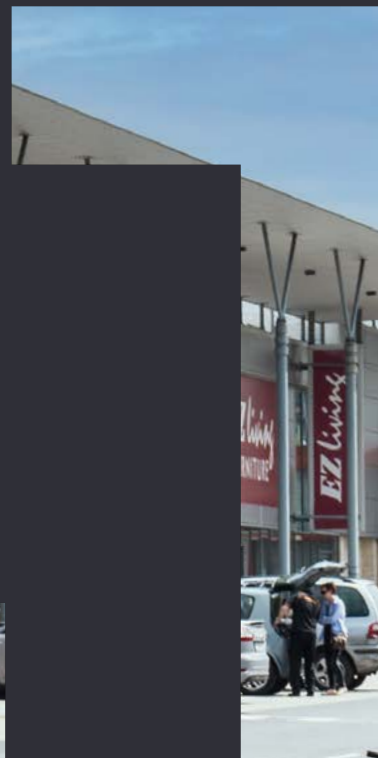


March 2022

Edition no. 3



Bannon Retail Pulse



March 2022 Retail Pulse



Transactional Analysis Retail Park focus - key deals in Q1 2022

Occupancy rates in retail parks were already high in Q1 2020 (just pre-Covid). The acceleration of transactions during and after the third lockdown has pushed occupancy rates to a very high percentage. New to market retailers and those who were slow to expand pre-Covid are now seeking increased representation in the better parks.

This supply and demand dynamic may encourage owners of retail parks to consider expanding their schemes to cater for this renewed demand. This could also see an increase in rents.



Letterkenny
Retail Park



Blanchardstown
Retail Park



Mahon Point
Retail Park



Sligo
Retail Park



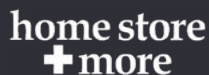
Liffey Valley
Retail Park



Gateway
Retail Park



Retail Requirements



Bannon Retail Occupancy Tracker

Scheme Type	Occupancy
Dublin City Centre Prime Streets	85%
M50 Shopping Centres	95%
Shopping Centres (Nationwide)	85%
Retail Parks (Dublin)	96%
Retail Parks (Country)	94%
All	90.8%

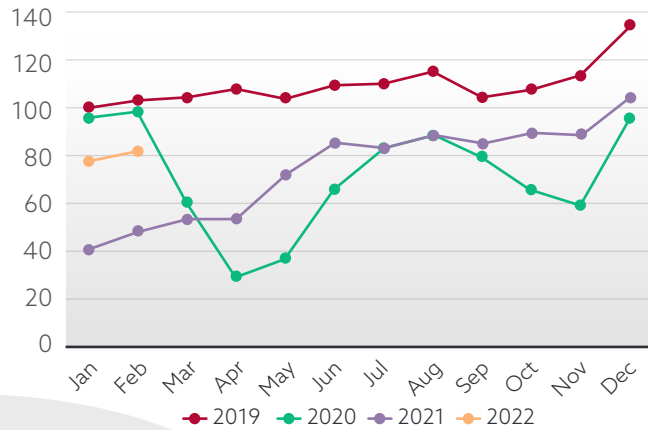
Bannon Trading Analysis

As at March 2022



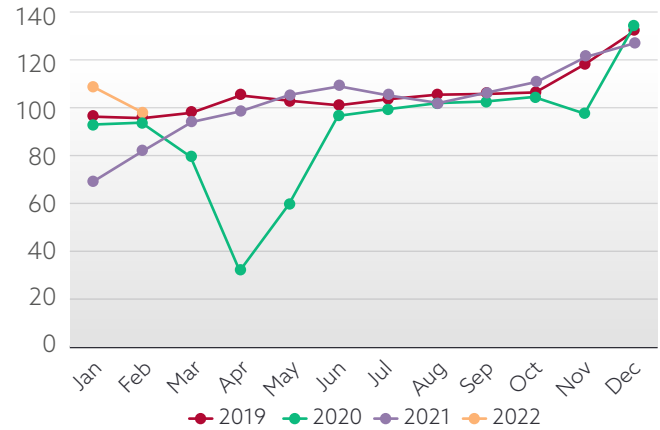
Shopping Centre Footfall

(Indexed: Based = Jan '19)



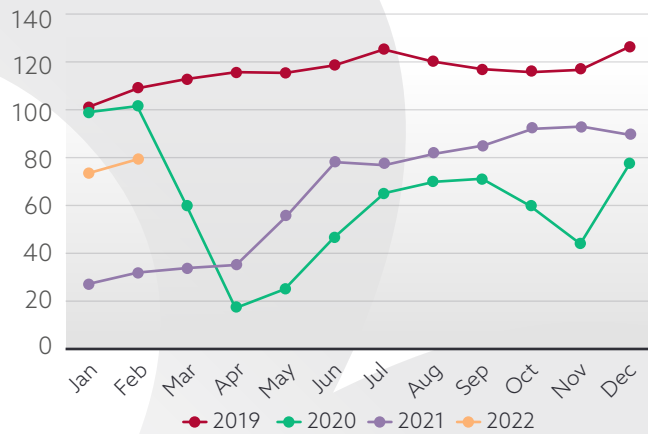
Retail Park Footfall

(Indexed: Based = Jan '19)



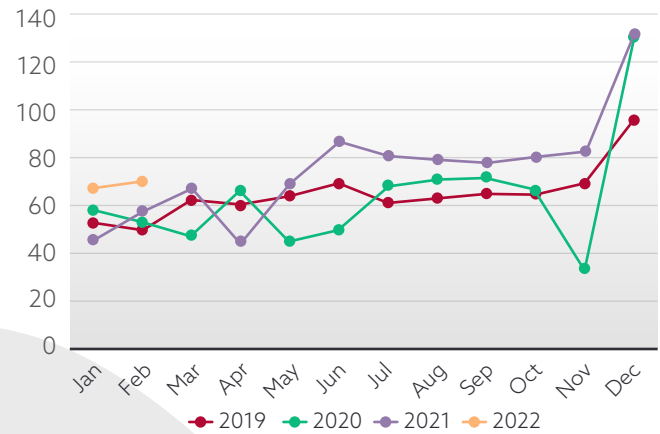
High Street Footfall

(Indexed: Based = Jan '19)



Ratio - Sales : Footfall

(Indexed: Based = Jan '19)



Similar to January, shopping centre footfall for February 2022 was almost double that of February 2021 and just 16% behind pre-pandemic levels (February 2020). The continued improvement in our footfall to sales conversion ratio (125% - February 2021) is very positive.



Footfall in our Retail Park portfolio remained strong in February. As is evident from the chart above, retail parks remain the consistent performer with footfall growth of 6% versus pre-pandemic levels (February 2020).



The improvement in footfall on the high street is positive to see and we expect this will continue as tourists, office workers and students return to the city centre over the coming months.

Expert Insight

By Neil Bannon



- 1 The Irish labour force expanded by a staggering 8.9% to 2.63 million in the year to Q4 2021, the highest level since records began. Of this 2.5 million people were in employment, a 10.1% year on year increase. To put this in context back in Q4 2011 the Irish labour force stood at 2.1 million with employment at 1.8 million. That's an increase of 40% or 700,000 people at work in Ireland since we last built a new shopping centre or retail park.
- 2 In addition to the increase in the number of people at work the average weekly earnings reached a record high of €864.51 (€45k p.a.) in Q4 2021, representing a 2.0% annual increase. When compared to pre-pandemic levels this is an increase of 9.9%.
- 3 The combination of record high employment levels, coupled with rising wages, the deleveraging of households and an increase in disposable income, creates a very positive backdrop for retail spend.

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