

Active Leasing Market with Three New Completions

Hangzhou's retail property market was active in H1 2017. Three new projects were completed and net absorption surged to 340,500 sq m (3.67 million sq ft). Looking ahead, five new projects are scheduled to launch in the rest of 2017, all in non-prime areas. We predict the vacancy rate will moderately increase and the average rent will continue to decrease in line with decentralisation. Heavy new supply over 2018 is a challenge, and will put further pressure on rent.

三个新项目入市，租赁市场表现活跃

2017年上半年，杭州商铺物业市场表现活跃。三个新项目相继竣工，净吸纳量增长至340,500平方米（367万平方英尺）。展望未来，2017年下半年将有五个新项目于非核心区域入市。我们预测随着次中心化趋势加剧，空置率将会适度上升，而平均租金将继续下跌。2018年内的大量新增供应或将成为市场挑战，且将进一步对租金带来压力。

Forecast at a glance



Demand

"Experience"-based retailers will continue to expand. Some retailers will choose Hangzhou to open flagship stores.



Supply

Five new projects totalling 477,000 sq m (5.13 million sq ft) of retail GFA will be completed by end-2017, and another six new projects are scheduled for 2018. In combination, these projects will increase total stock by about 60%.



Vacancy rate

We forecast that new supply will push up the city's average vacancy rate to about 8.5% by end-2017, and that vacancy will continue to rise over 2018.



Rent

Colliers predicts that the below-average rent at the new projects in non-prime areas will pull down the average rent by 7% YOY over 2017, and that rent will fall by a further 6% YOY to RMB13.7 (USD2.04) psm per day over 2018.

预测一览表



需求

体验式业态零售商将继续扩张，若干零售商或会选择在杭州开设旗舰店。



供应

五个新项目将于2017年下半年入市，合计商铺面积477,000平方米（513万平方英尺），另有六个新项目计划于2018年入市。合计此番新项目将现有总存量扩大逾约60%。



空置率

我们预期截至2017年年底，新增供应将会带动全市平均空置率上升至约8.5%，且将于2018年内仍保持上扬之势。



租金

高力国际预计，非核心区域内新项目之低于平均水平的租金将致使全市平均租金同比下跌约7%，且或将于2018年继续同比下跌6%至人民币13.7元（2.04美元）以下。

Three New Projects Opened in 1H17

Powerlong City Plaza, GDA Plaza, and Raffles City Hangzhou, with a combined GFA of 316,000 sq m (3.40 million sq ft), opened in the first half of 2017. As a result, total stock grew by 10.7% HOH to 2,124,800 sq m (22.87 million sq ft). Notably, GDA Plaza is the first shopping centre in Wulin, Hangzhou's traditional prime retail area, which is dominated by department stores.

三个新项目于 2017 年上半年开业

滨江宝龙城、国大城市广场以及杭州来福士于 2017 年上半年竣工入市，合计商铺建筑面积 316,000 平方米（340 万平方英尺）。至此，全市总存量半年环比扩增 10.7% 至 210 万平方米（2,287 万平方英尺）。值得注意的是，武林商圈作为由百货业态所主导的杭州传统的核心零售区域，国大城市广场系该商圈内首座购物中心。

Popular Brands Enter Hangzhou

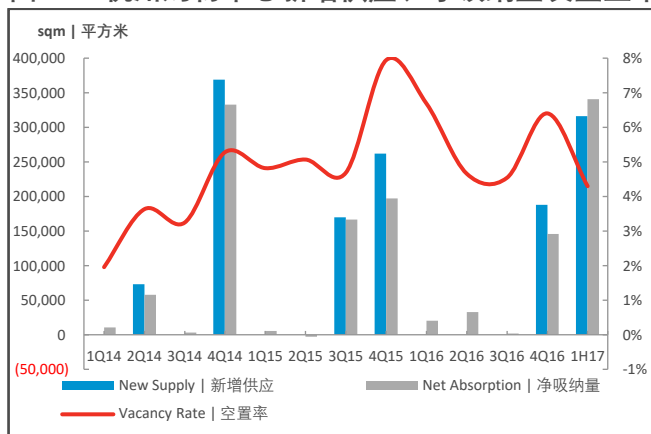
Demand was active during H1 2017. The city's vacancy rate decreased by 2.1 percentage points HOH to 4.3% despite the new supply. Net absorption surged to 340,500 sq m (3.67 million sq ft) due to strong demand at the new completions. Several popular brands opened their first Hangzhou store in H1 2017. New leases and openings included: Win House's first restaurant and Yanjiyou's first book store in Hangzhou at Raffles City; Suitsupply's first Hangzhou store and Under Armour's largest flagship at Kerry Centre; and K Pro (KFC's first sub-brand for health food), which opened its first China store at In 77.

