



WARSAW HIGH STREETS

CBRE

INTRODUCTION

Three years after the first edition of the CBRE Warsaw and Kraków high street report the time has come to refresh and confront the forecasts made in 2014 in respect of growth of today's retail in Polish city centres with the reality of 2017.

High streets have followed a course different than expected. Instead of a growing share of tenants from the fashion and luxury brand sector, it is the food and drink service sector that has strengthened its position along the main pedestrian thoroughfares in the centre of Warsaw. High streets are still not the first-choice location for the majority of "high-end" brands; nevertheless, this is where some of the luxury tenants – unique in their character on a national scale, operate their shops. Still, they represent only a small share in the high street tenant mix. Brands from various sectors continue displaying considerable interest in expanding their offer on Polish high streets, however the barriers to high street growth, as identified in the previous issue, remain unresolved. There is a lack of consistency as far as creation of a uniform strategy for leasing high street units is concerned, which inhibits formation of tenant clusters displaying a similar profile that could potentially – utilizing the synergy effect – attract customers to a given location.

The exception here is the food and drink service sector that has become the dominant presence in Polish city centres. Restaurants, bars, cafés and clubs represent the undisputed majority of Polish high street tenants, and this trend continues to grow. The food and drink service and entertainment sectors are the predominant high street tenants. It is difficult to ascertain unequivocally to what extent this trend stems from the barriers to growth of other sectors, and how much of it is due to the changing lifestyle of the Polish people. The Polish population is becoming wealthier, the statistic Pole has an ever higher income at his disposal, and the purchasing power of his wallet is increasing. This means a change in terms of the population's lifestyle and mentality is now forthcoming due to the rising requirements of Polish consumers. They are becoming more aware and ever more willing to spend time away from home with their family and friends.

"Every city space, every case of its management teaches us an individual approach in search for most favorable solutions. We do not consider a homogenous concept and vision for high streets, which is a good thing – spatial unification is not needed, since the strength lays in diversity."

Michał Olszewski
Deputy Mayor of Warsaw



WARSAW HIGH STREETS

The city centre is a natural location for modern retail.

It could be in the form of high streets located in the heart of the city with units situated along the main pedestrian thoroughfares. It could also be shopping centres and all other mixed-use schemes, as well as modern office buildings that nowadays cannot operate successfully without the supplementary function of the retail units on their ground floors.

In 2007 the ING RED fund brought Warsaw retail market one of Poland's flagship shopping centres, i.e. Złote Tarasy. The scheme posed a real challenge to Warsaw high streets by offering a great concentration in one place of retail brands most eagerly awaited by Polish consumers. It is the only traditional shopping centre located in the centre of the city. Additionally, there are the high street Wars, Sawa and Junior department stores with many years of presence along Marszałkowska and hosting brands such as: Zara, H&M, TK Maxx, C&A, as well as the VitkAc department store with its collection of luxury brands. Both of the above schemes and the majority of modern office buildings with retail and services units located on their ground floors fit in perfectly with the general scene of Warsaw high streets.

It can be expected that foreign fashion brands, in order to achieve a synergy effect, will choose schemes such as Wars, Sawa and Junior, as well as locations in the direct vicinity with a city centre concentration of modern retail. It is this type of schemes that give the city the opportunity to develop a more diversified retail and service offer, where at the moment it relies solely on the food and drink service sector. The emergence of retail destinations with tenants of a similar profile would certainly lead to dynamic growth of high streets.

TENANT MIX ON WARSAW HIGH STREETS

Ever since 2014 Warsaw high streets have been undergoing a gradual evolution towards the food and drink service sector. The share of tenants from this sector in the general number of tenants on Warsaw high streets has increased by 4pp. No clear drop in the share of fashion tenants in the general number of tenants on high streets was recorded, and there has even been a slight – by 1 pp – increase despite the fact that several major tenants (including H&M on Nowy Świat) have closed their stores. A distressing trend occurring on Warsaw high streets has been the increase in the number of vacant units: from 7% in 2014 up to 10% in 2017.

