

STATE OF MIDDLE EAST RETAIL REAL ESTATE

A look at the thriving mall culture in the Middle East fuelled by diverse retail offerings, an exciting mix of retailtainment and seamless visitor experience facilitated by tech-driven innovation. This report examines the evolving face of regional malls and a noticeable shift in the way retailers select locations and mall developers strategise tenant mix.



The GCC retail market has witnessed “unprecedented level of demand,” indicated CBRE’s 2024 Middle East real estate market outlook report.

Based on data from Oxford Economics the GCC retail market is expected to grow by more than 2% in 2024 to reach over AED900 billion (\$246 billion) in retail sales by the year end, quoted **Anthony Spary, Head of Retail – CBRE MENA.** UAE is expected to lead the way in annualised growth at close to 4.5%.



Demand outstripping supply

As a result, several key markets in the GCC – Dubai, for example, operating at 97% occupancy rate across assets – are facing a lack of quality retail space leading to skyrocketing rentals. From the days of speculating oversupply, it seems as if retail real estate has entered an era where demand is outstripping supply, especially in case of certain popular super-regional malls.

Data from international consultancy firm Nikoliers estimated that average rental rates on new leases have gone up 71% in popular malls such as Mall of the Emirates, Dubai Mall and Dubai Marina Mall. In the Kingdom of Saudi Arabia too, retail rents increased through the past year, indicated Deloitte’s 2024 KSA market review report. The average regional and super-regional mall rents rose by 3%.

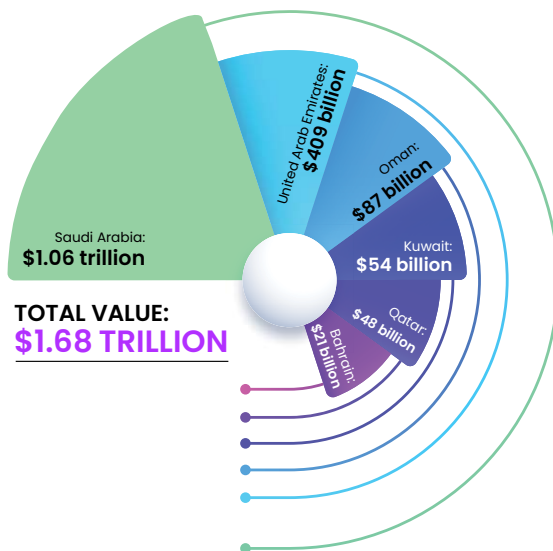
“We are facing challenges with undersupply, which is placing significant pressure on brands expansion and rollout plans across the region,” Spary observed. “Whilst this is likely to support rental performance, it will impact new occupier activity in the sector. More so, the trajectory for secondary and tertiary assets is yet to change meaningfully and we are unlikely to see this change without capital expenditures and asset repositioning.”

THE DUBAI MALL



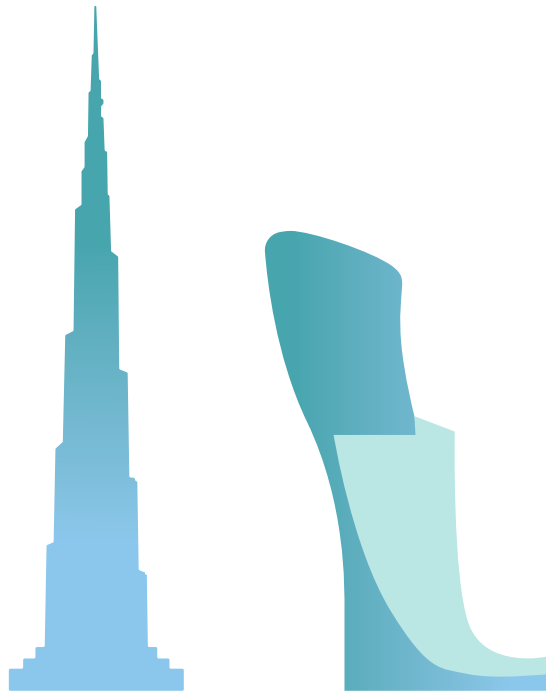
Photo Credit: Emaar Malls

GCC REAL ESTATE PROJECTS (PLANNED/UNDER CONSTRUCTION)



[Source: CBRE & MEED Projects]

