

Retail market | Poland | Q1 2017

# SHOPPING CENTRES IN REGIONAL CITIES

Białystok | Bielsko-Biała | Bydgoszcz | Częstochowa |  
Kielce | Lublin | Olsztyn | Radom | Rzeszów | Toruń |

## Białystok

### General information

Population	296,000
GfK 2016 Purchasing Power (annually)	27,300 PLN per capita
GfK 2016 Purchasing Power Index	104.3
Stock	216,500 m <sup>2</sup> GLA
No. of shopping centres	8
Density ratio	731 m <sup>2</sup> /1,000
Space under construction	5,800 m <sup>2</sup> GLA
No. of shopping centres under construction	-
Vacancy rate	3.3%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 27-29 m <sup>2</sup> /month

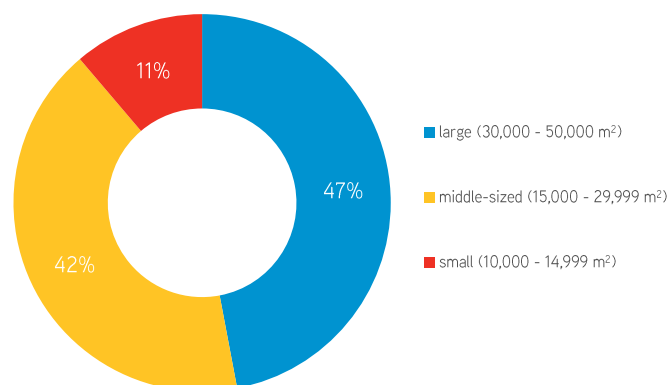
Białystok offers 216,500 m<sup>2</sup> of retail space spread across eight shopping centres, with a density of 731 m<sup>2</sup>/1,000 inhabitants. There are also smaller retail schemes, standalone or located within residential projects (for example Galeria Antoniuk), bringing together non-chain stores, service units and restaurants.

On average, there is one shopping centre per 37,000 inhabitants with an annual purchasing power of PLN37,300 per m<sup>2</sup> of shopping centre space. The location of the city near Poland's eastern border brings seasonal customers from abroad.

Białystok lacks big regional shopping centres. The biggest retail scheme in the city is Alfa (37,500 m<sup>2</sup>, over 150 stores) which includes such tenants as Piotr i Paweł supermarket, Helios, JatoMi Fitness, RTV Euro AGD, Inditex and LPP brands, H&M, C&A and Intersport.

Other large centres are: Auchan Produkcyjna (33,000 m<sup>2</sup>) including Auchan hypermarket and Leroy Merlin, and Atrium Biała (33,000 m<sup>2</sup>) with B1 hypermarket, Helios, Media Markt, Reserved, H&M, Carry, New Yorker and Smyk.

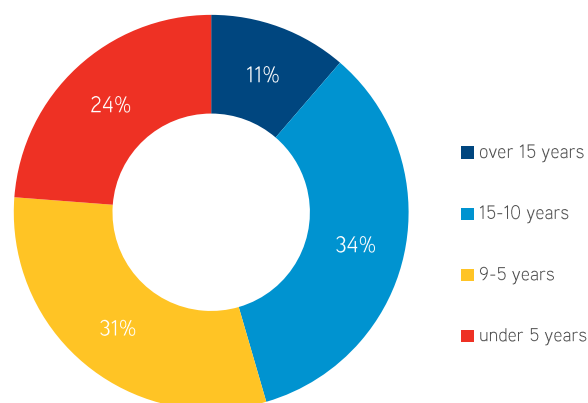
### Shopping centres by size



Source: Colliers International, January 2017

The shopping centres in Białystok are relatively young schemes. The oldest, delivered to the market in 2000, is Auchan Produkcyjna, which remained the only shopping centre in the city for over seven years. Five new shopping centres in Białystok were delivered to the market during 2007-2008. The newest centres are Galeria Jurowiecka and Outlet Center Białystok delivered in 2015.

### Shopping centres by age



Source: Colliers International, January 2017



The current extension of Auchan Hetmańska shopping centre, divided into phases, is in progress – by the end of 2018 retail supply will increase by approximately 12,000m<sup>2</sup>. Further market development will be based mostly on extensions and modernizations of existing schemes, above all Zielone Wzgórze centre and the Outlet Center Białystok.

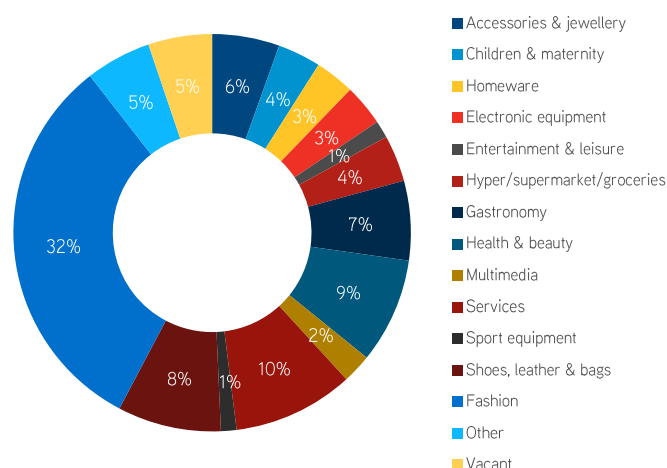
There are approximately 710 stores in the shopping centres of Białystok: fashion (32%), services (10%) and health&beauty (9%) constitute the largest group of tenants.

2016 was characterised by intense commercialization of Outlet Center Białystok, including the opening of the Strefa X entertainment centre (600 m<sup>2</sup>), Smyk (500 m<sup>2</sup>) and Puma (560 m<sup>2</sup>). New leases in extended centre - Auchan Hetmańska were announced last year – H&M, Toys'R'Us and Martes Sport. In the same period, New Balance had its debut in the Alfa centre.

The demand for retail space in shopping centres remains healthy, and the average vacancy rate at the end of 2016 was 3.3% (lower than in the end of 2015 – 4.4%).

Most of the available space is situated in Galeria Jurowiecka and Zielone Wzgórze shopping centre.

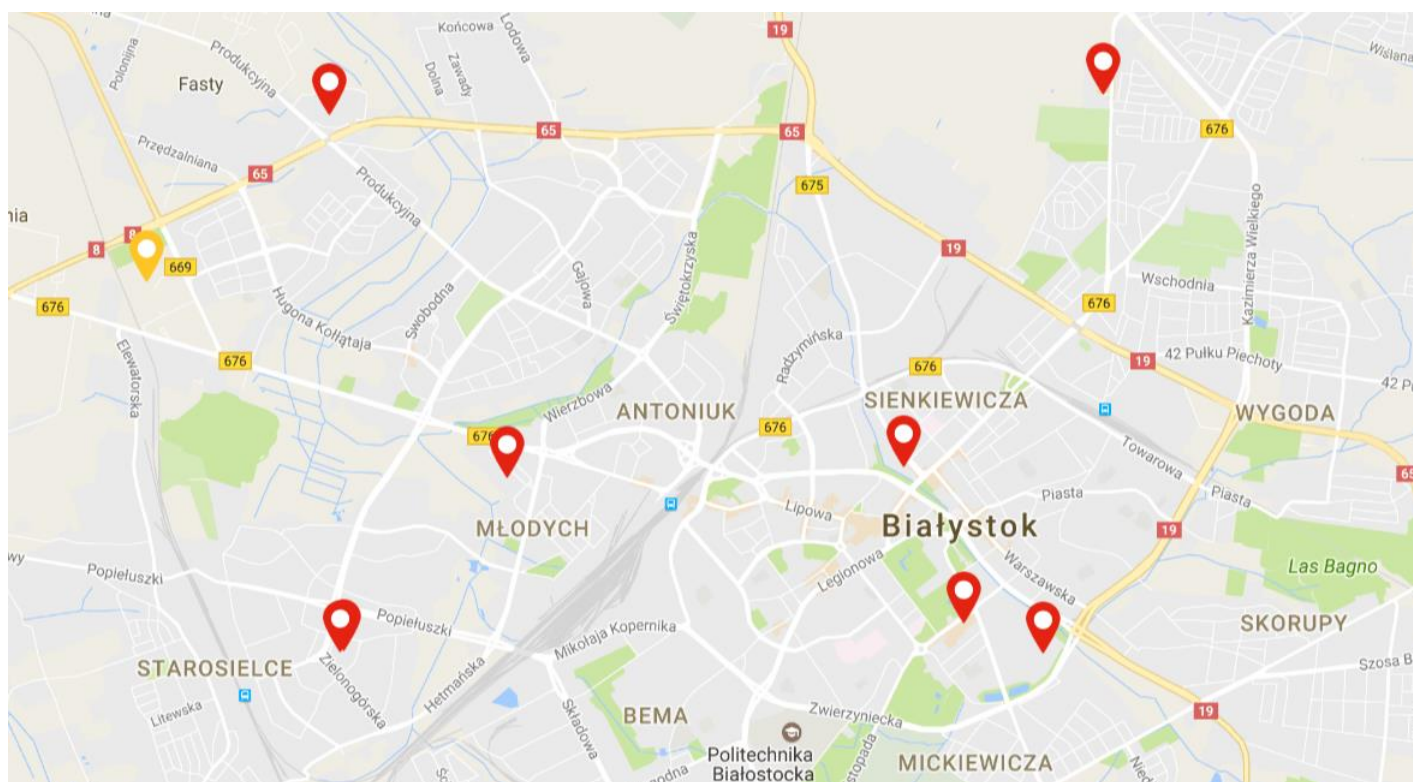
#### Tenant type structure by number of units



Source: Colliers International, January 2017

Rental rates in Białystok meet the average level and are under slight downward pressure due to competition growth and expectations in terms of lease conditions. The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR 27-29 per m<sup>2</sup>/month.

