



4th annual

Romanian Retail Real Estate Forum

SESSION 1:

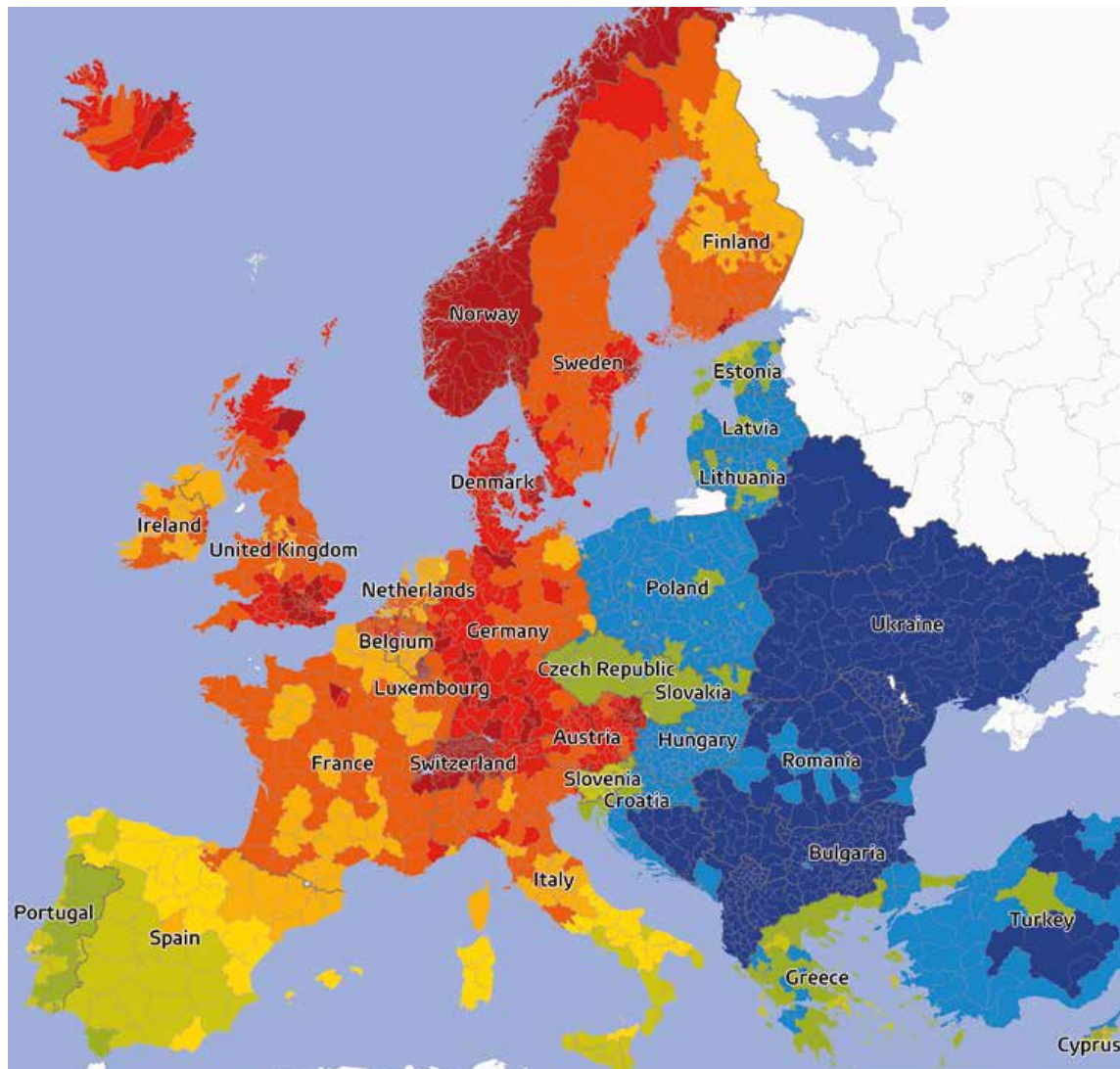
WHERE TO INVEST RESOURCES IN RETAIL?