UAE RETAIL REAL ESTATE: CURRENT STOCK

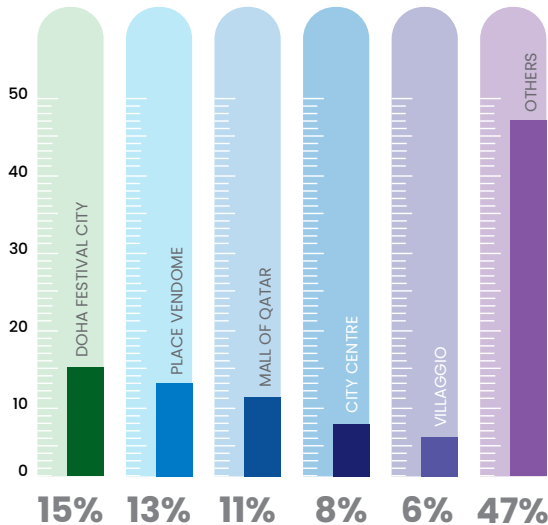


Dubai retail space:
4.8 million sqm

Abu Dhabi retail space:
3.15 million sqm

[Source: JLL]

QATAR: ORGANISED SUPPLY BY RETAIL MALLS (Q1 2024)



[Source: Cushman & Wakefield]

UAE RETAIL REAL ESTATE: A LOOK AHEAD

Abu Dhabi is expected to see

85,000 sqm

of additional retail GLA

[Source: JLL]

Dubai's retail space to grow by

1.8 million sqft,

as three new destinations are expected to open:

Al Khail Avenue (900,000 sqft)	Dubai Expo Mall (385,000 sqft)	Nad Al Sheba Mall (505,000 sqft)
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[Source: Nikoliers]

Retail rentals – rise, decline or stable?

Starting with the UAE, Dubai continues to be at the forefront of growth across the GCC, Spary shared.

“Rental rates continue to rise, although they are starting to show some early signs of stabilising, perhaps for the first time since 2021. However, we expect that rents will continue to rise across most retail categories, but more specifically for prime assets which continue to generate the maximum demand from prospective tenants. Secondary assets have benefited from the lack of good quality supply across the region, but tertiary retail assets are likely to continue to struggle as build quality and remote locations play a large factor in achievable rental rates and their overall attractiveness to tenants.”

Turning to Bahrain where rental rates have remained stable for the fourth quarter in a row, indicated Savills’ Bahrain Property Market report (Q1 2024). The mall and mixed-use development rentals remained stable and sit at BHD12.3/sqm/month and BHD7.9sqm/month, respectively, while rentals at strip retail assets have dropped by 1.0% year-on-year.

In Qatar, the increasing supply of new retail space has impacted retail rents in recent years, stated Cushman & Wakefield’s Qatar Q1 Real Estate Market Review. According to the report, around 20% of retail units within organised malls are currently vacant. Many of these vacant units are in secondary malls, or at the upper floor levels of busier malls. Meanwhile, rents in busier malls have stabilised and are showing signs of recovery.

Meanwhile, “headline rents across shopping malls continue to decline and have been slipping for the last four years,” stated Knight Frank’s Summer 2024 Saudi Arabia Retail Market Overview report. Riyadh has been an exception, with rents remaining relatively steady at around SAR2,700 per sqm.

“Overall and from a regional perspective, we are seeing steady demand across most categories, but given the lack of available quality retail supply, opportunities are becoming somewhat sparse in certain countries,” Spary added.

THE ROAD AHEAD:

EXPANSIONS, UPGRADES & UPCOMING PROJECTS

BAHRAIN

- In collaboration with Al Ahli Holding’s Dubai Outlet Mall, the Mall of Dilmunia has announced plans to launch Bahrain’s first outlet mall.

QATAR

- Doha Mall will add **1.7 million sqm** of leasable floor space in Qatar.
- Over **400,000 sqm** of leasable space will be added via open-air retail/F&B destinations, including The Pearl, Souq Waqif, Souq Al Wakra, Msheireb Downtown, Katara, Doha Port and Lusail Boulevard.

SAUDI ARABIA

- Spanning **180,000 sqm** Diriyah Square will house **400+** retail outlets, **100** restaurants and cafés and a variety of lifestyle options when it opens in 2024.
- Saudi Entertainment Ventures (SEVEN) project due for completion in 2025 will add **140,000 sqm** to Dammam’s retail and entertainment landscape.

THE UAE

- The **\$1.5 billion** Saadiyat Grove project in Abu Dhabi to feature **60,000 sqm** of retail, entertainment and leisure spaces.
- Dubai Mall to undergo expansion worth **AED1.5 billion** adding **240** new luxury and F&B outlets.