#### Shopping centres in Białystok – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017

## Bielsko-Biała

### General information

Population	172,600
GfK 2016 Purchasing Power (annually)	31,823 PLN per capita
GfK 2016 Purchasing Power Index	121.6
Stock	196,000 m <sup>2</sup> GLA
No. of shopping centres	6
Density ratio	1,137 m <sup>2</sup> /1,000
Space under construction	-
No. of shopping centres under construction	-
Vacancy ratio	2%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 29-31 m <sup>2</sup> /month

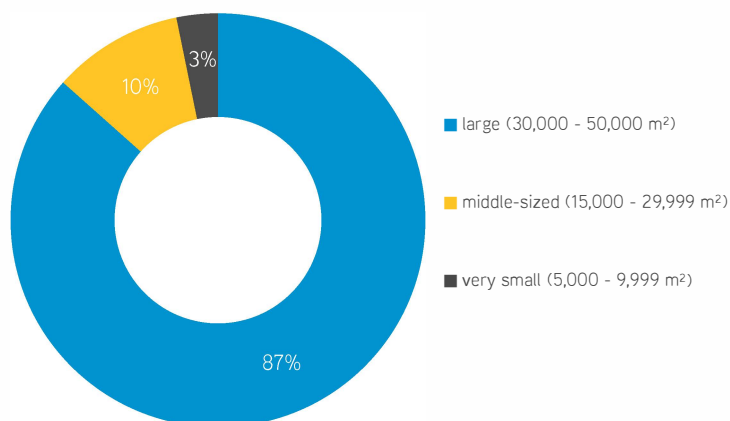
Retail space density in Bielsko-Biała is one of the highest in Poland (1,137 m<sup>2</sup>/1,000 inhabitants). There are six schemes in the city with a total area of 196,000 m<sup>2</sup>.

In Bielsko-Biała, on average there is one shopping centre per 28,800 inhabitants. The purchasing power per square metre of shopping centre space is PLN 28,000 annually. The city's location close to international borders brings additional customers seasonally from Slovakia and Czech Republic.

Three big shopping centres operate in Bielsko-Biała. Sfera is the largest one with 49,000 m<sup>2</sup> GLA and 250 stores including: Piotr i Paweł supermarket, Biedronka discount store, as well as Media Expert and RTV Euro AGD, Helios, Leopark-the play area, the Atmosfera bowling alley, Inditex and LPP brands, C&A and H&M.

Other large shopping centres in the city are Auchan (45,000 m<sup>2</sup>), which includes Auchan hypermarket and Leroy Merlin, and Gemini Park (44,000 m<sup>2</sup>) with Cinema City, the Befit fitness club, the Bił hypermarket, Inditex and LPP brands, C&A, H&M, Toys'R'Us.

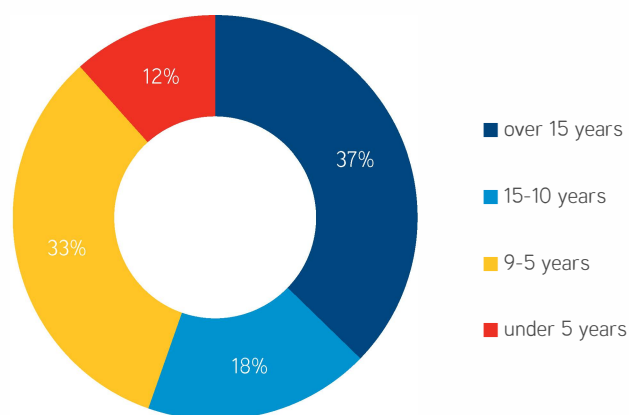
### Shopping centres by size



Source: Colliers International, January 2017

Shopping centres in Bielsko-Biała are relatively young. The oldest, Auchan, Sarni Stok and Sfera (extended in 2009), were delivered to the market in 2001. Karpacka Retail Park, completed in 2014, is the youngest retail scheme in the city.

### Shopping centres by age



Source: Colliers International, January 2017

Currently, there are no retail schemes under construction or at an advanced stage of planning. For the next few years, investors will concentrate on small schemes and retail parks located in suburban areas as well as big housing developments.

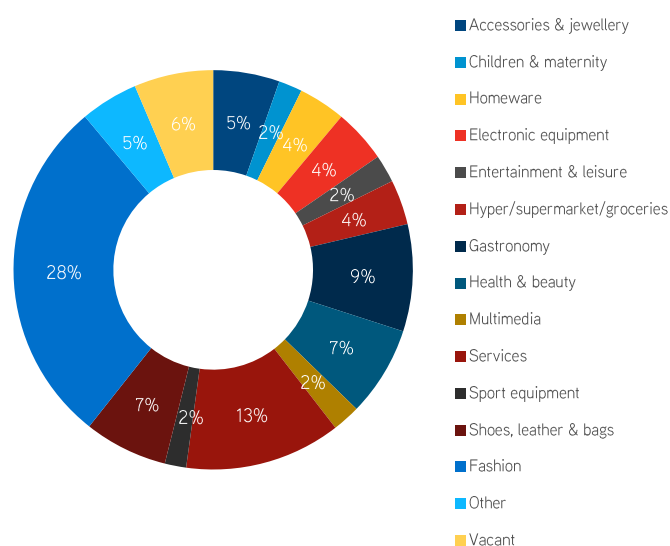
There are approximately 580 stores in shopping centres in Bielsko-Biała: fashion (28%), services (13%) and gastronomy (9%) constitute the largest group of tenants.

The biggest changes in the market were noticed in Gemini Park, where an open-air entertainment park “Eko Park – wDECHE!” was opened. New tenants such as Komfort, Yves Rocher, PKO BP signed new leases, while a few others extended their current leases or expanded their leased space (for example 4F).

Last year, lease extensions, expansions and relocations were noted in most shopping centres in Bielsko-Biała.

Demand for retail space in shopping centres in Bielsko-Biała remains healthy, and the average vacancy rate at the end of 2016 was 2% (2.6% in the end of 2015). The highest level of available space is situated in Gemini Park and Sfera shopping centre.

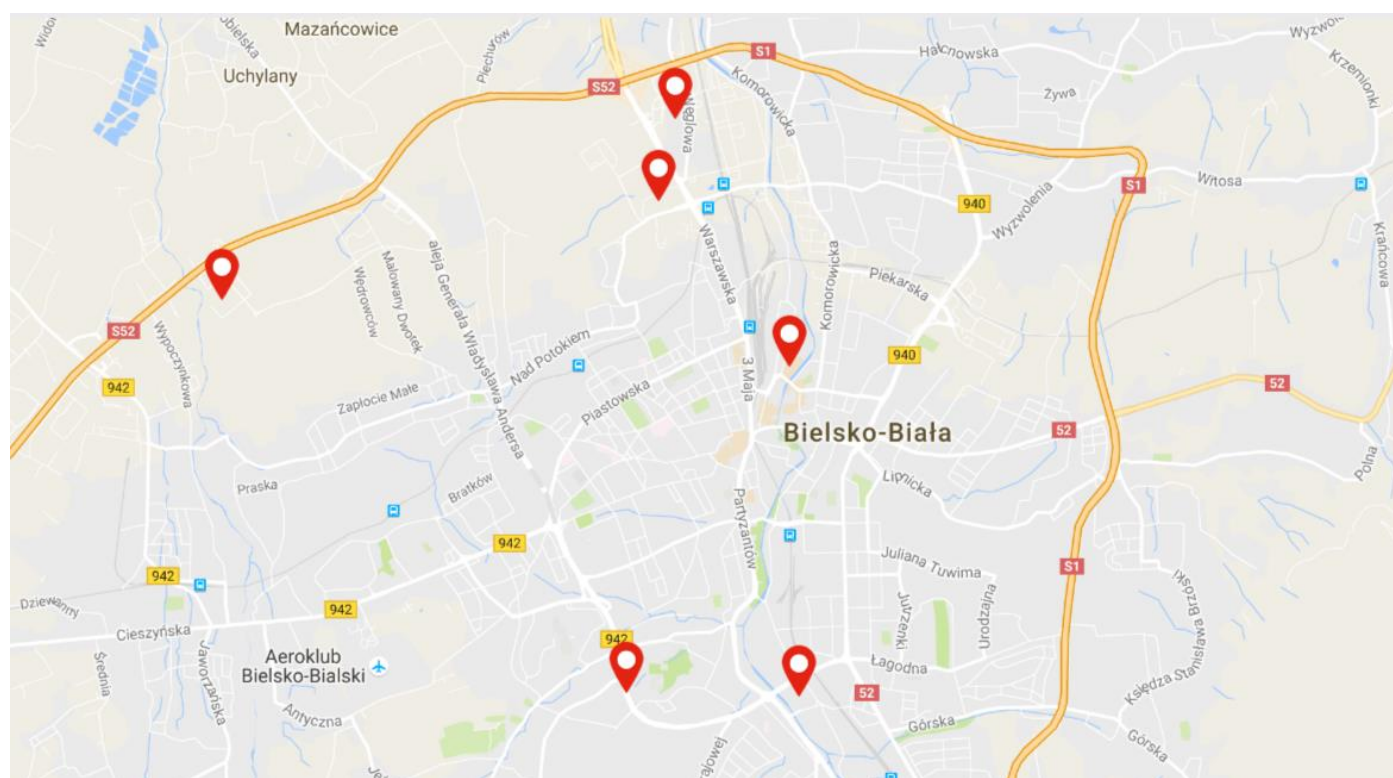
Tenant type structure by number of units



Source: Colliers International, January 2017

Rental rates in Bielsko-Biała meet the average level and are under slight downward pressure due to competition growth and expectations in terms of lease conditions. The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR 29-31 per m<sup>2</sup>/month.

Shopping centres in Bielsko-Biała – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017



## Bydgoszcz

### General information

Population	355,600
GfK 2016 Purchasing Power (annually)	27,770 PLN per capita
GfK 2016 Purchasing Power Index	106.1
Stock	272,000 m <sup>2</sup> GLA
No. of shopping centres	10
Density ratio	765 m <sup>2</sup> /1,000
Space under construction	-
No. of shopping centres under construction	-
Vacancy ratio	6.7%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 29-31 m <sup>2</sup> /month

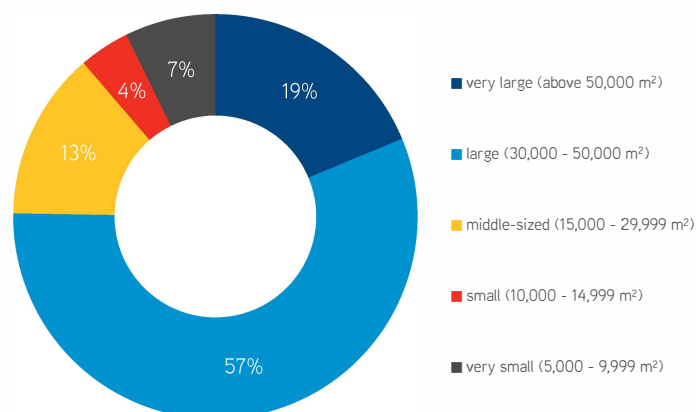
Retail stock in Bydgoszcz amounts to over 272,000 m<sup>2</sup> (ten schemes). The city's retail space density is 765 m<sup>2</sup>/1,000 inhabitants. Smaller retail schemes and specialised centres (for example Fordon, Arkada) also operate in the Bydgoszcz city centre and in the suburbs.

