

RETAIL INSIGHTS

THE
MALL
COMPANY

EDITION 4 FEBRUARY 2021

2020 Q4 Retail Real Estate Vacancy Overview



EDITION 4 FEBRUARY - 2021

Welcome to another Edition of **Retail Insights** by **The Mall Company**. In **Edition 4**, we analyze the existing Retail Real Estate **vacancy** conditions in Phnom Penh as of **Q4 2020**:

01>>

SUPPLY & VACANCY PERFORMANCE:

Timeline (2019 – 2020) of Phnom Penh's Modern Retail Supply and vacancy by Area (sq.m) and percentage (%).

02>>

VACANCY RATE BY SUBMARKET:

The breakdown of retail vacancy rates of selected Phnom Penh districts as of Q4 2020 by area (sq.m) and percentage (%).

03>>

VACANCY BY RETAIL CATEGORY:

The breakdown of retail vacancy rates by retail categories as of Q4 2020 by area (sq.m) and percentage (%).

04>>

VACANCY BY RETAIL CLASSIFICATION:

- Shopping Mall vacancy by Area (sq.m)
- Community Mall vacancy by Area (sq.m)
- Retail Podium vacancy by Area (sq.m)
- Retail Arcade vacancy by Area (sq.m)



EDITION 4 QUICK KEY STATISTICS

85% increase in retail vacancy from 2019 to Q4 2020



Chamkarmon with highest vacancy levels as of Q4 2020.

Food & Beverage

operators accounted for the highest number of new vacancies (sq.m)



9,565 sq.m of retail vacancy in community malls.



+855 89 999 681 / +855 93 999 621



enquiries@themallcompany.com



www.themallcompany.com

FOR MORE INFORMATION ON TMC'S RETAIL

SERVICES: Leasing, Mall Management, Design

Consultancy, Research



Simon Griffiths
Managing Director
+855 78 680 888
simon@themallcompany.com



Jamie Lucas
Research Manager
+855 81 340 735
jamie@themallcompany.com



Phnom Penh Center, 8th Floor, Building "F" Sothearos Blvd., Sangkat Tonle Bassac Phnom Penh, Kingdom of Cambodia

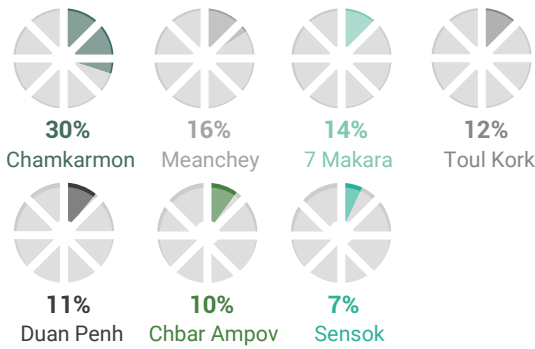
01 SUPPLY & VACANCY PERFORMANCE

FIGURE 1: ANNUAL RETAIL SUPPLY AND VACANCY PERFORMANCE IN PHNOM PENH BY SQ.M (2019 – 2020)



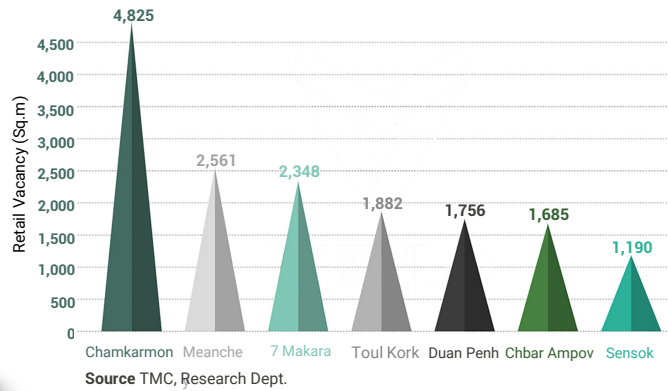
- With no retail project deliveries in **Q4 2020**, the 2020 end year retail supply stands at **370,781 sq.m**.
- With COVID-19 creating a poor retail environment where store sales were sent to the lowest levels for many retailers throughout much of 2020, vacancy levels in Phnom Penh rose by **85%**, almost doubling, from year end 2019 to year-end 2020.
- At the end of **2019**, Phnom Penh had **8,760 sq.m** of vacant retail space on the market.
- By the end of 2020, Phnom Penh's vacant retail space rose to **16,247 sq.m**,

The breakdown of Phnom Penh's retail vacancy rate by districts (submarkets) as of Q4 2020:



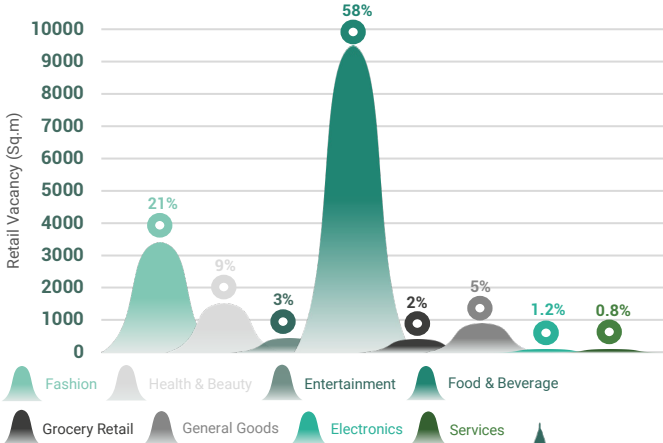
VACANCY BY SUBMARKET 2020

FIGURE 2: VACANCY BREAKDOWN BY SUBMARKETS IN SQ.M (2020)