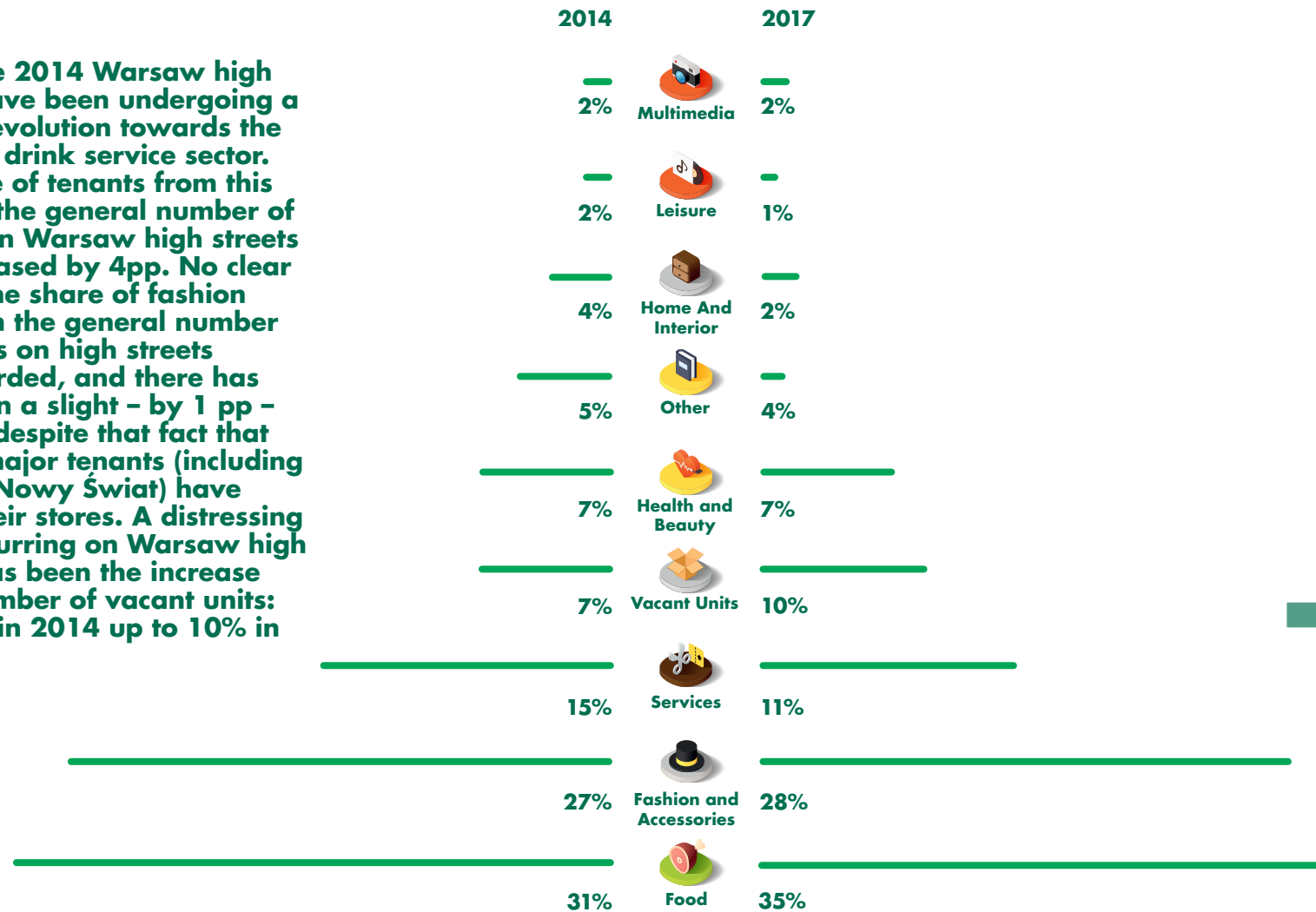



Chart 1. Tenant mix on Warsaw high streets in 2014 and 2017

Source: CBRE, Consultancy & Research, 2017



"The big issue with Polish high streets is the still not settled building ownership situation and the claims arising therefrom in respect of townhouses. This problem affects a significant share of buildings located on Polish high streets and constituting part of the stock of properties within cities. Given the above circumstances, it is the city that imposes the lease terms where the maximum duration of a lease is 3 years. This is certainly too short a term for the majority of foreign and domestic retail chains which to a large extent look for 5- and 10-year leases."

Witold Fizyta
Representative Of The Nowy Świat Association

WARSAW - Chmielna

- | | | |
|---------------------|----------------------------|-------------------------|
| 1. Bordo | 11. Zielony Kot | 21. Vacant unit |
| 2. Chaircut Express | 12. Makarun | 22. Sphinx |
| 3. Juice Bar Moodie | 13. Kantor | 23a Cyfrowy Polsat/Plus |
| 4. Lukullus | 14. Optyk | 23b Matras |
| 5. Green Caffè Nero | 15. Bikor Make Up Warszawa | 24. Vincent |
| 6. Hobo Bag | 16. Mydlarnia u Franciszka | 25. Cupcake Corner |
| 7. Room Outlet | 17. Punkt G | 26. Vacant unit |
| 8. Strefa Czasu | 18. Kaiser | 27. Pretty One |
| 9. C.K. Oberża | 19. Intimissimi | 28. In Medio |
| 10. Bubbleology | 20. Renato Nucci | 29. Smyk |

- | |
|---------------------------|
| 30. Kebab King |
| 31. Happiness Beer'n'Food |
| 32. Chmiel Cafe |
| 33. Lombard Express |
| 34. Cotton Ball Lights |
| 35. Sklep spożywczy |
| 36. Apteka Sawa |
| 37. Kontigo |
| 38. Gold Mark |
| 39. Kino Atlantic |

- | |
|------------------------|
| 40. Costa Coffee |
| 41. Yves Rocher |
| 42. Sioux |
| 43. Chmielna 20 |
| 44. Dedalus |
| 45. Chmielnik Cafe&Pub |
| 46. Vacant unit |
| 47. Vacant unit |
| 48. Vacant unit |
| 49. Vacant unit |

- | |
|-------------------------------|
| 50. Vacant unit |
| 51. Vacant unit |
| 52. Organic Farma Zdrowia |
| 53. Vacant unit |
| 54. Przychodnia |
| 55. Mela Verde |
| 56. Cepelia |
| 57. by Insomnia |
| 58. Jan Kielman |
| 59. Creamy Creative Cosmetics |

- | |
|----------------------------|
| 60. Verona Fashion |
| 61. Taurus |
| 62. Pirate Candy |
| 63. Bonito.pl |
| 64. Stara Mydlarnia |
| 65. Bubble Tea 7 |
| 66. 4 eyes optyka |
| 67. Vacant unit |
| 68. Vacant unit |
| 69. Zapiekaniki Regionalne |

- | |
|-------------------|
| 70. Rajstopy |
| 71. Bubble Waffle |
| 72. Simit Evi |
| 73. Dim Sum House |
| 74. Flow |
| 75. Orsay |
| 76. Vacant unit |
| 77. Rossmann |
| 78. Vacant unit |
| 79. Vacant unit |



