

Belgrade Retail, Q2 2017

Mid-size cities, apart from Belgrade, welcome new openings

 Total Belgrade Stock
300,000 sq m

 Stock per 1,000 inhabitants
180 sq m

 Total Serbia Stock
651,000 sq m

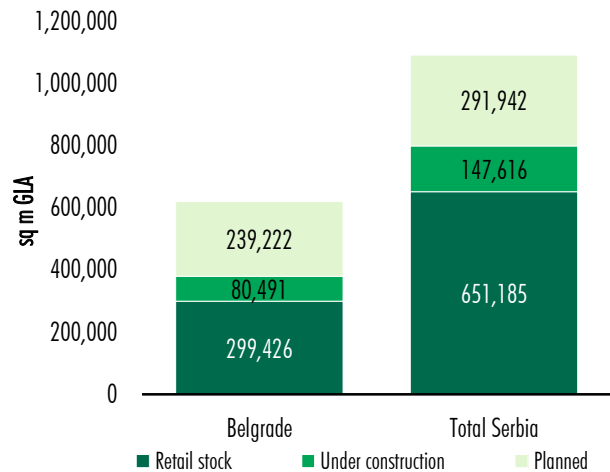
*Arrows indicate change from the corresponding quarter in the previous year.

Figure 1 – Retail Market in figures

Traditional formats in Serbia (437,065 sq m)



Specialized formats in Serbia (214,120 sq m)



Source: CBS International, part of the CBRE Affiliate Network
GLA – Gross Leasable Area

Q2 2017 SUMMARY

- With no new completions in Q2 2017, Belgrade modern retail stock remained unchanged, standing at the level of 300,000 sq m of GLA
- The construction of Ashtrom’s Rajiceva Shopping center in Belgrade downtown enters the final phase, the opening is scheduled for September 14, 2017
- Having in mind all schemes under construction in Serbia, totaling nearly 150,000 sq m of GLA, an increase in the retail stock by over 66,000 sq m of GLA is expected by 2017-yearend
- On August 10, 2017, Swedish IKEA opened the doors of its first store in Serbia, located in Bubanj potok area

SHOPPING CENTERS

Due to the lack of new completions in the previous quarter, Belgrade retail stock remains at the level of 300,000 sq m of GLA.

In terms of new developments in the central Belgrade area, two retail formats are set for completion in 2017. Ashtrom’s shopping center in Rajiceva Street and Poseidon Group’s Capitol Park Rakovica, will increase the stock for app. 36,500 sq m of GLA by the end of 2017. After the initiation of the construction works in the previous quarter, the development of GTC’s Ada Mall goes as per the plans, with the completion expected in 2018.



Ada Mall
34,000 sq m

UAE company Eagle Hills has commenced the preparations works on Galerija Shopping Center within Belgrade Waterfront project. Once completed, BW Galerija will be the largest shopping center in the country, comprising 93,000 sq m of GLA. In addition, wider Belgrade area is witnessing the development of Stop.Shop in Lazarevac municipality, while the retail market in Obrenovac municipality will be enriched with two retail parks, one being developed by Czech RC Reinvest and the second by the local developer Banbus.

Table 1 – Rental levels

Location	Size of units		
	< 150 sq m	150 - 500 sq m	> 500 sq m
Knez Mihailova Street	Up to 100	60-80	40-60
Terazije Square/Kralja Milana Street/Kralja Aleksandra Blvd	45-60	30-45	20-30
Secondary high street (Pozeska, Gospodska)	35-45	25-35	Up to 25
Modern Shopping Centers	50-70	35-50	Up to 35

Source: CBS International, part of the CBRE Affiliate Network



IKEA
33,000 sq m

As far as planned and announced projects are concerned, another planned modern project is PSP Farman’s West Shopping Center, which is envisaged within West 65 complex in New Belgrade municipality, totalling app. 17,000 sq m of GLA.

Elsewhere in Serbia, South-African NEPI, after joining forces with the real estate company Rockcastle, has commenced the construction of Novi Sad’s first modern shopping center Promenada, after the foundation stone was laid down on 13th of July 2017. Promenada Novi Sad will comprise 47,000 sq m of GLA, featuring more than 150 retail stores. While the completion of this western-style facility is scheduled for late 2018, NEPI-Rockcastle announced the plans for new projects, i.e. retail parks in Krusevac and Sabac. The beginning of construction works is planned for Q1 2018.

Interest in retail park formats among developers remains strong, as several projects are currently under construction across Serbia. Austrian Immofinanz Group has commenced the new development cycle with Stop.Shop projects in Lazarevac, Pozarevac and Vrsac. British Poseidon Group works intensively on their Capitol Park projects in Sombor and Rakovica, which is expected to be delivered to the market in 2017. The new project is planned in the city of Leskovac.

Swedish IKEA has finalized the first out of five announced stores in Serbia, in Bubanj potok area. The opening ceremony was held on August 10, 2017. This project enlarges the retail warehouse stock for 33,000 sq m.

Table 2 – Pipeline projects

Location	Project	Investor	Size GLA sqm	Status
Belgrade, Downtown	Rajiceva Shopping Center	Ashtrom Group and Avital	15,300	opening in September 2017
Belgrade, Cukarica	Ada Mall	GTC	34,000	under construction
Belgrade, Rakovica	Capitol Park Rakovica	Poseidon Group and Mitiska Reim	21,000	under construction
Belgrade, City Center	Belgrade Waterfront	Eagle Hills	93,000	preparation
Belgrade, New Belgrade	West 65	PSP Farman	17,000	planned
Belgrade, Vidikovac	BIG Fashion Vidikovac	BIG CEE	70,000	planned
Belgrade, Lazarevac	Stop.Shop	Immofinanz	10,000	under construction
Belgrade, Obrenovac	TC Ciglane	Banbus	4,800	under construction
Belgrade, Obrenovac	Retail park	RC Reinvest	10,000	planned
Novi Sad	Promenada	NEPI-Rockcastle	47,000	under construction
Sombor	Capitol Park Sombor	Poseidon Group	5,600	under construction
Kraljevo	Retail Park	RC Reinvest	5,000	under construction
Smederevo	Shoppi	MPC Properties	9,500	under construction
Leskovac	Capitol Park Leskovac	Poseidon Group	8,300	planned
Krusevac	Retail Park	NEPI-Rockcastle	10,000	planned
Sabac	Retail park	NEPI-Rockcastle	8,000	planned
Pozarevac	Stop.Shop	Immofinanz	7,000	planned
Vrsac	Stop.Shop	Immofinanz	8,200	planned
Vrsac	Retail park	RC Reinvest	9,000	planned

Source: CBS International, part of the CBRE Affiliate Network

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