MAIN STREETS ACROSS THE WORLD

A Cushman & Wakefield Research Publication

2012/2013

INTRODUCTION

Cushman & Wakefield is committed to providing an excellent service to their retail clients through the continuous monitoring of retail trends and practices. This edition of Main Streets Across The World provides a detailed analysis of retail property rental performance across the globe in the twelve months to June 2012.

The information and data provided in this report are based on a comprehensive survey of Cushman & Wakefield's international offices and the editors are extremely grateful to them for their time, effort and assistance.

Our international representation is designed to facilitate the rapid flow of information across borders and is supported by a comprehensive database of market information and regular liaison meetings. This allows for the exchange of local market knowledge and expertise, and for the co-ordination of strategy for international investment and locational decision-making.

Information on the markets has been provided by Cushman & Wakefield and its local partners listed in the table below:

AUSTRIA	Inter-Pool
BAHRAIN	Cluttons LLC
BULGARIA	Forton International
CHANNEL ISLANDS	Buckley & Co
CHILE	Contempora Servicios Inmobiliarios
COLOMBIA	Fonnegra Gerlein
DENMARK	RED – Property Advisers
ESTONIA	Ober-Haus Real Estate Advisers
FINLAND	Tuloskiinteistöt Oy
GREECE	Proprius SA
ISRAEL	Inter Israel Real Estate Agency
IRELAND	Lisney
JORDAN	Michael Dunn & Co.
KAZAKHSTAN	Veritas Brown
LATVIA	Ober-Haus Real Estate Advisers
LEBANON	Michael Dunn & Co.
LITHUANIA	Ober-Haus Real Estate Advisers
MALAYSIA	YY Property Solutions
NEW ZEALAND	Bayleys Realty Group Limited
NORWAY	Malling & Co.
OMAN	Cluttons LLC
PERU	Commercial Real Estate Services SAC
SLOVENIA	Slovenia Invest
SOUTH AFRICA	Pro Africa Property Services
SWITZERLAND	SPG Intercity
TAIWAN	REPro International Inc.
THAILAND	Nexus Property Consultants Ltd.
UNITED ARAB EMIRATES	Cluttons LLC

All other information has been provided by Cushman & Wakefield.

GLOBAL OVERVIEW

Despite a backdrop of a slower global economy and continued uncertainty surrounding the euro zone, prime retail rents were generally resilient over the year to June 2012. An expansion of 4.5% provided for a largely unchanged and positive growth picture; with rents rising in 147 of the 326 locations surveyed, but declining in 49.

Rental uplift was again driven by the strong performance in the Americas and Asia Pacific; however, it was the former region which registered the largest expansion (10.9%). Alongside emerging South American markets – which continued to benefit from higher incomes and increasing retailer demand despite less benign economic conditions – rises in North American locations had a stronger impact than last year.

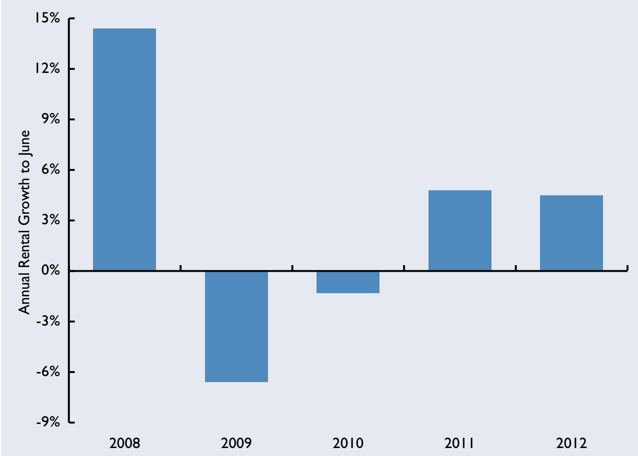
Notwithstanding a slight deceleration in the regional growth rate (8.6%), occupier activity in Asia Pacific remained buoyant. Retailers continued to compete for the limited prime space in the most coveted destinations of Hong Kong, India and South Korea, and the region was home to five of the top 10 most expensive global locations. Unsurprisingly, euro zone markets suffered from the economic slowdown and weak retail sales, and a similar trend was also evident in some Eastern European countries. Nevertheless, EMEA prime values were up by 1.7% in June on the same period last year, often boosted by requirements from luxury brands.

There were a number of movements in the ranking of the most expensive locations in each country. Most notably, the surge in demand and leasing activity witnessed in Causeway Bay, Hong Kong prompted a 34.9% increase in rental values, overtaking Fifth Avenue, New York as the most expensive retail destination in the world – the first time Fifth Avenue has not been top in 11 years. Meanwhile, rents in Avenue des Champs-Élysées, Paris also recorded a strong uplift – the second largest in Europe – replacing Ginza, Tokyo in third spot.

The main drivers behind global growth are not expected to shift significantly – with growing structural demand in tier 1 locations, market globalisation and luxury expansion in key developments. Although prime pitches will continue to attract interest, grade B space in Europe and North America will remain under downward pressure as retailers shy away from riskier propositions until improved economic conditions materialise.

Asia Pacific and South America will remain the main focus of many international retailers as they take advantage of new modern supply and gradually maturing retail markets – but with new policies aimed at supporting retail, in India and China among others, potentially altering growth dynamics. While it is unlikely that the double-digit rental uplift seen in some of the world's top retail destinations will spread out, such locations are expected to remain in high demand as they provide the best platform for strengthening brand image and presence.

GLOBAL: RENTAL GROWTH OVER FIVE YEARS



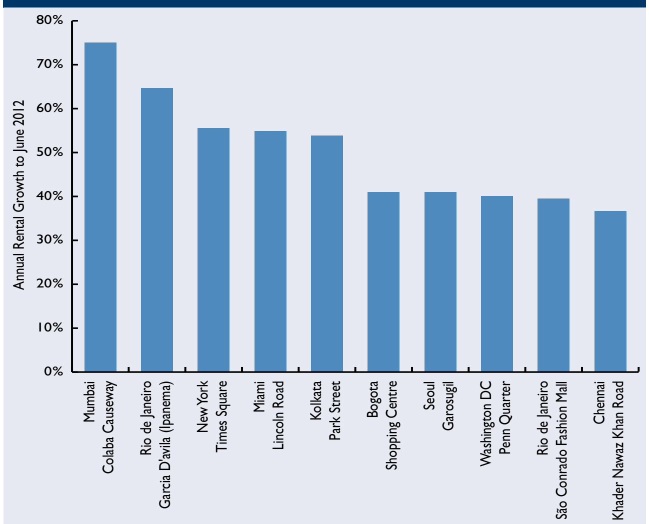
Source: Cushman & Wakefield

GLOBAL: TOP TEN LOCATIONS

CITIES	LOCATION	€/SQ.M/ YEAR	US$/SQ.FT/ YEAR
Hong Kong	Causeway Bay	22,307	2,630
New York	5th Avenue	21,204	2,500
New York	Times Square	17,811	2,100
Hong Kong	Central	15,746	1,856
Hong Kong	Tsim Sha Tsui	13,122	1,547
Paris	Avenue des Champs-Élysées	9,573	1,129
New York	East 57th Street	9,330	1,100
New York	Madison Avenue	9,330	1,100
Tokyo	Ginza	8,962	1,057
Tokyo	Omotesando	8,245	972

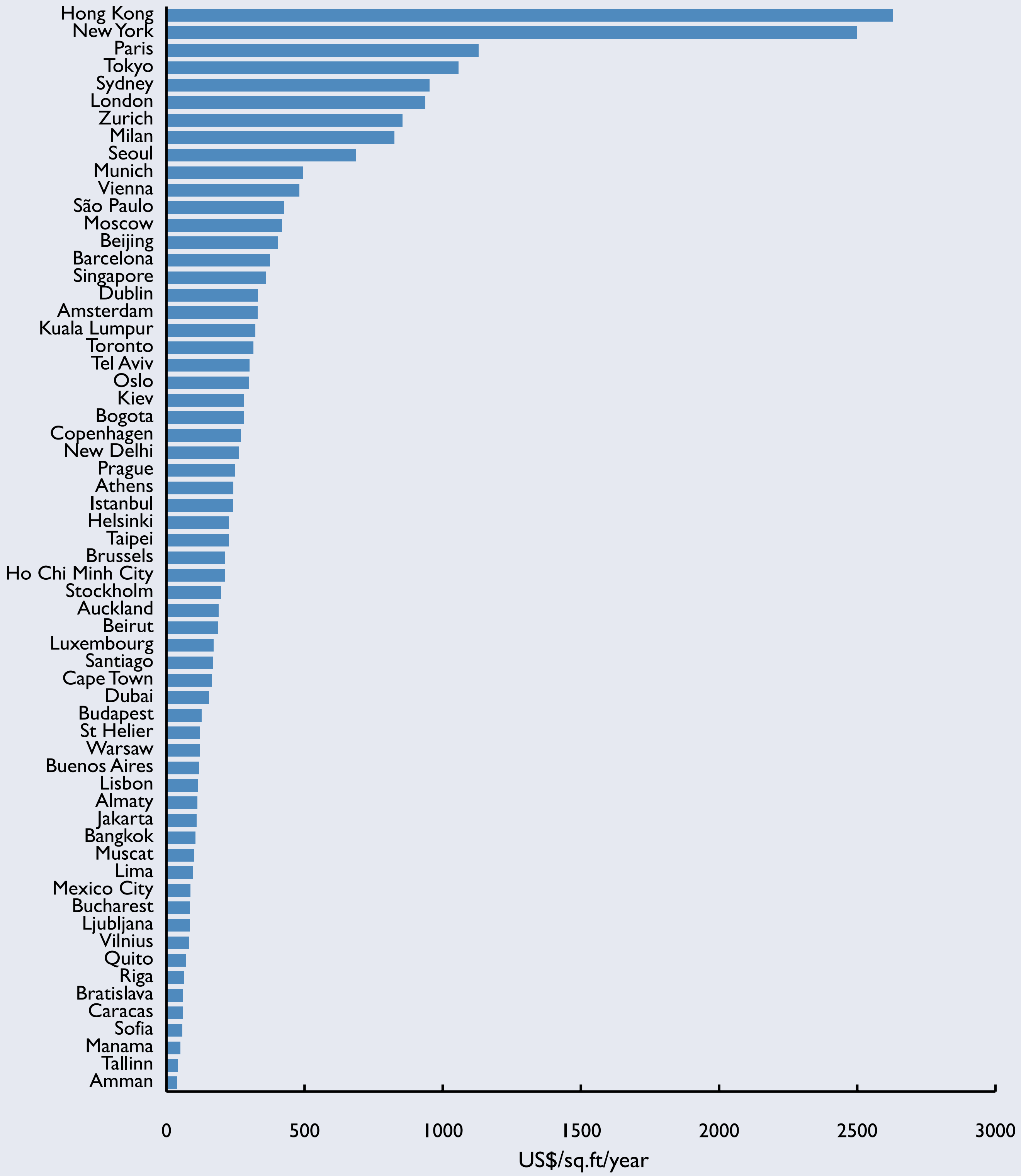
Source: Cushman & Wakefield

GLOBAL: STRONGEST GROWTH



Source: Cushman & Wakefield

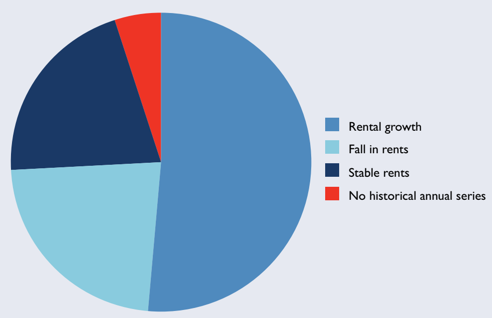
MOST EXPENSIVE RETAIL LOCATION IN EACH COUNTRY



MOST EXPENSIVE RETAIL LOCATION IN EACH COUNTRY

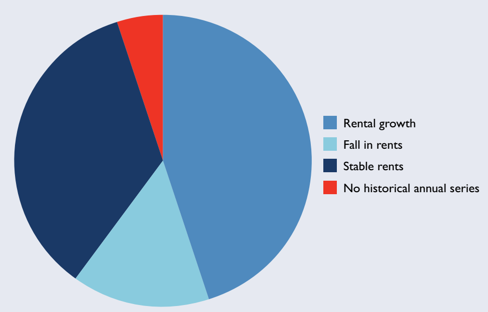
RANK 2012	RANK 2011	COUNTRY	CITY	LOCATION	RENT US$/SQ.FT/YR	RENT €/SQ.M/YR
1	2	Hong Kong (China)	Hong Kong	Causeway Bay	2,630	22,307
2	1	USA	New York	5th Avenue	2,500	21,204
3	5	France	Paris	Avenue des Champs-Élysées	1,129	9,573
4	3	Japan	Tokyo	Ginza	1,057	8,962
5	4	Australia	Sydney	Pitt Street Mall	952	8,077
6	6	United Kingdom	London	New Bond Street	936	7,942
7	8	Switzerland	Zurich	Bahnhofstrasse	854	7,243
8	7	Italy	Milan	Via Montenapoleone	825	7,000
9	9	South Korea	Seoul	Myeongdong	686	5,822
10	10	Germany	Munich	Kaufingerstraße	495	4,200
11	-	Austria	Vienna	Kohlmarkt	481	4,080
12	11	Brazil	São Paulo	Iguatemi Shopping	425	3,603
13	14	Russia	Moscow	Tverskaya	418	3,546
14	16	China	Beijing	Wangfujing	403	3,421
15	13	Spain	Barcelona	Portal de l'Angel	375	3,180
16	17	Singapore	Singapore	Orchard Road	360	3,053
17	15	Ireland	Dublin	Grafton Street	331	2,810
18	18	The Netherlands	Amsterdam	Kalverstraat	330	2,800
19	-	Malaysia	Kuala Lumpur	Pavilion KL	321	2,724
20	20	Canada	Toronto	Bloor Street	314	2,662
21	19	Israel	Tel Aviv	Ramat Aviv	300	2,541
22	27	Norway	Oslo	Karl Johans Gate	297	2,519
23	26	Ukraine	Kiev	Kreschatik Street	279	2,364
24	35	Colombia	Bogota	Shopping Centre	279	2,364
25	24	Denmark	Copenhagen	Strøget	270	2,287
26	21	India	New Delhi	Khan Market	263	2,233
27	28	Czech Republic	Prague	Na Prikope/Wenceslas Square	248	2,100
28	22	Greece	Athens	Ermou	241	2,040
29	-	Turkey	Istanbul	City Centre	240	2,033
30	29	Finland	Helsinki	City Centre	226	1,920
31	32	Taiwan	Taipei	ZhongXiao E. Road	226	1,914
32	31	Belgium	Brussels	Rue Neuve	212	1,800
33	-	Vietnam	Ho Chi Minh City	Shopping Centre	212	1,797
34	34	Sweden	Stockholm	Biblioteksgatan	197	1,667
35	-	New Zealand	Auckland	Queen Street	188	1,596
36	37	Lebanon	Beirut	ABC Centre Achrafieh	186	1,576
37	36	Luxembourg	Luxembourg	Grand Rue	170	1,440
38	38	Chile	Santiago	Downtown (Paseo Ahumada)	169	1,433
39	-	South Africa	Cape Town	V&A Waterfront	164	1,387
40	-	United Arab Emirates	Dubai	Shopping Centre	153	1,300
41	40	Hungary	Budapest	Váci Utca	127	1,080
42	-	Channel Islands	St Helier	King Street	121	1,022
43	41	Poland	Warsaw	ul. Nowy Swiat	120	1,020
44	47	Argentina	Buenos Aires	Florida	117	993
45	42	Portugal	Lisbon	Chiado	113	960
46	-	Kazakhstan	Almaty	High Street	111	946
47	43	Indonesia	Jakarta	Shopping Centre	109	926
48	45	Thailand	Bangkok	City Centre	105	893
49	51	Oman	Muscat	Shopping Centre	101	860
50	-	Peru	Lima	Shopping Centre	95	804
51	53	Mexico	Mexico City	Masaryk Avenue	87	738
52	46	Romania	Bucharest	Bulevardul Magheru	85	720
52	-	Slovenia	Ljubljana	Čopova	85	720
54	-	Lithuania	Vilnius	Shopping Centre	82	696
55	55	Ecuador	Quito	Av Naciones Unidas (Shopping Centre)	71	605
56	-	Latvia	Riga	Shopping Centre	64	540
57	54	Slovakia	Bratislava	Downtown	59	504
58	59	Venezuela	Caracas	Shopping Centre	58	492
59	52	Bulgaria	Sofia	Vitosha Blvd	57	480
60	58	Bahrain	Manama	Shopping Centre	50	426
61	-	Estonia	Tallinn	Shopping Centre	42	360
62	61	Jordan	Amman	City Centre (BCD)	37	315