On average, there is one shopping centre per 35,500 inhabitants in Bydgoszcz while the purchasing power per square metre of shopping centre space totals PLN 36,300 per annum. A distinctive feature of the Bydgoszcz market is that it attracts customers from nearby Toruń who look for a retail offer absent in their living area.

The largest retail scheme in the city is Zielone Arkady (51,000 m<sup>2</sup>, over 200 stores), with such stores as: Piotr i Paweł supermarket, Saturn, Inditex and LPP brands, H&M, C&A, TK Maxx, Smyk, Intersport and Martes Sport.

Focus Mall (42,000 m<sup>2</sup>, 150 stores) with Cinema City, the Step One fitness club, Media Expert, Inditex and LPP brands, H&M, New Yorker, Smyk and Intersport, is the second largest shopping centre in Bydgoszcz.

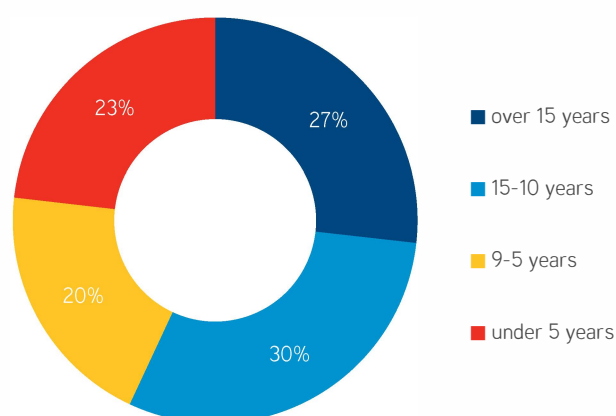
### Shopping centres by size



Source: Colliers International, January 2017

The retail market in Bydgoszcz has been developing steadily over the last twenty years. The very first shopping centre was delivered to the market at the end of the 1990's – Rondo SC. The youngest scheme is Zielone Arkady and was delivered to the market in 2015.

### Shopping centres by age



Source: Colliers International, January 2017

The retail market in Bydgoszcz is growing. Two further outlet centres are planned – Outlet Center Bydgoszcz and Metropolitan Outlet. The first one is to be built in the proximity of IKEA and the second in the rebuilt Carrefour Glinki.

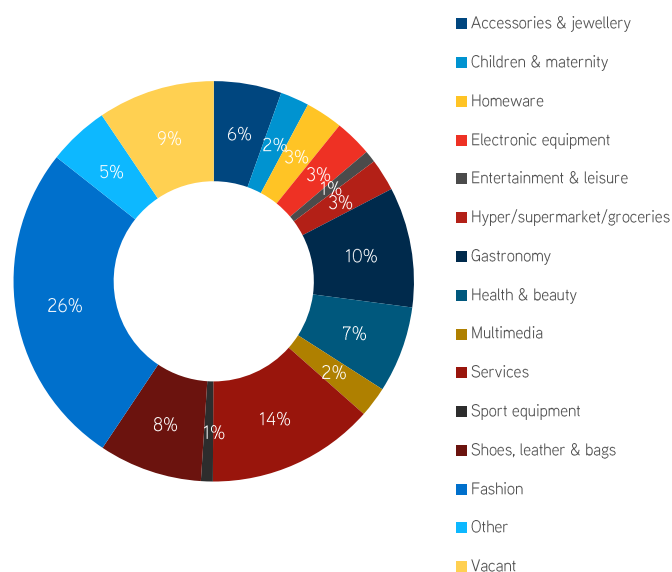
Drukarnia Fashion House, located in the city centre is to be rebuilt too. In the future, the scheme will combine office, retail and service functions.

In 2016, the Bydgoszcz retail market was dominated by recommercialisations of existing shopping centres. Tenants extended their leases, expanded leased space and opened new stores in Zielone Arkady (for example TK Maxx), Focus Mall (for example Media Expert) or Rondo SC (for example Hebe, Toys'R'Us). Following its extension in 2015, Galeria Pomorska gained new tenants (C&A). Commercialisation of the planned outlet centres has also begun (Adidas, Puma, Reebok and New Balance in Bydgoszcz Outlet Center).

The demand for retail space in the shopping centres in Bydgoszcz remains healthy, most tenants have already found their space in existing schemes. The average vacancy rate at the end of 2016 was 6.7% (7.6% in the end of 2015). The largest amount of available space is situated in Focus Park and Galeria Pomorska.

There are approximately 730 stores in shopping centres in Bydgoszcz: fashion (26%), services (14%) and catering (10%) constitute the largest group of tenants.

Tenant type structure by number of units



Source: Colliers International, January 2017

Rental rates in Bydgoszcz are around average levels and are under slight downward pressure due to competition growth and expectations in terms of lease conditions. The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR 29-31 per m<sup>2</sup>/month.

## Shopping centres in Bydgoszcz – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017

# Shopping Centres in Regional Cities

Q1 2017



## Częstochowa

### General information

Population	228,200
GfK 2016 Purchasing Power (annual)	29,013 PLN per capita
GfK 2016 Purchasing Power Index	110.8
Stock	133,600 m <sup>2</sup> GLA
No. of shopping centres	4
Density ratio	585 m <sup>2</sup> /1,000
Space under construction	-
No. of shopping centres under construction	-
Vacancy rate	3.3%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 25-27 m <sup>2</sup> /month

Four existing shopping centres provide Częstochowa with 133,600 m<sup>2</sup> GLA in total with the city population of 228,200, makes for a retail space density of 585 m<sup>2</sup>/1,000 inhabitants. Local retail schemes also operate in the city, comprising mostly non-chain stores, service and restaurants (Jagiellończycy SC).

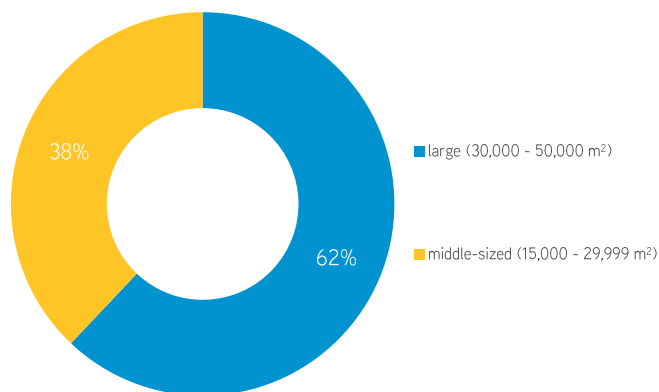
In Częstochowa, on average, there is one shopping centre per 57,000 inhabitants, while the purchasing power is PLN49,500 annually per square metre of shopping centre space.

Shopping centres in Częstochowa are located in suburban and residential areas as well as in the city centre. There is a prevalence of large and medium sized schemes. The market lacks small convenience retail schemes.

Galeria Jurajska is the largest shopping centre in the city (45,000 m<sup>2</sup>, over 200 units), with such stores as Cinema City, RTV Euro AGD, C&A, H&M, TK Maxx, Inditex and LPP brands, New Yorker, Carry, CCC, Jysk, Intersport and EMPiK.

Another large shopping centre is the suburban Auchan Poczesna (38,000 m<sup>2</sup>) with its hypermarket Auchan and Leroy Merlin as well as H&M, Reserved, New Yorker and Go Sport.

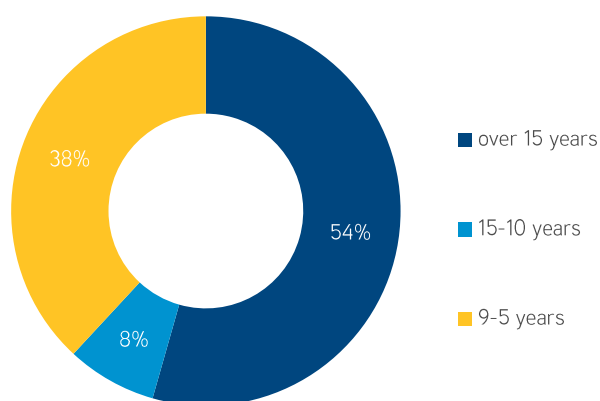
### Shopping centres by size



Source: Colliers International, January 2017

Hypermarket chains started the development of shopping centres in Częstochowa by building schemes for their own use. The oldest shopping centre in Częstochowa is M1 delivered to the market in 1997. The youngest is Galeria Jurajska, completed in 2009. Over the last seven years no new shopping centres have been delivered to the market.

### Shopping centres by age



Source: Colliers International, January 2017



Currently, there are no retail schemes under construction or at an advanced stage of planning, so no new openings should be expected in the coming three years. However, smaller retail schemes as well as free-standing supermarkets may be delivered to the market in this time in Częstochowa.

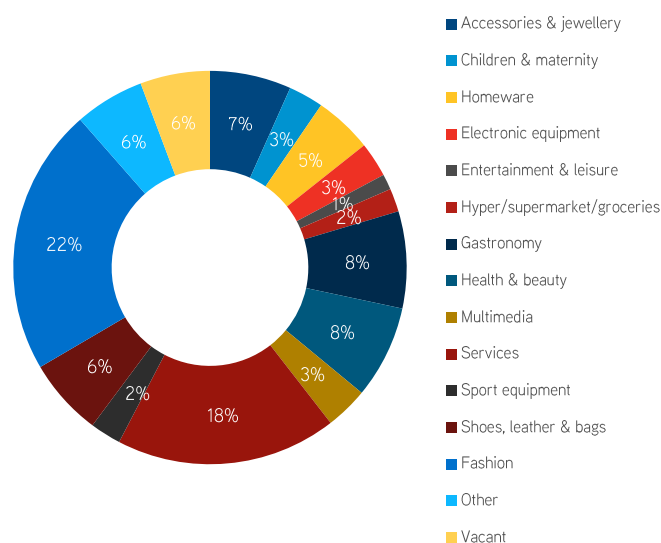
Last year, tenants interest concentrated on Galeria Jurajska, where among other openings were Calypso fitness club (1,000 m<sup>2</sup>) and fashion store Carry (1,577 m<sup>2</sup>). The demand for retail space in shopping centres remains healthy and the average vacancy rate at the end of 2016 was 3.3%, similar to 2015. The highest level of available space is situated in Galeria Jurajska.

