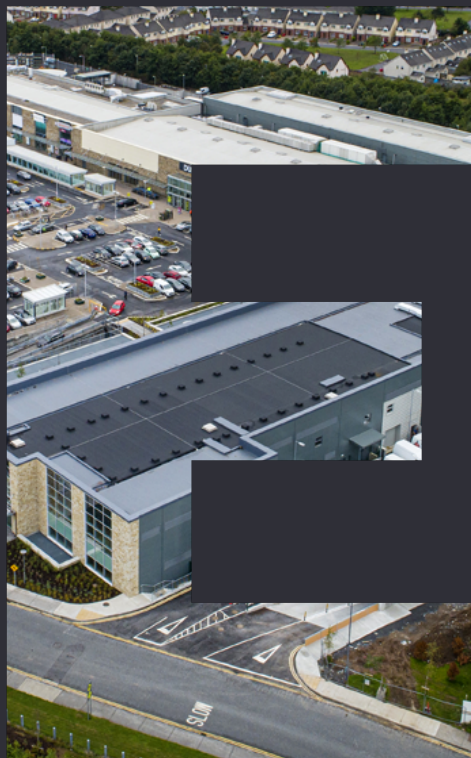


May 2025
Edition no. 41



Bannon **Retail Pulse**



Don't believe all the negativity

As we've highlighted in previous updates, negativity tends to attract more attention—whether in print or online—than positive developments. This is especially evident in the narrative surrounding the retail market. Store closures often receive prominent media coverage, while store openings or large new requirements rarely make the news.

While it's important to acknowledge the impact of store closures—particularly the loss of jobs—in many cases, these closures pave the way for new brands to enter the market. These new entrants often bring greater longevity and can offer more attractive employment opportunities.

In fact, recent closures have led to an improved tenant mix and the introduction of stronger brands across high streets, retail parks, and shopping centres. These new stores require fit-outs, restocking, marketing, and more—creating a ripple effect that boosts employment in supporting industries.

To offer a more balanced perspective, we've tried to create a visual representation of who opened stores after the closures. We believe this provides a clearer and more constructive counterpoint to the prevailing negative narrative.

Debenhams

ZARA SPORTS DIRECT FLANNELS home store + more
PENNEYS FRASERS

New Look*

Elverys SHAW'S DEPARTMENT STORES MOUNTAIN WAREHOUSE
IKEA Boots SPORTS DIRECT Waterstones

*Current Requirements

Arcadia Group

Bershka ZARA Calvin Klein
MOUNTAIN WAREHOUSE HOBBS LONDON Phase Eight

Homebase

The Range Home, Leisure & Garden B&Q Woodie's

The Body Shop

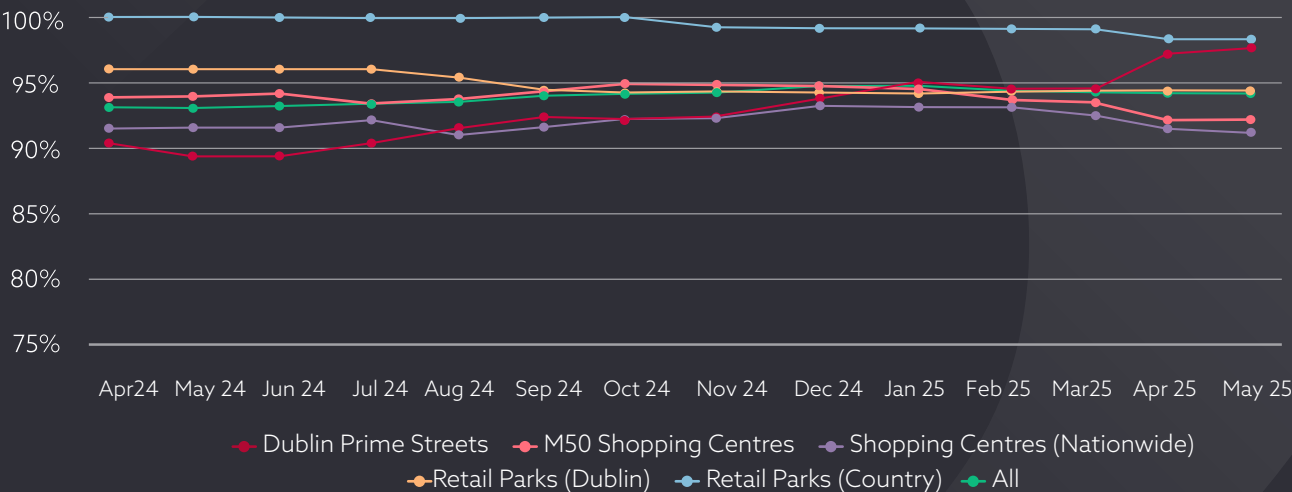
KIKO MILANO Lovisa FAST-FIX JEWELRY AND WATCH REPAIRS

Quiz

JD Calvin Klein L.F.C.