SERVICES

RESTAURANTS, CAFÉS

OTHER

VACANT UNITS

FASHION AND ACCESSORIES

HOME AND INTERIOR

BARS AND CLUBS

MULTIMEDIA

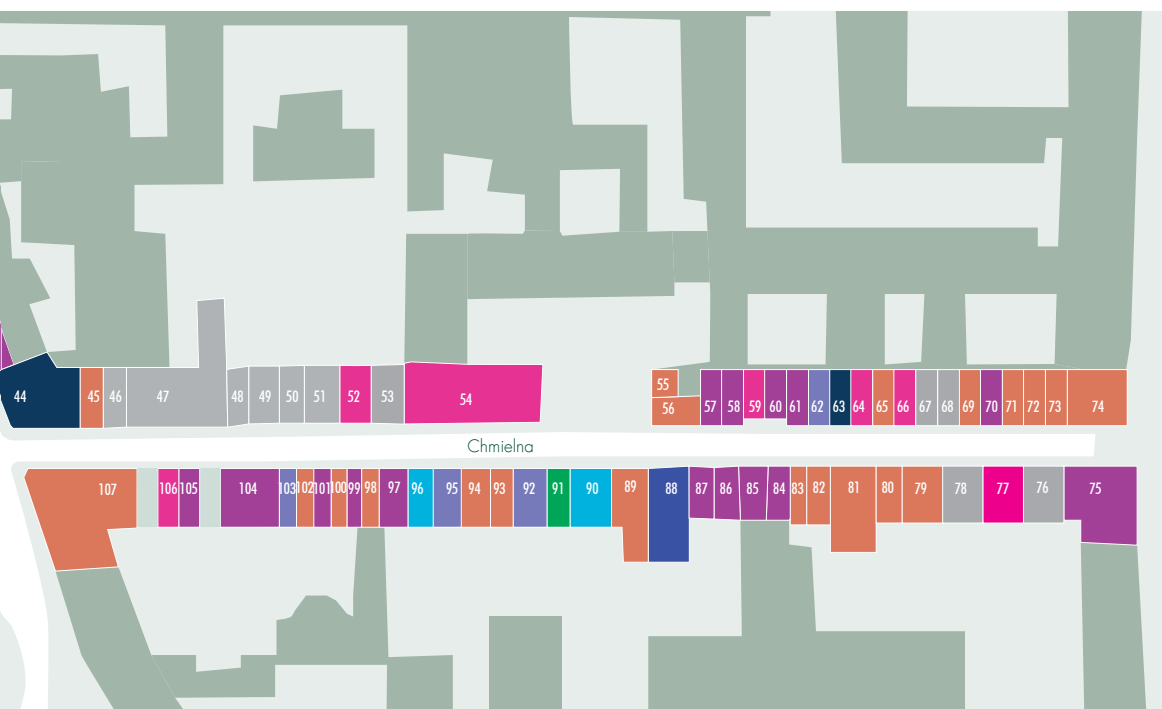
LEISURE

HEALTH AND BEAUTY

GROCERY STORES



- | | | | | |
|-----------------------|-----------------------------|--------------------------|---------------------|------------------|
| 80. Równonoc | 90. Kantor | 100. Frytki Belgijskie | 110. Metal | 120. Foksal Club |
| 81. Chillout Factory | 91. Super Prezenty Boutique | 101. By 4YOU | 111. Cafe Foksal | 120. Vacant unit |
| 82. Chops Kuchnia&Bar | 92. Carrefour Express | 102. Fresh Pasta Point | 112. Opasły Tom Piw | |
| 83. Toan Pho | 93. Las Rqk | 103. Cukiernia Pawłowicz | 113. Chianti | |
| 84. Red is Bad | 94. Karmello | 104. La Bracia Por Voi | 114. Kameralna | |
| 85. Elizabeth butique | 95. Cukiernia Sowa | 105. Thomas | 115. PiwPaw | |
| 86. Futra Kuźnicy | 96. Kantor | 106. Twoje Soczewki | 116. Teatr Sabat | |
| 87. Grażyna Edgare | 97. Parfois | 107. Tatuom | 117. Thai Me Up! | |
| 88. Minus music club | 98. Rolls Rolls | 108. Cava | 118. Dopamina | |
| 89. Nice Cream Factor | 99. Monologo | 109. Bistro Vodka Bar | 119. Cucina E Vino | |



WARSAW

Chmielna

Over the past 3 years Chmielna has undergone significant changes. Currently tenants from the food and drink service sector dominate the tenant mix on the street. Nearly half of the units there are occupied by representatives of this sector, which constitutes an 8pp increase as compared to 2014. Furthermore, the share of fashion brands has dropped by as much as 10pp and now stands at 20%. The share of tenants from the health and beauty category has increased slightly, where in turn the share of services and entertainment in the street's tenant mix has dropped. It can be concluded therefore, that over the course of few years Chmielna has transformed itself from a street with a diverse tenant mix – where the fashion and food and drink service sectors fought for the leading position, into a meeting place for Warsaw residents and tourists visiting the city. A negative trend is the increase in the number of vacant units on Chmielna, where the vacancy rate has increased by 2pp and now amounts to 10% of all units.

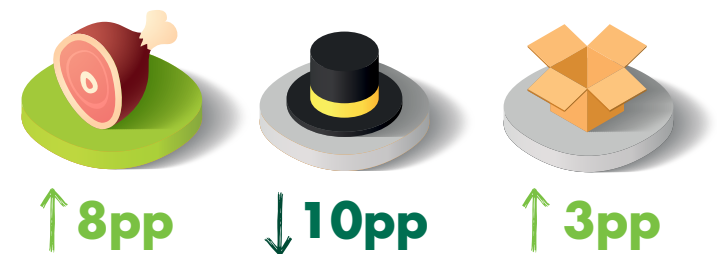
Hops
Lunch 19 pln
Zupa piezarkowa
II danie: Schabz golla
z broszkami i cebulą,
Fasolki i mix sałat.



"Our brand is present in only few locations on Polish high streets. Our experience shows that the potential of prime sites of this type is not fully utilized, and the tenant mix tends to be extremely haphazard. This is undoubtedly caused by the lack of a uniform and commonly shared tenant target group concept, which in turn results from private ownership of units. Moreover, many promising and attractive spots are let to financial institutions and fast food chains, rather than to good quality restaurants, cafes or recognizable fashion brands."

Barbara Has
Senior Expansion Manager, Orsay

Most important changes in the tenant mix (2017 vs. 2014)



WARSAW - Jerozolimskie Avenue

1. Izumi Sushi
2. Vapiano
3. Starbucks
4. Vacant unit
5. Lion's Gate
6. Vacant unit
7. Kuchnia Spotkań Ikea
8. Muzeum Narodowe w Warszawie
9. Gorseciarstwo
10. Kantor

11. Buty
12. Carrefour
13. Vacant unit
14. Palladium Boots
15. Bookland
16. Soul
17. Vacant unit
18. Centrum Złota
19. Vacant unit
20. Żabka

21. Vacant unit
22. Prince of Persia
23. Wystawa fotografii
24. Vacant unit
25. Polski Związek Szachistów
26. Martensy
27. Vacant unit
28. Delikatesy Jerozolimskie
29. Vacant unit
30. Vacant unit

31. Vacant unit
32. Strauss Restaurant
33. Vacant unit
34. Costa Coffee
35. Jubiler
36. Subway
37. Santander
38. Monnari
39. Żabka
40. Apart

41. Galeria wypieków
42. Alior Bank
43. Credit Agricole
44. Eventim
45. Jean Louis David
46. Carrefour Express
47. Vacant unit
48. Andrzej Jedynak
49. Vacant unit
50. Między Bułkami

51. 1 minute
52. Aptekarz Warszawski
53. Jubiler
54. KFC
55. Wrap&Eat
56. Vacant unit
57. Hebe
58. Millennium Bank
59. Szmizjerka
60. Green Caffè Nero

61. VitkAc
 - Bottega Veneta
 - Diesel
 - Gucci
 - Lanvin
 - Likus Concept Store
 - Louis Vuitton
 - Saint Laurent Paris
 - Gucci Kids
 - Stella McCartney Kids

- Alexander McQueen
- Celine
- Chloe
- Cutler&Gross
- Diane von Furstenberg
- Dsquared2
- Emporio Armani
- Giorgio Armani
- Givenchy
- MCQ



- SERVICES
- RESTAURANTS, CAFÉS
- OTHER
- VACANT UNITS
- FASHION AND ACCESSORIES
- HOME AND INTERIOR

- BARS AND CLUBS
- MULTIMEDIA
- LEISURE
- HEALTH AND BEAUTY
- GROCERY STORES



- Paul Smith
- Stella McCartney
- Brioni
- Concept 13
- Delikatesy 13
- Vinoteka 13
- Bar 13
- Bar Szampański 13

- 62. PKO BP SA
- 63. Mommo good food
- 64. Zapiecek
- 65. Kantor
- 66. Vacant unit
- 67. Medincus
- 68. Yugo
- 69. Vacant unit
- 70. Mleczarnia Jerozolimska
- 71. ING Bank

- 72. BGŻ BNP Paribas
- 73. Alior Bank
- 74. Orbis
- 75. Green Caffè Nero
- 76. CEDET
- 77. Rossmann
- 78. British Bulldog Pub
- 79. Kebab King
- 80. Hest
- 81. Vacant unit

- 82. Aren
- 83. Green Caffè Nero
- 84. Vacant unit
- 85. Zabka
- 86. Kelly Melu
- 87. Polish Designers Only
- 88. Salamander
- 89. Sphinx



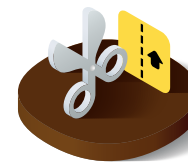
WARSAW

Jerozolimskie Avenue

In opposition to the prevailing trends, Jerozolimskie Avenue has followed its own development path. The other high streets are recording a drop in the number of fashion tenants and an increase as far as the food and drink service sector is concerned, while Jerozolimskie Avenue has seen an increase in the share of fashion and accessories in the tenant mix. Unfortunately, the tenants that have opened their stores there over the past 3 years are not luxury brands or fashion chains.