Trends in shopping center development

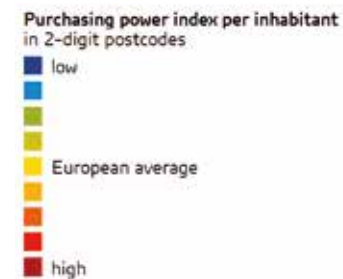
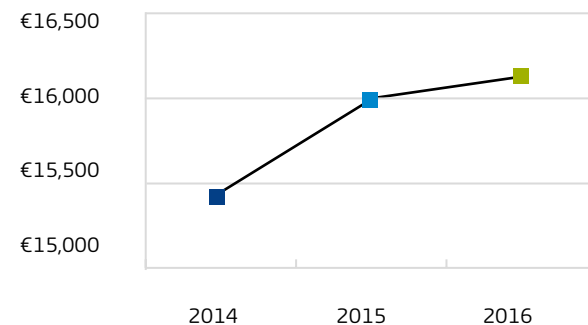


**TRENDS IN SHOPPING
CENTER DEVELOPMENT
EUROPEAN CONTEXT**

PURCHASING POWER IN EUROPE



Per-capita purchasing power (EU-28)



FORECASTED STATIONARY RETAIL TURNOVER, 2017

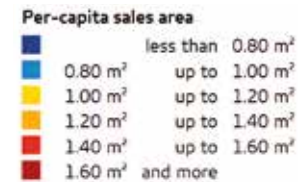


GfK study on key retail indicators: 2016 review and 2017 forecast

PER-CAPITA SALES AREA



Romania:
0,70 sqm / capita



RETAIL TURNOVER IN 2016



Romania:
Less than 2.500 EUR / sqm



WHAT ARE THE NEXT HOT SPOTS? WHAT ARE THE TRENDS?

IS THERE PLACE FOR MORE RETAIL IN BUCHAREST?

ARE NEW BRANDS COMING?

IS THE CONSTRUCTION MARKET OVERHEATED?

DOES / CAN THE STATE PLAY A ROLE IN THE DEVELOPMENT?



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WHERE TO INVEST RESOURCES IN RETAIL?

Refurbishment and optimisation



**REFURBISHMENT
FROM SALES AREA TO
LIFESTYLE DESTINATION**

“Refurbishment is not a trend, it’s the duty of the asset manager”

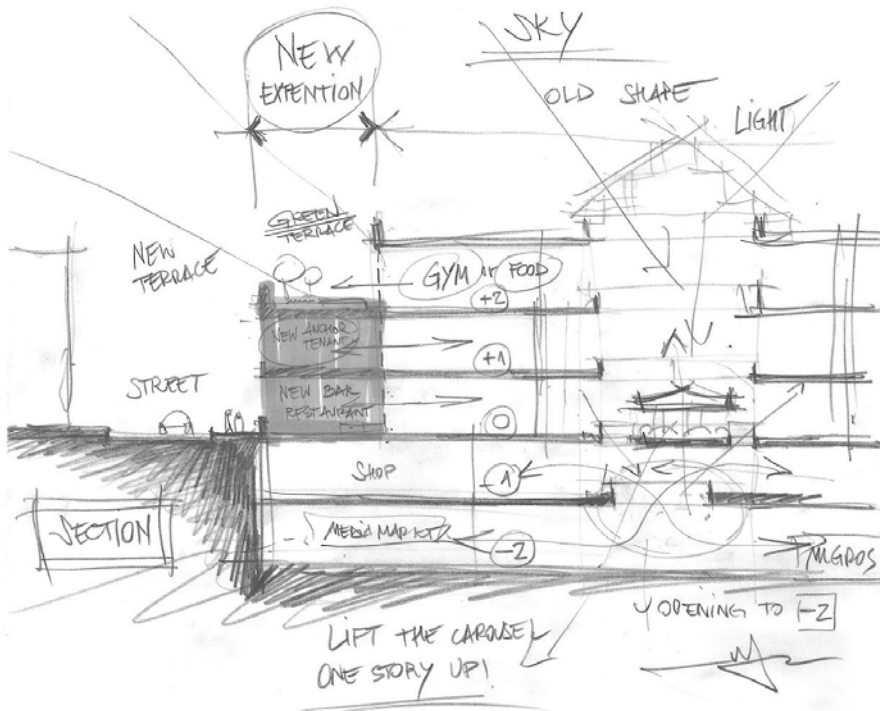
Stephan Austrup, ICSC European Retail Asset Management Group