GLOBAL RENTAL PERFORMANCE BY COUNTRY (%)



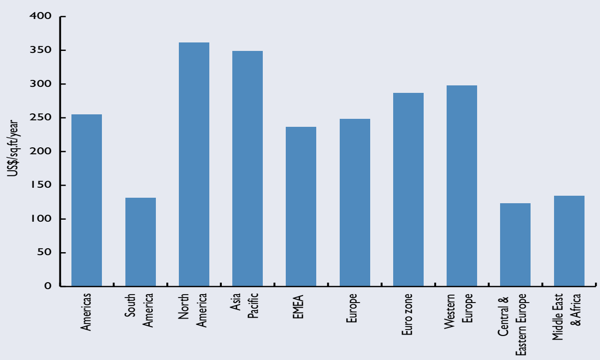
Source: Cushman & Wakefield

GLOBAL RENTAL PERFORMANCE BY LOCATION (%)



Source: Cushman & Wakefield

AVERAGE PRIME RENTS



Source: Cushman & Wakefield

GLOBAL RENTAL PERFORMANCE IN THE YEAR TO JUNE 2012

COUNTRIES SHOWING	NUMBER	% OF TOTAL
Rental Growth	32	52
Fall in Rents	14	23
Stable Rents	13	21
No historical annual series	3	5
LOCATIONS SHOWING	**NUMBER**	**% OF TOTAL**
Rental Growth	147	45
Fall in Rents	49	15
Stable Rents	115	35
No historical annual series	15	5
AVERAGE RENTS (PER REGION)	**US$/SQ.FT/YEAR**	**€/SQ.M/YEAR**
Americas	255	2,163
South America	131	1,114
North America	361	3,060
Asia Pacific	349	2,960
EMEA	236	1,994
Europe	248	2,104
Euro zone	287	2,430
Western Europe	298	2,526
Central & Eastern Europe	122	1,039
Middle East & Africa	134	1,140
AVERAGE RENTAL GROWTH (PER REGION)	**% RENTAL GROWTH**	
Americas	10.9%	
South America	11.6%	
North America	10.4%	
Asia Pacific	8.6%	
EMEA	1.7%	
Europe	1.7%	
Euro zone	1.6%	
Western Europe	2.1%	
Central & Eastern Europe	0.6%	
Middle East & Africa	1.4%	
THE WORLD'S MOST EXPENSIVE RETAIL LOCATION	**US$/SQ.FT/YEAR**	**€/SQ.M/YEAR**
Causeway Bay, Hong Kong	2,630	22,307
AVERAGE RENT OF 326 RETAIL LOCATIONS	261	2,212

EMEA OVERVIEW

Retail sector performance across EMEA remained deeply polarised over the past year, with premier locations attracting strong demand from luxury and international brands, but secondary pitches still struggling on the back of weak consumer sentiment, trading growth and rising vacancy. Although inflation eased somewhat in the first half of 2012, euro zone unemployment reached record levels this summer, with youth joblessness – a key demographic for the retail sector – especially high.

Nevertheless, prime European locations generally weathered the economic headwinds much better than non-prime areas as they recorded growth of 1.7% over the year to June 2012. This trend was not necessarily universal, with sharp falls in **Greece** (17.1%), **Ireland** (15.1%), **Hungary** (13.3%) and **Bulgaria** (7.7%) highlighting the challenges faced by markets still affected by austerity measures or increasing supply. Marginal declines were also observed in **Poland** (1.8%), **Romania** (0.4%) and **Portugal** (1.3%), but prime values in the other 25 European markets monitored were either stable or rising.

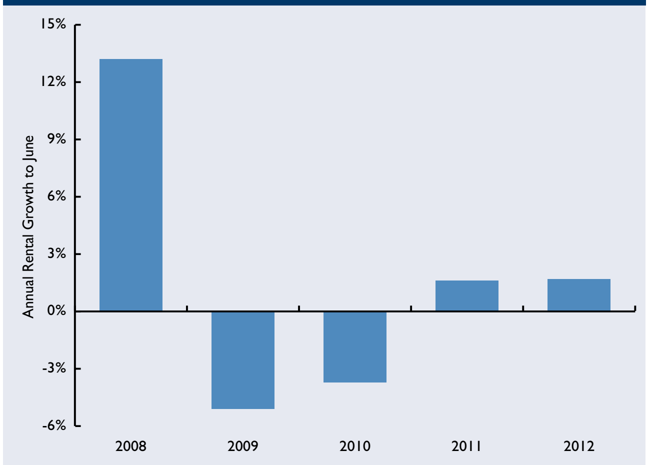
Indeed, the prime segment of the most core European retail markets witnessed dynamic activity, underlined by a rental uplift of 14.6% in **France** which was achieved through impressive double-digit rental appreciation in luxury locations. The **United Kingdom** (6.3%), **Italy** (5.4%), **Germany** (4.7%), the **Netherlands** (4.5%) and **Spain** (2.0%), mirrored this with a similar but more moderate trend.

Positive macro drivers set the tone for growth elsewhere, particularly in **Norway** (13.0%), **Germany** (4.7%), **Turkey** (7.3%), **Lithuania** (9.2%), **Latvia** (4.6%), **Estonia** (4.0%) and **Israel** (6.8%). Where such drivers were lacking, a shortage of quality retail space was often enough to exert upward pressure on prime values in **Switzerland** (3.9%), **Denmark** (3.2%), **Austria** (2.8%), **Sweden** (1.6%), **Belgium** (1.5%) and the **Czech Republic** (1.3%).

Areas of occupier demand cannot be entirely attributed to economic conditions, but also arose due to a structural shift. As multi-channel retailing becomes increasingly prevalent, the physical store is no longer the main or only access point for consumers, forcing operators to re-evaluate their space needs and alter their network. Many see this as an opportunity to cut property costs; some are keen to rationalise portfolios by cutting store numbers in non-prime locations, while others are committed to reducing their average unit size. Nearly all, however, are equally eager to establish prominent flagship shops in the most sought-after destinations.

The outlook for the EMEA retail sector in 2013 remains mixed meanwhile, clouded by euro zone uncertainty which may be stabilising but will nevertheless be slow to dissipate in the short term. In general, however, economic headwinds are expected to ease slightly, encouraging demand to build from just the very best to other attractive but reasonably priced emerging destinations.

EMEA: RENTAL GROWTH OVER FIVE YEARS



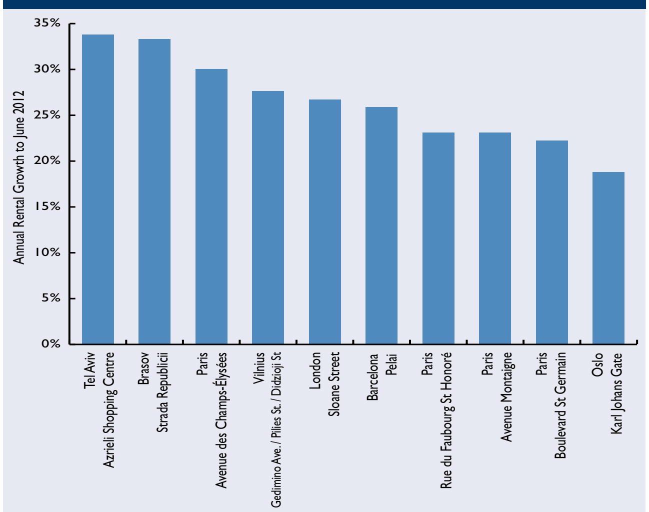
Source: Cushman & Wakefield

EMEA: TOP TEN LOCATIONS

CITIES	LOCATION	€/SQ.M/ YEAR	US$/SQ.FT/ YEAR
Paris	Avenue des Champs-Élysées	9,573	1,129
London	New Bond Street	7,942	936
Zurich	Bahnhofstrasse	7,243	854
Milan	Via Montenapoleone	7,000	825
Rome	Via Condotti	6,800	802
Paris	Place Vendôme/Rue de la Paix	6,259	738
London	Oxford Street	6,106	720
Rome	Piazza Di Spagna	6,000	707
Rome	Piazza San Lorenzo	6,000	707
Paris	Rue du Faubourg St Honoré	5,891	695

Source: Cushman & Wakefield

EMEA: STRONGEST GROWTH



Source: Cushman & Wakefield

EMEA LUXURY OVERVIEW

The European luxury market maintained the momentum built in 2010/2011, providing an outlet for growth in a largely subdued sector. Prime values in locations with some luxury presence rose by 4.5% over the year to June 2012, with seven of the top 10 strongest rises and most expensive rents in Europe recorded in these high streets.

Rents in luxury destinations such as Sloane Street and New Bond Street in the **United Kingdom** recorded rises of 26.7% and 3.4% respectively. Occupier demand for space outstripped supply by a factor of almost ten to one. 13 deals were concluded over the year to June, comprising just over 6,000 sq.m and involving mostly Italian, Swiss and French luxury brands. Supply was also improved as brands looked to increase their provision in order to satisfy stronger demand from overseas visitors, with office space converted into approximately 2,400 sq.m of retail GLA. The 2012 London Olympics provided a trading boost to already thriving luxury destinations, in contrast to the disappointing figures observed in the wider London retail market over the same period.

In **France**, the most competitive luxury locations were invariably those where tourist demand was strongest; the Golden Triangle (Avenue George V, Avenue Montaigne, Rue François 1er), Place Vendôme and Rue du Faubourg St. Honoré in Paris, and destinations in the provinces including Cannes and Saint-Tropez. Rental values in these locations rose by an average of 16.1% over the year, with the streets either seeing several disposals (Armani/ Ungaro/Escada/Yves Saint Laurent on Avenue Montaigne), undergoing a number of redevelopment projects (Prada on Rue du Faubourg St. Honoré), or witnessing several new openings (Louis Vuitton on Place Vendôme, and newcomers such as Tom Ford on François 1er and Brunello Cucinelli on rue du Faubourg St. Honoré).

Rental values in the **Italian** luxury sector generally held up better than the wider market, primarily as a result of very tight availability. Retailers remained on the lookout for interesting opportunities, with Richemont brands particularly active. Good trading in Asian markets allowed some retailers to invest in the relocation or restyling of their Italian stores – such as Valentino in Via Montenapoleone, Milan – and others to open new units in secondary cities e.g. Prada in Padua. Via Lagrange in Turin and Piazza San Lorenzo in Rome also attracted good interest and can now be viewed as emerging luxury locations.

The **Russian** market remained in high demand as international retailers sought to tap into a strong and growing consumer base. Although franchises are still a characteristic of the sector, brands are increasingly keen to set up their own operations and stand-alone high street units, with LVMH and Richemont Group leading the way through established networks. However, Prada Group also extended its presence as it opened flagship stores for both Prada and Miu Miu on Stoleshnikov Pereulok earlier this year.

As in Italy, luxury retailing in **Spain** bucked the weak economic trend. In the year to June 2012, major luxury houses such as PPR, LVMH, Richemont and Prada Group recorded strong trading figures, and this trend is expected to be retained for the remainder of 2012. The jewellery and fashion segment were particularly active, with the likes of Michael Kors, La Perla and Roberto Cavalli opening new stores. Prime rents in luxury locations are expected to remain stable in the year ahead, supported by a shortage of available properties along the key streets of José Ortega y Gasset and Serrano in Madrid, and Passeig de Gràcia in Barcelona.

The **German** luxury market overcame the 2008/2009 financial crisis faster than expected, with leading luxury retailers recording double-digit turnover growth or record profits. High demand from national and international luxury retailers for attractive retail premises was again evident over the last 12 months, with accessories and fashion brands particularly active and expansions by Hugo Boss and Escada. These are also some of the most familiar luxury operators in the country, with Escada and Escada Sport forming a network of 20 stores, followed by Hugo Boss and Gucci with 15 and 10 stores respectively.

International luxury brands in Rue du Rhone (Geneva) and Bahnhofstrasse (Zurich) in **Switzerland** have been gradually replacing small local shops and restaurants as their leases expired. Unsurprisingly, jewellers and watchmakers remained an important feature of the market, with brands such as Rolex, Patek Philippe and Piaget all active. These segments were also very active in Bahnhofstrasse over the past 12 months; however brands typically sought units situated closer to Paradeplatz and away from the train station and more mass-market retailers.

Prime rents in P.C Hooftstraat, **Amsterdam** recorded double-digit growth (11.1%) over the year and are expected to rise again over the next 12 month. A demand/supply imbalance also developed in **Brussels** and **Antwerp**, where brands were willing to pay higher rents to secure their desired units in Boulevard de Waterloo and Schuttershofstraat. There were no new emerging luxury locations; however, with existing streets often extended to accommodate improved demand. Luxury retailers continue to focus on Avenida da Liberdade in **Lisbon**, which is currently undergoing regeneration. The high interest is reflected in stable rents, which may even increase in the near future and buck the trend in other retail segments.

Notwithstanding a greater focus on Asia Pacific and South America, Europe's status as the largest and most established luxury market will not change in the medium term. The region is expected to generate good but unspectacular sales growth, with the premier luxury locations in France, Italy, the UK and Russia the most sought-after. However, the extremely limited availability of space will continue to encourage the emergence of new competitive destinations – often adjacent to the more established retail corridors – and further luxury retailer investment in their property, with larger and more showcase units.

EMEA MARKET SUMMARIES

AUSTRIA

Economy Retail Property

Occupier demand for the best locations remains strong, with new inner districts and city centre developments witnessing a slight pressure on rents. Supply of prime space remains limited, with the rents and premiums demanded still high. Interest from luxury brands, typically concentrated in the pedestrian area of old Vienna – primarily in Graben and Kohlmarkt where the likes of Gucci, Chanel and Tiffany & Co can be found – continues to grow alongside the buoyant demand for luxury hotels. The provision of luxury space is expected to benefit from a number of renovations and new buildings. The opening of Goldenes Quartier in particular, is expected to extend luxury shopping into Tuchlauben street, with Louis Vuitton, Armani and Prada opening their flagship stores in 2013.

BAHRAIN

Economy Retail Property

As a result of the ongoing political unrest, schemes situated close to the disorder have witnessed reduced sales and in some cases a drastic decline in footfall. However, prime shopping centres generally remain resilient; the likes of Seef Mall and City Centre continued to enjoy low vacancy, with a strong catchment and quality space key in drawing in retailers. Despite the unrest, economic activity, consumer sentiment and spending are expected to hold up in the short to medium term. The luxury market in the country is still in its infancy; nevertheless, Moda Mall (part of Bahrain World Trade Centre) has made significant strides in improving luxury retail provision since its opening in 2006, with the addition of Chopard and De Beers in November last year further diversifying the tenant mix.

BELGIUM

Economy Retail Property

Following strong growth in 2010/2011, prime rents stabilised in the high street market. Indeed, values in most locations remained static over the previous 12 months, but with a remarkable rise on Avenue Louise in Brussels, which benefitted from increased interest following successful redevelopments. Meanwhile, luxury locations such as Boulevard de Waterloo Brussels and Schuttershofstraat, Antwerp witnessed a demand/ supply imbalance. Several fashion brands were active over the past 12 months, among them Armani and Brunello Cucinelli. Although Brussels is still missing some luxury brands present in other European capitals, this is set to change as many are now considering entry into the market. However, demand is greater than the space on offer, translating into rising rents and large premiums in the best parts of the top streets.

BULGARIA

Economy Retail Property

Demand remains subdued and selective against a backdrop of declining sales, albeit some retailers are still expanding. While interest is focused on Sofia, a number of operators are looking to increase their presence in other large cities. High street rents in the capital came under downward pressure, partly due to competition from the increasing number of quality shopping centres present in the capital. Elsewhere, values have been stable since early 2011, but may move in as new shopping centres come onto the market. Saborna Street and Lege Street in Sofia are the premier luxury locations in the country, with the latter very much an emerging area. Although rents for mass-market and luxury brands are almost equal in Vitosha Boulevard, the same is not true for Saborna and Lege Street, where there is typically a premium for luxury brands.

CHANNEL ISLANDS

Economy Retail Property

The limited availability of larger high street units continues to restrict the Jersey market to some extent. On the prime pitch of King Street there is currently only one small vacant unit, which is nevertheless expected to be occupied within the next 6 months. The recent entry of Jack Wills, alongside the arrival of River Island in a department store, has proved positive for the high streets, with the former trading particularly well. There are a number of very specific requirements from larger high street brands, but these are unlikely to be fulfilled without the vacation of existing tenants from the larger units. Luxury retailers can primarily be found in department stores off King Street and Queen Street, with brands, including the likes of Hugo Boss, Burberry, Paul & Shark and Paul Smith, mainly sold in Voisins and De Gruchy. However, stand-alone stores have yet to become an established feature of the high street market.

