OVER 1,430 LETTINGS IN GERMAN DOWNTOWN AREAS

In 2015, retail lettings/openings registered in the downtown parts of German cities – including A- and B-precincts and inner-city shopping centres – totalled 1,435. Compared with 2014 (1,624), that figure represents a fall of around 10 %, but it was considerably higher than, for instance, in 2013 (1,284). Aggregate take-up in 2015 came to just under 950,000 m² and so, unlike the year before, failed to reach the 1 million m² mark. The trend towards a slight increase in the average size of new leases continued: whereas in 2013 the relevant figure was just over 580 m², in 2015 the average retail letting was close to 660 m². The proportion of the total generated by chain-store operators was nearly 82 % and thus more or less on a par with the level noted in the two previous years.

ONE THIRD OF TURNOVER IN ESTABLISHED LOCATIONS

The major German A-cities (Berlin, Cologne, Düsseldorf, Frankfurt, Hamburg, Munich, Stuttgart) were responsible for about 20 % of all take-up, while the 20 B-cities which BNP Paribas Real Estate also analyses on a regular basis accounted for a further 15 % of the total. The rest of aggregate take-up – almost two-thirds of the total – was generated by smaller German municipalities. This indicates the significant role that such towns and small cities, with their sometimes fairly restricted central precincts, play for retailers and multi-branch companies. The distribution of turnover across the different city categories was similar to that in previous years, although there has been a slight downward trend in the relative proportion produced by the A-locations.

BERLIN CLEAR-CUT NUMBER ONE

With take-up of more than 42,000 m² and 102 registered new contracts, the German capital finished well out in front in the inter-city ranking. The fact that the result was nevertheless some 28 % down on the prior-year figure was due to the host of lettings concluded in 2014 in the Mall of Berlin. Next in the ranking came Cologne with 30,800 m² (59 deals). It was followed by Düsseldorf with close to 27,400 m² (51). Then, each with just over 23,000 m², came Munich (33) and Hamburg (53). At 22,300 m², take-up in Stuttgart was less than half of the figure posted in 2014; the reduction – just as in Berlin – was because the year before had produced an exceptionally good result, with many lettings in the Gerber and the Milaneo shopping centres. Frankfurt took sixth place with just over 21,700 m², a result shaped strongly by the around 10,000 m² extension of the Galeria Kaufhof.
CLOTHING FIRMS BY FAR THE MOST ACTIVE

Clothing outlets were easily the most active sources of demand in 2015; in the top 10 German cities they accounted for 39 % of all the newly concluded contracts, with a total of 163. The only other business sector to obtain a double-digit share was catering, with around 13 %, corresponding to 53 registered leases. The bronze medal went to bodycare/healthcare, which added 8 % to the result. Then, each with 7 %, came the sectors leatherwear/shoes and house/home/furnishings. Other noteworthy contributions were made by the sectors jewellery and food, each of which was responsible for around 5 % of all openings.

FOREIGN OPERATORS ACCOUNT FOR AROUND 39 %

Chain-store companies from outside Germany accounted for some 39 % of all the registered lettings/openings. Particularly active were fashion labels from Denmark and the USA, each of which obtained a share of nearly 14 % of all the leases concluded with international brands in this market segment. The following places were taken by clothing firms from Italy (12.5 %), the United Kingdom (just over 10 %), Sweden (more than 8 %) and the Netherlands (just under 8 %). The list of the most expansion-oriented fashion labels was headed by the US off-price operator TK Maxx, which registered a total of 11 newly acquired premises. Close behind, each with 9 new shops, came the menswear brand Jack & Jones and H&M. Among those continuing on an expansionary track in the large-unit commercial segment were the Polish fashion company Reserved (7 new stores) and Primark (5 new openings). Sizeable new premises were also secured by Hunkemöller (8), Superdry (7), Selected, mister*lady, Levi’s, and Only (each: 6). Altogether, international clothing brands accounted for 184 new leases.