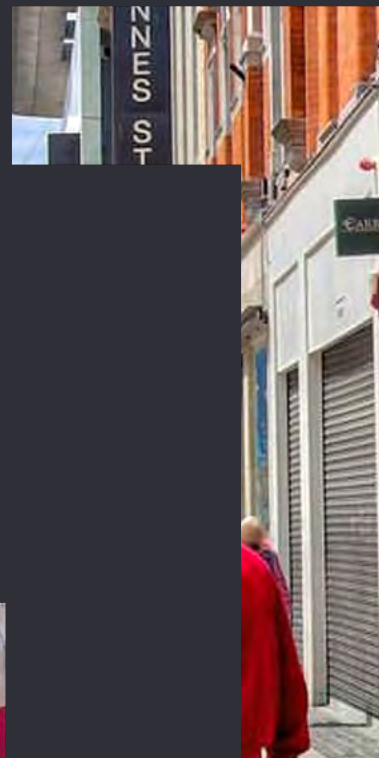


October 2023

Edition no. 22



Bannon Retail Pulse



Robust Leasing Activity

The continued strong performance and occupancy rates in retail schemes and on prime high streets around the country has meant a reduction in new take up due to the lack of suitable available space. Demand from both existing and new retailers remains strong and this has seen a number of notable new lettings in the sector.

Recent Openings / Signings



Have re-launched in Ireland with a new 6,000 sq. ft. store on Henry Street

DUNNES

Are opening a new 45,000 sq.ft. drapery and homewares store in Dundrum Town Centre



New store opened in Blanchardstown Centre

PENNEYS

Opened a new 82,000 sq.ft. store in Dundrum Town Centre

Bershka

Opened a new 10,000 sq. ft. store in Blanchardstown Centre

HOBBS LONDON

Opened a new store in Liffey Valley



Opened a new 2,750 sq. ft. store on Henry Street and a new store in Liffey Valley

SKECHERS

Are due to open in Dundrum Town Centre in November

MANGO

Have signed for a new store in Dundrum Town Centre which is due to open Q1 2024

SPORTS DIRECT

Opened a new 15,000 sq.ft. store in Athlone Town Centre

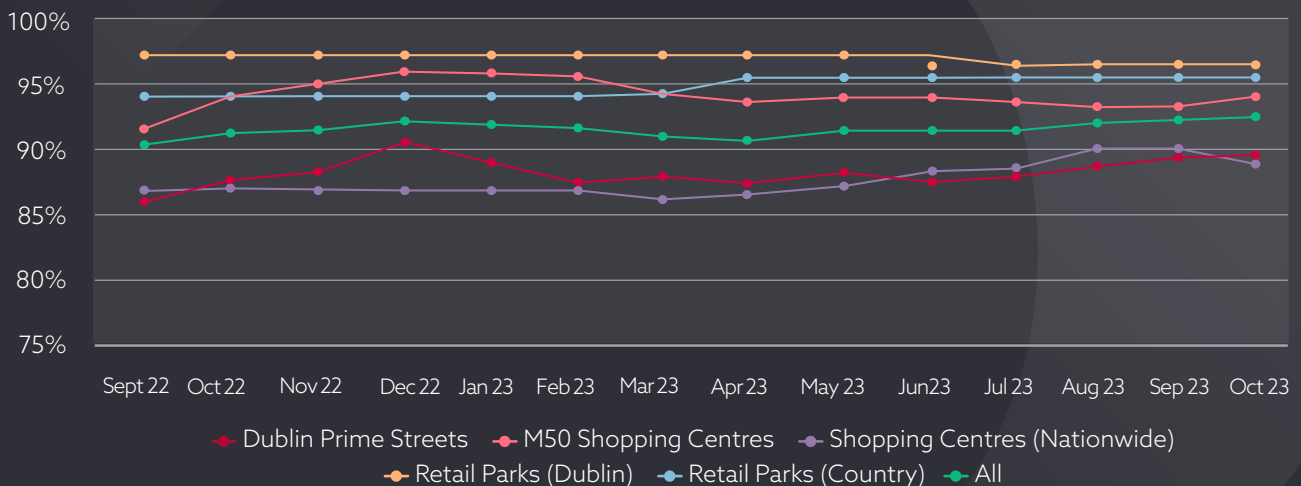


Signed for their first Irish store on Grafton Street, which will open pre-Christmas