There are approximately 350 stores in shopping centres in Częstochowa: fashion (22%) and services (18%) constitute the largest group of tenants.

Rental rates in Częstochowa are at the average level and are under slight downward pressure due to competition growth and expectations in terms of lease

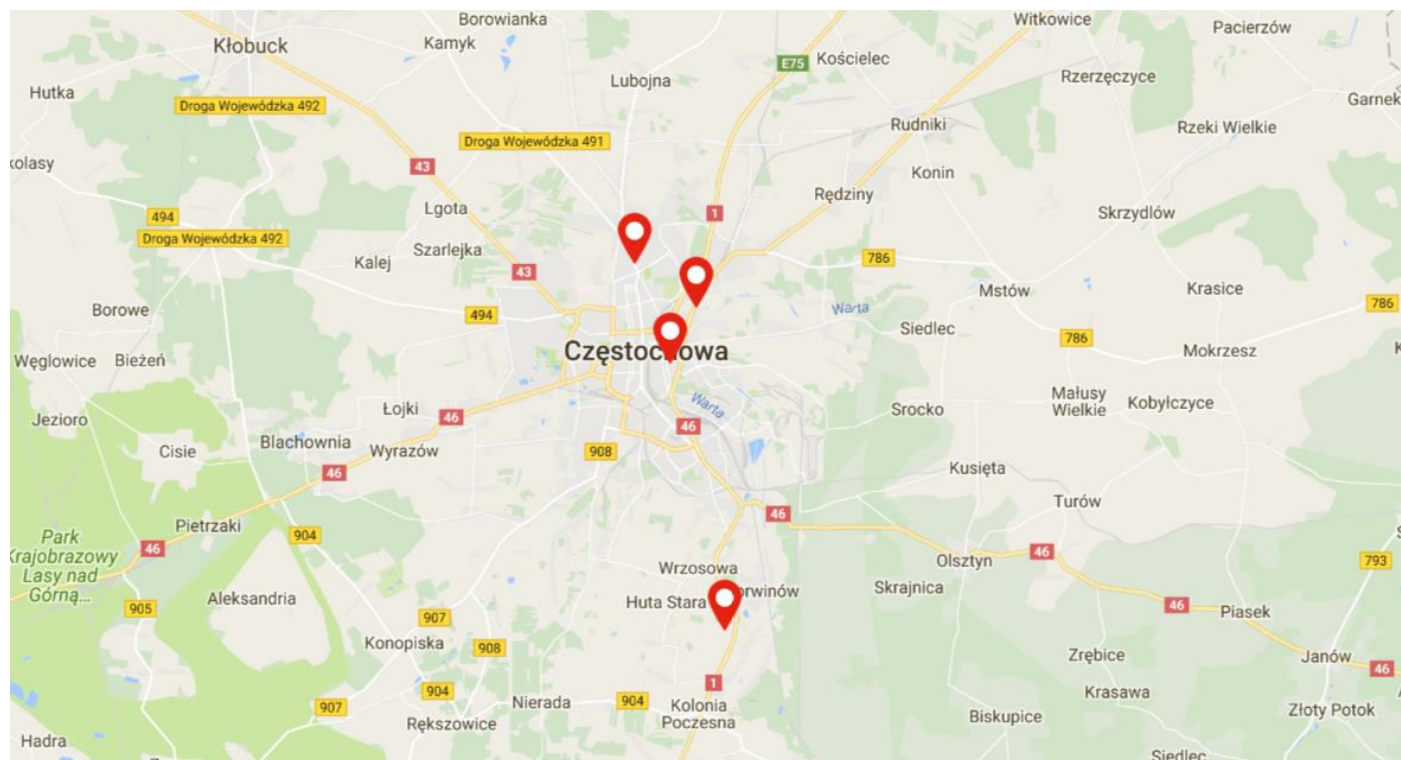
conditions. The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR 29-31 per m<sup>2</sup>/month.

#### Tenant type structure by number of units



Source: Colliers International, January 2017

#### Shopping centres in Częstochowa – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017

## Kielce

### General information

Population	198,000
GfK 2016 Purchasing Power (annually)	29,183 PLN per capita
GfK 2016 Purchasing Power Index	111.5
Stock	150,200 m <sup>2</sup> GLA
No. of shopping centres	4
Density ratio	758 m <sup>2</sup> /1,000
Space under construction	-
No. of shopping centres under construction	-
Vacancy ratio	3.3%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 25-27 m <sup>2</sup> /month

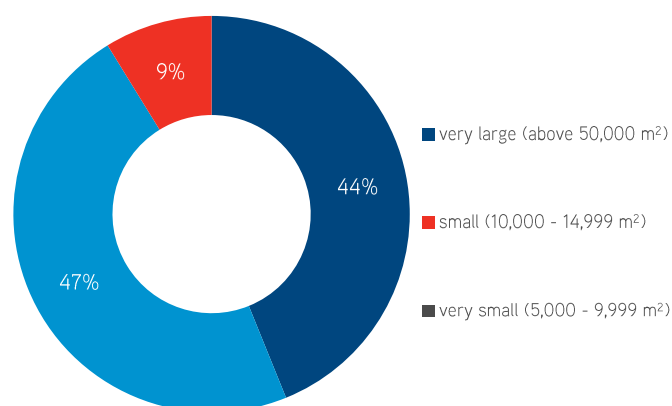
Kielce inhabitants have at their disposal four shopping centres located on the north side of the city with a total area of 150,200 m<sup>2</sup>. Retail space density is 758 m<sup>2</sup>/1,000 inhabitants. Apart from shopping centres, smaller schemes such as department stores, retail passages and commercial pavilions (for example Tęcza Fashion House) operate in the city.

In Kielce, on average, there is one shopping centre per 49,500 inhabitants while purchasing power amounts to PLN 38,500 per annum per square metre of shopping centre space.

Large and very large schemes dominate in Kielce. The largest regional retail scheme is Galeria Echo (66,000 m<sup>2</sup> GLA, over 300 stores), significantly expanded in 2011. Tenants in Galeria Echo include Tesco hypermarket, Helios cinema, Jatomi Fitness, MK Bowling, Julia, RTV Euro AGD, Komfort, Go Sport, Inditex and LPP brands, C&A, H&M, New Yorker, TK Maxx, Smyk and EMPiK.

Galeria Korona operates in the city centre (34,000 m<sup>2</sup> GLA) and includes Piotr i Paweł supermarket, Multikino, Pure Jatomi Fitness, Media Markt, Inditex and LPP brands, Royal Collection, H&M, Smyk, CCC and Intersport.

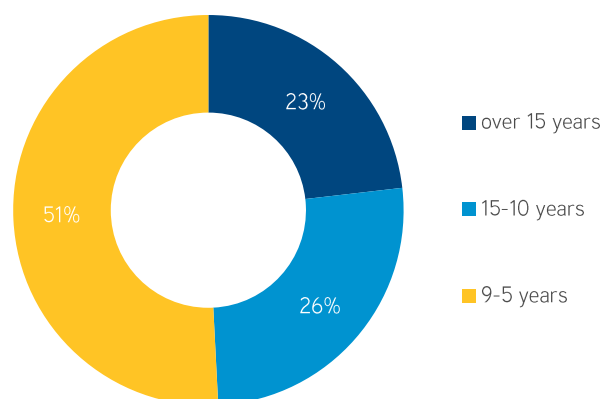
### Shopping centres by size



Source: Colliers International, January 2017

Shopping centres in Kielce are relatively young. Centrum Radomska, delivered to the market in 2000, is the oldest, whereas Galeria Korona completed in 2012 is the youngest.

### Shopping centres by age



Source: Colliers International, January 2017

At present, there are no retail schemes either under construction or at an advanced stage of planning. So for the next three years no new openings should be expected. However, smaller retail schemes or standalone supermarkets may be completed in the city.

Recommercialisations were most common in the Kielce retail market. Burger King in Galeria Echo, Greenpoint and Aldo in Galeria Korona were opened. At the same time, current tenants in Galeria Korona have extended their lease agreements (for example Pepe Jeans, bookstore Świat Książki) and relocated their stores (for example W.Kruk, Wojas).

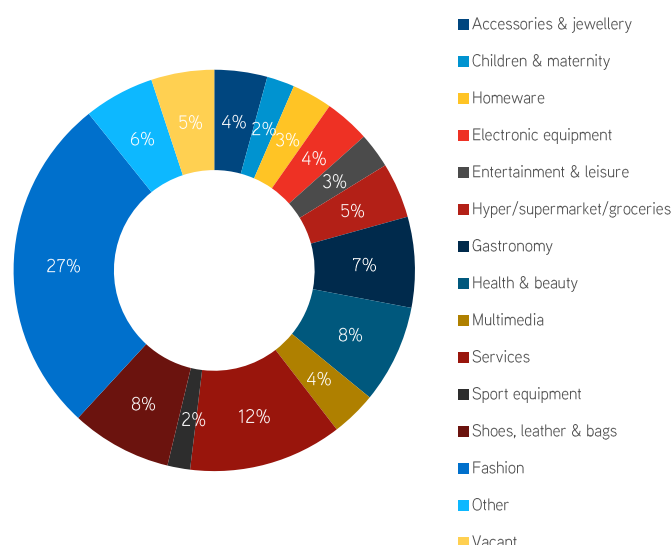
Demand for retail space in Kielce remains at a good level and the average vacancy rate at the end of 2016 was 3.3% (similar to 2015). The highest level of available space is situated in Galeria Echo.

Rents in Kielce are at an average level and are under slight downward pressure due to competition growth and expectations in terms of lease conditions.

The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR 25-27 per m<sup>2</sup>/month.

There are approximately 490 stores in shopping centres in Kielce: fashion (27%) and services (12%) constitute the largest group of tenants.