The offer that has appeared on Jerozolimskie Avenue consists of jewellery stores, sports and children's footwear and emerging fashion brands. The drop in the number of tenants from the food and drink service sector and those hailing from the services as well as health and beauty sectors, and the withdrawal of tenants from the home and interior sector from Jerozolimskie Avenue does not mean that it is becoming more oriented towards other sectors. In fact, this is related to the departure of brands from the street, and thus an increasing number of vacant units.

Most important changes in the tenant mix
(2017 vs. 2014)



↓ 7pp



↑ 5pp



↑ 7pp

"The city centres of the future will be growing; in my opinion the city centre is the natural environment for the food and drink service sector. Diverse groups of people, high streets, places for culture and entertainment – they all thrive when located in the city centre, which represents a relatively secure environment for growth of modern retail and services."

Marcin Wachowicz
Creator Of The Aioli, Banjaluka And Momu Concepts

LG OLED TV

Marszałkowska, similarly to Jerozolimskie Avenue, has evolved towards an increase in the share of fashion brands in the tenant mix. The street also recorded an increase in the vacancy rate, which now stands at 12%. Marszałkowska, due to the high concentration of chain store tenants in the Wars, Sawa and Junior department stores, still displays a great retail potential. There is a chance that in the coming years the existing retail tenants will be joined by new ones that will have a greater ease in trusting a retail destination already verified by others, as opposed to opening their stores outside of a market context.

Most important changes in the tenant mix
(2017 vs. 2014)



WARSAW

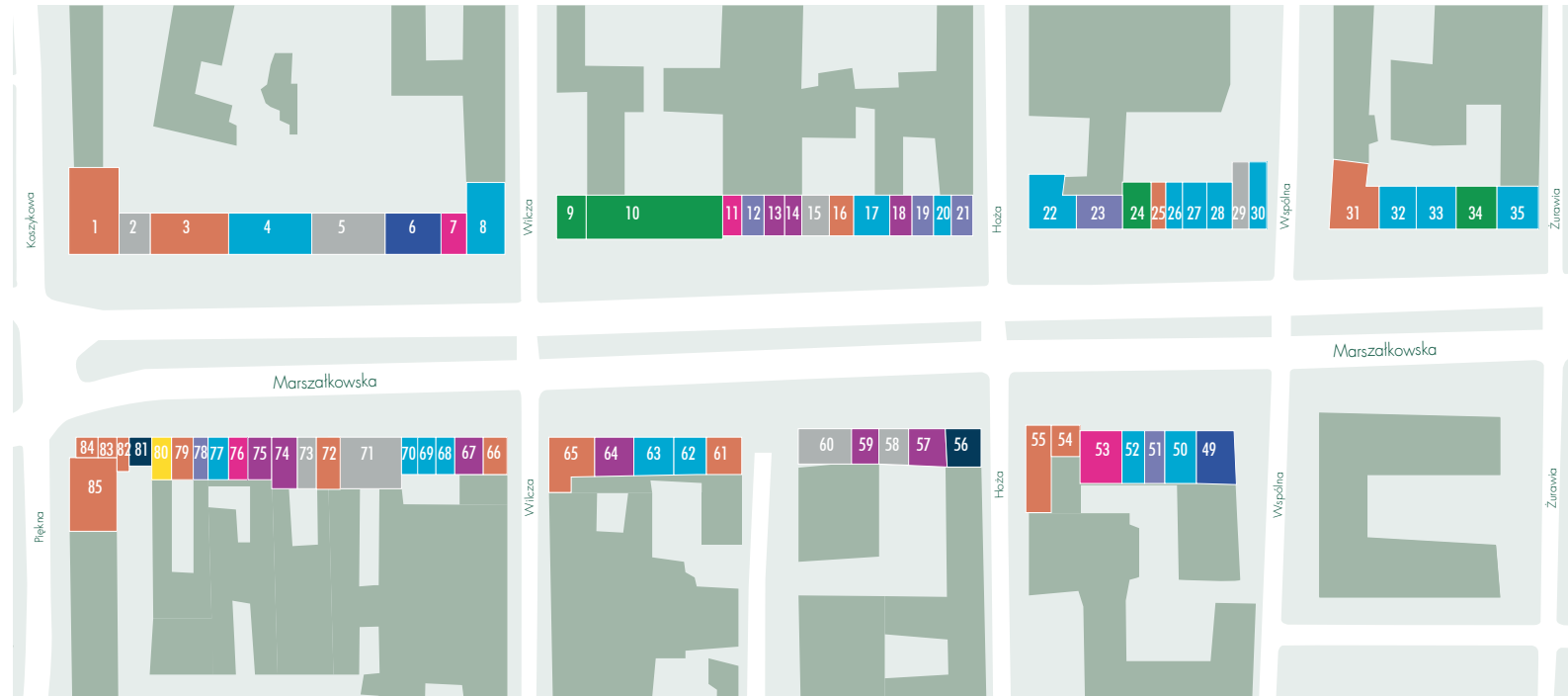
Marszałkowska

"It would be reasonable to say that high streets in Poland will never be in direct competition with shopping centres. From tenants' and target customers' point of view, they constitute a typical accompaniment for the retail offer. As far as tenants are concerned, high streets provide an opportunity for establishing a brand flagship store in locations with high volumes of pedestrian traffic. In western Europe high streets are a natural direction for growth of retail chains and creation of a brand's image on the given market. In fact, in terms of creation of a brand's image on the Polish market, this is the desirable course of action."

Robert Gietko
Asset Manager, CBRE Global Investors Poland

WARSAW - Marszałkowska

- | | | | | | | | |
|----------------------|-----------------------------|------------------------------|---------------------------|----------------------|--------------------------|------------------------------------|------------------------------|
| 1. Burger King | 11. Silcare | 21. Przystanek Piekarnia | 31. Kawiarnia Etno Cafe | 41. Carrefour | 51. Lux Spolem | 61. Parana | 71. Vacant unit |
| 2. Vacant unit | 12. Żabka | 22. Alior Bank | 32. Getin Bank | 42. Cepelia | 52. Dom Maklerski | 62. BNP Paribas Bank | 72. Subway |
| 3. Złota Kurka | 13. Sex Shop Erotic Passion | 23. Delikatesy Teresa | 33. Idea Bank | 43. Green Caffè Nero | 53. Rossmann | 63. PKO BP | 73. Vacant unit |
| 4. BZ WBK | 14. Czeski sklep | 24. Lombard | 34. PZU | 44. Vacant unit | 54. Vino Tri | 64. Odzież na wagę | 74. Przymierzalnie |
| 5. Vacant unit | 15. Vacant unit | 25. Sushi Roll | 35. PKO BP | 45. Vacant unit | 55. TVN Cafe | 65. Secado | 75. Odzież używana |
| 6. Bierhalle | 16. Kebab Alibaba | 26. Kredyty Pożyczki Jump 93 | 36. Vacant unit | 46. Vacant unit | 56. Księgarnia Book Book | 66. Żabka | 76. Apteka Społeczna |
| 7. Optyk | 17. Millennium Bank | 27. Kasa Stefczyka | 37. Centrum IKEA dla firm | 47. Sport Tourists | 57. Obuwie | 67. La Marie Salon Sukien Ślubnych | 77. Nieruchomości Strzelczyk |
| 8. Izis | 18. Sodium outlet | 28. Credit Agricole | 38. PKO BP | 48. Gorąco Polecam | 58. Vacant unit | 68. Rainbow Tours | 78. Piekarnia Oskroba |
| 9. Stołeczna Estrada | 19. Market Turecki Baklava | 29. Vacant unit | 39. Alkohole | 49. Browar de Brasil | 59. Sneakers Shore | 69. Eurobank | 79. Lider Kebab |
| 10. Urząd Miasta | 20. T-Mobile | 30. ING Bank | 40. Piekarnia | 50. BOS Bank | 60. Vacant unit | 70. Bank Pekao SA | 80. Teatr Polonia |