CZECH REPUBLIC

Economy Retail Property

Notwithstanding a weak start to the year for most retailers and deteriorating economic conditions, overall occupier activity has held up well, with demand particularly active for prime high streets. Nevertheless, retailers are extremely cautious when expanding, especially when considering shopping centres. Although luxury shopping is at the moment concentrated in Parizska Street, other centrally-located streets like Havirska, Zelezna and Siroka are also growing as retailers look to expand into other locations. The luxury occupier market was somewhat active over the past 12 months, with Rolex, Chopard and Omega opening stores, Burberry and Louis Vuitton extending their existing units, and Tiffany & Co opening their first store in Eastern Europe. The luxury accessories segment is trading particularly well, with potential for further growth over the coming year.

EMEA MARKET SUMMARIES

DENMARK

Economy ↗ Retail Property ↘

Lower turnovers and subdued consumer sentiment continue to affect the retail sector. However, the marked divergence in performance between prime and secondary locations is still evident as occupier demand for prime areas of Copenhagen and shopping centres remains strong, while interest for non-regional schemes has weakened. The outlook for the mass market is one of stability, with prime rents not expected to move significantly, however the same cannot be said for the luxury market, which is generally improving and expected to see upward pressure on rents. Over the past 12 months Louis Vuitton and Marina Rinaldi opened stores in Østergade. Part of Strøget – famously known as one of the longest shopping streets in Europe – Østergade contains the bulk of luxury stores in the country. The extension of the Illum department store, also located in Østergade, will help cater to demand for luxury space in the area, with additional high street units built.

ESTONIA

Economy ↗ Retail Property →

Over the past 12 months menswear, jewellery and some household brands have been particularly active in the market, contributing to a double-digit rental rise in Viru Street. Viru Street, Harju Street, Väike-Karja Street, Pärnu Street, as well as Stockmann Department Store in Liivalaia Street and Viru Shopping Centre, are the main luxury shopping locations in the country. Since luxury sales are tied to tourist flows, most of these areas can be found within Tallinn's CBD and Old Town area, while the mass market can be found in the biggest shopping centres in the suburbs. However, due to the small population in the capital, the luxury market is restricted to only a number of key names, notably: Hugo Boss, Armani, Max Mara and Versace. In addition, there are also multi-brand stores which sell luxury goods, although selection is limited.

FINLAND

Economy ↗ Retail Property →

High-quality retail space is in demand; several brands are looking to expand their presence in Finland, with particularly strong interest in Helsinki CBD. However, activity is constrained by very limited availability, and prime rents are stable. Going forward, the growing numbers of Russian tourists will continue to drive retail sales in the capital, and the new retail space in the pipeline should be absorbed quickly. The luxury retail market is not particularly developed by Western European standards, with physical store presence limited to brands such as Mulberry, Louis Vuitton and Hugo Boss. However, the very strong trading performance recorded by Louis Vuitton since its opening in 2008, may be a signs of unsatisfied consumer demand and potential for further growth in the market.

FRANCE

Economy → Retail Property ↗

Prime rents in the country recorded double-digit growth over the year to June 2012 in most locations, particularly evident across the main thoroughfares of Paris, with values in Avenue des Champs-Élysées rising by an impressive 30%. Declining consumer spending has been offset in many prime areas by strong tourist demand, encouraging new international retailers to enter the market and existing retailers to expand in key areas. Indeed, prime rents were under upward pressure in luxury locations due to scarcity of supply. Looking ahead, market momentum looks set to be maintained and certain areas – including rue Saint-Honoré and Boulevard Saint-Germain – might benefit from the opening and refurbishment of several luxury hotels, as well as the redevelopment of new retail projects

GERMANY

Economy → Retail Property ↗

Despite a slowdown in economic activity, Germany remains a popular expansion target and demand for retail space in the largest cities should remain strong. Further rental growth is expected in the second half of 2012 in the most sought after locations, and the new shopping centre space coming onto the market should be absorbed quickly. Germany's luxury market is also performing well, with demand from national and international luxury retailers for attractive retail premises very high. Vacancies in prime locations are almost non-existent; accordingly, retailers need and are willing to pay premiums to secure their preferred store.

GREECE

Economy ↘ Retail Property ↓

Several store closures have been reported in recent months, and vacancy is increasing even in the most traditionally sought-after areas. However, there is still some interest from selected international brands, eager to take advantage of challenging trading conditions to secure prime space and negotiate favourable lease terms. Occupier demand will be subdued for the foreseeable future and rents are likely to come under further downward pressure. The luxury market is primarily located along Voukourestiou Street in Athens and Proxenou Koromila street in Thessaloniki. Key retailers include the likes of Prada, Gucci, Hermes, Louis Vuitton and Armani. The market has not however been immune to the challenging economic and trading conditions, with no notable new openings over the 12 months to June 2012.

EMEA MARKET SUMMARIES

HUNGARY

Economy ↗ Retail Property →

Consumer sentiment is low against a backdrop of austerity and economic uncertainty, and a revival in retail sales is unlikely although prime locations should continue to attract interest. While most occupiers are cautious, several international brands have recently entered the market, and selected food and fashion retailers are actively expanding, taking advantage of attractive commercial terms to open stores in the capital. Luxury retailers are not particularly active in the country at the moment, with Andrássy út witnessing a strong decline in rents over the past 12 months, which surpassed the 10% fall in Váci utca.

IRELAND

Economy → Retail Property ↘

The market continues to experience limited activity as a result of difficult trading conditions. Fashion retailers have remained largely dormant with demand for new space, particularly outside Dublin, driven by discount and convenience food retailers, coffee shops, pharmacies and restaurants. Prime high street rents remain under downward pressure and they witnessed double-digit falls on June 2011 in most locations, with Dublin's Grafton Street the only exception. Luxury retailers remain very selective about their expansion; Dublin's city centre locations and Dundrum Shopping Centre are the main focus, but activity is still subdued.

ISRAEL

Economy → Retail Property →

New neighbourhoods have given rise to new shopping centres, a trend which has increased total retail space but also brought a fall in sales per square metre. Combined with an anticipated increase of 20% in total retail space, this is likely to result in a number of retailers unable to meet rent payments in the most affected areas and a gradual rental decline, with potential store closures in less successful schemes and 'weak' high streets. Some large retail chains may eventually be forced out of shopping centres into high streets, drawn by competitive pricing. Luxury brands in the country can mainly be found in high-end shopping centres such as Ramat Aviv, or at Sarona Park in the centre of Tel Aviv once it opens in 2013. Kikar Hamedina (State's Square) also houses a number of luxury brands, including Louis Vuitton, Burberry and Hugo Boss. In contrast to an anticipated subdued rental performance in the mass market, luxury rents are expected to remain stable.

ITALY

Economy ↘ Retail Property →

Prime rents over the year to June 2012 witnessed modest growth, but with unbalanced results across the country as northern cities generally outperformed southern locations – albeit by a small margin. The general economic situation is also leading to a more cautious attitude towards the high street market in the main cities; however, demand remains high for prime locations where availability is limited. The most important Italian luxury high streets include: Via Montenapoleone, Via Della Spiga, Via Sant'Andrea in Milan; Via Condotti and Piazza Di Spagna in Rome, Via Strozzi and Via Tornabuoni in Florence, and Calle S. Moise Calle XXII Marzo in Venice.

JORDAN

Economy ↘ Retail Property →

Although political protests in Jordan were generally more restrained compared to other Middle Eastern countries, they were still the catalyst behind the political reforms currently underway; with changes expected to devolve some powers from the monarch to parliament. The retail market was boosted by the addition of Taj Lifestyle Mall in September. The scheme added modern quality space to the capital as well as a dedicated luxury section, comprised of a number of new luxury brands. Often through partnerships, retailers such as Louis Vuitton, Hugo Boss, Emporio Armani, Ermenegildo Zegna and others, opened their first store in the country.

KAZAKHSTAN

Economy → Retail Property →

Luxury retailers in the country are primarily concentrated in a number of stand-alone high street units, and exclusive retailers such as the VILED fashion group which operates 15 stores in Astana and Almaty. However, although luxury retailers have traditionally favoured high street destinations such as Furmanov Street and Gogol Street in Almaty to shopping centres, this trend is changing with the completion of new schemes which provide modern good quality retail space specifically targeting the high-end market e.g. Esentai shopping centre and Dostyk Plaza in Almaty. The arrival of brands such as Saks Fifth Avenue, Louis Vuitton, Gucci and Christian Dior in these locations will further strengthen the Kazakh luxury market and attract more operators to the country.

EMEA MARKET SUMMARIES

LATVIA

Economy → Retail Property →

The main high streets in the country are Kaļķu Street, Vaļņu Street, Audēju Street, Kungu Street in Old Riga, and streets in the centre of Riga such as Kr.Barona Street and Tērbatas Street. Mass-market retailers focus primarily on shopping centres and high street units with good pedestrian and traffic flow. Luxury brands are primarily interested in prestigious areas with a good tourist flow in the CBD and Old Riga. The Latvian luxury landscape is still in its infancy; with upmarket brands scattered across several high streets in the capital. Important luxury brands include Hugo Boss, Max Mara, Thomas Sabo, Swarovski and Calvin Klein. In addition to being the most dominant section of the luxury market, the clothing segment was also the most active over the past year in terms of expansion and leasing activity.

LEBANON

Economy → Retail Property →

While a lack of quality space and high inflation are exerting upward pressure on prime rents, political instability is preventing significant rises. Food and drink operators are active and foreign international fashion brands are gradually penetrating the market through several franchises. The main luxury shopping locations are situated in Beirut's Central District, with Allenby and Foch Street home to a number of important brands. The market has also seen a number of recent additions, with the likes of Dior, Cartier, Rolex and Alexander McQueen establishing a presence. Looking ahead, the mixed-use projects of Waterfront City and the Beirut City shopping centre are expected to attract luxury tenants, with the latter already having some good pre-lease success. Despite new space and regional and local political instability, rents are expected to remain stable with the potential for slight increases – supported by higher inflation and robust occupier demand.

LITHUANIA

Economy → Retail Property →

Luxury shopping locations are concentrated around the prestigious high streets of Vilnius, specifically Gedimino Avenue, Pilies Street, Didzioji Street (Rotuses Square), and in some cases in the biggest shopping centres: Akropolis, Ozas and Panorama. The luxury market is however small, with the bulk made up of multi-brand stores such as Apranga Group (Hugo Boss, Emporio Armani, Ermenegildo Zegna, Max Mara, Tommy Hilfiger) and Du Broliai (Prada, Escada, Dolce & Gabbana and Gucci). Although starting from a low base, rents in the aforementioned streets rose by 27.6% on June 2011, in contrast to the stable rents observed in prime shopping centres.

LUXEMBOURG

Economy → Retail Property →

The occupier market was fairly stable in recent months as several leasing deals were concluded in Q2 2012; but with rents in the premier shopping location of Grand Rue unchanged in the year to June 2012. Luxury retailers are primarily located in Rue Philippe II and Avenue Porte-Neuve, valuing quality streets and character buildings which are in close proximity to other luxury brands. The availability of such locations and properties is however fairly limited, holding back activity.

NORWAY

Economy → Retail Property ↑

Occupier demand has continued to improve, supported by healthy retail sales and growth in real disposable incomes. Low vacancy is reported on high streets across the country, with full occupancy in the top high streets of Oslo. Due to the small size of the market, luxury and mass-market retailers are competing for the same locations, with the main retail thoroughfare of Karl Johans Gate in high demand. Although there were no active requirements from luxury brands over the past 12 months, most now have a presence through third-party retailers. However, on the back of a strong economy, demand from luxury occupiers is expected to improve.

OMAN

Economy ↘ Retail Property →

Foreign visitor numbers continue to grow and, combined with more affluent domestic consumers, tourism is expected to play an increasingly important role towards retail sector development in the future. On the supply side, the retail landscape was invigorated by the addition of Muscat Grand Mall earlier in the year. Part of a mixed-use project, the shopping centre is comprised of two floors containing 31,000 sq.m of GLA each, but with a good focus also on non-retail elements. Luxury retailing remains limited, typically restricted to franchises or third-party retailers. However, the opening of Opera Mall – part of Royal Opera House – in Muscat is expected to provide a small boost to the market.

EMEA MARKET SUMMARIES

POLAND

Economy → Retail Property →

A more cautious mood has recently taken hold as a result of economic uncertainty across Europe. However, many retailers are actively looking for new space around the country, and several new brands have recently entered the market. Selected luxury retailers are expanding, albeit slowly and primarily through multi-brand stores. In addition to Plac Trzech Krzyzy (Three Crosses Square) in Warsaw, Mokotowska Street is also an emerging location, while Vitkac Department Store – which opened in Q4 2011 – also accommodates several luxury brands. Overall, interest remains focused on units in the best locations, with the possibility of moderate downward pressure on rents in secondary streets.

PORTUGAL

Economy ↘ Retail Property ↘

The economy may be weak, but prime high street and shopping centres are still in demand, particularly from international retailers eager to capitalise on a tenant friendly market by expanding their portfolios in the best areas. Indeed given the wider availability of locations, retailers are in a stronger bargaining position. The only exception is Chiado, where demand is mostly focused on one single street where supply is tight. The pipeline of new retail space remains limited, with only one shopping centre, Évora Shopping (16,100 sq.m) scheduled for completion next year. The luxury market has grown over the past 12 months almost entirely due to Portuguese speaking consumers from Angola and Brazil, but also visitors from Russia – with the trend expected to persist.

ROMANIA

Economy ↗ Retail Property →

Notwithstanding a rebound in retail sales figures in the first half of the year, prime rents in June 2012 were generally lower than in June 2011, with the only exception being Strada Republicii in Brasov, which saw a significant rise. Occupier activity is stable, with the majority of the expansion plans coming from foreign supermarkets and discounters, eager to take advantage of favourable terms. A number of luxury brands entered the market, with fashion retailers such as Valentino, Burberry, Escada and Emporio Armani opening stores. Looking ahead, Calea Victoriei is a luxury location with potential for further development in the medium to long term, depending on the successful refurbishment of historic buildings and leasing terms provided by landlords.

RUSSIA

Economy → Retail Property ↗

Against a backdrop of historically low inflation and improving consumer confidence, retail sales have continued their upward trend. Several new brands have recently entered the market and interest in the regions has also continued to grow. However, this has not been reflected in prime rents which have maintained the levels seen in June 2011. The rises in utilities costs, tobacco and alcohol duty on the 1st July had an impact on consumers' budgets and led to a slowdown in sales growth; nevertheless, demand for quality retail space will remain strong.

SLOVAKIA

Economy → Retail Property →

Retail sales in the first half of the year grew marginally on the same period in 2011. Occupier demand is generally low but stable, with the market currently favouring tenants. Retailers are expanding on good high streets and strong shopping centres, with the expansion into secondary locations taking place only on sustainable and economic terms. Partly due to the close proximity of Vienna, the Slovak luxury market is underdeveloped, with the majority of luxury brands in Laurinska Street. Although in some cases luxury brands are outperforming the mass-market, rents remained largely stable.

SLOVENIA

Economy ↘ Retail Property →

Consumer sentiment in the country remains extremely subdued and trading in the retail market has suffered as a consequence. The Slovenian luxury market is quite small by European standard, with stores and third-party retailers located throughout the main high streets of Stari Trg, Slovenksa, Miklošičeva, and Čopova. Given the limited supply of suitable space for luxury brands in Ljubljana, prime rents are not expected to change in the year ahead. Rent reviews in the country take place only when renewing lease contracts, and such space rarely becomes available on the open market. In terms of occupier activity, Swarovski's new store in Čopova in June 2012 was the only notable opening.

EMEA MARKET SUMMARIES

SOUTH AFRICA

Economy → Retail Property →

Vacancy rates stabilised and then improved slightly in Q1, with footfall also up in small regional, regional centres and super regional schemes. However, consumer spending per capita increased at a slower pace, in line with a retail sector which remained under pressure due to a slow and uncertain economy, and not helped by recent industrial unrest. Luxury retailers have traditionally traded in mature shopping centres, which have been gradually enlarged through the years by the acquisition of adjacent land. Over the past year, active occupiers have been primarily from the jewellery, fashion and motor vehicle segments. The outlook for the luxury market is extremely positive in established schemes, with the payment of premiums highlighting the strong demand and confidence retailers have in the sector. Indeed, the higher rents are usually achieved from luxury operators, who still manage to generate profit over time.