Internal

- Age
- Wear & Tear
- Lifetime cycle of equipment
- Cost structure

External

- Changing trends / consumer needs
- Changing tenant landscape
- Competition
- Changes in market share
- Modifications in the surrounding
- Changes in regulations (i.e. safety)



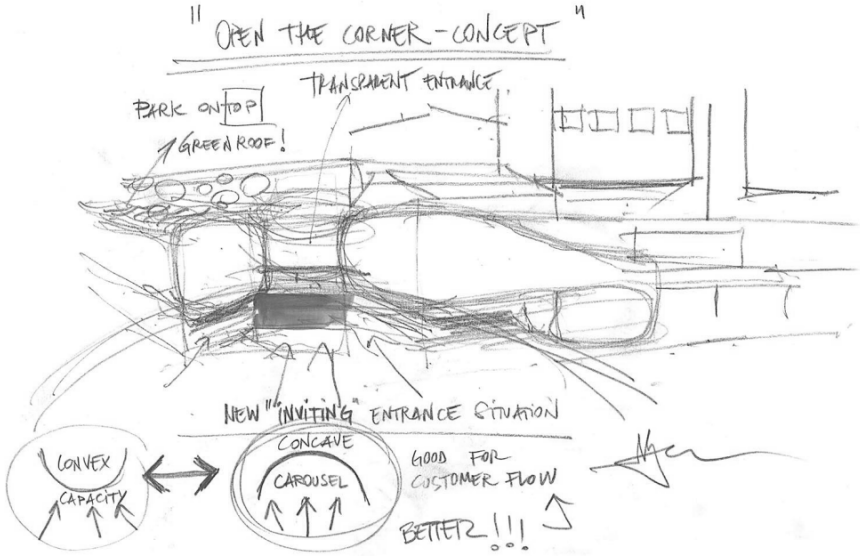
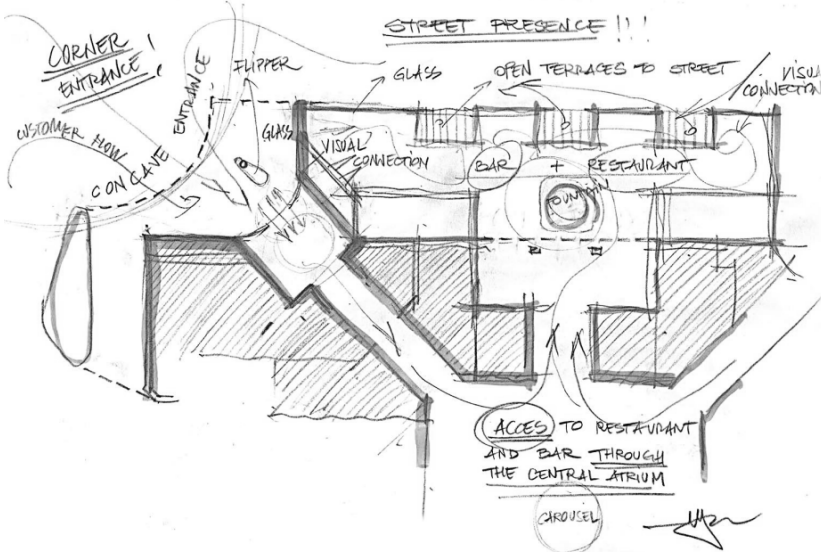
“prioritizing the wants and needs of customers”

KEY COMPONENTS OF A REFURBISHMENT



- Repositioning
- Re-anchoring
- Tenant engineering
- Redesign
- Extension

“food and entertainment are becoming vital”



Commercial Buildings



Shopping Centers

- Energy usage ranges worldwide from 200 – 600 kWh / m² / year
- Major differences between countries could not be established
- Construction type, the type of usage and the year they have been built play a major role
- Entertainment – high-tech cinemas, ice-skating facilities, large aquariums have the most impact
- The target for energy efficient centers is to reach a consumption of less than 200 kWh/m²

WHAT ARE THE KEY COMPONENTS TO INVEST RESOURCES IN?

IS ENERGY CONSUMPTION A REAL CONCERN?

WHAT ARE THE TECHNOLOGIES TO CONSIDER?

SMART RETAIL / SMART PROPERTY MANAGEMENT

THANK YOU