- 81. Kolporter
- 82. IL cono
- 83. How U Doin?
- 84. Dom Chleba
- 85. KFC
- 86. Vacant unit
- 87. Wars
 - H&M
 - C&A
 - InMedio
- 88. Sawa
 - Carrefour
 - TK Maxx
 - Reserved
 - Rossmann
 - Hour Passion
 - iSpot
 - Flying Tiger Copenhagen
- 89. Junior
 - Mango
- House
- Empik
- Douglas
- Martes Sport
- Zara
- 90. PKO BP
- 91. Green Caffè Nero
- 92. Centrum Marszałkowska



WARSAW - Mokotowska

1. Raiffeisen Polbank
2. Bartek Janusz
3. Psi Kącik
4. Szkoła Języków Obcych
5. Tanie Apteki Rodzinne
6. TO PHO TO
7. Shabu Shabu
8. TUTU Princess
9. Bazar Kocha
10. Pleasure&Spa

11. Vacant unit
12. Fresh Market
13. Vacant unit
14. BIZUU
15. Bimbus
16. Aga Drukujemy-Cyfrowo
17. Społem
18. Charlie Warsaw
19. Dyspensa
20. Le Brand

21. Bukieciarnia Mokotowska
22. Zinco Boutique
23. Fryzjer Lucyna
24. Fryzjer Lucyna
25. Bukieciarnia
26. Vacant unit
27. Vacant unit
28. Słodki Słony
29. Panda Handroll
30. Okorama

31. Kawiarnia
32. Vacant unit
33. Kantor
34. Słony
35. Salad story
36. Kwaciarnia
37. Raiffeisen Bank
38. Nail & Beauty Bar
39. Vacant unit
40. Cukiernia

41. Flaming & Co.
42. Viola Śpiechowicz
43. Ruch
44. Wolford/Roeckl
45. Marlu
46. Hefra
47. Snobissimo
48. Casa Mia
49. Flash
50. Łukasz Jemioł

51. Nail & Beauty Bar
52. Vogue Butik
53. Fumo
54. Lui
55. Salon Optyczny A.Ryter
56. BonBon
57. Veteran
58. Śmietanka Bar Mleczny
59. PCK
60. Sucre Patisserie

61. Bistro La Cocotte
62. Apteka
63. Pałaszowanie
64. Metodysci
65. Charlotte
66. Green Caffè Nero
67. Gorqco Polecam
68. House&More
69. Vacant unit
70. The Girls Beauty Bar

71. E. Wedel
72. BZ WBK
73. Chiara
74. Le Chic
75. High
76. Marc Cain
77. U TATO- Rest
78. Andy&Mag Salon Optyczny
79. See Me Boutique
80. Pracownia Futer



SERVICES
RESTAURANTS, CAFÉS

BARS AND CLUBS
MULTIMEDIA

OTHER
VACANT UNITS

LEISURE
HEALTH AND BEAUTY

FASHION AND ACCESSORIES
HOME AND INTERIOR

GROCERY STORES

81. Annabelle Minerals
82. Mokotow/ska Gallery
83. Antykwariat
84. S.Perlik Salon Fryzjerski
85. Le Spa
86. Balinese Massage
87. Terra Spa
88. Agent Provocateur
89. Galeria Sztuki
90. Mo 61 Perfume Lab
91. Kancelarie Adwokackie
92. Iniany zaulek

93. Quczynska
94. Kwiciarnia
95. Just Paul
96. Moko 61
97. Tara Jarmon
98. Atelier Mokotowska 63
99. ZOZO Design
100. Be My Lilou
101. Hos & Me
102. Blind Concept Store
103. Lilou
104. Paski Zegarki

105. Bęc Zmiana
106. Itaka
107. BOHO BOCO
108. Spolem
109. Apelu
110. Studio Fryzur Dziewoński
111. Mokotowska 71
112. Ruch
113. Jubiler
114. Plac Trzech Krzyży 3/4
115. Ermenegilda Zegna
116. Vistula

117. Sculpture Point
118. Lifestyle Designers Boutique
119. Balthazar
120. Kancelaria Prawna
121. Make Up Forever
122. Bistro Spatif
123. Happy Socks
124. Pardon My French
125. Pardon My French
126. Lion's Bank
127. Mokobelle
128. Loft 37
129. Lukullus

130. Parafel
131. Przegrz
132. Vacant unit
133. Vacant unit
134. Mokotowska 48
- Eugen Klein
- Lewanowicz
- Diran Anouchikian
- Robert Kupisz
- Alewino.pl
135. Spolem
136. Idea Bank
137. Krzysztof

138. Oprawa Obrazów
139. Paryżanka
140. Romic Barber Shop
141. Love YA
142. Sense Dubai
143. La Gabrielle
144. By o la la...!
145. Ania Kruk
146. In Esco
147. Jo Coco NYC
148. Insitu Decoration
149. Stalowa Boutique
150. Mally&Co

151. 303 Avenue
152. Dorothee Schumacher
153. Rossmann
154. PKO Bank



WARSAW - Mokotowska

Mokotowska does not show any significant changes as compared to 2014. The share of fashion and accessories in the tenant mix has increased slightly, as has the share of the food and drink service sector and services. The share of the multimedia and entertainment categories in the tenant mix has dropped, and there has also been a considerable drop in the share of the home and interior brands. A negative occurrence here is the threefold increase in Mokotowska's vacancy rate, which now stands at 6%.

Most important changes in the tenant mix
(2017 vs. 2014)



↑ 3pp



↑ 1pp



↑ 4pp

"Similarly as in the case of selecting a location in a shopping centre, the key factor for Orsay are the surroundings of the store, i.e. other tenants having their stores in the vicinity. Furthermore, all chain brands have their own technical standards and requirements in respect of the size of the premises, length and visibility of the shop window, height of the premises and capacity to provide ventilation of suitable quality, where it is frequently not possible to meet them in older high street buildings."

Barbara Has
Senior Expansion Manager, Orsay

WARSAW

Nowy Świat

Will Nowy Świat become the longest restaurant of contemporary Europe? It looks like there is a good chance it may happen. A 3pp increase was recorded in the share of the food and drink service brands in the street's tenant mix. This means that as many as 60% of units are occupied by tenants from the food and drink service sector.

