

YoY
Chg12-Mo.
Forecast

188.8

Stock (million sq m)



¥620.8

Rent (PSM/MO)



10.9%

Vacancy Rate



Source: Cushman & Wakefield Research

DALIAN ECONOMIC INDICATORS
Q3 2019YoY
Chg12-Mo.
Forecast

6.6%

GDP Growth



0.7%

Total Retail Sales of
Consumer Goods
Growth

2.1%

CPI Growth



6.7%

Per Capita Disposable
Income of Urban
Residents

Source: Dalian Statistics Bureau / Cushman & Wakefield Research

Market Overview

No new supply entered the market in Q4, and Dalian's prime retail stock remained at 1.89 million sq m.

The market continued to absorb the existing inventory. Net absorption amounted to 16,000 sq m for the quarter, with the overall vacancy rate dropping by 0.9 percentage points q-o-q to 10.9%. The overall average asking rent slipped to RMB620.8 per square meter per month.

Most shopping malls actively adjusted their tenant mix in the quarter, by improving the representation of children's and F&B sectors. For example, Olympia 66 introduced the early education brand Sun Start, and Nine Road Pizzeria opened in Pavilion. It is expected that this trend will be extended in the near future.

Outlook

MixC One, with 100,000 sq m of high quality retail space, postponed its opening again to 2022. With no new supply scheduled to enter over the next two years we can expect the vacancy rate in the Dalian retail market to continue to drop. Landlords will most welcome high-quality brands, especially first stores and online celebrity stores, into the market.

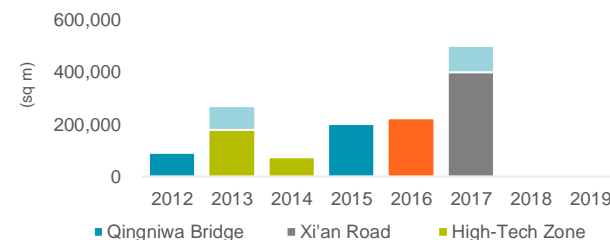
With the improvement of the urban rail transit network, regional submarkets will become the main force behind the development of Dalian's commercial market in the future.

RENT / VACANCY RATE



Source: Cushman & Wakefield Research

RETAIL SUPPLY PIPELINE BY SUBMARKET



Source: Cushman & Wakefield Research

MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	VACANCY RATE	UNDER CNSTR TILL 2023 (SQM)	ASKING RENTAL RANGE (RMB/SQM/MO)*
Qingniwa Bridge	210,000	3,800	1.8%	0	500-1360
Xi'an Road	766,560	135,500	17.7%	0	550-1250
High-tech Zone	180,000	1,500	0.8%	0	350-600
Huanan	220,000	6,600	3.0%	100,000	300-800
OTHERS TOTALS	511,900	57,500	11.2%	140,000	/
DALIAN TOTALS	1,888,460	204,900	10.9%	240,000	300-1360

*Data includes shopping malls only.

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

SIGNIFICANT STORE OPENINGS Q4 2019

PROPERTY	SUBMARKET	TENANT	SECTOR
Olympia 66	Olympic	Sun Start	Family & Kids
QQ Park	Xi'an Road	Big-U	Supermarket
Pavillion	Qingniwa Bridge	Nine Road Pizzeria	Catering

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
MixC One	Huanan	2022	100,000
CNOOC Harbour City	East Harbor	2023	140,000

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