#### Tenant type structure by number of units



Source: Colliers International, January 2017

#### Shopping centres in Kielce – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017



## Lublin

### General information

Population	340,700
GfK 2016 Purchasing Power (annually)	27,903 PLN per capita
GfK 2016 Purchasing Power Index	106.6
Stock	326,600 m <sup>2</sup> GLA
No. of shopping centres	13
Density ratio	959 m <sup>2</sup> /1,000
Space under construction	57,000
No. of shopping centres under construction	1
Vacancy ratio	5.7%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 27-29 m <sup>2</sup> /month

Thirteen shopping centres with a total area of 326,000 m<sup>2</sup> operate in Lublin. The city's retail space density is 956 m<sup>2</sup>/1,000 inhabitants and will increase to 1,126 m<sup>2</sup> after the completion of the IKEA retail park.

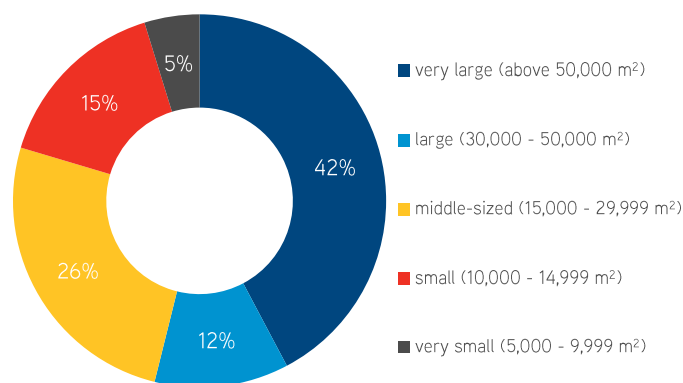
On average, there is one shopping centre per 26,200 inhabitants in Lublin and the purchasing power per square metre of shopping centre space is PLN 29,100 per annum. The level of customers shopping in Lublin's shopping centres is increased seasonally by visitors from beyond Poland's eastern border.

In Lublin, there are large regional centres as well as smaller schemes supporting selected districts or housing estates. The largest retail scheme in the city is Atrium Felicity (75,000 m<sup>2</sup>, over 100 stores) with the hypermarket Auchan, Leroy Merlin, Cinema City, Fabryka Formy fitness, Iskra dance studio, Sky Park, the Koziotek entertainment centre, Saturn, RTV Euro AGD, Inditex and LPP brands, H&M, C&A and Smyk.

The second largest shopping centre is Galeria Olimp (63,000 m<sup>2</sup>), systematically expanded from 2000 to 2013. Aldi, Media Expert, Leroy Merlin, Multikino, Sky Park, Masters Bowling&Bilard, the Koziotek entertainment centre, UDS dance studio, Komfort, Go Sport, Toys'R'Us,

Get Gym fitness, EMPiK, LPP and Inditex brands and KappAhl all operate in Galeria Olimp.

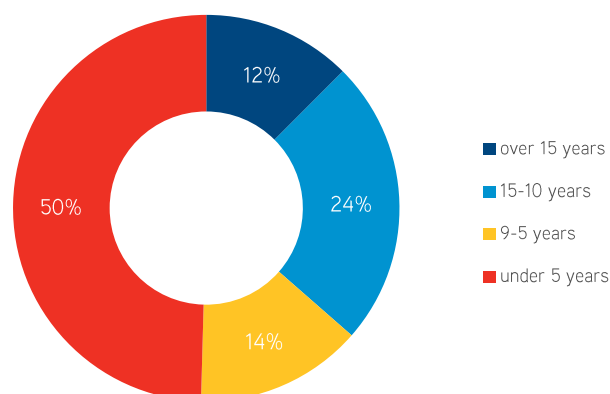
### Shopping centres by size



Source: Colliers International, January 2017

The Lublin retail market has systematically developed over the last twenty years, but the largest retail schemes have been completed in the last five years. Galeria Zana (formerly E.Leclerc), completed at the end of 1990's, was the first shopping centre in the city. Tarasy Zamkowe, delivered to the market in 2015, is the youngest scheme.

### Shopping centres by age



Source: Colliers International, January 2017

Currently, the IKEA retail park with a total area of 57,000m<sup>2</sup> is under construction and is set for opening in 2017/2018. Other projects are in the early stages of planning or have delayed construction due to procedural or financial issues.

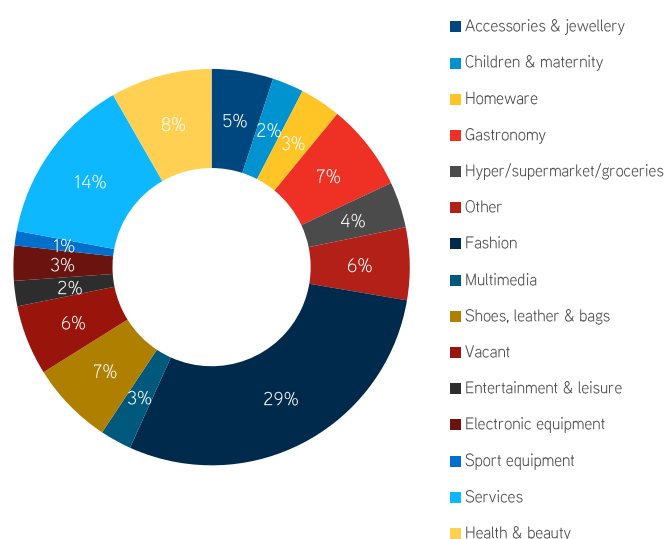
There are approximately 1,010 stores in shopping centres in Lublin: fashion (29%), services (14%) and health&beauty (8%) constitute the largest group of tenants.

Last year, Lublin's retail market underwent recommercialisation of existing shopping centres. Tenants extended current leases, expanded leased space and opened new stores. Royal Collection opened its store in Zamkowe Tarasy. New brands such as Monnari, Lee, Wrangler and Only appeared in Outlet Center Lublin. The commercialisation of the IKEA retail park began – lease agreements with RTV Euro AGD, Martes Sport and Rossmann have been announced.

The demand for retail space in shopping centres in Lublin remains at a medium level. However, the majority of tenants interested in this market has already found space in existing shopping centres. The average vacancy rate at the end of 2016 was at 5.7%, what is a significant growth compared to 2.1% in December 2015.

The highest level of available space is in Tatarz RP and Tarasy Zamkowe.

#### Tenant type structure by number of units



Source: Colliers International, January 2017

Rents in Lublin meet the average level and are under slight downward pressure due to competition growth and expectations in terms of lease conditions. The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR27- 29 per m<sup>2</sup>/month.

#### Shopping centres in Lublin – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017

## Olsztyn

### General information

Population	173,500
GfK 2016 Purchasing Power (annually)	29,612 PLN per capita
GfK 2016 Purchasing Power Index	113.1
Stock	121,000 m <sup>2</sup> GLA
No. of shopping centres	5
Density ratio	698 m <sup>2</sup> /1,000
Space under construction	-
No. of shopping centres under construction	-
Vacancy ratio	2.6%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 25-27 m <sup>2</sup> /month

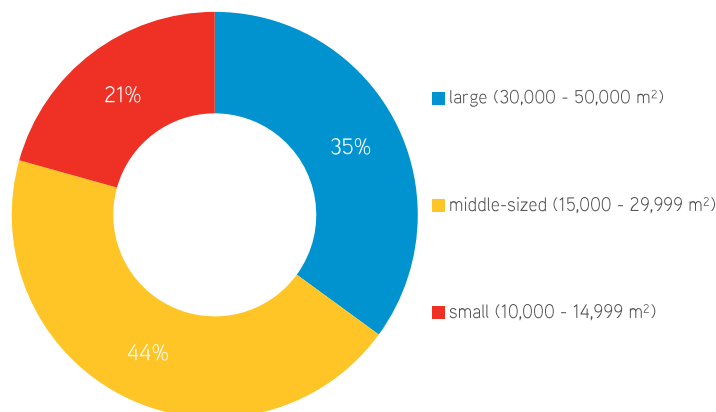
The Olsztyn market offers 121,000 m<sup>2</sup> GLA in shopping centres, its retail space density being 698 m<sup>2</sup>/1,000 inhabitants. There are five shopping centres operating in the city, located in the central and eastern parts of the city. Olsztyn inhabitants may also do their shopping in smaller retail schemes in the city centre (Dekada, DT Dukat) as well as in housing estates (Viktor SC).

On average, there is one shopping centre per 34,700 inhabitants in Olsztyn while the purchasing power per one square meter of shopping centre space amounts to PLN42,500 per annum. Seasonal increases in consumer numbers by visitors from beyond Poland's eastern border is a distinctive feature.

Galeria Warmińska is the largest retail scheme in the city with 42,000 m<sup>2</sup> GLA and over 170 stores. Its tenants include Piotr i Paweł supermarket, RTV Euro AGD, Multikino, Warmiolandia play area, Kinetic fitness club, Inditex and LPP brands, H&M, TK Maxx, Smyk, Carry and Martes Sport.

Aura, located in the city centre with 24,000 m<sup>2</sup> GLA, possesses 100 tenants such as the Helios cinema, a library, RTV Euro AGD, LPP brands, H&M, New Yorker, KappAhl and Smyk.

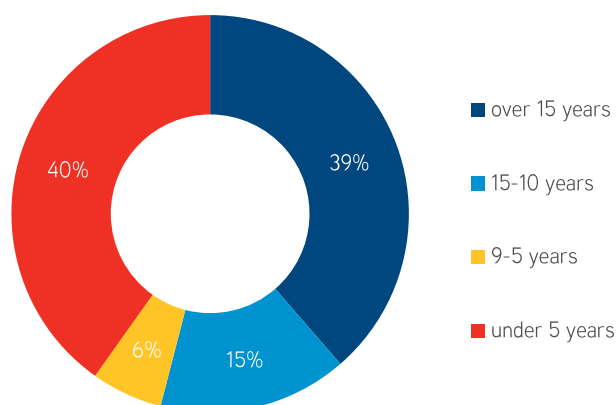
### Shopping centres by size



Source: Colliers International, January 2017

Hypermarket chains started the development of shopping centres in Olsztyn by building schemes for their own use. Tesco and Auchan (formerly Real), completed in 1999, are the oldest schemes, while Galeria Warmińska, delivered to the market in 2014, is the newest one.