SPAIN

Economy ↘ Retail Property →

The overall retail market is weak, but demand for prime retail space has been robust and stands in contrast to the challenging trading conditions in most locations. Several major domestic fashion and restaurant brands are in expansion mode, and selected international retailers – including major global luxury brands – are taking advantage of a tenant's market to extend their presence. Secondary rents are under pressure, with a number of retailers closing unprofitable stores; however, in dominant locations rents were largely stable.

SWEDEN

Economy → Retail Property ↗

Compared with the 2010/2011 survey, the rate of rental growth in prime locations slowed somewhat – albeit remaining positive. Foreign retailers continued to dictate activity as they looked to establish a presence in the market. However, most had to contend with a distinct shortage of quality high street space, as well as high rents and premiums. The outlook is largely positive; the already healthy retail sector is expected to benefit from low inflation, and a looser monetary policy aimed at stimulating growth.

SWITZERLAND

Economy → Retail Property →

Occupier demand for prime high street retail space in the major cities is active, with international luxury retailers willing to pay high rents to secure space in streets such as Rue du Rhone in Geneva, Freie Strasse in Basel and Bahnhofstrasse in Zurich. In Geneva, the most attractive retail streets are located in the immediate vicinity of Place du Molard, i.e. the four pedestrian streets of rue de la Confédération, rue du Marché, rue de la Croix d'Or and rue de Rive, but with the former two locations orientated more towards the mass market.

THE NETHERLANDS

Economy → Retail Property →

Although prime rents witnessed an increase on last year, the rental growth picture was not as broad-based as in 2010/2011, with the overall rate rise driven by the strong double-digit increase in Kalverstraat. Challenging trading conditions are in fact filtering through to the wider occupier market; activity in the major cities is stable but secondary retail locations are increasingly under pressure. Domestic retailers remain largely inactive, with demand driven primarily by foreign brands looking for good opportunities.

TURKEY

Economy ↗ Retail Property ↗

Despite a decelaration in economic activity, prime rents across Turkey continued to register growth – albeit at a slower pace than in 2010/2011. Prime rents in Istanbul are expected to remain stable until the end of the year as the number of shopping centre openings in central locations are now declining. Retailers are turning their attention to high streets; however, limited availability and difficulty in converting space remain some of the greatest obstacles. Meanwhile, occupiers in Ankara are increasingly focusing on the shopping centre market, where there has been a considerable increase in new space provision. However, high street locations still see significant footfall and prime rents over the year rose slightly. Izmir has also witnessed considerable growth in shopping centre supply, with occupier demand also very active.

EMEA MARKET SUMMARIES

UKRAINE

Economy ➔ Retail Property ➔

Over the year to June 2012, a number of international retailers were active in the retail market, with the likes of Gap and Finn Flare establishing a presence. However, the Ukrainian retail market is still characterised by lower quality shopping centres. Since the start of the financial crisis in 2008, the market has seen limited new stock delivered; not enough to aid the development of the retail landscape, with the clothing segment in particular in need of a boost as there is currently a shortage of national fashion brands. Attracted by their leisure element, consumers are increasingly drawn by quality shopping centres, with successful schemes often enjoying vacancy rates of 0.5% to 2%.

UNITED ARAB EMIRATES

Economy ➚ Retail Property ➔

The retail market saw good occupier demand for luxury shopping centres over the year, with fashion brands particularly active. In Abu Dhabi, The Avenue at Etihad Towers saw a number of new arrivals, with retailers such as Canali, Chloe, Hermes and Salvatore Ferragamo opening their first store in the city. Good quality retail space remains however limited and the scarcity of new supply has generally kept prime rents stable – albeit the pipeline for next year is considerable. Dubai remains the premier luxury city in the country and region, with shopping centres such as Wafi, Dubai Mall and Mall of the Emirates offering a diverse range of retailers and segments. Occupier activity was still polarised however, with the aforementioned shopping centre categories attracting significant interest, in contrast to subdued demand elsewhere.

UNITED KINGDOM

Economy ➚ Retail Property ➔

Prime high street rents in the country over the past 12 months stabilised considerably following the volatility observed in 2010/2011. In contrast to last year, values in the locations surveyed were either stable or registered growth. National demand is still weak however, with only the strongest locations within the best towns attracting retailer interest, while secondary towns are witnessing high vacancies. Central London continues to outperform the rest of the country, with strong demand outstripping the very limited number of available units on offer. However, the double-digit growth rates seen in 2010/11 were not as common, in fact restricted only to Sloane Street, where new store openings and re-leasing pushed rents up 26.7% – securing its position as the third most expensive street in the UK.

KEY INDICATORS

Down ⬇ Up ⬆ Stable ➔ Stable/Up ➚ Stable/Down ➘

Key indicator arrows show the anticipated trend for the coming 12 months relative to recent performance.

AMERICAS OVERVIEW

Occupier activity in the Americas was buoyant over the 12 months to June, with prime rents rising by 10.9%. Three of the 10 countries surveyed – **Chile** (6.4%), **Ecuador** (3.1%) and **Venezuela** (3.9%) – recorded declines, while the rest saw values rise. Rental growth in North America was primarily driven by the strong performance of the U.S (16.3%) and Mexico (11.5%), while Canadian values recorded a marginal uplift.

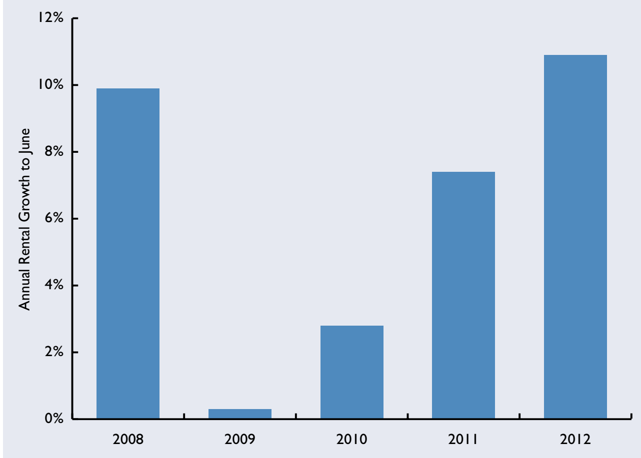
Conditions in the **US** retail market improved over the year as sales and leasing activity picked up – albeit mainly visible in the prime segment. Nevertheless, as retail vacancy rates continue to fall and new construction completions remain limited, the overall average rental rate for US markets is anticipated to increase for the first time since 2008, while the strong Main Street value gains in gateway cities will continue – albeit at a slower pace. The **Canadian** economy generally followed a similar path to its southern neighbour, but did not benefit from the same tourist fuelled bounce seen in the US, with prime rents rising by just 0.6%. Meanwhile, a sustained recovery in occupier demand in **Mexico** was supported by a mixture of economic revival, new retailer initiatives and the delivery of modern shopping centre space.

Buoyed by rises in South American emerging markets, rental growth improved on the 2010/2011 figure and surpassed all other regions. **Brazil** was yet again the engine of growth, not only in economic activity but also in prime retail rents. Indeed, the city of Rio de Janeiro generally witnessed double-digit rental uplifts, underlined by active demand for the sought-after area of Garcia D'avila (Ipanema) – where rents surged by the fastest rate (64.7%) in the Americas. Additionally, the premier shopping centres of São Paulo – Iguatemi Shopping and Cidade Jardim – were also the most expensive South American retail locations.

Notwithstanding slower GDP growth, a fall in rental values and vacancy rises in the first quarter of 2012, prime high street locations in Buenos Aires, **Argentina** registered growth of 16.6% over the 12 month period – albeit downside risks remain if a further slowdown in economic activity materialises. In **Colombia**, while the wider market suffered from a drop in retail sales and rents, the prime segment remained resilient. Retail locations in Bogota recorded strong growth over the year on the back of interest both from new international retailers and existing brands eager to expand their operations. In nearby **Peru**, rental shopping centre rises have gradually forced some operators towards stand-alone high street stores as they looked to cut costs.

The Americas retail outlook is largely positive; emerging economies in South America will continue to provide a solid base, with lower unemployment, real wage growth and an expanding middle class, enticing retailers to expand further. In North America, prime locations in the US will remain the main focus and source of rental growth, albeit at a possibly slower rate than 2011/12.

AMERICAS: RENTAL GROWTH OVER FIVE YEARS



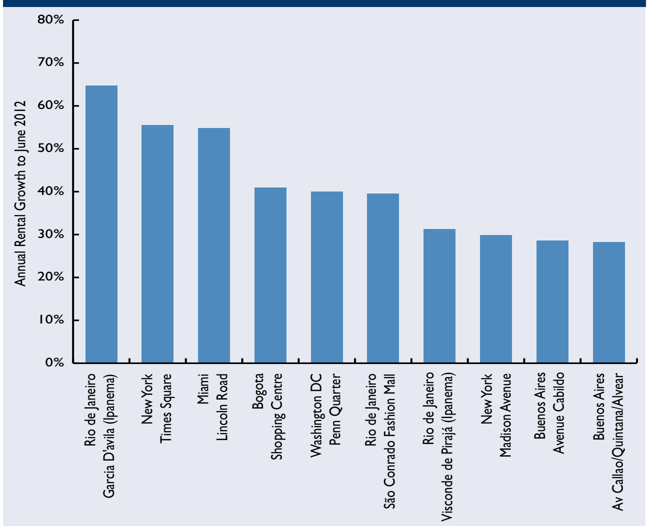
Source: Cushman & Wakefield

AMERICAS: TOP TEN LOCATIONS

CITIES	LOCATION	€/SQ.M/ YEAR	US$/SQ.FT/ YEAR
New York	5th Avenue	21,204	2,500
New York	Times Square	17,811	2,100
New York	Madison Avenue	9,330	1,100
New York	East 57th Street	9,330	1,100
Los Angeles	Rodeo Drive (Beverly Hills)	4,580	540
Chicago	North Michigan Avenue	4,029	475
San Francisco	Union Square	3,817	450
São Paulo	Iguatemi Shopping	3,603	425
San Francisco	Post Street	3,096	365
Toronto	Bloor Street	2,662	314

Source: Cushman & Wakefield

AMERICAS: STRONGEST GROWTH



Source: Cushman & Wakefield

AMERICAS LUXURY OVERVIEW

The **US** luxury jewellery, clothing and accessories segments traded particularly well over the year to June, and are expected to see double-digit sales growth in 2012. This is not necessarily a recent trend, however, with brands such as Coach and LVMH recording consistently strong revenue rises over the last few years. In some sub-markets, the rental increases and limited availability of space along luxury high streets are positively affecting surrounding secondary streets as retailers are forced to consider space in 'fringe' areas. The internet and social media are also becoming fully integrated with in-store marketing, profoundly impacting luxury retailers' location selection and marketing strategies.

The US market will continue to benefit from improving demand drivers and a restrained supply pipeline as rents maintain their upward momentum. However, given the strong growth in high street rents recorded over the past 12 months in cities such as New York, Chicago and San Francisco, this upward trend is likely to ease somewhat.

Important shopping streets which contain luxury retailers in **Canada** include Bloor Street in Toronto and Alberni Street (near Burrard Street) in Vancouver. In addition, Yorkdale Mall and Eaton Centre in Toronto, and Pacific Centre in Vancouver are the top three shopping centres housing luxury brands. Such operators typically open in the premier shopping centres first, thereafter moving onto the high street – depending on availability. Nevertheless, the market is still relatively small and, apart from the higher rents paid by luxury operators, high street locations of choice do not differ significantly between luxury and non-luxury brands. Vacancy rates in the top high streets and shopping centres are now below 3%.

Although the recovery in **Mexican** retail rents has been broad based, luxury locations such as Masaryk Avenue generally outperformed mass-market destinations. Fashion retailers are actively looking for additional units; indeed, there is a notable increase in corner space locations within apartment stores, with brands such as Louis Vuitton, Carolina Herrera and Salvatore Ferragamo now present at Palacio de Hierro department stores. While traditionally focused on high street stand-alone units, shopping centres are becoming increasingly attractive to luxury retailers, with Antara in Mexico City the most sought-after, but with the Santa Fe and Paseo Interlomas shopping centres also attracting interest.

Brazil contributed to growth in the luxury sector as Iguatemi Shopping and Oscar Freire Jardins in São Paulo saw rents rise over the year. The leading shopping centres in the city remain the most expensive luxury destinations in the country, however, demand for luxury high streets is also active and has translated into large brands also occupying space on adjacent streets. As a result, such locations are becoming luxury micro-regions with significant refurbishment and upgrading taking place.

In **Argentina**, Alvear Avenue and Quintana Avenue – the main luxury streets which run parallel to each other – witnessed strong double-digit rental growth on the back of active jewellery, household goods and technology segments. Palermo in Buenos Aires is also slowly transforming into an important upmarket area, with several brands opening stores in Honduras Street, Gurruchaga and Aguirre. The outlook, however, is somewhat more mixed; with major international brands potentially halting their expansion plans as import restrictions – aimed at protecting domestic products – have an adverse effect.

Despite a surge in rental values in the premier shopping centres of Bogota, the traditional luxury landscape in **Colombia** is being reshaped significantly. Schemes are increasingly offering more commercial space, old properties are being replaced by new sophisticated buildings, and big brands are taking over space from smaller retailers. Going forward however, there will not be a marked difference in rental levels between luxury and non-luxury markets as the lack of quality space affects both.

In **Peru**, demand evolved over the past 12 months as luxury retailers began to favour independent stores in emerging locations, open-air and other small shopping centres. Prime rents are expected to keep rising as the number of new brands looking to launch their operations in Peru increases.

In other South American countries, locations which have a luxury presence did tend to perform better than mass-market pitches, although this did not necessarily always translate into rental growth. Shopping destinations such as Alonso de Cordova in **Chile** and Avenida Naciones Unidas (shopping centre) in **Ecuador** actually saw rents fall. Nevertheless, such declines were marginal, limited in number and generally outperformed non-luxury locations.

While the potential for further growth in the Americas is considerable, protectionism in the form of import taxes – particularly in Argentina and Brazil – may continue to act as a drag on activity. Additionally, good quality prime retail space suitable for luxury international brands is expected to be at a premium in some markets, limiting expansion prospects but opening up development opportunities. Indeed, luxury retailing in South America is on an upward trajectory; mirroring the vibrant economic conditions of the region and benefitting from an increasing number of high-net-worth consumers.

AMERICAS MARKET SUMMARIES

ARGENTINA

Economy ➔ Retail Property ➔

Prime rents rose throughout 2011 and early 2012; however, following a sharp economic slowdown in the second quarter, rental values fell and vacancies were on the rise. If the economic recovery does not materialise, another decline in rents and further vacancies are a possibility in the second half of the year. At the moment, occupiers are favouring secondary high streets, moving away from the main high streets in an effort to control costs.

BRAZIL

Economy ➚ Retail Property ➚

Prime rents in June 2012 recorded growth in almost all regions on the same period in 2011, with the city of Rio de Janeiro in particular witnessing strong rises. Occupier demand for luxury stores is buoyant, especially along the main high-end streets of São Paulo such as Oscar Freire and Haddock Lobo, but with tight supply creating a 'waiting list'. Important domestic and international brands are currently expanding due to the significant increase in consumer spending. Indeed, the country and the retail landscape are developing markedly in advance of the 2014 Football World Cup and the 2016 Olympic Games. The luxury sector is expected to expand further on the back of increased luxury spending, attracting additional international retailers in the process.

CANADA

Economy ➔ Retail Property ➔

Demand for retail space remained steady over the 12 months to June 2012, with double-digit growth recorded in selected prime locations and a slight fall in the vacancy rate. However, despite interest from both American and international retailers, there has been a slowdown in leasing activity as entry costs have proven to be higher than expected and new sites harder to find for new retailers considering Canada. Development continues in both the urban and suburban areas of major cities, with many mixed-use projects either planned or under construction. A number of retailers are resizing their stores to a smaller format, and vacancies in big boxes have increased. While this trend is expected to continue over the next 12 months; it will also present some opportunities for retailers looking for 'ready-to-use' properties as opposed to new construction.

CHILE

Economy ➔ Retail Property ➔

Despite falls in prime rents, the retail market was relatively stable over the past 12 months, with large shopping centres still the main driver. The recently completed Costanera Center Mall has now begun operations – albeit not fully – with the effect of the 268,000 sq.m scheme closely monitored by local retailers. Luxury retailing in the country is primarily concentrated in Alonso de Cordova and to a lesser extent in shopping centres such as Alto Las Condes, Parque Arauco, and Costanera Center. However, rental trends do not differ significantly from the mass market and the outlook for the sector is expected to remain largely unchanged.

