

	YoY Chg	12-Mo. Forecast
<b>2.37</b> Stock (million sq m)	▲	▲
<b>¥448.2</b> Rent (PSM/MO)	▼	▼
<b>10.1%</b> Vacancy Rate	▲	▲

Source: Cushman & Wakefield Research

### TIANJIN ECONOMIC INDICATORS Q2 2020

	YoY Chg	12-Mo. Forecast
<b>-3.9%</b> GDP Growth	▼	▲
<b>-21.7%</b> Total Retail Sales of Consumer Goods Growth	▼	▲
<b>3.2%</b> CPI Growth	▲	▼
<b>-1.5%</b> Per Capita Disposable Income of Urban Residents	▼	▲

Source: Tianjin Statistics Bureau / Cushman & Wakefield Research

### Market Overview

The completion of Vanke Times Shopping Plaza in Q3 added 26,600 sq m of new supply, increasing Tianjin's overall retail stock to 2.37 million sq m. Although the retail market has been in gradual recovery since the containment of COVID-19, some brands have still closed stores due to cash flow pressures, and mall landlords have been taking the opportunity to adjust tenant mixes. Citywide net absorption returned to positive territory in Q3 at 18,242 sq m. However, the entry of new projects pushed the vacancy rate up a further 0.3 pp q-o-q to reach 10.1%, while average rental continued downwards, dropping 0.4% q-o-q to RMB448.2 per sq m per month.

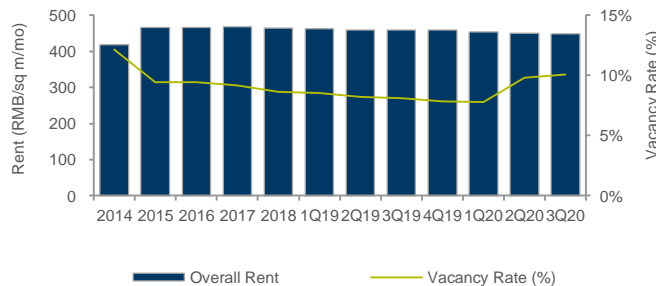
As Tianjin's first new retail project of 2020, Vanke Times Shopping Plaza has been a positive highlight for Nankai District and the market as a whole. Themed as a "small and beautiful" community-based shopping center, the project achieved over 80% occupancy upon opening.

### Outlook

With economic activities returning to normal, the Nord Plaza and Hopson Fortune Plaza projects are expected to be completed in Q4 2020, totaling around 75,000 sq m of new retail space. As part of the Nord Center complex, Nord Plaza is a community-based shopping mall attracting customers from the surrounding district, and is expected to provide a real boost to consumption levels in the region.

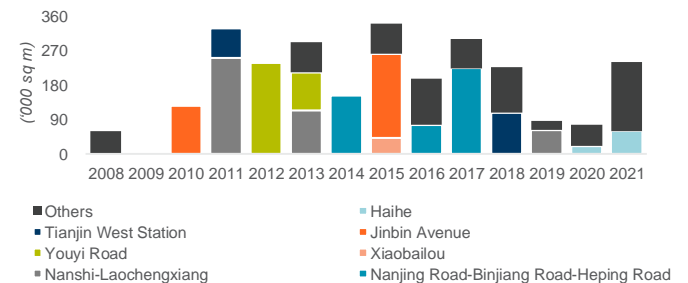
The effects of the COVID-19 outbreak accelerated the development of alternative retail channels, including e-commerce and influencer marketing. Some consumers' shopping habits have been reshaped, and this will bring more challenges to offline retailers. The market needs more time to respond to the post-pandemic age, and we can expect landlords to make concessions to raise occupancy and attract brands, exerting downwards pressure on average market rental levels.

### RENT / VACANCY RATE



Source: Cushman & Wakefield Research

### RETAIL SUPPLY PIPELINE BY SUBMARKET



Source: Cushman & Wakefield Research

## MARKET STATISTICS

SUBMARKET	INVENTORY (sq m)	VACANT (sq m)	VACANCY RATE	UNDER CNSTR TILL 2023 (sq m)	ASKING RENTAL RANGE (RMB/sq m/MO)*
Nanjing Road-Binjiang Road-Heping Road	452,601	69,527	15.4%	130,000	600-900
Youyi Road	336,137	32,059	9.7%	0	500-800
Tianjin West Station	184,580	6,513	3.5%	0	200-400
Nanshi-Laochengxiang	425,000	55,539	13.1%	0	300-600
Xiaobailou	42,500	1,278	3.0%	45,000	200-500
Jinbin Avenue	344,500	5,628	1.6%	0	250-400
<b>OTHERS TOTALS</b>	<b>586,091</b>	<b>/</b>	<b>/</b>	<b>461,220</b>	<b>/</b>
<b>TIANJIN TOTALS</b>	<b>2,371,409</b>	<b>238,498</b>	<b>10.1%</b>	<b>636,220</b>	

\*All the data only include shopping malls

\*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 Q3 2020

PROPERTY	SUBMARKET	TENANT	SECTOR
The Mixc	Youyi Road	HUAWEI	Cosmetics
JOY CITY	Nanjing Road-Binjiang Road-Heping Road	Shake it up!Till we meet	F&B
Tee Mall	Nanjing Road-Binjiang Road-Heping Road	Lady M	F&B
TIMES	Others	XDF.CN	Education

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	sq m
Tianjin Hopson Fortune Plaza	Haihe River	2020	20,470
Tianjin Nord Center	Others	2020	55,000
SUNAC Center	Others	2021	100,000
JINMAO	Others	2023	45,750

**Sabrina Wei**

Director

Head of North China Research

14/F, North Tower, Beijing Kerry Centre, 1 Guanghua Road, Beijing 100020, China

Tel: +86 10 8519 8087 / sabrina.d.wei@cushwake.com

[cushmanwakefield.com](http://cushmanwakefield.com)

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