### Shopping centres by age



Source: Colliers International, January 2017



There are currently no retail schemes either under construction or at an advanced stage of planning. In the next three years no new openings should be expected. However, smaller retail schemes or standalone supermarkets may be completed.

There are approximately 390 stores in shopping centres in Olsztyn: fashion (31%) and services (16%) constitute the largest group of tenants.

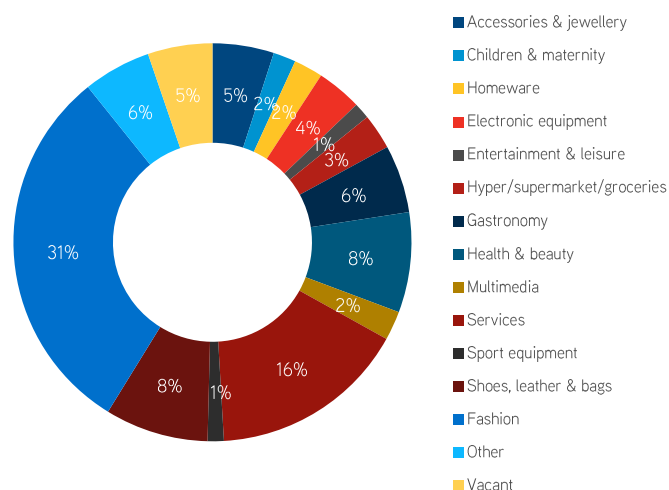
Recommercialisations of older schemes such as Auchan, Carrefour and Aura - which is currently undergoing major changes - is the tendency in Olsztyn.

The redevelopment of the "Strefa Smaku" food court has been completed and now includes Olimp, Asia Hung, Na Zdrowie! Fresh, Sowa and Grycan. A change of food operator (Carrefour) is expected.

Aura is attracting new tenants (English Home, Wittchen, Happy Mum) and the existing tenants are upgrading their premises and taking up new space (Reserved and 4F).

The shopping centre take-up remains healthy in Olsztyn with the city's vacancy rate averaging 2.6% at year-end 2016 (1.5% in December 2015). The largest volume of vacant retail space is in Aura shopping centre.

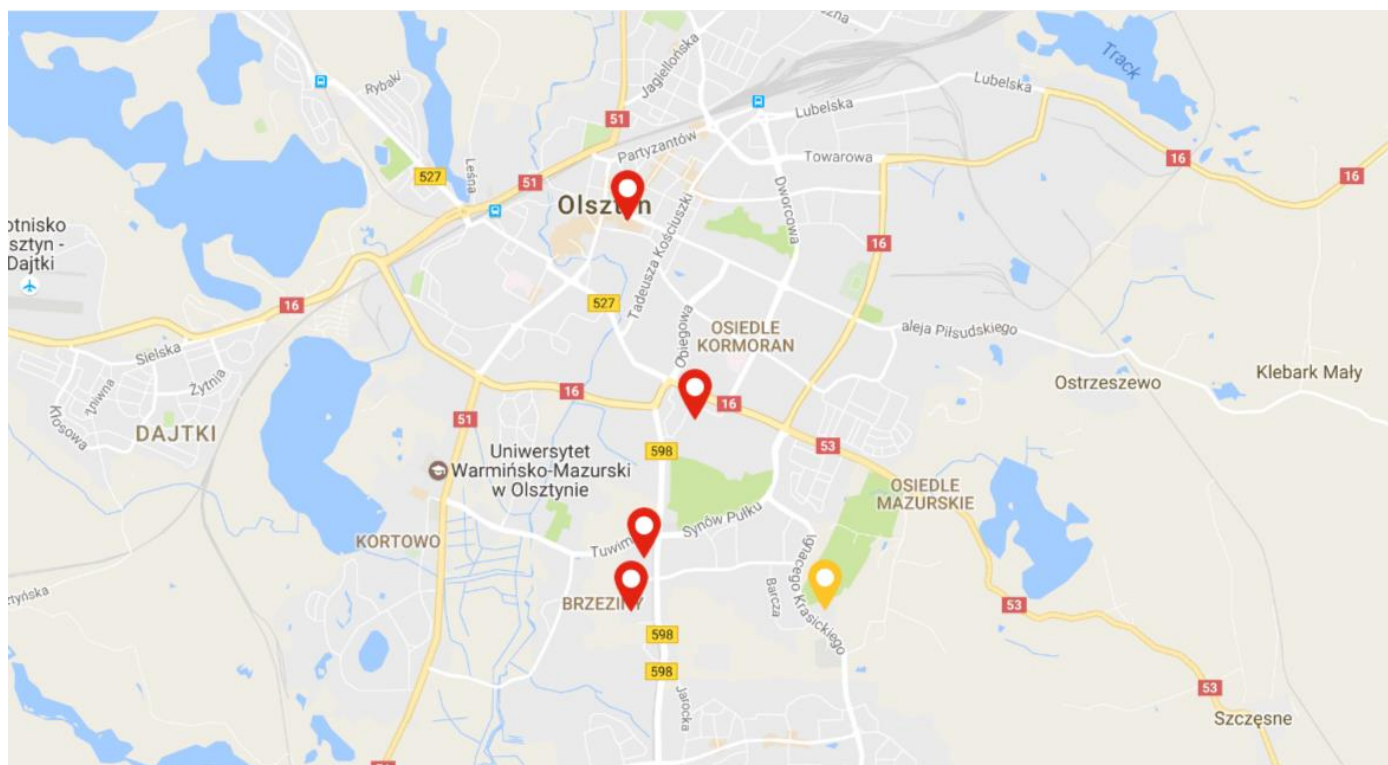
Tenant type structure by number of units



Source: Colliers International, January 2017

Shopping centre rental rates in Olsztyn remain at an average level, being under slight downward pressure owing to growing market competition and increased tenant expectations regarding lease conditions associated with a tenant-led market. Prime rents for a 100-150 m<sup>2</sup> fashion store stand at around EUR 25-27 per m<sup>2</sup>/month.

## Shopping centres in Olsztyn – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017

## Radom

### General information

Population	216,200
GfK 2016 Purchasing Power (annually)	26,179 PLN per capita
GfK 2016 Purchasing Power Index	100
Stock	125,000 m <sup>2</sup> GLA
No. of shopping centres	5
Density ratio	577 m <sup>2</sup> /1,000
Space under construction	-
No. of shopping centres under construction	-
Vacancy ratio	7.2%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 25-27 m <sup>2</sup> /month

Shopping centre supply in Radom totals about 125,000 m<sup>2</sup> and is shared among five existing schemes. The city's retail space density is 577 m<sup>2</sup>/1,000 inhabitants.

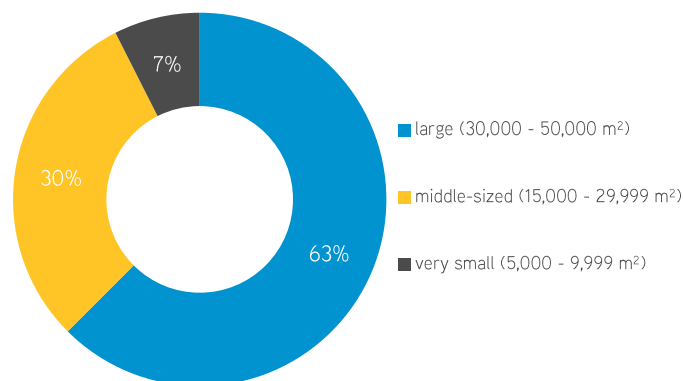
In Radom, on average, there is one shopping centre per 43,200 inhabitants with annual purchasing power totalling PLN 45,300 per m<sup>2</sup> of shopping centre space. The close proximity to the much larger and more diverse Warsaw market - which attracts customers from all over the region - is a feature of Radom's market.

Galeria Stoneczna (42,000 m<sup>2</sup> GLA, over 170 units) is the largest retail scheme in Radom with such tenants as: supermarket Carrefour Market, Multikino, RTV Euro AGD, TK Maxx, Inditex and LPP brands, H&M and Intersport.

The second scheme in terms of size is M1 (36,000 m<sup>2</sup>) with hypermarket Auchan, Media Markt, Reserved, Deichmann and CCC.

E. Leclerc is the smallest shopping centre in Radom where, apart from supermarket and furniture store, over 30 stores operate providing for many consumers from this part of the city.

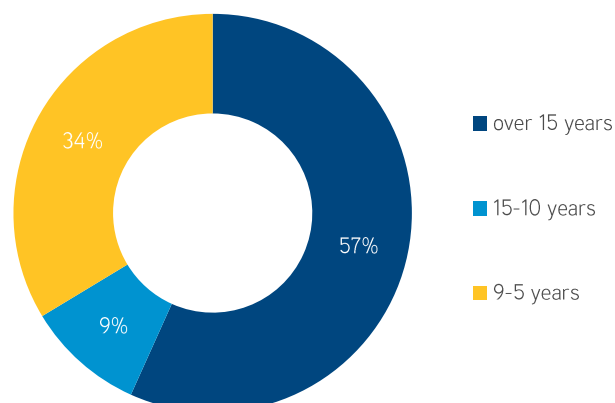
### Shopping centres by size



Source: Colliers International, January 2017

The first shopping centres in Radom were delivered to the market in the late 1990's (M1, E.Leclerc) due to the expansion of hypermarket chains and large non-food stores in the Polish market. However, a full-size shopping centre (Galeria Stoneczna) was delivered to the market in 2011 and it remains the newest shopping centre in the city. This means that no new shopping centres have been completed in Radom over the last five years.

### Shopping centres by age



Source: Colliers International, January 2017

Radom lacks in large retail investments under construction or at an advanced stage of planning which means that no new openings should be expected in the next three years. However, smaller retail schemes such as standalone stores will be delivered to the market.

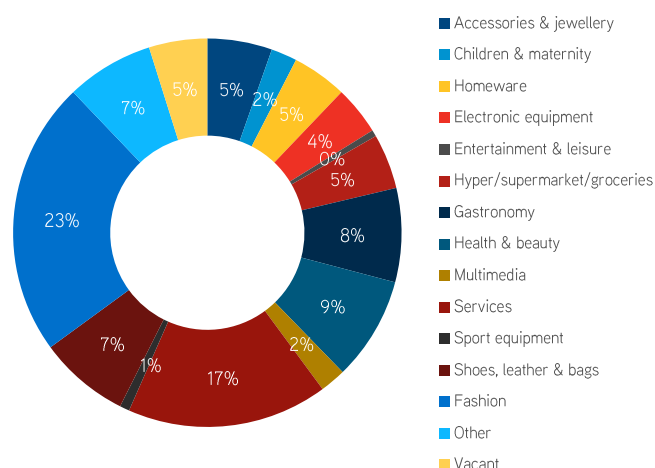
There are approximately 370 stores in shopping centres in Radom. Fashion (23%), services (17%) and health&beauty (9%) constitute the largest group of tenants.