COLOMBIA

Economy ➔ Retail Property ➚

There has been a significant decline in the supply of new space, and a shortage of quality retail space in the main cities is now evident. Retail sales and rents have also fallen to their lowest figures since May 2010. However, prime locations have traded better, translating into higher rents over the year to June 2012, with prime high streets and shopping centres in Bogota recording strong growth. There are plenty of foreign brands ready to enter the market, primarily fashion, food and department store chains. In addition, operators already present are planning to expand their presence in the coming years on the back of good economic conditions and continued growth in consumer spending.

ECUADOR

Economy ➘ Retail Property ➔

Vacancy rates in the country are currently below 3%, with vacant units typically found in secondary locations, and major shopping centres seeing close to 0% rates. Local brands remain the most important tenants; however, international retailers are gradually entering the market through selected shopping centres, which are increasingly favoured to high streets. Most retail locations are forming a specific identity and strategy, with the aim of covering particular market segments and niches. Looking ahead, the vacancy rates in shopping centres situated in consolidated retail corridors will remain close to 0%, while the preference for international brands is expected to grow further. Schemes which follow large-scale residential developments will continue to come onto the market, covering undersupplied areas.

AMERICAS MARKET SUMMARIES

MEXICO

Economy ➔ Retail Property ➚

A sustained recovery in occupier demand has been supported by the revival of economic activity, but also by coordinated efforts by retailers to provide new initiatives; the first 'Black Friday' a good example of this. A significant recovery in new construction is also evident, with the first opening of new fashion shopping centres since 2008. A rising middle class is continuously adding consumers to the market, and many medium sized cities are undersupplied with regard to modern retail space. Of the larger cities, only Mexico City and Monterrey have relatively mature markets, becoming also more diverse and sophisticated as new international retailers use them as entry points into the country.

PERU

Economy ➚ Retail Property ➚

The rise in shopping centre rents, spurred by strong demand and limited supply, has pushed some retailers towards independent stand-alone stores in the high street as they to look to minimise costs. Land suitable for the development of new shopping centres in Lima remains scarce. Open-air shopping centres are however a new format being introduced to the market, with Cubica and Penta the first two schemes.

USA

Economy ➔ Retail Property ➚

The key drivers of the US retail market slowly improved over the 12 months to June, with personal income, employment, consumer sentiment and retail sales recovering, supporting a rise in occupancy and stabilisation in rents. Indeed, average retail vacancy in the USA fell to 7.4% in mid-2012, while overall rents declined by their lowest rate since Q1 2009. Prime rents meanwhile recorded strong growth over the year, with occupier activity in well-established high street corridors of gateway cities, such as New York and San Francisco, particularly dynamic. Although, national development activity remains subdued compared to historical levels, there have been some rebounds in markets such as Boston and San Francisco. In the short term, U.S. retailers will continue to focus their expansion plans on proven markets and high-density locations, which bodes well for established retail corridors in top tier cities. The slow and steady improvement expected in the US economy will also have a noticeable impact on retail leasing fundamentals going forward.

VENEZUELA

Economy ⬇ Retail Property ➔

The occupier market was steady over the 12 months to June 2012, with prime rents stable in the first half of this year. Luxury brands remain scattered across a number of high-end shopping centres in the country, notably Lider, Tolon, San Ingacio, CCCT and Paseo El Hatillo. However, there are also high street locations in selected areas of Venezuela's main cities which are proving attractive, with Las Mercedes in Caracas a good example. Important luxury brands in the country include Louis Vuitton, Furla, Tag Heuer, Tommy Hilfiger and Carolina Herrera, with the latter recently opening a store in Las Mercedes.

KEY INDICATORS

Down ⬇ Up ⬆ Stable ➔ Stable/Up ➚ Stable/Down ➘

Key indicator arrows show the anticipated trend for the coming 12 months relative to recent performance.

ASIA PACIFIC OVERVIEW

Against a backdrop of anaemic European trading growth, retailers continued to vie for Asia Pacific prime retail space, eager to tap into a generally younger and increasingly affluent middle class. Despite a slower expansion than in 2010/2011, occupier demand remained robust and prime rents rose by 8.6% over the year. Indeed, with the exception of marginal falls in two markets – **Indonesia** (3.2%) and **Vietnam** (1.0%) – values in the other eleven countries were either stable or witnessed an uplift.

The remarkable **Chinese** drive seen in 2010/2011 did not, however, materialise this year as increased volumes of retail space opened stabilised rental growth. However, occupier demand was robust and vacancies relatively low in the main cities and the major sub-markets, fuelling a rental rise of 4.2%. The highlight of this year's survey was **Hong Kong**, which saw prime rents surge by 21.8% as a result of extremely active demand from a diverse group of new international retailers, expansion plans from existing brands and very limited availability. Indeed, notwithstanding slowing economic activity, retailers continued to see the market as the ideal launching platform into mainland China.

Prime rents in **India** rose by 12.5% on the back of strong occupier demand across all sub-sectors, however, retailers were increasingly favouring high street properties at the expense of shopping centres, exemplified by the 75.0% rise in Colaba Causeway, Mumbai – the fastest growth rate seen globally. **South Korea** benefitted from a gradually evolving retail landscape comprised of several maturing quality shopping centres and high streets, with values rising by 19.1%. Myeongdong and Gangnam Station remained the most expensive locations in the country, but Garosugil was catching up as the number of leasing deals concluded over the year rose markedly, pushing rents up by 41.0%.

In **Thailand**, increased requirements from international retailers contributed to a modest rise in values (3.4%) over the year, but which also created a 'waiting list' in the capital. Notwithstanding stable prime rental values in **Japan**, **New Zealand**, **Singapore** and **Taiwan**, activity was not stagnant. In Japan, the success story of new operators underlined the potential for entry and expansion, while decentralisation in Singapore has encouraged more interest in suburban shopping centres.

Looking ahead, although possibly losing some of its dynamism, occupier activity in Asia Pacific will remain healthy as international retailers struggling to generate profitable trading in their own markets, look for expansion opportunities in the region. The 2013 development pipeline in China remains considerable and may exert further pressure on rents – particularly in emerging suburban locations. While impressive rental growth in Hong Kong is expected to cool somewhat, strong Indian momentum is likely to continue, despite a shortage of good quality space restricting activity.

ASIA PACIFIC: RENTAL GROWTH OVER FIVE YEARS

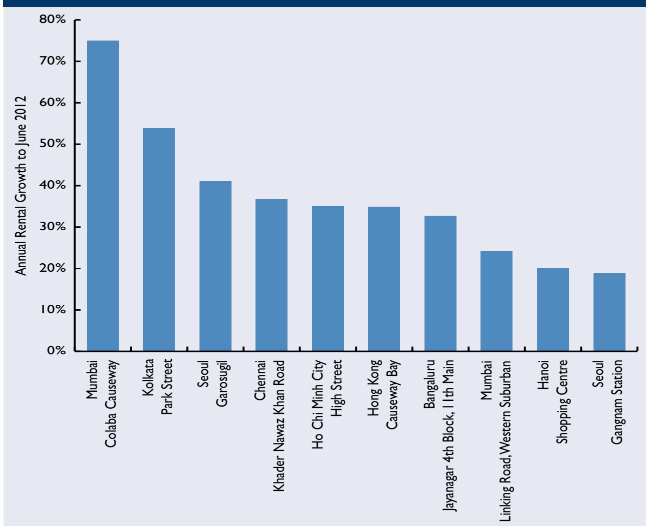
Source: Cushman & Wakefield

ASIA PACIFIC: TOP TEN LOCATIONS

CITIES	LOCATION	€/SQ.M/ YEAR	US$/SQ.FT/ YEAR
Hong Kong	Causeway Bay	22,307	2,630
Hong Kong	Central	15,746	1,856
Hong Kong	Tsim Sha Tsui	13,122	1,547
Tokyo	Ginza	8,962	1,057
Tokyo	Omotesando	8,245	972
Sydney	Pitt Street Mall	8,077	952
Seoul	Myeongdong	5,822	686
Tokyo	Shibuya	5,377	634
Seoul	Gangnam Station	5,003	590
Brisbane	Queen Street Mall	4,038	476

Source: Cushman & Wakefield

ASIA PACIFIC: STRONGEST GROWTH



Source: Cushman & Wakefield

ASIA PACIFIC LUXURY OVERVIEW

Combined with the more challenging trading conditions in western markets, buoyant luxury sales in Asia Pacific have shifted the focus of many luxury operators to the region – encouraging a number of expansions and new entries. The upward trading trend was particularly evident in the Chinese luxury market where sales growth was estimated at almost 30% in 2011. Even though some retailers have reported slower growth this year, luxury sales will continue to outstrip general retail sales, underlining its importance in driving overall sector activity.

The strong demand from luxury brands and very limited space availability has forced some **Hong Kong** retailers into secondary street stores and suburban shopping centre locations – with luxury, watches, and jewellery brands generally the only ones able to afford the high rents demanded in Causeway Bay and Central. Although somewhat more clouded, due to an uncertain economic environment and a noticeable decline in big ticket purchases, the outlook for the luxury market is still positive. Growth in mainland Chinese visitor numbers will continue to support luxury trading, and Hong Kong will remain a gateway to mainland China for a growing number of brands.

In **Japan**, Ginza and Omotesando are the principal home for luxury retailers in the country, and fashion was generally the most dynamic segment over the year to June 2012. In terms of requirements, Prada were looking to open stores in Ginza and Osaka (Shinsai-bashi), while several other brands were also eager to enter the Japanese market on the back of their success in other Asian countries – particularly China – often investing in large scale flagship stores. The relatively new brands were aggressively seeking expansion and, consequently, generally paid higher rents – in contrast to the more established brands.

The **South Korean** luxury market is still performing well, boosted by Chinese and Japanese tourists on shopping trips in Seoul. Aside from the department stores where the majority of luxury shopping occurs, Cheongdam is the only luxury high street destination. Flagship stores include Louis Vuitton, one of the first to enter the market, alongside others such as Gucci, Prada, Ermenegildo Zegna, Armani, Cartier, Rolls Royce and Loro Piano.

Over the past 12 months, several luxury retailers in **Taiwan** have expanded their presence or opened flagship stores. Indeed, brands such as Louis Vuitton, Burberry, Dior and Tod's now have flagship stores in Taipei 101, while Chanel and Hermes also opened their doors in Xinyi Planned Area, a prime retail catchment. However, space is at a premium, and with luxury retailers still very eager to expand their operations, it is anticipated that rents will gradually increase over the coming 12 months.

In **India**, the bulk of international luxury retailers are present in shopping centres and hotels. The most active brands over the past 12 months included the likes of LVMH, Burberry, Bottega Veneta, Gucci, Paul Smith, Ermenegildo Zegna and Paul & Shark. However, although luxury operators are generally expanding, they are doing so cautiously and only in major selected markets. This trend is expected to continue in the year head, typically through partnerships with large domestic companies.

In contrast to mass-market retailers which can be found in residential areas, luxury brands in **Thailand** are mostly concentrated in shopping centres, five star hotels and expat residential areas. Luxury clothing, and premier brands such as Chanel and Louis Vuitton, remain some of the most popular retailers, with the latter opening a store in Siam Paragon.

Luxury retailers in **Australia** are largely located in Sydney along Pitt Street Mall, Westfield Shopping Centre, George Street and Martin Place. There is, however, a noticeable disparity between the rents paid by luxury and mass-market retailers. Luxury brands are attracted by properties which stand out – for example a landmark building or location. Despite a number being located on Pitt Street, they are often situated a block away from the main strip, allowing them to build their own identity and also pay more moderate rents.

Luxury brands in **Singapore** can be generally found along the Orchard Road area, with retailers seeking good accessibility and frontage. However, Marina Bay, home to the Marina Bay Sands casino and resort, has also emerged as a new luxury destination, with brands such as Louis Vuitton, Burberry, Hermes, Cartier, Dior and Prada, already establishing a presence. Supported by the high spending power of both local consumers and tourists – especially from Asia – Singapore will continue to attract global luxury brands; however, rents are likely to stay unchanged in the second half of the year.

Traditionally focused on up-market and large shopping centres, the choice of luxury retailers in **Malaysia** is becoming more varied. Indeed, medium-sized neighbourhood shopping centres situated in established housing estates – which offer a contemporary concept – are now attracting good interest. Overall, the outlook for the market is positive, with tourist numbers on the rise and local consumers increasingly brand aware – albeit prime rents are not expected to see significant growth in the short term.

The outlook for the Asian Pacific luxury market remains bright, supported by a strong appetite for luxury goods and the willingness of international brands to expand more aggressively and broadly. This is expected to strengthen the region's position in the global hierarchy, potentially challenging EMEA in the longer term as the largest market in spending terms. However, the retail environment is expected to be fluid as changes in local taxes, laws and regulations lead to shifts in occupier demand within Asia Pacific.

ASIA PACIFIC MARKET SUMMARIES

AUSTRALIA

Economy ↘ Retail Property →

While occupier demand has remained steady in the CBDs and prime retail centres, elsewhere it suffered from subdued consumer sentiment and lower spending. Indeed, while good interest for the premier shopping destinations in Perth, Adelaide and Melbourne enabled an Australian rental uplift of 2.4%, high streets in non-CBD locations saw vacancies rise and rents fall. There have also been several retailers which have gone into administration over the past 12 months, and if restrained spending persists it may translate into a similar pattern in the year ahead.

CHINA

Economy → Retail Property ↗

Prime rents in key sub-markets were either stable or increased slightly over the 12 months to June 2012. Vacancy was generally manageable in China's main cities, with rates in all markets below 10%. However, the development pipeline is considerable, with total stock estimated to double in some cities over the next two to three years. This sizable new supply – approximately 9.5 million sq.m forecast for 2013 – will increase development risks, with cases of localised oversupply, especially in emerging suburban areas. Notwithstanding strong occupier demand, the increased suburban retail provision will exert pressure on some schemes, which may struggle to lease space in the coming years. Nevertheless, the country's premier destinations may witness further rental growth on the back of active competition.

HONG KONG

Economy ↗ Retail Property ↗

Despite economic headwinds in Hong Kong and mainland China, occupier demand remained vibrant over the past 12 months. Weaker sales in the West continued to lure brands to the market, while the expansion trend among existing brands was also evident. Although retail sales growth slowed considerably in the summer, luxury and mass-market fashion brands continued to vie for the best high street locations, exerting upward pressure on rents. Mass-market retailers were often forced into secondary street stores or shopping centre locations, with mostly luxury, watches, and jewellery brands able to afford the high rents demanded in the premier locations.

INDIA

Economy ↗ Retail Property ↗

Rental values in shopping centres across the major seven cities rose over the year to June 2011, with the exception of selected Bengaluru locations where values declined. In general, high streets rents in Kolkata, Bengaluru, Pune and Gurgaon recorded an appreciation in the range of 7%-20% compared with 2010/2011 on the back of active interest in high streets units. Looking ahead, demand from both domestic and international retailers is not expected to weaken, despite the limited availability of quality space remaining a problem, and may be boosted by measures to encourage foreign investment. Meanwhile, in the shopping market there will be a greater emphasis on planning, zoning, ensuring anchor and tenants sustainability, as well as devising effective management practices.

INDONESIA

Economy → Retail Property →

Although service charges increased in shopping centres across the capital city, the strong competition for retail space allowed only modest declines in average prime rents over the year to June 2012. Following the opening of some big shopping centre projects in the second half of 2012, mid to upmarket international brands are expected to open their first stores in Jakarta. The continued growth in both population size and wealth has been an important factor in attracting these brands. Take-up is expected to improve, but a short-term decline in occupancy is also anticipated as retailers complete their fit-outs and begin trading in the large-scale schemes due to open in H2 2012.

JAPAN

Economy ↘ Retail Property →

Retailers strategies for entering and/or expanding in the market have started to slowly solidify. Indeed, the successful entries of newcomers such as Old Navy and American Eagle have proved that there is room to penetrate the market and grow, despite the devastating earthquake in March 2011. The market has also seen an emergence of new retail locations for brands looking to revamp their presence and footprint. Prime high streets will see continued growth in occupier demand in 2013, while the top performing shopping centres across the country will also be sought-after.

ASIA PACIFIC MARKET SUMMARIES

MALAYSIA

Economy ↘ Retail Property →

Existing prime shopping centres continued to enjoy strong occupier demand over the year to June 2012. Two major schemes which opened in May have already achieved over 90% occupancy, while another scheduled to open in Q1 2013 has pre-leased 70% of its space. Prime rents remained stable for the main prime pitches in the country and, despite more cautious spending and an uncertain global economy; it is expected to remain steady, with good demand for both existing prime schemes and upcoming major shopping centres. On the other hand, however, secondary schemes will see sluggish demand.