Bannon Retail Occupancy Tracker

Tracked Representative Sample



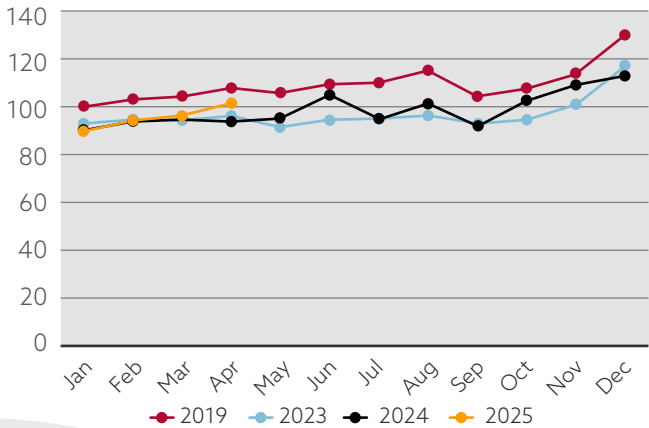
Bannon Trading Analysis

As at 30th April 2025



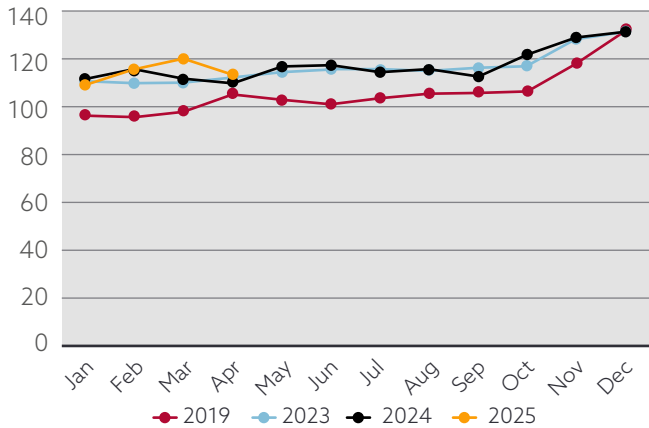
Shopping Centre Footfall

(Indexed: Based = Jan '19)



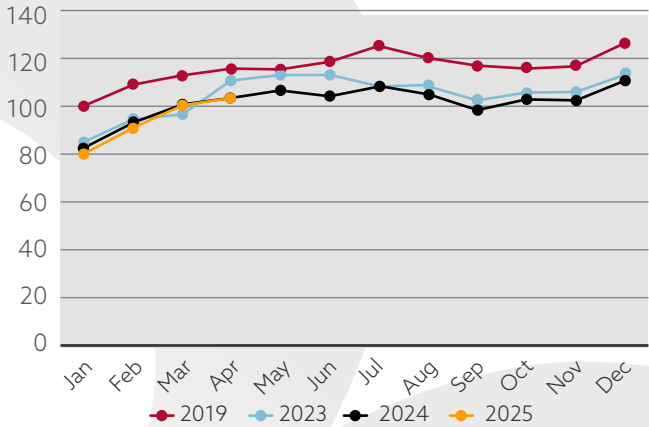
Retail Park Footfall

(Indexed: Based = Jan '19)



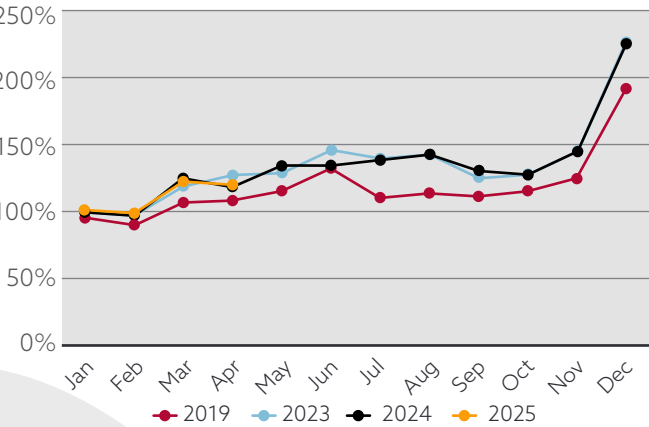
High Street Footfall

(Indexed: Based = Jan '19)



Ratio - Sales : Footfall

(Indexed: Based = Jan '19)



Footfall across our shopping centre portfolio in April 2025 was 6.25% ahead of April 2024. Sales followed a similar trend, up 6.65% on April 2025. Easter falling in April this year (versus March in 2024) likely influenced these figures.