Due to open their flagship Henry Street store early November

Bannon Retail Occupancy Tracker



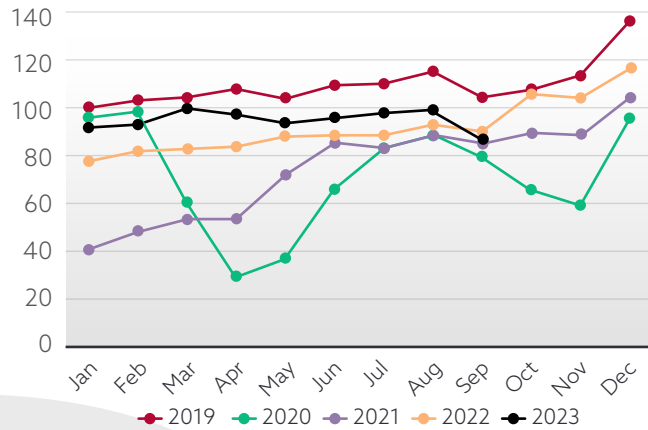
Bannon Trading Analysis

As at 30th September 2023



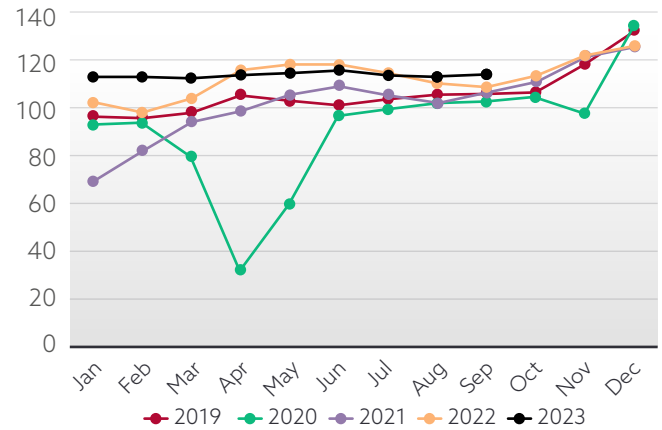
Shopping Centre Footfall

(Indexed: Based = Jan '19)



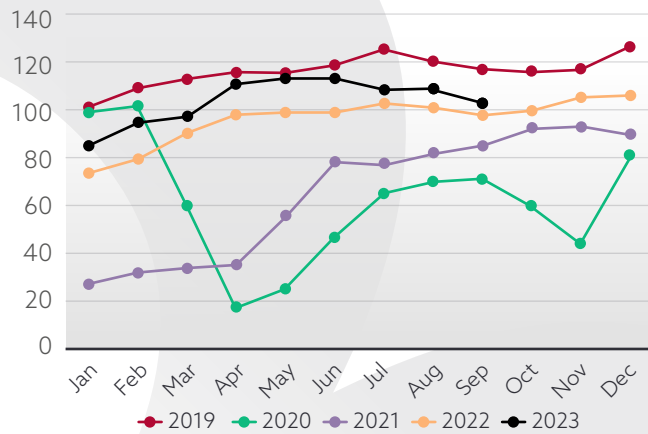
Retail Park Footfall

(Indexed: Based = Jan '19)



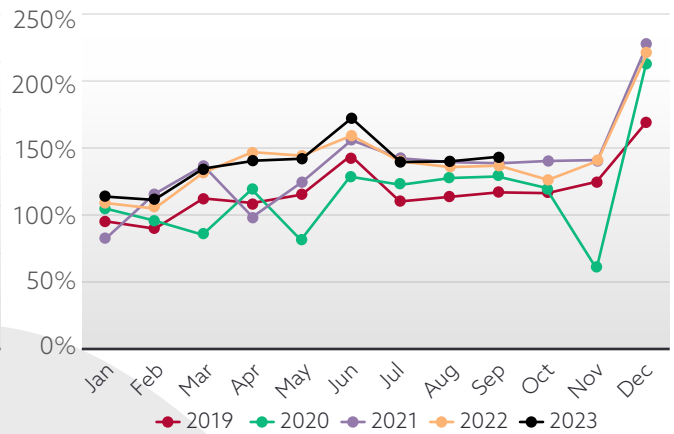
High Street Footfall

(Indexed: Based = Jan '19)



Ratio - Sales : Footfall

(Indexed: Based = Jan '19)



Footfall levels across our Shopping Centre Portfolio in September 2023 were 3.30% behind September 2022. Shopping centre sales on the other hand were 1.2% ahead of September 2022.



High street footfall in September 2023 was 6.12% ahead of September 2022 and 11.1% behind pre-COVID levels (September 2019).



Footfall levels across our retail park portfolio in September 2023 were 6.06% ahead of September 2022.

Expert Insight

By Neil Bannon



Follow the Footfall

In July 2020 the Irish Times published an article with the headline, 'Can Grafton Street stop the flood of closures?' stating that 'it was going to be a long road back for retailers and a tough time for landlords'. Bad news sells and the pandemic inspired prediction rhymed naturally with the regular published trope of the demise of bricks and mortar retailing, death of the High Street etc.