热门品牌进入杭州

2017 年上半年杭州商铺物业市场需求活跃。尽管有新增供应入市，但全市空置率半年环比下降 2.1 个百分点至 4.3%。新开业项目内的强劲需求带动净吸纳量增至 340,500 平方米（367 万平方英尺）。上半年，若干广受欢迎的品牌于杭州开设城市首店。新租及新开业包括：Win House 杭州首家餐厅及言几又杭州首家书店均于来福士广场开业；Suitsupply 及 Under Armour 分别于嘉里中心开设杭州首店及中国最大旗舰店；以及 K Pro（肯德基旗下首个健康食品副牌）于湖滨银泰开设其中国首店。

Figure 1: Hangzhou Shopping Centre New Supply, Net Absorption and Vacancy Rate

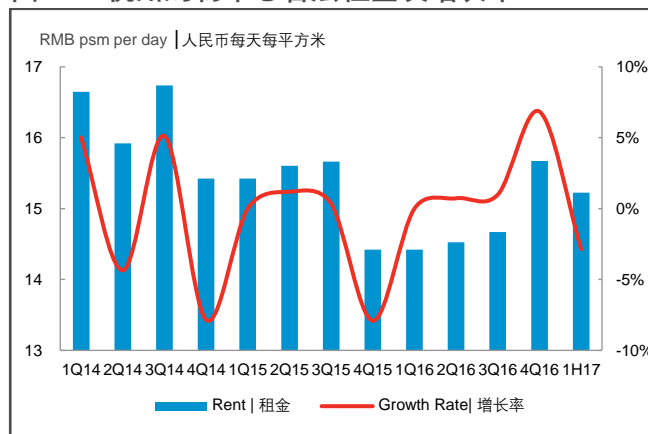
图 1: 杭州购物中心新增供应、净吸纳量及空置率



Source: Colliers International

Figure 2: Hangzhou Shopping Centre Ground Floor Rent and Growth Rate

图 2: 杭州购物中心首层租金及增长率



数据来源：高力国际

New Supply Pulls Down City's Average Rent

The average ground floor rent dropped by 2.9% HOH to RMB15.2 psm (USD2.25) per day, as new projects offered below-average rents to attract retailers and, in turn, pulled down the average rental level. Excluding the effect of new supply, the city's average rent increased by 1.9% to RMB 15.8 (USD2.34) psm per day, mainly due to the annual rental growth at certain existing projects.

Moderate Increase in Vacancy Rate

Five new projects totalling 477,000 sq m (5.13 million sq ft) of GFA are scheduled to be completed in H2 2017. The increasing demand and the high pre-commitment at the new supply should ease the upward pressure on the vacancy rate. As a result, Colliers predicts that the city's overall vacancy rate will increase by 3 to 5 percentage points YOY to about 9% by end-2017. Given more new supply is scheduled for 2018, Colliers forecasts that the vacancy rate will increase to around 11% by end-2018

As most of the new projects are located beyond the prime retail area, this wave of new supply with below-average will almost certainly hold down the city's rental growth. Colliers predicts that the city's average rent will decrease by 7% YOY to around RMB14.6 (USD2.16) psm per day by end-2017, and by 6% to below RMB13.7 (USD2.04) psm per day by end-2018. In the prime areas, rent in successful projects should stay buoyant.

新增供应拉低全市平均租金

全市商铺物业首层租金半年环比下跌 2.9%至人民币 15.2 元 (2.25 美元) 每天每平方米, 由于新项目以低于全市平均水平的租金吸引零售商, 继而拉低全市平均租金水平所致。除却新增供应的影响, 全市平均租金则半年环比上涨 1.9%至人民币 15.8 元 (2.34 美元) 每天每平方米, 主要由若干现有项目的租金年增长所致。

空置率将适度增长

五个新项目计划于 2017 年下半年竣工, 合计商铺建筑面积 477,000 平方米 (513 万平方英尺)。持续增长的需求及新项目内的高预租率将缓解其对全市空置率造成的上行压力。有鉴于此, 高力国际预计全市平均空置率或将于 2017 年年底同比增长 3 至 5 个百分点至约 9%。鉴于更多新增供应将于 2018 年入市, 高力国际预计全市空置率或于 2018 年年底达约 11%。

由于多数新项目位于非核心区域, 此番新增供应之低于平均水平的租金势必抑制全市租金涨幅。高力国际预测 2017 年年底前全市平均租金或将同比下跌 5-10%, 至约人民币 14.6 元 (2.16 美元) 每天每平方米, 且于 2018 年末继续同比下跌约 6%至人民币 13.7 元 (2.04 美元) 每天每平方米。在核心区域, 成熟项目的租金将保持上扬态势。

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