NEW ZEALAND

Economy ↗ Retail Property →

The occupier market was relatively stable over the 12 months to June, with no movements in prime rents. Incentives were still offered, but primarily for those premises which had been vacant for some time. The overall vacancy rate was slightly above average, with at least one or two vacancies noted in all major high streets and shopping centres. There were no significant expansions or contractions, which partly explained the steady vacancy rate, and this trend is not expected to change in the year ahead. Luxury retailers have a limited presence in New Zealand, with only four operating their own stores in Queen Street, Auckland – close to the international cruise boat terminal. Other brands are offered through high-end department stores in Queen Street and Broadway Avenue in Auckland, as well as Lambton Quay in Wellington.

SINGAPORE

Economy → Retail Property →

Prime rents remained unchanged over the past 12 months, with landlords largely cautious. Occupier demand for the Orchard Road shopping belt has been strong, especially for ground floor space with good frontage. As a result of the country's decentralisation with regional commercial hubs, new suburban shopping centres are increasingly attracting attention from international retailers. Looking ahead, rents are expected to stay unchanged for the rest of the year as economic uncertainties may still impact on consumer spending.

SOUTH KOREA

Economy → Retail Property ↗

The South Korean market has seen noticeable progress over the last few years with more quality shopping malls being opened, improved space in existing department stores and retailers increasingly trading directly rather than through partners. The so-called "SPA" brands have had the biggest impact on the market with Zara, Uniqlo and H&M now dominating. Domestic retailers such as Samsung's 8 Seconds concept are making inroads into their success, but the aforementioned international brands have become highly desirable for the Korean consumer. Garosugil remains particularly sought-after with Hollister, H&M, Fossil, Zara, Forever 21, Diesel, Lacoste, Massimo Dutti and Camper all taking stores on the street within the last two years.

TAIWAN

Economy ↗ Retail Property ↗

The Taiwanese retail market continues to grow, and has further potential to do so given the higher spending power of both domestic and foreign consumers. As Western economies have slowed, both luxury and mass-market brands have expanded their presence in the Asian region, with Taiwan as one of their main targets. The retail environment has also been boosted by foreign visitors to the country, with an estimated six million tourists visiting the country in 2011 – a large proportion from China and Japan – a trend which is not expected to slow.

THAILAND

Economy ↗ Retail Property ↗

Rents during the first half of 2012 rose partly as a result of a hike in the minimum wage which stimulated consumer spending. Occupier demand remains high for prime space; several brands are scheduled to open their doors in H2 2012, while some are on a 'waiting list' due to the limited supply. International operators, particularly from the fashion segment, now enter the market with a flagship store and then quickly expand to three-five stores in the inner city. However, unlike local retailers, such expansion tend to be limited to Bangkok.

ASIA PACIFIC MARKET SUMMARIES

VIETNAM

Economy ↘ Retail Property →

Occupier demand has been buoyant in the Central Business Districts of both Ho Chi Minh and Hanoi. Interest from up-market retailers in high streets is still strong, with rents generally stable but increasing in the most sought-after locations. However, supply is not expected to improve, with retail opportunities now increasingly situated in non-CBD locations. Land pricing is forcing a decentralisation, with several new large shopping centres opening this year in suburban districts.

Luxury occupiers usually occupy shops on the main high streets, such as Dong Khoi, Le Loi and Nguyen Hue. Hanoi has a smaller high-end shopping area, with high street units around the Metropole Hotel attracting luxury brands. Trang Tien Plaza is currently under renovation, and once re-opened it will be home to brands such as Chanel, Louis Vuitton, Dior and Cartier. Hanoi may see an upward trend in rents once new space comes onto the market, while Ho Chi Minh is expected to see stable values, but with the potential for slight downward pressure as retailers move out to take larger shopping centres.

KEY INDICATORS

Down ↓ Up ↑ Stable → Stable/Up ↗ Stable/Down ↘

Key indicator arrows show the anticipated trend for the coming 12 months relative to recent performance.

GLOBAL RETAIL RENTS

COUNTRY	CITY	LOCATION	ANNUAL INFLATION JUNE 2012	LOCAL MEASURE	RENT JUNE 2012	ANNUAL RENTAL GROWTH %	RENT US$/SQ.FT/YR	RENT €/SQ.M/YR
SOUTH AMERICA								
Argentina	Buenos Aires	Florida	9.9%	US$/sq.m/month	105	16.7%	117	993
Argentina	Buenos Aires	Avenue Cabildo	9.9%	US$/sq.m/month	45	28.6%	50	425
Argentina	Buenos Aires	Avenue Santa Fe	9.9%	US$/sq.m/month	60	1.7%	67	567
Argentina	Buenos Aires	Av Callao/Quintana/Alvear	9.9%	US$/sq.m/month	50	28.2%	56	473
Brazil	Rio de Janeiro	Visconde de Pirajá (Ipanema)	4.9%	R$/sq.m/month	210	31.3%	116	984
Brazil	Rio de Janeiro	Garcia D'avila (Ipanema)	4.9%	R$/sq.m/month	280	64.7%	155	1,312
Brazil	Rio de Janeiro	Shopping Leblon	4.9%	R$/sq.m/month	350	6.1%	193	1,640
Brazil	Rio de Janeiro	São Conrado Fashion Mall	4.9%	R$/sq.m/month	300	39.5%	166	1,405
Brazil	Rio de Janeiro	Rio Sul Shopping	4.9%	R$/sq.m/month	340	-	188	1,593
Brazil	São Paulo	Oscar Freire Jardins	4.9%	R$/sq.m/month	258	12.2%	142	1,209
Brazil	São Paulo	Haddock Lobo	4.9%	R$/sq.m/month	162	0.0%	89	759
Brazil	São Paulo	Bela Cintra	4.9%	R$/sq.m/month	178	1.7%	98	834
Brazil	São Paulo	Cidade Jardim	4.9%	R$/sq.m/month	564	0.0%	311	2,642
Brazil	São Paulo	Iguatemi Shopping	4.9%	R$/sq.m/month	769	3.4%	425	3,603
Chile	Santiago	Downtown (Paseo Ahumada)	2.6%	US$/sq.m/month	151.57	-7.7%	169	1,433
Chile	Santiago	Alonso de Cordova	2.6%	US$/sq.m/month	45.93	-2.1%	51	434
Colombia	Bogota	Shopping Centre	3.2%	COP/sq.m/month	446,150	41.0%	279	2,364
Colombia	Bogota	High Street	3.2%	COP/sq.m/month	199,875	5.9%	125	1,059
Ecuador	Quito	Av Naciones Unidas (High Streets)	5.0%	US$/sq.m/month	28.00	-6.0%	31	265
Ecuador	Quito	Av Naciones Unidas (Shopping Centre)	5.0%	US$/sq.m/month	64.00	-1.8%	71	605
Peru	Lima	High Street	4.0%	US$/sq.m/month	42	5.0%	47	397
Peru	Lima	Shopping Centre	4.0%	US$/sq.m/month	85	6.3%	95	804
Venezuela	Caracas	Shopping Centre	21.3%	US$/sq.m/month	52	-5.5%	58	492
Venezuela	Caracas	High Street	21.3%	US$/sq.m/month	47	-2.1%	52	444
NORTH AMERICA								
Canada	Toronto	Bloor Street	1.5%	C$/sq.ft/year	320	1.6%	314	2,662
Canada	Toronto	Queen Street West	1.5%	C$/sq.ft/year	100	0.0%	98	832
Canada	Montreal	Saint-Catherine W - Street Level	1.5%	C$/sq.ft/year	180	12.5%	177	1,498
Canada	Ottawa	Sussex Drive	1.5%	C$/sq.ft/year	50	0.0%	49	416
Canada	Calgary	Downtown Shopping Centre	1.5%	C$/sq.ft/year	100	-	98	832
Canada	Vancouver	Robson Street	1.5%	C$/sq.ft/year	220	-8.3%	216	1,830
Canada	Edmonton	Suburban Shopping Centre	1.5%	C$/sq.ft/year	75	-	74	624
Mexico	Mexico City	Masaryk Avenue	4.3%	US$/sq.m/month	78	18.2%	87	738
Mexico	Mexico City	Madero St	4.3%	US$/sq.m/month	70	12.9%	78	662
Mexico	Mexico City	Altavista St	4.3%	US$/sq.m/month	32	-11.1%	36	303
Mexico	Mexico City	Santa Fe	4.3%	US$/sq.m/month	62	14.8%	69	586
Mexico	Mexico City	Perisur	4.3%	US$/sq.m/month	68	13.3%	76	643
Mexico	Mexico City	Antara	4.3%	US$/sq.m/month	60	-	67	567
Mexico	Monterrey	Calzada Del Valle	4.3%	US$/sq.m/month	55	-	61	520
USA	Boston	Newbury Street	1.7%	US$/sq.ft/year	130	0.0%	130	1,103
USA	Chicago	North Michigan Avenue	1.7%	US$/sq.ft/year	475	5.6%	475	4,029
USA	Chicago	East Oak Street	1.7%	US$/sq.ft/year	300	0.0%	300	2,544
USA	Chicago	State Street	1.7%	US$/sq.ft/year	150	25.0%	150	1,272
USA	Los Angeles	Rodeo Drive (Beverly Hills)	1.7%	US$/sq.ft/year	540	8.0%	540	4,580
USA	Miami	Lincoln Road	1.7%	US$/sq.ft/year	240	54.8%	240	2,036
USA	New York	East 57th Street	1.7%	US$/sq.ft/year	1,100	-8.3%	1,100	9,330
USA	New York	5th Avenue	1.7%	US$/sq.ft/year	2,500	11.1%	2,500	21,204
USA	New York	Madison Avenue	1.7%	US$/sq.ft/year	1,100	29.9%	1,100	9,330
USA	New York	Times Square	1.7%	US$/sq.ft/year	2,100	55.6%	2,100	17,811
USA	Palm Beach	Worth Avenue	1.7%	US$/sq.ft/year	100	-9.1%	100	848
USA	Philadelphia	Walnut Street	1.7%	US$/sq.ft/year	100	-9.1%	100	848
USA	San Diego	5th Avenue, Gaslamp	1.7%	US$/sq.ft/year	60	17.6%	60	509
USA	San Diego	Del Mar Heights Blvd (Suburban Del Mar Heights)	1.7%	US$/sq.ft/year	60	0.0%	60	509
USA	San Francisco	Union Square	1.7%	US$/sq.ft/year	450	5.9%	450	3,817
USA	San Francisco	Post Street	1.7%	US$/sq.ft/year	365	4.3%	365	3,096
USA	Washington DC	Georgetown	1.7%	US$/sq.ft/year	135	5.5%	135	1,145
USA	Washington DC	Penn Quarter	1.7%	US$/sq.ft/year	140	40.0%	140	1,187
ASIA PACIFIC								
Australia	Adelaide	Rundle Mall	1.2%	AU$/sq.m/year	3,300	10.0%	314	2,665
Australia	Brisbane	Queen Street Mall	1.2%	AU$/sq.m/year	5,000	0.0%	476	4,038
Australia	Melbourne	Bourke Street	1.2%	AU$/sq.m/year	4,500	12.5%	429	3,635
Australia	Perth	CBD	1.2%	AU$/sq.m/year	3,500	7.7%	333	2,827
Australia	Sydney	Oxford Street	1.2%	AU$/sq.m/year	1,100	-15.4%	105	888
Australia	Sydney	Pitt Street Mall	1.2%	AU$/sq.m/year	10,000	0.0%	952	8,077
Australia	Sydney	George Street	1.2%	AU$/sq.m/year	5,000	0.0%	476	4,038
Australia	Sydney	Major Regional Shopping Centre	1.2%	AU$/sq.m/year	2,070	3.5%	197	1,672
China	Beijing	CBD	2.2%	CNY/sq.m/month	1,650	13.8%	289	2,454
China	Beijing	Wangfujing	2.2%	CNY/sq.m/month	2,300	4.5%	403	3,421
China	Beijing	Xidan	2.2%	CNY/sq.m/month	1,800	0.0%	316	2,677

GLOBAL RETAIL RENTS

COUNTRY	CITY	LOCATION	ANNUAL INFLATION JUNE 2012	LOCAL MEASURE	RENT JUNE 2012	ANNUAL RENTAL GROWTH %	RENT US$/SQ.FT/YR	RENT €/SQ.M/YR
ASIA PACIFIC								
China	Shanghai	Xujiahui	2.2%	CNY/sq.m/month	1,900	3.0%	333	2,826
China	Shanghai	East Nanjing Road	2.2%	CNY/sq.m/month	2,080	3.2%	365	3,094
China	Shanghai	West Nanjing Rd	2.2%	CNY/sq.m/month	2,100	6.0%	368	3,124
China	Shanghai	Lujiazu	2.2%	CNY/sq.m/month	1,935	0.8%	339	2,878
China	Hong Kong	Causeway Bay	3.7%	HK $/sq.ft/month	1,700	34.9%	2,630	22,307
China	Hong Kong	Central	3.7%	HK $/sq.ft/month	1,200	14.3%	1,856	15,746
China	Hong Kong	Tsim Sha Tsui	3.7%	HK $/sq.ft/month	1,000	12.0%	1,547	13,122
India	Bangaluru	Brigade Road	10.2%	Rs/sq.ft/month	400	-9.1%	86	729
India	Bangaluru	Jayanagar 4th Block, 11th Main	10.2%	Rs/sq.ft/month	325	32.7%	70	592
India	Bangaluru	Koramangala Shopping Centre	10.2%	Rs/sq.ft/month	420	5.0%	90	766
India	Bangaluru	Vittal Mallya Road Shopping Centre	10.2%	Rs/sq.ft/month	400	14.3%	86	729
India	Mumbai	Linking Road, Western Suburban	10.2%	Rs/sq.ft/month	850	24.1%	183	1,549
India	Mumbai	Kemps Corner, South Mumbai	10.2%	Rs/sq.ft/month	440	7.3%	95	802
India	Mumbai	Fort/Fountain, South Mumbai	10.2%	Rs/sq.ft/month	350	0.0%	75	638
India	Mumbai	Colaba Causeway	10.2%	Rs/sq.ft/month	700	75.0%	150	1,276
India	New Delhi	Connaught Place	10.2%	Rs/sq.ft/month	650	0.0%	140	1,185
India	New Delhi	South Extension	10.2%	Rs/sq.ft/month	600	9.1%	129	1,094
India	New Delhi	Khan Market	10.2%	Rs/sq.ft/month	1,225	2.1%	263	2,233
India	New Delhi	Greater Kailash I	10.2%	Rs/sq.ft/month	550	10.0%	118	1,003
India	Chennai	Central Shopping Centre	10.2%	Rs/sq.ft/month	265	0.0%	57	483
India	Chennai	Khader Nawaz Khan Road	10.2%	Rs/sq.ft/month	205	36.7%	44	374
India	Hyderabad	Jubilee Hills Road No. 36	10.2%	Rs/sq.ft/month	130	-7.1%	28	237
India	Hyderabad	Banjara Hills Road No. 1 Shopping Centre	10.2%	Rs/sq.ft/month	260	8.3%	56	474
India	Kolkata	Park Street	10.2%	Rs/sq.ft/month	400	53.8%	86	729
India	Kolkata	Elgin Road Shopping Centre	10.2%	Rs/sq.ft/month	600	12.6%	129	1,094
India	Ahmedabad	C.G.Road	10.2%	Rs/sq.ft/month	130	-7.1%	28	237
India	Pune	J.M. Road	10.2%	Rs/sq.ft/month	350	16.7%	75	638
India	Pune	M.G. Road	10.2%	Rs/sq.ft/month	325	8.3%	70	592
Indonesia	Jakarta	Shopping Mall	4.5%	IDR/sq.m/month	920,100	-3.2%	109	926
Japan	Tokyo	Ginza	-0.1%	Yen/Tsubo/month	250,000	0.0%	1,057	8,962
Japan	Tokyo	Shibuya	-0.1%	Yen/Tsubo/month	150,000	0.0%	634	5,377
Japan	Tokyo	Omotesando	-0.1%	Yen/Tsubo/month	230,000	0.0%	972	8,245
Malaysia	Kuala Lumpur	Bukit Bintang	1.6%	RM/sq.ft/month	32	0.0%	121	1,026
Malaysia	Kuala Lumpur	Suria KLCC	1.6%	RM/sq.ft/month	65	0.0%	246	2,083
Malaysia	Kuala Lumpur	Pavilion KL	1.6%	RM/sq.ft/month	85	6.3%	321	2,724
New Zealand	Auckland	Queen Street	1.0%	NZ$/sq.m/month	210	0.0%	188	1,596
New Zealand	Auckland	CBD	1.0%	NZ$/sq.m/month	210	0.0%	188	1,596
New Zealand	Wellington	Lambton Quay	1.0%	NZ$/sq.m/month	210	0.0%	188	1,596
Singapore	Singapore	Orchard Road	5.3%	S$/sq.ft/month	38	0.0%	360	3,053
South Korea	Seoul	Myeongdong	2.2%	KRW/sq.m/month	705,166	16.0%	686	5,822
South Korea	Seoul	Gangnam Station	2.2%	KRW/sq.m/month	606,039	18.8%	590	5,003
South Korea	Seoul	Garosugil	2.2%	KRW/sq.m/month	253,783	41.0%	247	2,095
South Korea	Seoul	Cheongdam	2.2%	KRW/sq.m/month	130,000	4.0%	127	1,073
Thailand	Bangkok	City Centre	0.5%	Baht/sq.m/month	3,000	3.4%	105	893
Taiwan	Taipei	ZhongXiao E. Road	1.8%	NT$/ping/month	20,000	0.0%	226	1,914
Taiwan	Taipei	Xinyi Planned Area	1.8%	NT$/ping/month	20,000	0.0%	226	1,914
Vietnam	Ho Chi Minh City	High Street	6.9%	US$/sq.m/month	135	35.0%	150	1,276
Vietnam	Ho Chi Minh City	Shopping Centre	6.9%	US$/sq.m/month	190	-26.9%	212	1,797
Vietnam	Hanoi	Shopping Centre	6.9%	US$/sq.m/month	180	20.0%	201	1,702
EUROPE								
Austria	Graz	Herrengasse	2.2%	€/sq.m/month	105	0.0%	149	1,260
Austria	Innsbruck	Maria Theresienstraße	2.2%	€/sq.m/month	100	5.3%	141	1,200
Austria	Linz	Landstraße	2.2%	€/sq.m/month	115	0.0%	163	1,380
Austria	Salzburg	Getreidegasse	2.2%	€/sq.m/month	120	0.0%	170	1,440
Austria	Vienna	Kärntnerstraße	2.2%	€/sq.m/month	275	0.0%	389	3,300
Austria	Vienna	Mariahilferstraße	2.2%	€/sq.m/month	135	0.0%	191	1,620
Austria	Vienna	Graben	2.2%	€/sq.m/month	275	5.8%	389	3,300
Austria	Vienna	Kohlmarkt	2.2%	€/sq.m/month	340	6.3%	481	4,080
Belgium	Antwerp	Meir	2.3%	€/sq.m/year	1,800	0.0%	212	1,800
Belgium	Bruges	Steenstraat	2.3%	€/sq.m/year	1,200	0.0%	141	1,200
Belgium	Brussels	Rue Neuve	2.3%	€/sq.m/year	1,800	0.0%	212	1,800
Belgium	Brussels	Avenue Louise	2.3%	€/sq.m/year	1,700	9.7%	200	1,700
Belgium	Ghent	Veldstraat	2.3%	€/sq.m/year	1,550	0.0%	183	1,550
Belgium	Hasselt	Hoogstraat	2.3%	€/sq.m/year	1,100	0.0%	130	1,100
Belgium	Liège	Vinave d'ile	2.3%	€/sq.m/year	1,100	0.0%	130	1,100
Bulgaria	Sofia	Vitosha Blvd	1.6%	€/sq.m/year	480	-20.0%	57	480
Bulgaria	Plovdiv	Alexander Batenberg	1.6%	€/sq.m/year	300	0.0%	35	300
Bulgaria	Varna	Kniaz Boris I	1.6%	€/sq.m/year	360	0.0%	42	360
Bulgaria	Burgas	Alexandrovska	1.6%	€/sq.m/year	300	0.0%	35	300