At the same time, there has been a drop in the share of fashion tenants in the tenant mix on Nowy Świat. In turn, the share of the health and beauty category has increased, and – unfortunately – there has been a slight increase in the vacancy rate, which now stands at 6%.

Most important changes in the tenant mix
(2017 vs. 2014)



↑ 3pp



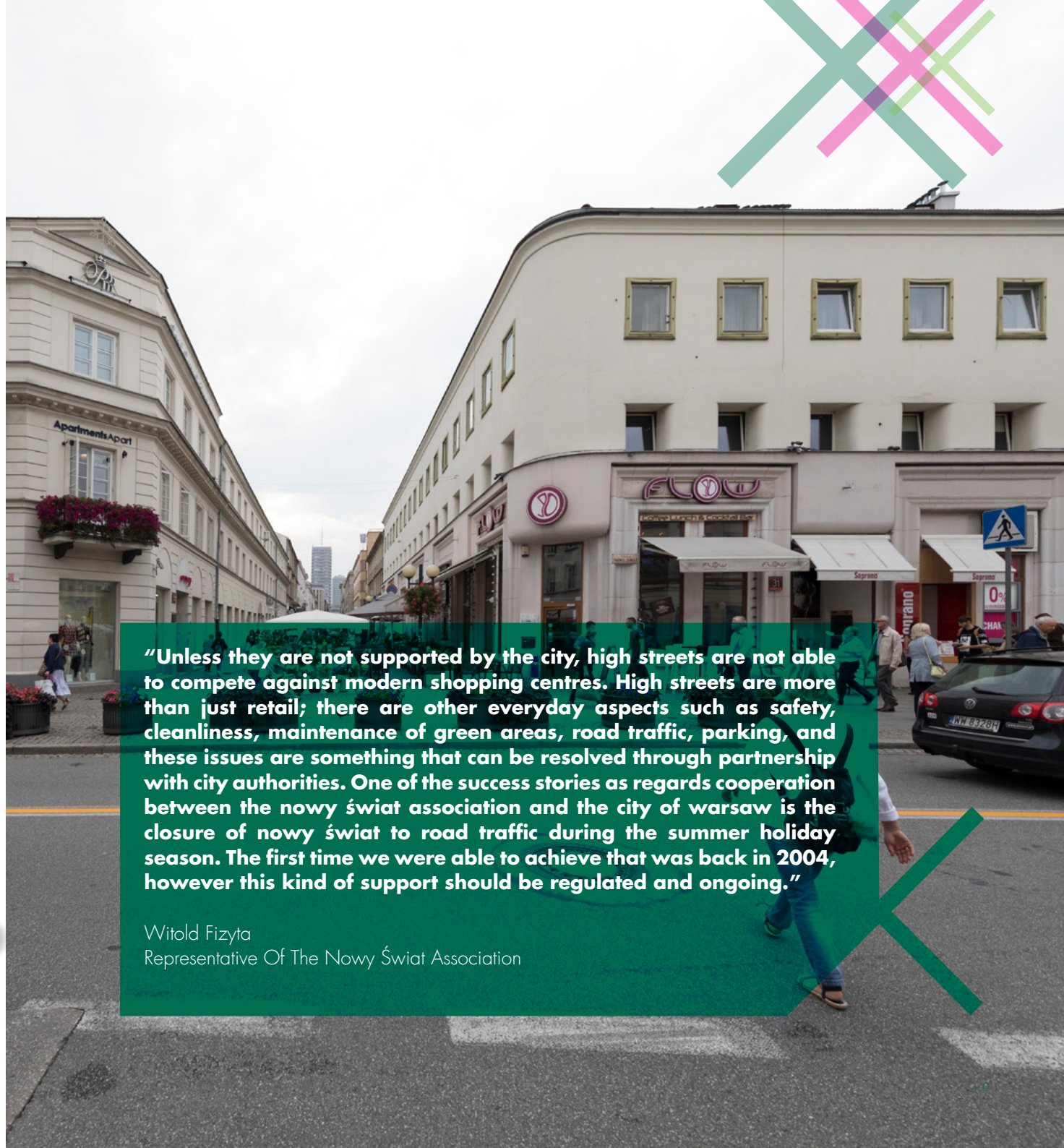
↓ 3pp



↑ 3pp

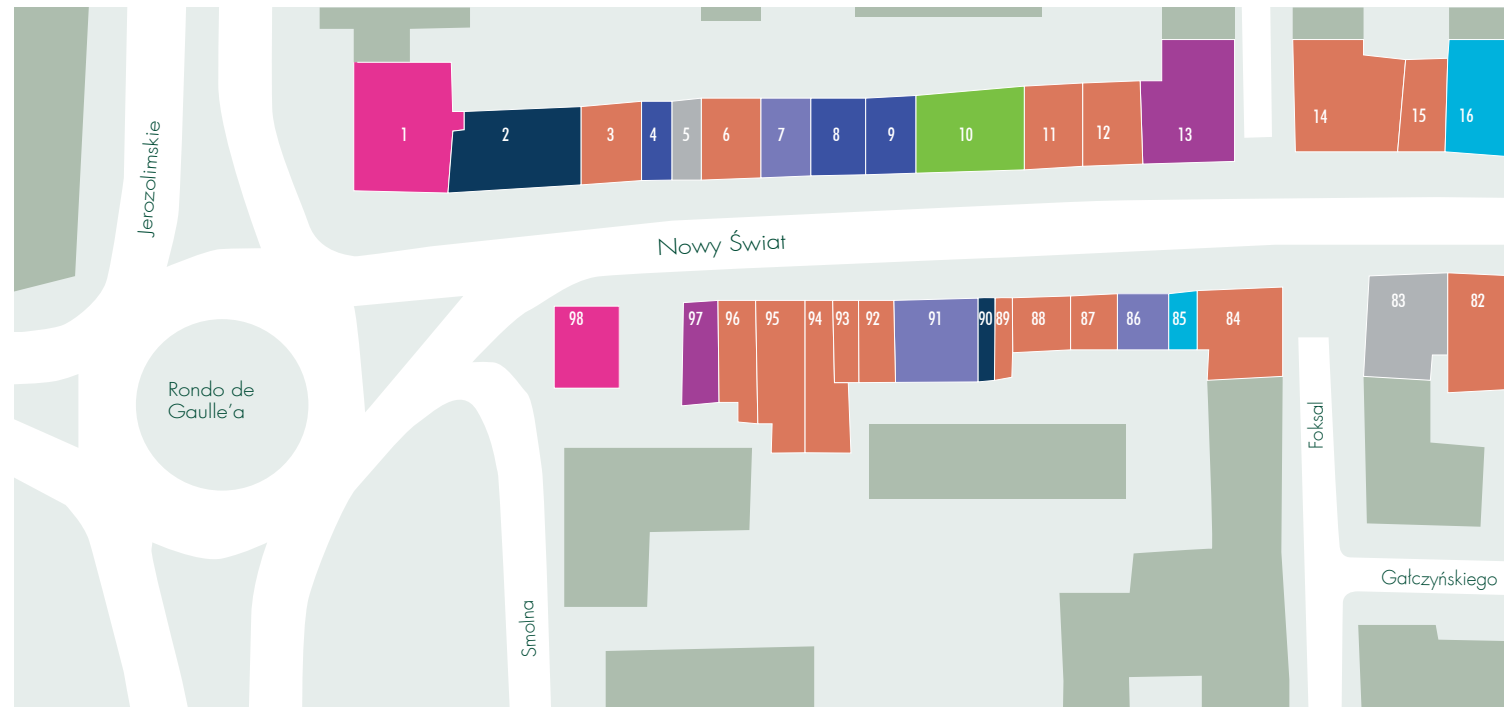
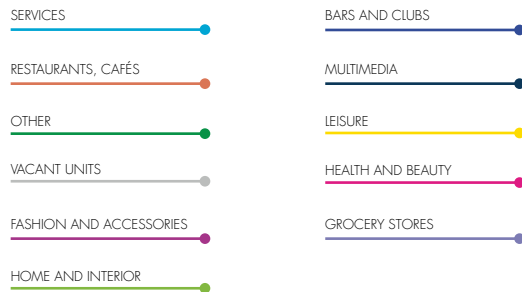
"Unless they are not supported by the city, high streets are not able to compete against modern shopping centres. High streets are more than just retail; there are other everyday aspects such as safety, cleanliness, maintenance of green areas, road traffic, parking, and these issues are something that can be resolved through partnership with city authorities. One of the success stories as regards cooperation between the nowy świat association and the city of warsaw is the closure of nowy świat to road traffic during the summer holiday season. The first time we were able to achieve that was back in 2004, however this kind of support should be regulated and ongoing."

