An interesting market wi

Brussels and Antwerp continue to dominate the shopping landscape in Belgium, a landscape characterised by a high level of high street activity, and a low level of shopping centres compared to neighbouring markets. We take a look at the evolution of the market and its attraction for foreign retailers with Patrick Tacq, an industry expert from CBRE, and Walter Goossens, who sets out some of the figures produced by Jones Lang LaSalle. Retail experts Cushman & Wakefield also point out some trends in terms of international retailers.

Most retailers appear to have continuing confidence in the Belgian retail scene, with predicted increases in turnover over the coming year widespread.

Transaction activity in high streets in Belgium, however, has been somewhat moderated in 2011 for the simple reason that there is very little prime space available, as Walter Goossens, head of retail at advisors Jones Lang LaSalle, points out. On top of this, the fee being asked for 'key money' in these prime locations when they do become available, is rising for the same reason. Despite this, the total number of transactions across all types of retail outlet increased by 21% in 2011 compared to 2010, although this is mainly due to retail warehousing. Taking into account this lack of prime high street availability, and the low level of new developments (with the exception of certain high profile cases) Jones Lang LaSalle expects to see continued pressure on the former, pressure which has not yet led to any significant increase in prime rents in 2011.

Where those transactions which did take place in 2012 are concerned, Cushman & Wakefield figures show that H&M and Hema top the list of most active retailers, both high profile foreign brands. And on the same theme, newcomers to Belgium this year, C&W point out, include Forever 21, Abercrombie & Fitch, Primark and Disney… The words of Patrick Tacq (CBRE) in this article, thus take on a high degree of significance.

Alongside the 'high street hit list', we include the figures for shopping centres. It can be seen that these closely reflect the position where high streets are concerned, with Belgium's two most important cities far outstripping the rest.

Tim HARRUP ■

Top ten prime high street rents

City	Street	2010 prime €/m²/year	2011 prime €/m²/year
Antwerp	Meir	1,700	1,800
Brussels	Rue Neuve	1,650	1,800
	Goulot Louise	1,700	1,700
Gent	Veldstraat	1,300	1,500
Bruges	Steenstraat	1,100	1,100
Liège	Vinâve d'Ile	1,100	1,100
Hasselt	Hoogstraat	1,100	1,100
Namur	Rue de l'Ange/Fer	950	950
Ostend	Kapellestraat	800	800
Louvain	Diestsestraat	700	800
Knokke	Lippenslaan/Kustlaan	700	700

Top ten prime shopping centre rents

City	Street	2011 prime €/m²/year
Brussels	Woluwe	1,600
Antwerp	Wijnegem	1,600
Brussels	City 2	1,400
St.-Niklaas	Waasland	950
Louvain-la-Neuve	L'esplanade	850
Brussels	Westland	850
Liège	Belle-Ile	800
Kortrijk	K in Kortrijk	750
Mons	Les Grands Prés	700
Charleroi	Ville 2	600

(With thanks to Jones Lang LaSalle for providing with the 2011 figures and ranking)

th little prime availability

Evolution of the shopping scene in Brussels

Interview with Patrick Tacq, head of the retail department at real estate advisors CBRE


Patrick Tacq, Head of Retail, CBRE

What are the big international retailers looking for in Belgium?
"They are looking for what they can't find in their home markets, which is continued expansion, continued growth and continued higher turnovers. What we have seen over the past two years is a growing number of Anglo-Saxon retailers looking at Belgium, although not only at Belgium, but around Europe. I am talking about Forever 21, Abercrombie & Fitch for example, and others from England. Top Shop is looking at Belgium and Marks & Spencer has started to come back to Europe: they have already signed on the Champs Elysées and we expect they will head back to Belgium again too. One thing is clear and positive – retailers tend to anticipate falling sales in a recession, and although we can understand this type of negative anticipation, there is nothing yet to substantiate this. It is important to realise that sales have not yet been hit by the recession in Belgium."

What do you think about the emergence of the uptown district of Brussels as possibly replacing the Rue Neuve as the top shopping destination in the capital?
"I don't think of it as replacing the Rue Neuve, but I do believe that a city as large and important as Brussels can accommodate two key shopping destinations. Within this context the Rue Neuve is a classical high street for mass market shopping. But there is room for a high density shopping street which can perhaps be a little more upmarket and this would clearly be the uptown area – maybe the Toison d'Or or maybe the Chausée d'Ixelles: I think there is a role for each of these, and I think the Chaussée d'Ixelles could very well be the street which would be a counterpart for the Rue Neuve in the uptown area. But this depends on a number of improvements – we would obviously have to get rid of the traffic first and find better parking facilities than exist now. For its part the Toison d'Or, together with the Boulevard de Waterloo on the other side of the inner ring road, could then be the 'Champs Elysées' of Brussels – it is already the most Parisian of Brussels shopping streets. For certain brands which want exposure in Belgium but which may consider only one shop in all of Belgium, this is an ideal location. One thing we have all been waiting for a very long time is the building of the Prowinko project on what has been an empty piece of land for much too long. This situation has a very negative impact on the whole of the Toison d'Or. The potential of this district is clearly demonstrated by some of the retailers we at CBRE have helped to bring in to the shopping galleries on the street: Fnac, Desigual and AS Adventure for its first large city centre store. And people are happy on the Toison d'Or."

There has been talk of covering over the traffic route which runs between the two streets – Toison d'Or and Boulevard de Waterloo – you are presumably in favour of this?
"I wouldn't be against covering over this 'inner ring' but not in order to create new sites for building shops. If it is order to make it easier for pedestrians and shoppers to get from one side to the other, then I am definitely in favour – this needs to be done and should be done. The through traffic has no positive effect on shopping in this district."

What is the impact on investment of the growing requirement for 'green' buildings in the retail domain?
'This will inevitably have a growing effect, but this is more relevant to the end investor than anyone else in the chain. If you look at the most recent shopping centres to be built, for example, such as Médiacité in Liège, which was the first to obtain BREEAM certification, there are even plug-in points for electric cars, and this shows the way forward. One of the realities, of course, is that in high streets at least, most of the buildings have been there for a long time, though…"