Last year Radom's retail market underwent recommercialisation of existing shopping centres. Tenants extended current leases, expanded leased space and opened new stores. The retail market's highlight was the opening of a new supermarket – Carrefour Market in Galeria Słoneczna, where Duka, Kubenz and Wittchen also opened their stores while Reserved leased the space vacated by C&A. By contrast, in the Echo shopping centre, Auchan set up its store (formerly Real). A new DIY store was opened in Radom – Castorama.

The demand for retail space in shopping centres in Radom remains healthy, however the majority of tenants interested in this market has already found space in existing shopping centres. The average vacancy rate at the end of 2016 was 7.2% (9.3% in 2015).

The highest level of available space is situated in Galeria Słoneczna and Echo shopping centre.

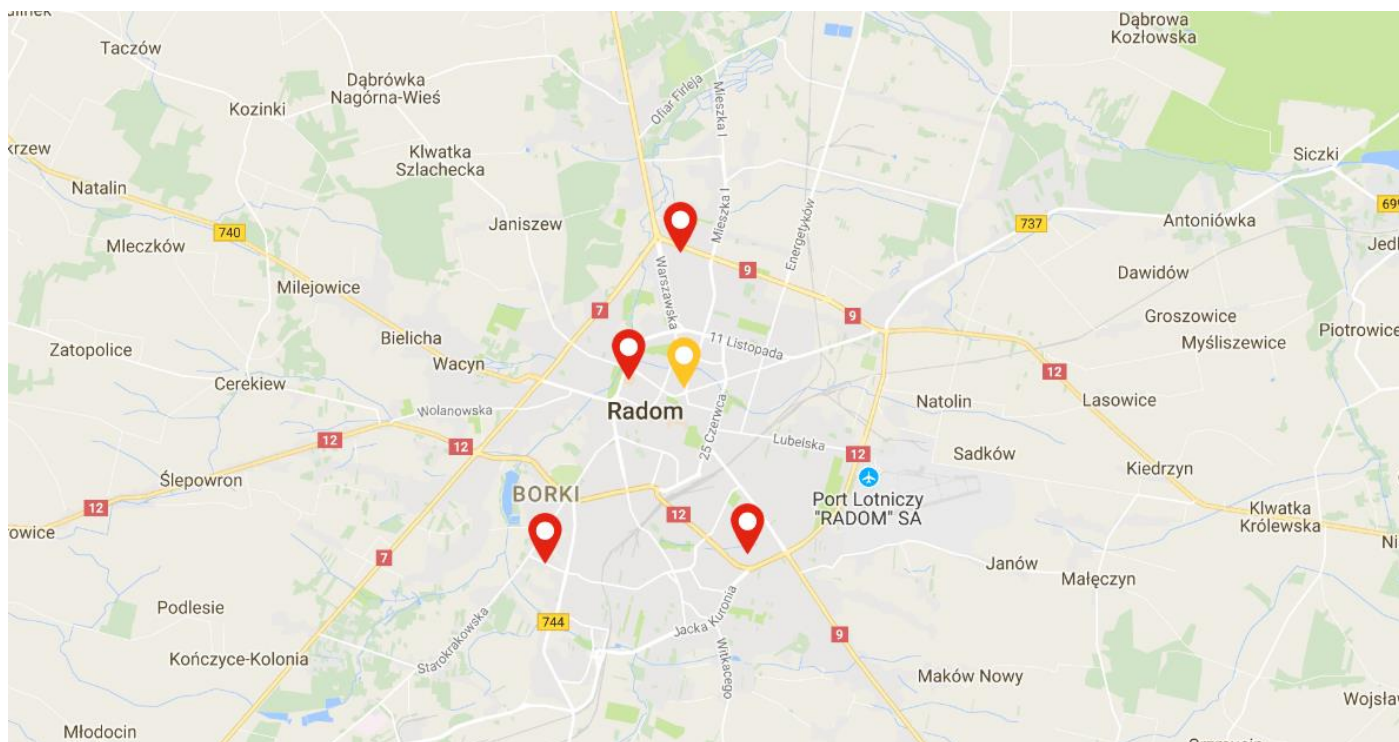
#### Tenant type structure by number of units



Source: Colliers International, January 2017

Rental rates in Radom are at an average level and are under slight downward pressure due to competition growth and expectations in terms of lease conditions. The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR 25-27 per m<sup>2</sup>/month.

#### Shopping centres in Radom – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017



## Rzeszów

### General information

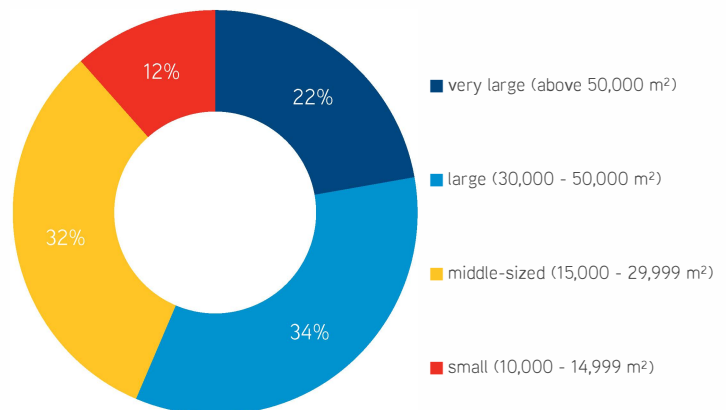
Population	186,000
GfK 2016 Purchasing Power (annually)	26,275 PLN per capita
GfK 2016 Purchasing Power Index	100.4
Stock	234,000 m <sup>2</sup> GLA
No. of shopping centres	9
Density ratio	1,260 m <sup>2</sup> /1,000
Space under construction	-
No. of centres under construction	-
Vacancy ratio	2.1%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 27-29 m <sup>2</sup> /month

Rzeszów is a city with one of the highest density ratios in Poland: 1,260 m<sup>2</sup>/1,000 inhabitants. Nine shopping centres, totalling 234,000 m<sup>2</sup> GLA, operate in the city. A few older retail schemes - offering non-chain stores, service and restaurants (for example Europa II, Rotunda) - are also present in the market.

In Rzeszów, on average, there is one shopping centre per 20,700 inhabitants and the per annum purchasing power amounts to PLN 20,900 per square metre of shopping centre space. Rzeszów is also characterised by seasonal influxes of consumers from beyond Poland's eastern border.

From the remaining centres, the largest offers the supermarket Piotr i Paweł, Multikino, Jatomi fitness, Inditex and LPP stores, H&M, C&A, TK Maxx, Toys'R'Us and Sports Direct while the other one offers supermarket Piotr i Paweł, Helios cinema, For Life fitness, Inditex and LPP brands, C&A, H&M, Smyk, Royal Collection, Cubus, New Yorker and many other well-known international and Polish fashion stores.

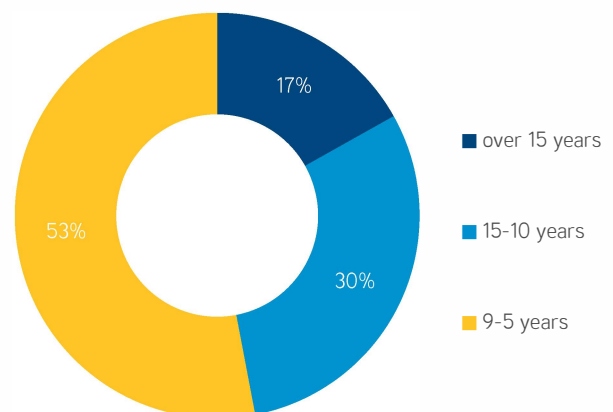
### Shopping centres by size



Source: Colliers International, January 2017

Shopping centres in Rzeszów are relatively young. Galeria Graffica, Tesco and Galeria Lazur (2001) are the oldest schemes in the city while Galeria Rzeszów, completed in 2012, is the youngest.

### Shopping centres by age



Source: Colliers International, January 2017

There are currently no retail schemes under construction. Plaza Rzeszów - where Decathlon is set to open its first store in the region totalling 2,500 m<sup>2</sup> - is being rebuilt.

Other retail projects remain at the stage of planning and are not expected to be completed in the coming years.

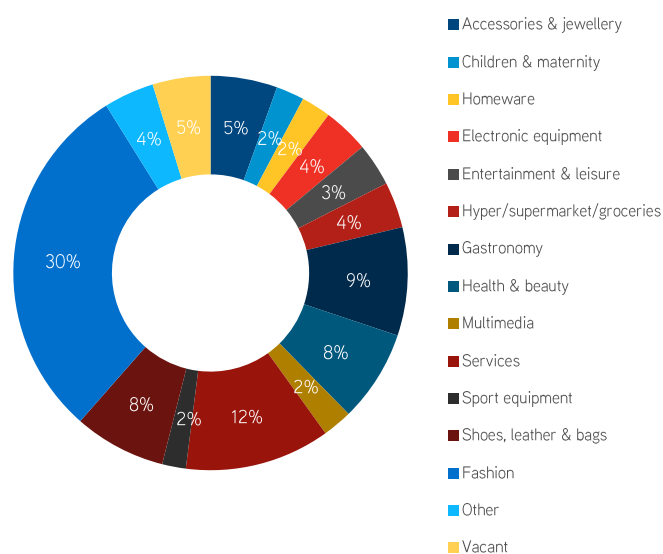
Last year, among transactions announced, there was a prevalence of lease agreements extensions, relocations and expansions. In Plaza Rzeszów, Decathlon expanded its space to 2,500 m<sup>2</sup> and RTV euro AGD to 1,000 m<sup>2</sup>. New fashion brands - Ozzano, Vito Gianni and Le Vie - opened in Millenium Hall.