Witold Fizyta
Representative Of The Nowy Świat Association



WARSAW - Nowy Świat

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|-----------------------------|-----------------------|------------------------------------|--|--------------------------|----------------------------|--------------------------|
| 1. Sephora | 11. Petit Appetit | 21. Żabka | 31. by Insomnia | 41. Kępka Leather & Bags | 51. Zapiecek | 61. Bollywood lounge |
| 2. Empik | 12. Besuto Sushi | 22. Frey Wille | 32. Ziko Apteka | 42. Grycan | 52. Inglot | 62. Vacant unit |
| 3. Costa coffee | 13. Orsay | 23. Vacant unit | 33. Nespresso | 43. Vacant unit | 53. Perfect Vision | 63. Fish&More |
| 4. Pijalnia Wódki i Piwa | 14. Flow | 24. Familijny | 34. Dawne Smaki | 44. Dedalus | 54. Karmello | 64. Sopotki Dom Aukcyjny |
| 5. Vacant unit | 15. Soprano | 25. Bar Don Caruso | 35. World box | 45. Wana Sushi | 55. Bierhalle | 65. Cheesecake Corner |
| 6. Kebab King | 16. Kantor | 26. Księgarnia Matras&Matras Caffè | 36. Janira | 46. Nowy Świat Muzyki | 56. Vincent | 66. Hobo Bag |
| 7. Manufaktura cukierków | 17. Sowa Bar | 27. Croque Madame | 37. Green Caffè Nero | 47. Tchibo | 57. Starbucks | 67. Desa Biżuteria |
| 8. Amatorska cafe | 18. Blikle Cafe | 28. L'Occitane | 38. Mimosa tkaniny | 48. Biedronka | 58. Galeria Edyty Wittchen | 68. Galeria Wypieków |
| 9. Buddha Indian Restaurant | 19. Blikle Delikatesy | 29. Ecco | 39. Warsaw Potato + Falafel Vegan Potato | 49. Sixty Six Restaurant | 59. Apteka | 69. Costa Coffee |
| 10. Flying Tiger Copenhagen | 20. Vacant unit | 30. Tea Herbaty | 40. Grey Wolf | 50. Jean Louis David | 60. Frank Provost | 70. Oto! Sushi |



71. Specjały Regionalne
72. Pizza Eataliano
73. Carrefour Express
74. Optyk Aurore Outlet
75. Ara
76. Ristorante Corleone
77. Mama PHO
78. Carpaccio
79. Häagen Dazs
80. Beef n Roll

81. Dominium
82. Frida
83. Vacant unit
84. Cava
85. Kantor ATM
86. 24h Świat Alkoholi
87. Bobby Burger
88. Peanuts
89. Stara Pączkarnia
90. Inmedio

91. Carrefour Express
92. Subway
93. Krakowski Kredens
94. Lody Prawdziwe
95. Piotruś Cafe
96. Salad Story
97. Swiss
98. Apteka



WARSAW - Trzech Krzyży Square

The vacancy rate at Trzech Krzyży Square has tripled over the past 3 years and now stands at 12%. This occurrence can be associated with the drop in attractiveness of the location in terms of accessibility as compared to the modern shopping centres. If suitable transport solutions, e.g. car parks in the vicinity of high streets and partial or full closure of retail areas to road traffic, were introduced in cooperation with Warsaw's authorities, high streets could be visited not only by pedestrians, but also by customers travelling by car. Fashion and accessories continue to represent the majority of tenants at Trzech Krzyży Square, however the share of this particular category in the tenant mix has dropped by 4pp. The share of the food and drink service sectors has remained unchanged, where in turn the number of tenants from the services and entertainment sectors has dropped. Worth noticing is the fact, that the changes result also from the ongoing refurbishment of Ethos office building with ground floor retail, which, once opened, will change the Square's landscape.

Most important changes in the tenant mix
(2017 vs. 2014)



"Undeniably, high streets are by definition exposed to weather inconveniences and suffer from the seasonality of sales. Nonetheless, this is not the pivotal factor in this case. Let us have a look at parizska street in prague, where the czech republic has a climate similar to polish weather conditions, and yet the capital's high street prospers throughout the year. The vast, and in my opinion unutilized, potential of warsaw high streets lies with entertainment. Prague is teeming with events, festivals, open-air concerts and street performances, and painters display their art."