03 VACANCY BY RETAIL CATEGORY

FIGURE 3: VACANCY BREAKDOWN BY RETAIL CATEGORIES IN SQ.M (2020)



New vacancies as of Q4 2020, is broken down into the following retail categories:

- **Food & Beverage** accounted for **9,492 sq.m** in new vacancies
- **Fashion** accounted for **3,402 sq.m** in new vacancies
- **Health & Beauty** accounted for **1,497 sq.m** in new vacancies
- **General Goods** accounted for **879 sq.m** in new vacancies
- **Entertainment** accounted for **426 sq.m** in new vacancies
- **Grocery retail** accounted for **401 sq.m** in new vacancies
- **Electronics & Services** accounted for **84 sq.m** and **66 sq.m** in new vacancies, respectively.



Simon Griffiths
Managing Director
+855 78 680 888
simon@themallcompany.com



Jamie Lucas
Research Manager
+855 81 340 735
jamie@themallcompany.com



Phnom Penh Center, 8th Floor, Building "F" Sotheaors Blvd., Sangkat Tonle Bassac Phnom Penh, Kingdom of Cambodia

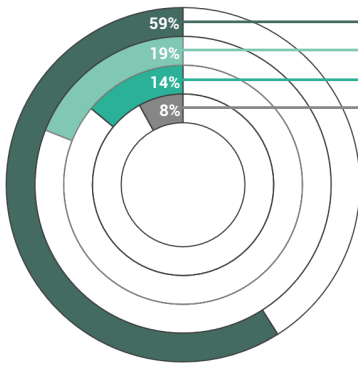
RETAIL INSIGHTS

2020 Q4 Retail Real Estate Vacancy Overview

EDITION 4 FEBRUARY 2021

THE MALL COMPANY

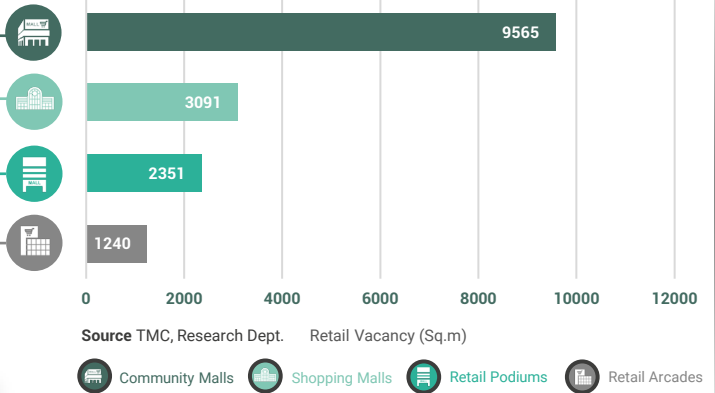
In Q4 2020, **Community Malls** had the highest levels in vacancies (sq.m), followed by **shopping malls**, **retail podiums** and lastly, **retail arcades** as broken down below:



VACANCY BY RETAIL CLASSIFICATION

04

FIGURE 4: VACANCY BREAKDOWN BY RETAIL CLASSIFICATIONS IN SQ.M (2020)



TOP INSIGHTS & CONCLUSIONS

01

With the COVID-19 pandemic still looming, there is uncertainty in the retail sector. Store sales have improved greatly since December 2020 and confidence is returning. On the one hand, the future is bright, and opportunities exist now that will provide economic rewards for retailers and developers during 2021 and for many years to come into the future. On the other hand, cash-flows have been badly damaged and another severe shock to store sales caused by another case such as the 'Nov. 28 Event' shall only lead to vacancy rates continuing to increase into 2021.

02

The significant increase in vacancy levels does however present an opportunity for well capitalized retailers to secure prime locations that were previously unavailable or prime locations in new projects and to attempt to negotiate favorable rents at rates lower than Pre-Covid-19 levels.

From everyone at TMC to all retail tenants and landlords and developers, we wish you all a favorable year ahead!

FOR MORE INFORMATION ON TMC'S RETAIL SERVICES:

- Retail Sector Research
- Mall Design Consultancy
- Retail Leasing
- Mall Management
- Mall Marketing

CONTACT US

+855 89 999 681/+855 93 999 621

enquiries@themallcompany.com

FOLLOW US

<https://www.facebook.com/TheMallCompanyCambodia>

<https://www.linkedin.com/company/themallcompany>



Simon Griffiths
Managing Director
+855 78 680 888
simon@themallcompany.com



Jamie Lucas
Research Manager
+855 81 340 735
jamie@themallcompany.com



Phnom Penh Center, 8th Floor, Building "F" Sotheaeros Blvd., Sangkat Tonle Bassac Phnom Penh, Kingdom of Cambodia