCEPTIONS
- ONGOING CENTRE MANAGEMENT
- REDEVELOPMENT