Witold Fizyta
Representative of The Nowy Świat Association

1. Ermenegildo Zegna
2. AleGloria
3. Vistula
4. Plac Trzech Krzyży 3/4
5. Poczta Polska
6. Vacant unit
7. Archidzielo
8. Aurora Optyk
9. Vacant unit
10. No. 1 Store
- Cipriani
- Cool&Chic

11. Alkohole Świata
12. LV Bet
13. Erywań
14. Mood Scent Bar
15. Domowy Okruszek
16. Sir Arthur
17. Minty Dot
18. Galeria Wypieków
19. Mysia 3
- COS
- Nap
- Orska

- Nenukko
- bynamesakke
- gloomy sunday
- Birbante Rocca
- Alba 1913
- Rilke
- Muji
- Elementy
- Leica
- Deli 3
- 20. Paola
- 21. Deutsche Bank

22. Carolina Herrera
23. Solar
24. Pestka
25. PAP
26. Optique
27. Stek Room
28. O'le
29. Costa Coffee
30. Omega
31. Atelier Zablotny
32. Starbucks
33. Vacant unit

34. Optique Exclusive
35. Vacant unit
36. Hustler
37. Vacant unit
38. Max Mara
39. La Casa del Habano
40. Vacant unit
41. Villeroy & Boch
42. Ferrari
43. Vacant unit
44. Mont Blanc
45. Poland Sotheby's

46. I Mad
47. Salamander
48. BZVWBK
49. Salewa
50. Optyk Robak
51. Ethos - soon opening
52. Reebok
53. W.Kruk
54. Sheraton
55. Someplace Else



SERVICES
RESTAURANTS, CAFÉS

BARs AND CLUBs
MULTIMEDIA

OTHER
VACANT UNITS

LEISURE
HEALTH AND BEAUTY

FASHION AND ACCESSORIES
HOME AND INTERIOR

GROCERY STORES

WARSAW - Zbawiciela Square And Konstytucji Square

1. Ministerstwo Kawy
2. Matcha Tea House
3. Izumi Sushi
4. Karma
5. Tuk tuk
6. The Blueberry's
7. Heritage
8. Forum Kawiarnia
9. Rossmann
10. BGŻ BNP Paribas
11. Galeria Wypieków
12. Triumph

13. Gorąco Polecam
14. Mleczarnia Jerozolimska
15. Piekarnia Grzybki
16. Kolporter
17. Antyki
18. Vacant unit
19. Corso
20. Reiffeisen Bank
21. Apteka
22. Pałaszowanie
23. Metodyści
24. Charlotte

25. Plan B
26. Rajstopy
27. Top Market
28. Obuwie
29. Zespół Kancelarii Adwokackich
30. BZ WVBK
31. Funky Studio
32. Ruch
33. SuperPharm
34. Bobby Burger
35. Wegemama
36. Vacant unit

37. Alkohole
38. Rolluszki
39. MDM Dziela Sztuki
40. RTV Euro AGD
41. Vacant unit
42. Royal Collection
43. Wiesz co zjesz
44. Pulp Fiction
45. Itaka
46. Galeria Test
47. MDM Galeria Mody
48. Desa Unicum

49. Vacant unit
50. Pini
51. Carrefour Express
52. PKO BP
53. Vitaldent
54. Herbata i Kawa
55. Milo
56. Kantor
57. Chłopskie Jadło
58. Szwejk
59. Hotel MDM
60. Green Caffè Nero

61. Burgery Wegańskie
62. Vacant unit
63. Cukiernia SanMarino
64. Sexy Duck
65. Paris Optique
66. Vacant unit
67. Orzo
68. Riff
69. Manekin
70. Buty włoskie
71. Ziko Apteka
72. Top Market

73. Batida
74. Burger King
75. Dom Chleba
76. KFC
77. Piękna Gallery Auction House
78. Piękna Dent
79. Kameleon
80. Galeria Sztuki
81. Superiore
82. Deutsche Bank
83. Play
84. Millenium Bank

85. Orange
86. W.Kruk
87. Vacant unit
88. Pub7
89. Warsztat Warszawski
90. WHTAJ
91. Neckermann
92. Cupcake Corner
93. Varso Vie
94. Desa Unicum



SERVICES
RESTAURANTS, CAFÉS

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OTHER
VACANT UNITS

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HOME AND INTERIOR

GROCERY STORES

"Is the food and drink service sector offer on high streets in direct competition with what is being offered in shopping centres? I am of the opinion that competition is all around us! Both shopping centres and any other formats where tenants from the food and drink service sector are present represent competition for high streets. Obviously, they are different realms, but traditional restaurants such as e.g. jeffs! Are present in shopping centres too."

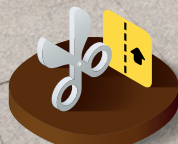
Marcin Wachowicz

Creator of the Aioli, Banjaluka and Momu Concepts

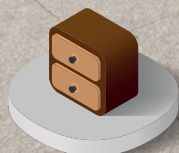
Most important changes in the tenant mix
(2017 vs. 2014)



↑ 13pp



↓ 7pp



↓ 3pp

Over the past 3 years Zbawiciela Square has strengthened its position as one of the most fashionable meeting places in Warsaw. This is reflected in the street's tenant mix. More than half of the tenants to be found there represent the food and drink service category, while in turn the share of the services sector in the tenant mix has dropped. There are only few tenants from the fashion and accessories sector, and no significant changes have occurred as compared to the last report. The vacancy rate has remained at the same level.

PROSPECTS FOR THE FUTURE

THERE ARE TWO DIFFERENT SCENARIOS FOR GROWTH OF POLISH HIGH STREETS EXPECTED OVER THE NEXT 10 YEARS.

V1.

- Improved cooperation and increased city's authorities engagement in high street tenants' issues;
 - resolution of everyday issues such as safety, cleanliness,
 - maintenance of green areas,
 - coordinating and adjusting the traffic
 - finding solutions to parking issues
- Resolving limitations as regards duration of leases for units in respect of which claims have been made
- A consistent policy for high street management
- Selection of suitable tenants
- Setting out of a specific leasing strategy
- Increased awareness of fit-out standards among landlords



Should this particular scenario become true, we could expect a flourishing future for our high streets, diversification of the tenant mix and increased interest in opening high street stores on the part of luxury brands and chain store tenants from the fashion and accessories sector. Concentration of retail on individual stretches of Polish high streets, e.g. around department stores, could represent a growth opportunity for modern high streets. The same can be said for intensification of any initiatives engaging local communities and tourists in high street life: cultural events and entertainment should become an integral element of Poland's city centres that would encourage residents to make their way to the high street, spend their leisure time and do their shopping there.

V2.

- No changes in city policies regarding high streets, and therefore continuation of current trends.



In such a case, the food and drink service sector would grow naturally, so to say, and to an even greater degree take possession over Polish high streets. At the same time, the inconsistent policy relating to the desired tenant mix could result in the arrival in prestigious locations in Warsaw of accidental tenants for whom there would be no place in other large European cities.



This could lead to emergence of an eclectic image of Polish high streets: not very refined and not necessarily a favourable one.

Poland's economic development, increasing purchasing power and the market attractiveness as seen by foreign investors, retail chains and tourists should not be depreciated.

The country is strengthening its position as an important point on Europe's map, both in terms of the economy and safety standards, which in turn boosts the domestic market's chances for dynamic growth.

Therefore, the answer to the majority of challenges faced by Polish high streets is **cooperation between the entities active on the property market**, mainly:

- The Conservation officer,
- The city authorities,
- Private and institutional landlords and investors,
- Tenants,
- Retail chains.

The key to success is flexibility. It would be worth to pause here and consider how to better the cooperation at a reasonably low cost and how improvements in respect of the key issues could affect growth of Polish high streets, and on a wider scale: of Polish cities in general.



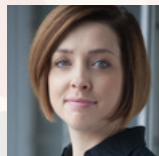
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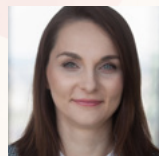
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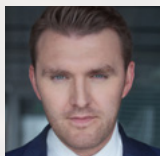
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