

# NINGBO

Retail 1H 2020

CUSHMAN & WAKEFIELD

**2.2**  
STOCK (MILLION SQ.M)

12-Mo.  
Forecast



**¥450-750**  
RENT (PSM/MO)



**94.2%**  
OCCUPANCY RATE



## NINGBO ECONOMIC INDICATORS Q1 2020

**-13.8%**

Total Retail  
Sales Growth

Q4 2019

**7.7%**

12-Mo.  
Forecast



**15.5%**

Online Retail Sales  
Growth

**4.4%**



**3.5%**

CPI Growth

**3.0%**



Source: Ningbo Statistics Bureau  
The forecast is based on Oxford Economics

## Greenland Being Fun Phase II Completed in 1H

The Greenland Being Fun Phase II project in Jiangbei's core commercial area completed in 1H 2020, bringing 40,000 sq m of prime retail space to the Ningbo market. Subsequently, the city's total prime retail stock rose to approximately 2.2 million sq m at the end of the first-half. The retail market was impacted by the COVID-19 outbreak during the period, and the citywide occupancy rate dropped by 0.8 percentage points y-o-y to 94.2%. In turn, the average first floor rent for high-quality retail properties dipped to range between RMB450 and RMB750 per sq m per month at the end of 1H.

Greenland Being Fun is the first commercial complex project built by Greenland in Ningbo, with the 40,000 sq m Greenland Being Fun Phase I having opened in December 2019. Greenland Being Fun Phase II got off to a good start in 1H by introducing two self-owned brands -- Greenland Global Commodity Trading Hub and G-Super -- as well as attracting some well-known leisure and entertainment marques, and high-quality catering brands, such as Zhong Shu Ge and Haidilao.

## Online and Offline Integration Accelerated

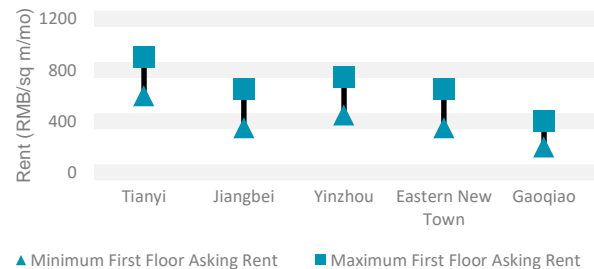
Tianyi Intime Department Store actively expanded the city's 'first store' economy in the period by introducing new high-end beauty brands, including the first Zhejiang and Ningbo stores from Filorga, Erno Laszlo and Atelier Cologne. Tianyi Intime also strengthened its digital retail offerings, including livestreaming sales, by launching its Meow Street App. In addition, Sam's Club launched its second Ningbo store at Yinzhou OTC Harbour, and launched a Cloud warehouse project, in the half-year period.

## Open-Air Malls Expected to Gain Popularity

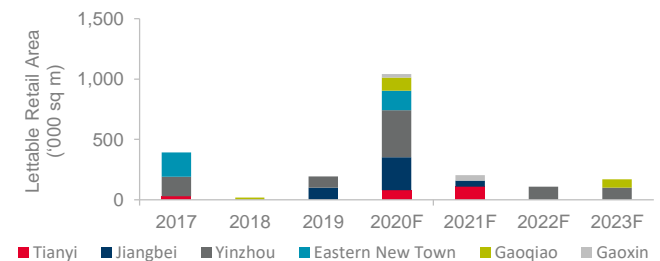
Among the future retail supply, Haishu In-City, SCPG's second project in Ningbo, is expected to add commercial vitality to the Gaoqiao submarket. Yonghui Superstore, Bona Cinema and Hey Tea are all expected to open in the project. Ningbo will also become home to China's second OCT Harbour project in 2H 2020. The project is expected to house a number of well-known brands, including Boom Park, Huawei and Dior.

Looking ahead, the open-air mall concept is predicted to become a popular retail format in the Ningbo market. Firstly, following the COVID-19 experience, consumers are likely to gravitate to malls offering wider and more natural-feeling spaces. Secondly, the business hours of these types of malls are more flexible, which should better suit the needs of both residents and brands. And finally, the open-air mall concept should suit the cultural traditions of Ningbo city, leading to new landmark spots being established that will enhance community and culture into the future.

## GRADE A CBD OVERALL RENT



## GRADE A CBD NEW SUPPLY



## MARKET STATISTICS

SUBMARKET	OCCUPANCY RATE	RENT (RMB/SQ MMO)	RENT (US\$/SF/MO)	RENT (EUR/SF/MO)	STOCK (SQM)
Tianyi	96.0%	600 – 900	7.8 – 11.7	7.0 – 10.5	498,800
Jiangbei	89.4%	350 – 650	4.6 – 8.5	4.1 – 7.6	439,500
Yinzhou	95.5%	450 – 750	5.9 – 9.8	5.3 – 8.8	1,061,000
Eastern New Town	93.4%	350 – 650	4.6 – 8.5	4.1 – 7.6	202,300
Gaoqiao	93.0%	200 – 400	2.6 – 5.2	2.3 – 4.7	20,000

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

1CNY = 0.1402USD = 0.1261EUR (2020.6.1)

## SIGNIFICANT STORE OPENINGS 1H 2020

PROPERTY	SUBMARKET	TENANT	SECTOR
OCT Harbour	Yinzhou	Sam's Club	Supermarket
Greenland Being Fun	Jiangbei	G-Super	New Retail Store
Intime Department Store	Tianyi	Filorga	Beauty

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
Hengyi City Plaza	Tianyi	2020	80,000
The MixC	Jiangbei	2020	170,000
OCT Harbour	Yinzhou	2020	230,000
Hankyu Department Store	Eastern New Town	2020	160,000

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