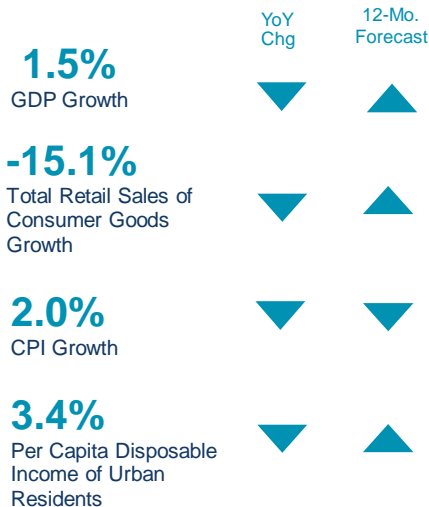


Source: Cushman & Wakefield Research

### TIANJIN ECONOMIC INDICATORS Q4 2020



Source: Tianjin Statistics Bureau / Cushman & Wakefield Research

### Market Overview

With no new supply entering the market by the end of the quarter, Tianjin's total retail stock remained at 2.43 million sq m. Following the series of retail shopping seasons at the end of 2020, both consumer energy and retailer opening enthusiasm have dipped. Citywide net absorption reached 4,300 sq m in Q1, down by 78.8% q-o-q. The city's vacancy and rental levels remained somewhat stable, with overall vacancy edging up 0.2 pp q-o-q to reach 11.1%, and average monthly rents declining 0.8% q-o-q to RMB442.9 per sq m.

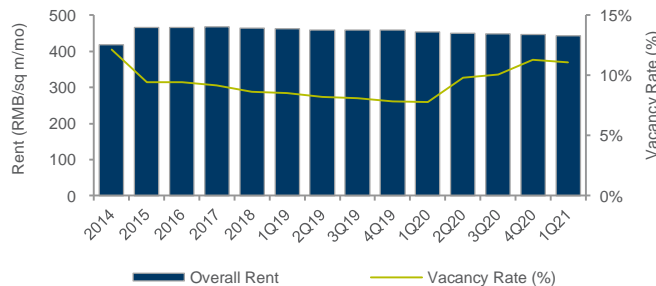
Post-COVID-19, brand and tenant mixes at several shopping centers have undergone reshuffling. In Q1, Lucky City shopping center closed the 6th floor cinema and introduced the city's first competitive party experience store, Hi-Fun Athletics Theme Park. The Mixc also introduced the city's first Meland Club store, with an area of approximately 3,500 sq m, creating a high-end fully immersive parent-child play experience.

### Outlook

The pandemic impacted project entry plans and new retail supply will slow in the coming two years. Only two shopping malls with a combined 210,000 sq m of new supply are scheduled. However, in 2023, if projects can be delivered on schedule, the retail market will usher in a small peak of new supply with a volume of nearly 360,000 sq m.

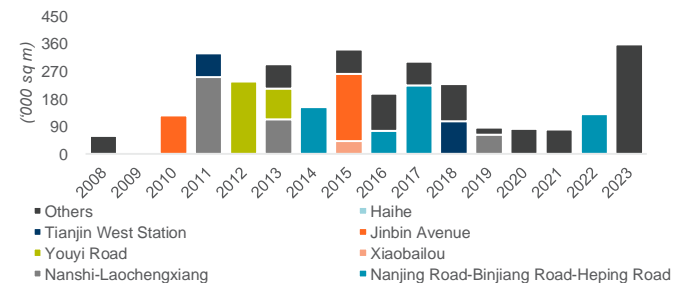
Among the scheduled new supply in the next three years only Tianjin IFC Shopping Center is located in the core submarket. All other projects are in suburban submarkets and are positioned as community-based projects. This should inject new vitality to the suburban submarkets. The relatively lower rental levels of community-based shopping malls will also continue to exert downwards pressure on the overall average rental level. The *New Infrastructure Action Plan* issued by the Tianjin Municipal Government states that the development goal of 5G network full coverage will be achieved by 2023. We can expect that rising consumption behavior coupled with increased digitalization will promote commercial retail operation development and enhance new projects' core competitiveness.

### 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)*
Nanjing Road-Binjiang Road-Heping Road	452,601	75,716	16.7%	130,000	600-900
Youyi Road	336,137	35,019	10.4%	0	500-800
Tianjin West Station	184,580	8,823	4.8%	0	200-400
Nanshi-Laochengxiang	425,000	71,599	16.9%	0	300-600
Xiaobailou	42,500	648	1.5%	0	200-500
Jinbin Avenue	344,500	7,028	2.0%	0	250-400
Haihe River	/	/	/	0	/
<b>OTHERS TOTALS</b>	<b>641,091</b>	<b>/</b>	<b>/</b>	<b>436,750</b>	<b>/</b>
<b>TIANJIN TOTALS</b>	<b>2,426,409</b>	<b>273,248</b>	<b>11.1%</b>	<b>566,750</b>	<b>442.9</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 Q1 2021

PROPERTY	SUBMARKET	TENANT	SECTOR
Tee Mall	Nanjing Road-Binjiang Road-Heping Road	TOP TOY	Fashion retail
JOY CITY	Nanshi-Laochengxiang	Guerlain	Cosmetics
The Mixc	Youyi Road	Haidilao	F&B
The Mixc	Youyi Road	Meland club	Leisure & Entertainment

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
YiChengTangTing	Others	2021	80,000
MIFC MALL	Nanjing Road-Binjiang Road-Heping Road	2022	130,000
JINMAO	Others	2023	45,750
UniPark	Others	2023	120,000

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