Despite intense competition, demand in Rzeszów remains at a high level and the average vacancy rate at the end of 2016 was 2.1% (1.9% in 2015). The most of available space is situated in Galeria Nowy Świat.

Rents in Rzeszów are at an average level and are under slight downward pressure due to competition growth and expectations in terms of lease conditions. The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR27- 29 per m<sup>2</sup>/month.

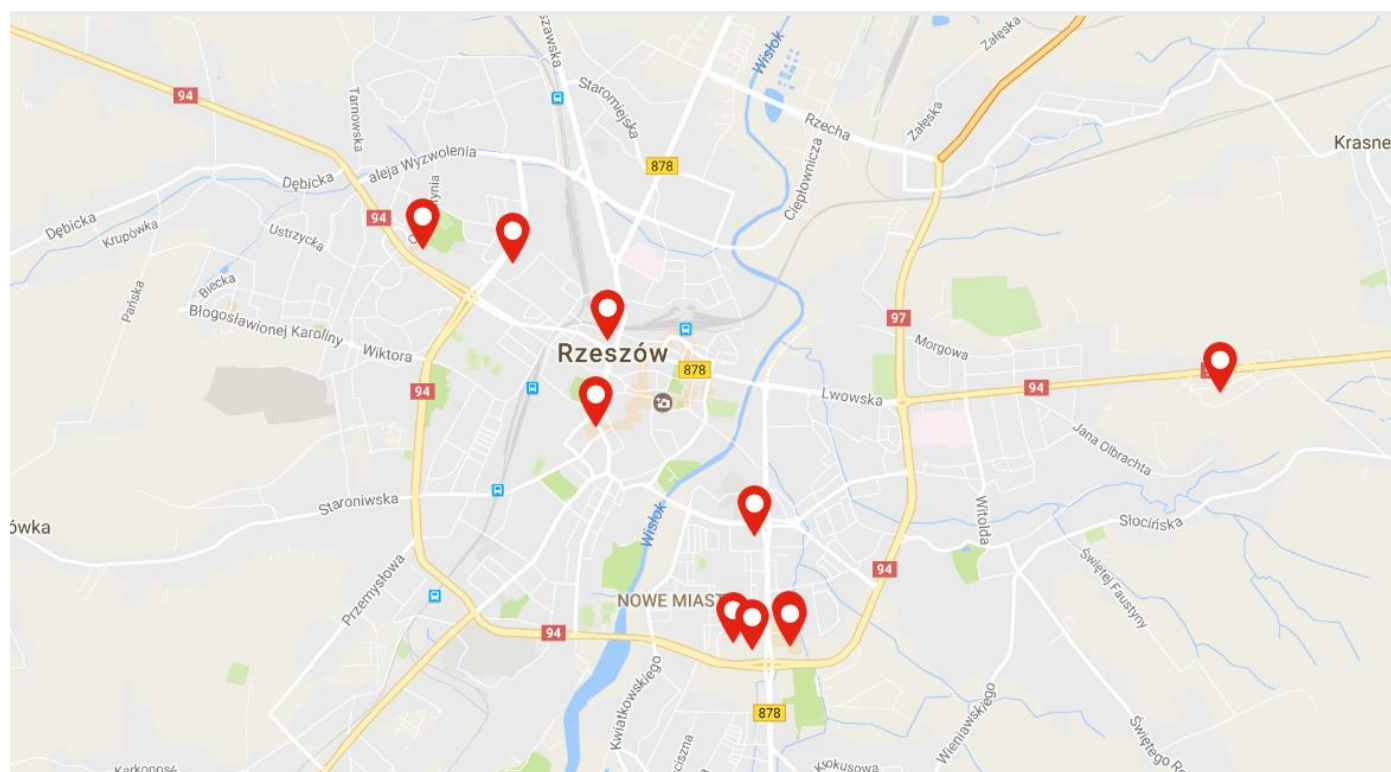
There are approximately 810 stores in shopping centres in Rzeszów: fashion (30%), services (12%) and catering (9%) constitute the largest group of tenants.

#### Tenant type structure by number of units



Source: Colliers International, January 2017

#### Shopping centres in Rzeszów – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017

## Toruń

### General information

Population	202,700
GfK 2016 Purchasing Power (annual)	28,119 PLN per capita
GfK 2016 Purchasing Power Index	107.4
Stock	138,000 m <sup>2</sup> GLA
No. of shopping centres	4
Density ratio	680 m <sup>2</sup> /1,000
Space under construction	-
No. of shopping centres under construction	-
Vacancy ratio	3.3%
Prime rents (unit 100-150 m <sup>2</sup> , fashion)	EUR 27-29 m <sup>2</sup> /month

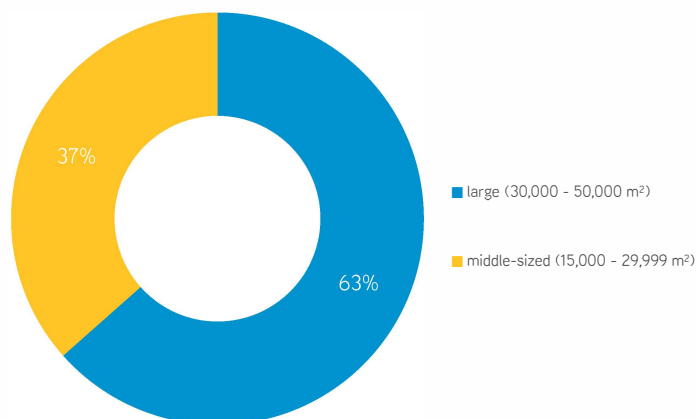
Total retail space supply in Toruń is approximately 138,000 m<sup>2</sup>, including four existing schemes. The city's retail space density is 680 m<sup>2</sup>/1,000 inhabitants.

In Toruń, on average, there is one shopping centre per 50,600 inhabitants and the purchasing power per square metre of shopping centre space totals PLN 41,300 per annum. The city's is also characterised by its close proximity to the larger and more diverse market in Bydgoszcz, which attracts consumers from all over the region.

Atrium Copernicus (47,000 m<sup>2</sup>, over 100 units) is the largest retail scheme in the city with such tenants as Auchan hypermarket, Media Markt, Decathlon, H&M, LPP brands, Carry, KappAhl, Cubus and Smyk.

The second shopping centre in terms of size is Toruń Plaza (40,000 m<sup>2</sup>, over 150 units) with tenants including Stokrotka supermarket, Cinema City, Lucky Star bowling, Jatomi fitness, Media Expert, Toys'R'Us, TK Maxx, C&A, Inditex brands, H&M, Carry, New Yorker, SportsDirect and Martes Sport.

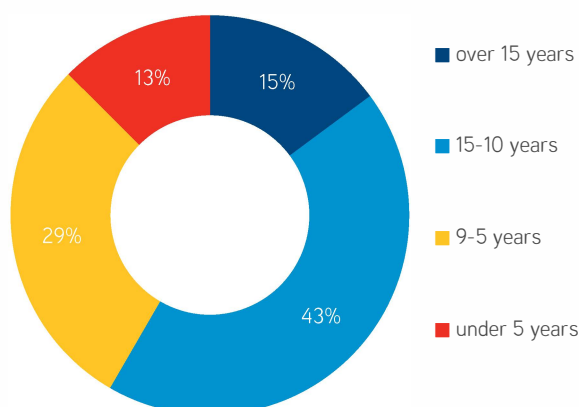
### Shopping centres by size



Source: Colliers International, January 2017

Since 1990 the Toruń's retail market has been systematically developing. The first shopping centre in Toruń was delivered in 1999 (Kometa SC). The newest retail investment in Toruń was the redevelopment and modernisation of Atrium Copernicus in 2015.

### Shopping centres by age



Source: Colliers International, January 2017



Currently, there are no retail schemes either under construction or at an advanced stage of planning. In the next few years about 3,000 m<sup>2</sup> of modern retail space will be delivered within extension of retail park in Pasaż Zieleniec.

There are approximately 380 stores in shopping centres in Toruń: fashion (28%) and services (12%) constitute the largest group of tenants.

Toruń's retail market underwent recommercialisation of existing shopping centres last year. Tenants extended current leases, expanded leased space and opened new stores. After the expansion of Atrium Copernicus, completed in 2015, the Kinderplaneta play area (700 m<sup>2</sup>), among others joined the list of tenants.

The demand for retail space in shopping centres in Toruń remains healthy, however the majority of tenants have already found space in existing shopping centres. The average vacancy rate at the end of 2016 was 3.3% (3.1% in 2015). The highest level of available space is situated in Toruń Plaza.

Rental rates in Toruń are at an average level and are under slight downward pressure due to competition growth and tenants expectations in terms of lease conditions.

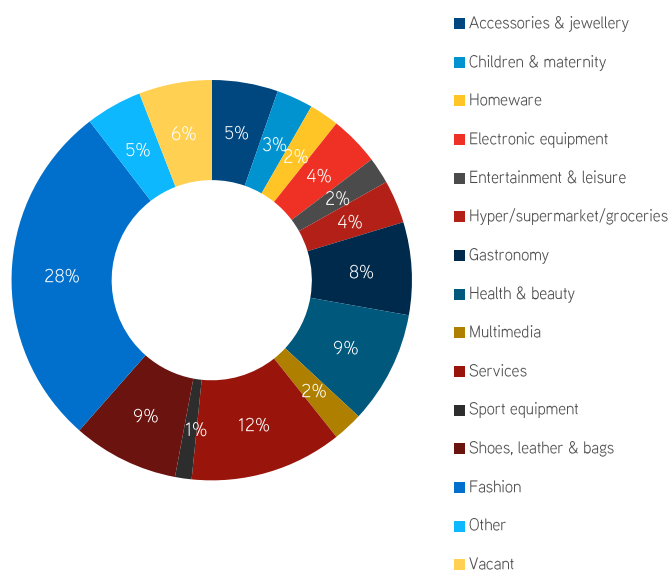
### Shopping centres in Toruń – Q1 2017



Source: Colliers International, [www.retailmap.pl](http://www.retailmap.pl), Google, January 2017

The highest rent for 100-150 m<sup>2</sup> GLA fashion premises is around EUR 27-29 per m<sup>2</sup>/month.

### Tenant type structure by number of units



Source: Colliers International, January 2017

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## 2,3 billion €

revenue in 2016

## 170 million m<sup>2</sup>

space under management

## 15,000

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