GLOBAL RETAIL RENTS

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EUROPE								
Channel Islands	St Helier	King Street	-	£/sq.ft./year	145	0.0%	121	1,022
Czech Republic	Brno	Ceska Street/Svobody Square	3.5%	€/sq.m/month	70	0.0%	99	840
Czech Republic	Prague	Na Prikope/Wenceslas Square	3.5%	€/sq.m/month	175	2.9%	248	2,100
Czech Republic	Prague	Parizska street	3.5%	€/sq.m/month	160	0.0%	226	1,920
Denmark	Aarhus	Søndergade	2.2%	DKr/sq.m/year	4,750	0.0%	75	639
Denmark	Copenhagen	Strøget	2.2%	DKr/sq.m/year	17,000	3.0%	270	2,287
Denmark	Copenhagen	Østerbrogade	2.2%	DKr/sq.m/year	2,400	0.0%	38	323
Denmark	Copenhagen	Købmagergade	2.2%	DKr/sq.m/year	13,000	4.0%	206	1,749
Denmark	Copenhagen	Lyngby	2.2%	DKr/sq.m/year	4,000	14.3%	63	538
Denmark	Odense	Vestergade	2.2%	DKr/sq.m/year	3,600	-2.7%	57	484
Estonia	Tallinn	Viru Street	3.9%	€/sq.m/month	22	10.0%	31	264
Estonia	Tallinn	Shopping Centre	3.9%	€/sq.m/month	30	0.0%	42	360
Finland	Helsinki	City Centre	2.8%	€/sq.m/month	160	0.0%	226	1,920
Finland	Tampere	City Centre	2.8%	€/sq.m/month	82	0.0%	116	984
Finland	Turku	City Centre	2.8%	€/sq.m/month	60	0.0%	85	720
France	Bordeaux	Rue St Catherine	1.9%	Zone A €/sq.m/year	2,200	10.0%	191	1,620
France	Lille	Rue Neuve	1.9%	Zone A €/sq.m/year	2,200	10.0%	191	1,620
France	Lyon	Rue de la République	1.9%	Zone A €/sq.m/year	2,200	10.0%	191	1,620
France	Marseille	Rue St Ferréol	1.9%	Zone A €/sq.m/year	2,000	11.1%	174	1,473
France	Nice	Avenue Jean Medecin	1.9%	Zone A €/sq.m/year	2,200	10.0%	191	1,620
France	Paris	Avenue des Champs-Élysées	1.9%	Zone A €/sq.m/year	13,000	30.0%	1,129	9,573
France	Paris	Boulevard Haussmann	1.9%	Zone A €/sq.m/year	5,000	8.7%	434	3,682
France	Paris	Rue du Faubourg St Honoré	1.9%	Zone A €/sq.m/year	8,000	23.1%	695	5,891
France	Paris	Avenue Montaigne	1.9%	Zone A €/sq.m/year	8,000	23.1%	695	5,891
France	Paris	Rue de Rivoli	1.9%	Zone A €/sq.m/year	4,000	14.3%	347	2,946
France	Paris	Boulevard St Germain	1.9%	Zone A €/sq.m/year	5,500	22.2%	477	4,050
France	Paris	Avenue George V/Rue François 1er	1.9%	Zone A €/sq.m/year	3,000	0.0%	260	2,209
France	Paris	Place Vendôme/Rue de la Paix	1.9%	Zone A €/sq.m/year	8,500	6.3%	738	6,259
France	Paris	Rue St. Honoré	1.9%	Zone A €/sq.m/year	6,500	8.3%	564	4,787
France	Strasbourg	Rue des Grandes Arcades	1.9%	Zone A €/sq.m/year	2,000	0.0%	174	1,473
France	Toulouse	Avenue Alsace-Lorraine	1.9%	Zone A €/sq.m/year	2,200	10.0%	191	1,620
France	Cannes	La Croisette	1.9%	Zone A €/sq.m/year	6,500	8.3%	564	4,787
Germany	Berlin	Tauentzienstraße (south)	1.7%	€/sq.m/month	280	7.7%	396	3,360
Germany	Berlin	Kurfürstendamm	1.7%	€/sq.m/month	230	9.5%	325	2,760
Germany	Berlin	Friedrichstraße	1.7%	€/sq.m/month	145	0.0%	205	1,740
Germany	Cologne	Schildergasse	1.7%	€/sq.m/month	280	7.7%	396	3,360
Germany	Dresden	Pragerstraße	1.7%	€/sq.m/month	115	9.5%	163	1,380
Germany	Düsseldorf	Königsallee	1.7%	€/sq.m/month	260	4.0%	368	3,120
Germany	Frankfurt	Zeil	1.7%	€/sq.m/month	290	7.4%	410	3,480
Germany	Frankfurt	Goethestraße	1.7%	€/sq.m/month	250	13.6%	354	3,000
Germany	Hamburg	Mönckebergstraße	1.7%	€/sq.m/month	270	3.8%	382	3,240
Germany	Hamburg	Neuer Wall	1.7%	€/sq.m/month	230	0.0%	325	2,760
Germany	Hamburg	Spitalerstraße	1.7%	€/sq.m/month	290	-	410	3,480
Germany	Leipzig	Peterstraße	1.7%	€/sq.m/month	130	0.0%	184	1,560
Germany	Munich	Kaufingerstraße	1.7%	€/sq.m/month	350	6.1%	495	4,200
Germany	Munich	Maximilianstraße	1.7%	€/sq.m/month	260	0.0%	368	3,120
Germany	Munich	Theatinerstraße	1.7%	€/sq.m/month	250	0.0%	354	3,000
Germany	Stuttgart	Königstraße	1.7%	€/sq.m/month	260	0.0%	368	3,120
Greece	Athens	Ermou	1.3%	€/sq.m/month	170	-12.8%	241	2,040
Greece	Athens	Tsakalof	1.3%	€/sq.m/month	100	-13.0%	141	1,200
Greece	Athens	Voukourestiou Street	1.3%	€/sq.m/month	150	-21.1%	212	1,800
Greece	Thessaloniki	Proxenou Koromila Street	1.3%	€/sq.m/month	75	-25.0%	106	900
Greece	Thessaloniki	Tsimiski	1.3%	€/sq.m/month	110	-15.4%	156	1,320
Hungary	Budapest	Váci utca	5.6%	€/sq.m/month	90	-10.0%	127	1,080
Hungary	Budapest	Andrássy út	5.6%	€/sq.m/month	40	-20.0%	57	480
Ireland	Cork	Patrick Street	1.7%	Zone A €/sq.m/year	2,200	-12.0%	132	1,116
Ireland	Dublin	Grafton Street	1.7%	Zone A €/sq.m/year	5,000	-6.5%	331	2,810
Ireland	Dublin	Henry Street	1.7%	Zone A €/sq.m/year	3,250	-18.8%	194	1,648
Ireland	Galway	Shop Street	1.7%	Zone A €/sq.m/year	1,200	-29.4%	72	609
Ireland	Limerick	O'Connell Street	1.7%	Zone A €/sq.m/year	500	-37.5%	30	254
Ireland	Waterford	Broad Street	1.7%	Zone A €/sq.m/year	750	-11.8%	45	380
Italy	Bologna	Via Indipendenza	3.3%	€/sq.m/year	2,200	4.8%	259	2,200
Italy	Milan	Via Montenapoleone	3.3%	€/sq.m/year	7,000	2.9%	825	7,000
Italy	Milan	Via della Spiga	3.3%	€/sq.m/year	4,800	2.1%	566	4,800
Italy	Milan	Corso Vittorio Emanuele	3.3%	€/sq.m/year	5,000	4.2%	589	5,000
Italy	Milan	Via Sant'Andrea	3.3%	€/sq.m/year	4,800	-	566	4,800
Italy	Naples	Via Toledo	3.3%	€/sq.m/year	1,900	0.0%	224	1,900

GLOBAL RETAIL RENTS

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EUROPE								
Italy	Rome	Via Condotti	3.3%	€/sq.m/year	6,800	1.5%	802	6,800
Italy	Rome	Via del Corso	3.3%	€/sq.m/year	4,000	2.6%	472	4,000
Italy	Rome	Piazza Di Spagna	3.3%	€/sq.m/year	6,000	-	707	6,000
Italy	Rome	Piazza San Lorenzo	3.3%	€/sq.m/year	6,000	1.7%	707	6,000
Italy	Turin	Via Roma	3.3%	€/sq.m/year	1,700	0.0%	200	1,700
Italy	Florence	Via Strozzi	3.3%	€/sq.m/year	3,000	-	354	3,000
Italy	Florence	Via Calzaiuoli	3.3%	€/sq.m/year	3,100	3.3%	365	3,100
Italy	Florence	Via Tornabuoni	3.3%	€/sq.m/year	2,600	0.0%	307	2,600
Italy	Venice	Mercerie	3.3%	€/sq.m/year	3,000	0.0%	354	3,000
Italy	Venice	Calle 22°Marzo	3.3%	€/sq.m/year	3,100	3.3%	365	3,100
Kazakhstan	Almaty	High Street	4.9%	US$/sq.m/month	100	-	111	946
Lithuania	Vilnius	Gedimino Ave. / Pilies St. /Didzioji St.	2.5%	€/sq.m/month	37	27.6%	52	444
Lithuania	Vilnius	Shopping Centre	2.5%	€/sq.m/month	58	0.0%	82	696
Latvia	Riga	Kalku St./Valnu St./Audeju St./Terbatas St./Kr.Barona St.	1.9%	€/sq.m/month	23	15.0%	33	276
Latvia	Riga	Shopping Centre	1.9%	€/sq.m/month	45	0.0%	64	540
Luxembourg	Luxembourg	Grand Rue	2.5%	€/sq.m/year	1,440	0.0%	170	1,440
The Netherlands	Amsterdam	Kalverstraat	2.1%	€/sq.m/year	2,800	12.0%	330	2,800
The Netherlands	Amsterdam	P.C. Hooftstraat	2.1%	€/sq.m/year	2,000	11.1%	236	2,000
The Netherlands	Eindhoven	Demer	2.1%	€/sq.m/year	1,500	3.4%	177	1,500
The Netherlands	Maastricht	Grote Staat	2.1%	€/sq.m/year	1,600	0.0%	189	1,600
The Netherlands	Rotterdam	Lijnbaan	2.1%	€/sq.m/year	1,800	0.0%	212	1,800
The Netherlands	The Hague	Spuistraat	2.1%	€/sq.m/year	1,500	0.0%	177	1,500
The Netherlands	Utrecht	Lange Elisabethstraat	2.1%	€/sq.m/year	1,600	0.0%	189	1,600
Norway	Oslo	Karl Johans Gate	0.5%	Nkr/sq.m/year	19,000	18.8%	297	2,519
Norway	Oslo	Bogstadveien	0.5%	Nkr/sq.m/year	11,500	4.5%	180	1,524
Poland	Gdynia	ul. Swietojanska	4.2%	€/sq.m/month	33	-5.7%	47	396
Poland	Katowice	ul. 3 Maja	4.2%	€/sq.m/month	58	0.0%	82	696
Poland	Krakow	ul. Florianska	4.2%	€/sq.m/month	79	0.0%	112	948
Poland	Lodz	ul. Piotrkowska	4.2%	€/sq.m/month	27	-6.9%	38	324
Poland	Poznan	ul. Polwiejska	4.2%	€/sq.m/month	58	0.0%	82	696
Poland	Szczecin	Al. Niepodleglosci	4.2%	€/sq.m/month	34	3.0%	48	408
Poland	Warsaw	ul. Chmielna	4.2%	€/sq.m/month	71	-2.7%	100	852
Poland	Warsaw	ul. Nowy Swiat	4.2%	€/sq.m/month	85	0.0%	120	1,020
Poland	Warsaw	ul. Marszalkowska	4.2%	€/sq.m/month	61	-1.6%	86	732
Poland	Warsaw	ul. Jerozolimskie	4.2%	€/sq.m/month	48	-4.0%	68	576
Poland	Warsaw	Trzech Krzyzy	4.2%	€/sq.m/month	55	-3.5%	78	660
Poland	Wroclaw	ul. Swidnicka	4.2%	€/sq.m/month	45	-4.3%	64	540
Portugal	Lisbon	Chiado	2.7%	€/sq.m/month	80	0.0%	113	960
Portugal	Lisbon	Av. Liberdade	2.7%	€/sq.m/month	73	0.0%	103	870
Portugal	Porto	Rua de Santa Catarina	2.7%	€/sq.m/month	43	-5.6%	60	510
Romania	Brasov	Strada Republicii	2.0%	€/sq.m/month	40	33.3%	57	480
Romania	Bucharest	Bulevardul Magheru	2.0%	€/sq.m/month	60	-7.7%	85	720
Romania	Bucharest	Calea Victoriei	2.0%	€/sq.m/month	55	0.0%	78	660
Romania	Constanta	Stefan cel Mare, Rascoala din 1907	2.0%	€/sq.m/month	22	-18.5%	31	264
Romania	Cluj	Memorandumului, Napoca, Eroilor	2.0%	€/sq.m/month	35	0.0%	50	420
Romania	Iasi	Stefan cel Mare, Cuza Voda	2.0%	€/sq.m/month	22	-4.3%	31	264
Romania	Timisoara	Victoriei	2.0%	€/sq.m/month	35	0.0%	50	420
Russia	Moscow	Tverskaya	4.3%	US$/sq.m/year	4,500	0.0%	418	3,546
Russia	Moscow	Novy Arbat	4.3%	US$/sq.m/year	2,500	0.0%	232	1,970
Russia	Moscow	Stoleshnikov	4.3%	US$/sq.m/year	4,000	0.0%	372	3,152
Russia	Moscow	Petrovka	4.3%	US$/sq.m/year	3,000	0.0%	279	2,364
Russia	Moscow	1-st Tverskaya-Yamskaya	4.3%	US$/sq.m/year	2,250	0.0%	209	1,773
Russia	Moscow	Kuznetsky Most	4.3%	US$/sq.m/year	2,250	0.0%	209	1,773
Russia	Moscow	Kutuzovsky Prospekt	4.3%	US$/sq.m/year	1,750	0.0%	163	1,379
Russia	St Petersburg	Nevsky Prospekt	4.3%	US$/sq.m/year	2,500	0.0%	232	1,970
Slovakia	Bratislava	Downtown	3.6%	€/sq.m/month	42	0.0%	59	504
Slovenia	Ljubljana	Copova	3.6%	€/sq.m/year	720	0.0%	85	720
Slovenia	Ljubljana	Slovenska ulica	3.6%	€/sq.m/year	360	0.0%	42	360
Spain	Barcelona	Portal de l'Angel	1.9%	€/sq.m/month	265	1.9%	375	3,180
Spain	Barcelona	Passeig de Gràcia	1.9%	€/sq.m/month	210	7.7%	297	2,520
Spain	Barcelona	Pelai	1.9%	€/sq.m/month	170	25.9%	241	2,040
Spain	Barcelona	Rambla Catalunya	1.9%	€/sq.m/month	80	0.0%	113	960
Spain	Barcelona	Diagonal	1.9%	€/sq.m/month	45	-18.2%	64	540
Spain	Bilbao	Gran Via	1.9%	€/sq.m/month	130	8.3%	184	1,560
Spain	Madrid	Preciados	1.9%	€/sq.m/month	240	0.0%	340	2,880
Spain	Madrid	Serrano	1.9%	€/sq.m/month	215	0.0%	304	2,580
Spain	Madrid	Goya	1.9%	€/sq.m/month	180	0.0%	255	2,160