So what happened in the intervening 3 years. Despite three further lockdowns, BREXIT's implementation, war in Ukraine and the cost of living crisis, Grafton Street has a better line up of retailers than it did before the pandemic and Henry Street is in the throws of a serious upgrade.

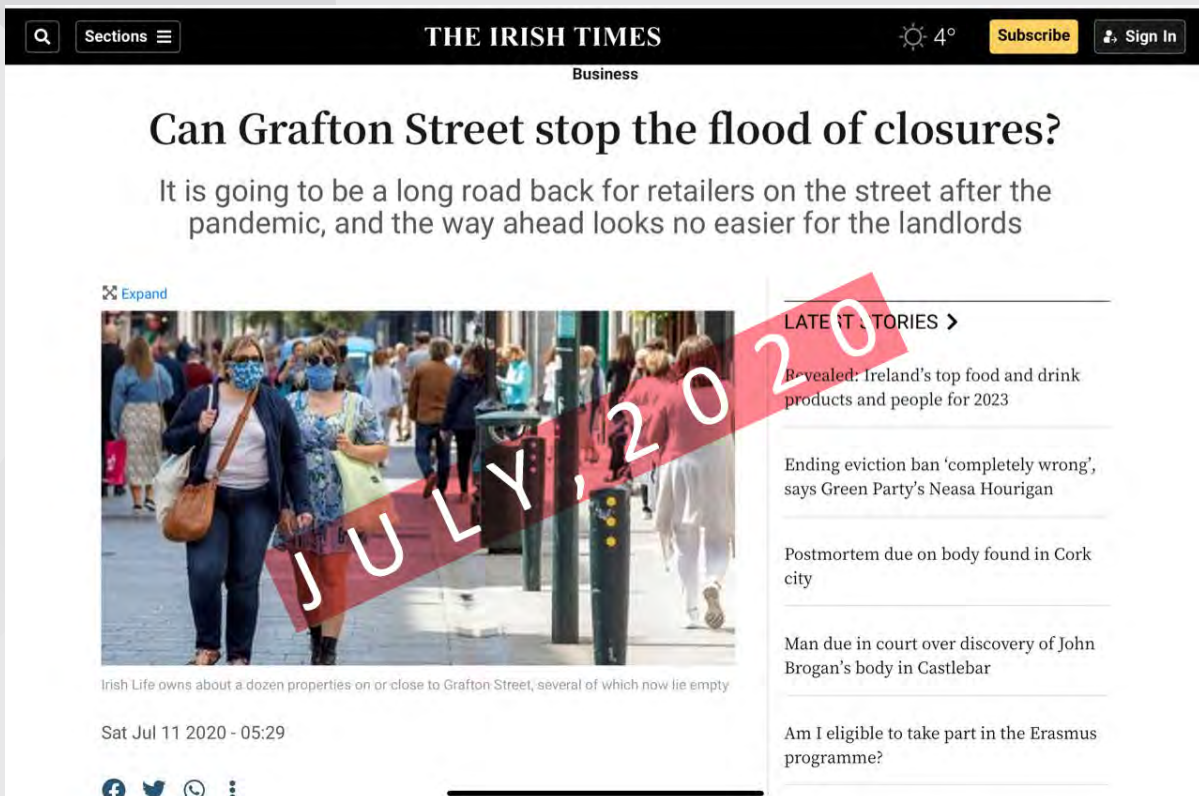
How does this make sense? A consistent theme of our Retail Pulse is to follow the data, not the narrative.

Retailers chase footfall and customers are attracted to retailers. Our Retail Pulse highlights that Grafton Street footfall was back to over 13.5m, 83% of 2019 levels whereas Henry Street is at 95% of pre-Covid levels and

this recovery is despite the impact of working from home in the city centre. Over 440,000 people walked up and down Henry and Grafton Street last week and most of them were only there to shop. That's a very compelling attraction to any retailer.

Henry Street is particularly interesting as these footfall levels are achieved despite the closure of Debenhams, the second largest store on the street. There are multiple shops currently being fitted out and competitive bidding for representation on the street. We expect it to get more difficult to source shops once the Sports Direct Group reopen the Debenhams store with their range of brands potentially complemented by a larger Zara store.

When the headlines contradict the data it usually represents a good time to either enter or exit the market. Henry Street capital values are currently about 1/3 of 2018 levels and 1/5 of 2007. It may be a good time to follow the 9.5m shoppers lead.



October 2023

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



twitter.com/bannon



www.bannon.ie



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

PSRA: 001830

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