High street footfall in April 2025 was flat on the same period in 2024 and 11.30% behind pre-COVID levels (April 2019).



Footfall across our retail park portfolio in April 2025 was 4.55% higher than in April 2024.

Data is preliminary in nature and subject to revision.

Expert Insight

By Neil Bannon



Who owns Irish Retail Real Estate?

The ownership of Irish Retail Real Estate has changed fundamentally over the last 20 years, and it's changing again. This change points to what will happen next in Irish Retail, the skills required and the opportunities that will emerge.

Pre Celtic Tiger the sector was largely owned by institutions. Irish Life and IPUT were the biggest players alongside other pension funds from Ireland and the UK. Not only did they own them but they were proud of the fact, ever wonder where the Royal Liver Retail Park got its name?

The retail development boom kicked off in the mid-1990's. Although some developments were pre-sold, such as Mahon Point (Deka) and Liffey Valley (Grosvenor) to institutions or tax syndicates (The Square & Golden Island Shopping Centres), the availability of debt from enthusiastic banks meant many developers kept the assets post-opening. This developer ownership meant that when the crash came in 2008, Nama inherited these schemes with the developers' loan books.

NAMA sold these off, largely to private equity (PE) funds, between 2015-2020. Varde, Davidson Kempner, Oaktree & Avenue Capital were included in the largely US funds that hoovered up the sector. At one point, over 50 shopping centres and retail parks in Ireland were in the ownership of Private Equity & Hedge funds.

These positions have been sold down over the last 5/6 years, with the original exit strategies in many cases interrupted by COVID. Some funds made money, some lost. The key differentiating factor is how proactive they were in asset management during their ownership. The dominant parties acquiring from the PE were family offices and high-net-worth individuals. High yields that could support a reasonable level of debt meant they were getting very attractive double-digit returns on

equity in the pre-Ukraine war era of very low interest rates.

But it's a changing again with a little bit of Déjà Vu. The institutions are back competing for retail parks. International funds from France, Germany, UK & the US have been active in the Irish market bidding and buying. Names like Corum, AM Alpha, British Land, Iroko, Inter Gestion, Realty & Sofidy are now owners and bidders on retail parks across Ireland. Retail parks are going full circle back to institutional ownership.

For shopping centres, PE is still leading the charge for big-ticket assets. We have seen The Square in Tallaght and Blanchardstown Town Centre snapped up by value-add capital in the last year, with similar capital checking out Jervis. The PE players are interesting because they feed off data, and they never buy unless they can see a clear route to exit. These two traits are connected.

They have looked at the Irish consumer, their wealth, relative youth and enthusiasm for shopping and concluded that an opportunity for growth in this asset class. Then have or have hired the skillset to gather, analyse and deploy the results of the data analysis. It is this analysis and the ability to demonstrate a robust & resilient income from the assets that will allow them to sell to the next group of buyers, institutions with or partnered with retail asset management expertise. It is natural for a market to move from developer to institutional ownership. Irish retail just took a recession-led detour through NAMA & Private Equity on the way. The rewards available for the PE owners will be directly related to their ability to gather data from the assets and occupiers and to use this it makes the institutions comfortable that the assets are a long-term sustainable source of income. I am delighted to say the day of the data nerd is upon us.

May 2025

Bannon Retail Pulse

Contact The Retail Team



Neil Bannon
Executive Chairman &
Head of Consultancy
nbannon@bannon.ie



Darren Peavoy
Director - Retail Agency
dpeavoy@bannon.ie



James Quinlan
Director - Retail Agency
jquinlan@bannon.ie



Jennifer Mulholland
Director - Retail Agency
jmulholland@bannon.ie



Ray Geraghty
Director - Property
Management
rgeraghty@bannon.ie



Hambleden House
19-26 Lower Pembroke Street
Dublin 2



+353 1 6477900



www.bannon.ie



[linkedin.com/company/bannon](https://www.linkedin.com/company/bannon)



twitter.com/bannon

PSRA: 001830

Disclaimer: This report is published for general information and is not to be relied upon. It is based on material that we believe to be reliable. Whilst every effort has been made to ensure its accuracy, we cannot offer any warranty or guarantee of same. Reproduction of any part of this publication is not permitted in any form without prior written consent from Bannon