GLOBAL RETAIL RENTS

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EUROPE								
Spain	Madrid	José Ortega y Gasset	1.9%	€/sq.m/month	215	0.0%	304	2,580
Spain	Malaga	Marques de Larios	1.9%	€/sq.m/month	145	0.0%	205	1,740
Spain	Palma de Mallorca	Jaime III	1.9%	€/sq.m/month	85	0.0%	120	1,020
Spain	Seville	Tetuan	1.9%	€/sq.m/month	120	0.0%	170	1,440
Spain	Valencia	Colon	1.9%	€/sq.m/month	130	0.0%	184	1,560
Spain	Zaragoza	Pl de la Independencia	1.9%	€/sq.m/month	95	-9.5%	134	1,140
Sweden	Gothenburg	Kungsgatan	1.0%	SKr/sq.m/year	8,050	0.6%	108	919
Sweden	Malmo	City Centre	1.0%	SKr/sq.m/year	6,200	1.6%	83	708
Sweden	Stockholm	Biblioteksgatan	1.0%	SKr/sq.m/year	14,600	2.1%	197	1,667
Switzerland	Basle	Freie Strasse	-1.1%	SF/sq.m/year	2,900	0.0%	285	2,414
Switzerland	Bern	Marktgasse/Spitalgasse	-1.1%	SF/sq.m/year	3,000	0.0%	294	2,498
Switzerland	Geneva	Rue de Rhone	-1.1%	SF/sq.m/year	4,000	0.0%	393	3,330
Switzerland	Zurich	Bahnhofstrasse	-1.1%	SF/sq.m/year	8,700	8.7%	854	7,243
Turkey	Ankara	City Centre	8.9%	US$/sq.m/month	90	5.9%	100	851
Turkey	Istanbul	City Centre	8.9%	US$/sq.m/month	215	7.5%	240	2,033
Turkey	Istanbul	Bagdat Caddesi (Asian side)	8.9%	US$/sq.m/month	215	7.5%	240	2,033
Turkey	Istanbul	Abdi Ipekci (European side)	8.9%	US$/sq.m/month	205	2.5%	229	1,938
Turkey	Istanbul	Valikonagi Caddesi (European side)	8.9%	US$/sq.m/month	180	12.5%	201	1,702
Turkey	Izmir	Alsancak	8.9%	US$/sq.m/year	85	9.0%	95	804
United Kingdom	Birmingham	High Street	2.4%	Zone A/£/sq.ft/year	250	0.0%	200	1,696
United Kingdom	Cardiff	Queens Street	2.4%	Zone A/£/sq.ft/year	225	0.0%	180	1,527
United Kingdom	Guildford	High Street	2.4%	Zone A/£/sq.ft/year	320	3.2%	256	2,171
United Kingdom	Edinburgh	Princes Street	2.4%	Zone A/£/sq.ft/year	200	0.0%	216	1,829
United Kingdom	Glasgow	Buchanan Street	2.4%	Zone A/£/sq.ft/year	255	2.0%	275	2,332
United Kingdom	Leeds	Commercial Street	2.4%	Zone A/£/sq.ft/year	250	0.0%	200	1,696
United Kingdom	London	Sloane Street	2.4%	Zone A/£/sq.ft/year	760	26.7%	608	5,157
United Kingdom	London	Brompton Road	2.4%	Zone A/£/sq.ft/year	625	8.7%	500	4,241
United Kingdom	London	Covent Garden	2.4%	Zone A/£/sq.ft/year	625	4.2%	500	4,241
United Kingdom	London	Oxford Street	2.4%	Zone A/£/sq.ft/year	765	7.0%	720	6,106
United Kingdom	London	New Bond Street	2.4%	Zone A/£/sq.ft/year	995	3.1%	936	7,942
United Kingdom	London	Regent Street	2.4%	Zone A/£/sq.ft/year	600	9.1%	565	4,789
United Kingdom	Manchester	Market Square	2.4%	Zone A/£/sq.ft/year	250	0.0%	200	1,696
United Kingdom	Newcastle	Northumberland Street	2.4%	Zone A/£/sq.ft/year	250	0.0%	200	1,696
Ukraine	Kiev	Kreschatik Street	1.2%	US$/sq.m./year	3,000	0.0%	279	2,364
THE MIDDLE EAST & AFRICA								
Bahrain	Manama	Shopping Centre	4.2%	BD/sq.m/month	17	-	50	426
Israel	Haifa	Haifa Shopping Centre	1.0%	NIS/sq.m/year	3,200	12.3%	76	645
Israel	Jerusalem	Malcha Shopping Centre	1.0%	NIS/sq.m/year	6,500	-10.3%	155	1,311
Israel	Jerusalem	Jaffa Street	1.0%	NIS/sq.m/year	3,600	0.0%	86	726
Israel	Tel Aviv	Azrieli Shopping Centre	1.0%	NIS/sq.m/year	8,200	33.8%	195	1,654
Israel	Tel Aviv	Ayalon Shopping Centre	1.0%	NIS/sq.m/year	6,800	13.3%	162	1,371
Israel	Tel Aviv	Ramat Aviv	1.0%	NIS/sq.m/year	12,600	5.0%	300	2,541
Israel	Tel Aviv	Dizengoff Shopping Centre	1.0%	NIS/sq.m/year	7,000	-5.4%	166	1,412
Israel	Tel Aviv	Dizengoff Street	1.0%	NIS/sq.m/year	4,560	16.9%	108	920
Israel	Tel Aviv	Kikar Hamedina	1.0%	NIS/sq.m/year	6,900	-	164	1,392
Jordan	Amman	City Centre (BCD)	4.1%	US$/sq.m/year	400	-33.3%	37	315
Lebanon	Beirut	Rue Verdun	2.0%	US$/sq.m/year	1,400	0.0%	130	1,103
Lebanon	Beirut	Rue Hamra	2.0%	US$/sq.m/year	850	0.0%	79	670
Lebanon	Beirut	Kaslik	2.0%	US$/sq.m/year	1,500	0.0%	139	1,182
Lebanon	Beirut	ABC Centre Achrafieh	2.0%	US$/sq.m/year	2,000	0.0%	186	1,576
Lebanon	Beirut	Beirut Central District	2.0%	US$/sq.m/year	1,200	-7.7%	111	946
Oman	Muscat	Shopping Centre	2.7%	OR/sq.m/month	35	-	101	860
United Arab Emirates	Abu Dhabi	City Centre Mall	0.3%	US$/sq.m/year	1,200	-	111	946
United Arab Emirates	Dubai	Shopping Centre	0.3%	US$/sq.m/year	1,650	-	153	1,300
South Africa	Cape Town	V&A Waterfront	5.6%	R/sq.m/month	1,200	0.0%	164	1,387
South Africa	Johannesburg	Sandton City	5.6%	R/sq.m/month	1,000	0.0%	136	1,156
South Africa	Durban	The Pavillion	5.6%	R/sq.m/month	450	0.0%	61	520
South Africa	Pretoria	Menlyn Park	5.6%	R/sq.m/month	800	0.0%	109	925

Inflation figures sourced from Reuters EcoWin, statisical offices, government data and central banks.
* Annual inflation - Q2 2012.

EXCHANGE RATES

COUNTRY	RENT QUOTED	1 US$ EQUALS	1 EURO EQUALS
Argentina	US Dollar	1.0000	1.2691
Australia	Australian Dollar	0.9756	1.2381
Austria	Euro	0.7880	1.0000
Bahrain	Bahraini Dinar	0.3771	0.4785
Belgium	Euro	0.7880	1.0000
Brazil	Real	2.0185	2.5615
Bulgaria	Euro	0.7880	1.0000
Canada	Canadian Dollar	1.0195	1.2938
Channel Islands	Pound Sterling	0.6376	0.8091
Chile	US Dollar	1.0000	1.2691
China	Yuan	6.3573	8.0677
Colombia	Colombian Peso	1784.80	2265.00
Czech Republic	Euro	0.7880	1.0000
Denmark	Danish Krone	5.8582	7.4344
Ecuador	US Dollar	1.0000	1.2691
Estonia	Euro	0.7880	1.0000
Finland	Euro	0.7880	1.0000
France	Euro	0.7880	1.0000
Germany	Euro	0.7880	1.0000
Greece	Euro	0.7880	1.0000
Hong Kong	Hong Kong Dollar	7.7569	9.8438
Hungary	Euro	0.7880	1.0000
India	Rupees	55.8350	70.8574
Indonesia	Rupiah	9,392.50	11,919.60
Ireland	Euro	0.7880	1.0000
Israel	Shekel	3.9072	4.9584
Italy	Euro	0.7880	1.0000
Japan	Yen	79.7900	101.2580
Jordan	US Dollar	1.0000	1.2691
Latvia	Euro	0.7880	1.0000
Kazakhstan	US Dollar	1.0000	1.2691
Lebanon	US Dollar	1.0000	1.2691
Lithuania	Euro	0.7880	1.0000
Luxembourg	Euro	0.7880	1.0000
Malaysia	Ringgit	3.1755	4.0299
Mexico	US Dollar	1.0000	1.2691
New Zealand	New Zealand Dollar	1.2442	1.5789
Norway	Norwegian Krone	5.9445	7.5438
Oman	Omani Rial	0.3850	0.4886
Peru	US Dollar	1.0000	1.2691
Poland	Euro	0.7880	1.0000
Portugal	Euro	0.7880	1.0000
Romania	Euro	0.7880	1.0000
Russia	US Dollar	1.0000	1.2691
Singapore	Singaporean Dollar	1.2668	1.6077
Slovakia	Euro	0.7880	1.0000
Slovenia	Euro	0.7880	1.0000
South Africa	Rand	8.1785	10.3790
South Korea	South Korean Won	1,145.35	1,453.51
Spain	Euro	0.7880	1.0000
Sweden	Krona	6.9024	8.7595
Switzerland	Swiss Franc	0.9465	1.2012
Taiwan	Taiwan Dollar	29.8850	37.9256
Thailand	Baht	31.7600	40.3051
The Netherlands	Euro	0.7880	1.0000
Turkey	US Dollar	1.0000	1.2691
United Kingdom	Pound Sterling	0.6376	0.8091
Ukraine	US Dollar	1.0000	1.2691
United Arab Emirates	US Dollar	1.0000	1.2691
USA	US Dollar	1.0000	1.2691
Venezuela	US Dollar	1.0000	1.2691
Vietnam	US Dollar	1.0000	1.2691

Source: Financial Times

TECHNICAL SPECIFICATION

The information contained in this report has been collected as at June 2012, in a comprehensive survey of Cushman & Wakefield's international offices. Our representation is designed to facilitate the rapid flow of information across borders and is supported by a comprehensive database of market information and regular liaison meetings. This allows for the exchange of local market knowledge and expertise and for the co-ordination of strategy for international investment and locational decision-making.

Data for retail rents relates to our professionals' opinion of the rent obtainable on a standard unit and/or shopping centre in a prime pitch of 326 locations across 62 countries around the world. The report's analysis of rental performance does not include some of the locations listed in the 'Global Retail Rents' section due to the lack of a historical annual series. Services charges such as building insurance, local taxes and costs of repair payable by the tenant are not included.

In the dynamic international retailing sector, local market characteristics, technological advancements and the evolution of new retail formats are just several of the forces that impact on the size and configuration of retail units. As a result, occupation costs vary from one country to another.

As far as possible, the objective is to provide a realistic comparison, but the exercise is constrained by a number of factors. These include differences in unit configuration, zoning practice and local lease structures such as lease length, the inclusion of rent reviews to open market value and the right to assign the lease.

For the purposes of this survey, the standard main street unit is defined, where possible, as a unit with 150-200 sq.m of sales area. We would expect a unit to have a typical frontage of 6-8 metres. However, an element of flexibility is needed with the size definition, given that unit configuration varies from market to market. Assumptions regarding ancillary space follow local practice.

A shopping centre is defined as a purpose-built retail facility which is planned, developed, owned and centrally-managed as a single property. It typically has a Gross Leasable Area of over 5,000 sq.m and is comprised of over ten retail units. However, an element of flexibility is needed with regards to size and minimum number of units, given that they vary from market to market.

The format selection for each city is based on its dominance of the retail landscape and/or its status as the prime pitch/top destination in the city. The rents represent our agents' views as to what is consistently achievable for prime space – we do not quote asking rents or the highest rent obtainable. It is assumed that the unit is vacant and is available for letting on the open market, without any request for a premium (key money). However, in many top locations around the world, vacant units are rarely marketed and substantial key money to sitting tenants is often payable.

Rents in most countries are supplied in local currency and converted to US$ for the purposes of international comparison. Accordingly, the ranking of the most expensive streets can be affected by currency movements from year to year. Rents in the UK, Channel Islands, France and Ireland are originally quoted in Zone A and are converted to an overall basis.

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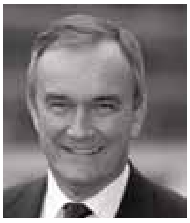
GLOBAL RETAIL SERVICES

Our specialist agents work together to deliver integrated and innovative solutions to each client, regardless of the size or scope of the assignment. We have real geographical coverage with an on the ground market presence and expert local knowledge.

Our teams have been created specifically to cater for the demands of international clients and cover geographic regions, shopping centres, out of town, leisure and restaurants, and lease advisory. Enhanced by our dedicated cross-border retail teams, we offer the widest range of services from any retail advisory company with true accountability and a clear understanding of our clients' needs.

GLOBAL RETAIL CONTACTS



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OUR RESEARCH SERVICES

The Research Group provides a strategic advisory and supporting role to our clients. Consultancy projects are undertaken on a local and international basis, providing in-depth advice and analysis, detailed market appraisals and location and investment strategies. Typical projects include:

- reliable and comparable data and market intelligence
- site specific, location analysis, ranking and targeting for occupation or investment
- analysis of future development activity and existing supply/competition
- market research and demand analysis by retail/industry sector
- rental analysis, forecasts & investment and portfolio strategy

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