

MARKETBEAT



2.34

STOCK
(million sq m)

¥458.1

RENT
(PSM/MO)

8.1%

VACANCY RATE

WHAT'S NEXT

Market Overview

With no new supply entering the market during the quarter Tianjin's retail stock remained at 2.34 million sq m. The city's average retail rent remained stable at RMB458.1 per sq m per month.

The market continued to digest existing inventory in the quarter, with net absorption registering 3,220 sq m. The vacancy rate dropped by 0.1 percentage point q-o-q to 8.1%. Brands continue expansions, including NAYUKI opening in the Mixc and UNIQLO entering Riverview Place.

Urban renewal projects in the Tianjin retail market have gradually increased due to the limited land supply in the city's core area. This quarter, Starbucks Reserve's flagship store opened in a renaissance-era heritage building dating back a century. The site previously housed the Zhejiang Industrial Bank and has been renovated to provide a "third-place experience" to customers.

Outlook

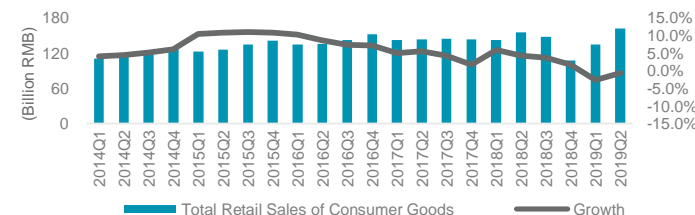
Two retail projects with a combined 47,000 sq m of new supply are scheduled to complete in 2019. Tianjin's retail market has gradually entered the stage of upgrading, and urban renewal will become the new norm. In the next three years growth in new supply in the core submarket will slow, and suburban community-based shopping centers will become the new mainstream for the Tianjin retail market.

Economic Indicators

	Q1 2019	Q2 2019	Trend of past one year
GDP Growth	4.5%	4.6%	▲
Total Retail Sales of Consumer Goods Growth	-2.6%	-0.6%	▲
CPI Growth	1.9%	2.2%	▲
Per Capita Disposable Income of Urban Residents	12,890	24,516	▲

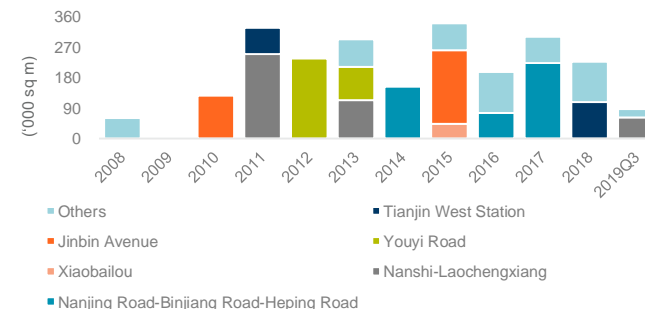
Source: Tianjin Statistics Bureau

Total Sales of Consumer Goods



Source: Tianjin Statistics Bureau

Historical Retail New Supply



Source: Cushman & Wakefield Research

TIANJIN RETAIL MARKETBEAT

SEPTEMBER 2019

Prime Average Rental Range in Main Submarkets (Q3 2019)

SUBMARKET	RMB/SQ M/MO	US\$/SF/MO	EUR/SF/MO	12-MONTH OUTLOOK
Nanjing Road-Binjiang Road-Heping Road	600-900	7.9-11.8	7.1-10.7	▲
Youyi Road	500-800	5.3-6.9	4.8-6.2	▬
Tianjin West Station	200-400	2.4-5.2	2.2-4.7	▬
Nanshi-Laochengxiang	300-600	3.9-7.9	3.6-7.1	▼

* Exchange Rate: 1CNY = 0.141USD = 0.127EUR, as Aug 23, 2019.

* Average rent (RMB/sq m/mo) is based on ground floor rent in prime locations in major shopping centers, excluding management, promotional and other fees.

Significant New Store Openings (Q3 2019)

PROJECTS	LOCATION	TENANT	TYPE
L+MALL	Tianjin West Station	BIGOFFS	Clothing
Plaza 66	Nanjing Road-Binjiang Road-Heping Road	OOXOO.ENT	Clothing
Riverview Place	Others	UNIQLO	Clothing
The Mixc	Youyi Road	NAYUKI	F&B

Significant Projects Under Construction

BUILDING	LOCATION	GFA (SQ M)	ESTIMATED OPENING
Songjiang Landmark	Others	26,600	2019
Tianjin Hopson Fortune Plaza	Haihe River	20,470	2019
SUNAC Center	Others	100,000	2020
Tianjin Nord Center	Others	55,000	2020

A Cushman & Wakefield
Research Publication

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

www.cushmanwakefield.com