Beyond the GCC: State of Egypt

In Q2 2024, Cairo witnessed the completion of approximately 102,000 sqm of retail GLA, including one regional mall, two community centres and two neighbourhood malls. While more retail space is expected to be available during this year, several projects have faced delays due to prevailing market conditions, indicated JLL’s Cairo Retail Q2 2024 report.

“The retail sector in Cairo is anticipated to face ongoing pressure, with retailers focusing on downsizing their operations. Import restrictions, currency devaluation, rising inflation and lower consumer purchasing power have pushed retailers into survival mode and this challenging situation is expected to persist, at least in the short term. However, there is a favourable outlook for the growth of local production and brands. Landlords are offering incentives and revenue share arrangements to attract local brands and fill up retail space, providing opportunities for the growth and success of these businesses,” the JLL report stated.



RETAIL REAL ESTATE:

A SNAPSHOT

Current Stock:	Future Stock:
3.14 million sqm	300,000 sqm

[Source: JLL]



State of Retail Real Estate: From the Lens of Retailers

Hasan Al Masri

May Bahjat Kanounji

Houssam Zachry

Samer Khouri

Kapil
Sethi

Vikas
Chadha

Louay
Moursel

Walid Hajj

George Kunnappally

Farah Hamdan

Sainik
Kumar

Shamlal
Ahamed

Dharani
Krishnaa

Jerome
Mortel

Aditya
Singh

Scientifying Success

Blending tradition with modernity to create unique scents, Saudi-born fragrance brand Arabian Oud boasts a network of over 1,200 stores worldwide with a strong presence in the Middle East.

The science behind location scouting:

While scouting for locations, we focus on the area within the city and its accessibility to our target audience. We evaluate the location from all aspects including if its centrally located, if its high in foot traffic. In case of mall-based locations, the tenant mix, our adjacency and the reputation of the developer are some things that we evaluate.

The math behind revenue per sqft:

I'd say it's more of an art than math in our case. To maximise revenue per square foot, we focus on creating a mesmerising in-store experience, supported by easy navigability and flexible design. In addition, the visibility of the location is a key consideration.

Data & instincts - a balancing act:

Data is a must, because we build our instincts based on the available data. This, in turn, plays a pivotal role in signing up the right location for future development.



العربية للعود
Arabian Oud at a Glance

Present in
100+
cities in
35+
countries

1,200+
stores

50,000
perfume bottles produced per day

Tenant-Landlord Relationship...in 10 Words:

Trust & collaboration are crucial for a win-win tenant-landlord relationship.



Hasan Al Masri
International
Leasing Manager
Arabian Oud

“

A 'Perfect' Location... in your words:

Almost 60% from our locations are considered as 'perfect'. Over time, some of these locations have become landmarks for locals and tourists alike. For example, its common to hear people say the "Arabian Oud traffic light" or the "Arabian Oud corner" and the like.

”

Exuding Comfort

Blooming was established in Saudi Arabia in 2016 by the Al Nahdi Family as a lingerie brand, which has evolved into a much-loved name in comfort wear and beauty accessories.

The science behind location scouting:

We prioritise locations with high foot traffic. We also carefully analyse the mall's location, visitor demographics that must align with our target audience and tenant mix to ensure that our offerings complement existing stores. In Saudi Arabia, malls that exclusively focus on entertainment or food & beverage aren't ideal for fashion brands, yet we can't overlook them altogether.

The math behind revenue per sqft:

When selecting and designing a retail space, it's crucial to align the store layout with the brand's unique offerings. Storefront visibility is key to driving foot traffic, while the impact of visual merchandising, strategic product placement and use of modern technology can significantly influence the customer journey, conversion rates and, ultimately, revenue. Creating an immersive in-store experience is crucial to encourage customers to increase dwell time and make additional purchases.

Data & instincts - a balancing act:

I rely on a combination of data and instincts. Initially, I use data to inform my decision. Once I visit the site, I trust my instincts to gauge the location's true potential and alignment with our brand's vision. This dual approach helps me to make strategically sound and intuitively right decisions.



**May Bahjat
Kanounji**
Chief Executive Officer
Blooming

blooming at a Glance
WITH YOU ALONG THE WAY

35
stores in
15 cities
across KSA

40
stores by 2025

85%
of clientele is women

Tenant-Landlord Relationship...in 10 Words:

Success of a store within a mall
is a shared responsibility.

“

A 'Perfect' Location... in your words:

A perfect location is one that aligns with multiple key criteria, including prime geographic positioning, an optimal customer journey and an immersive shopping experience.

”

Luxury Made Accessible

Off-price retailer Brands For Less (BFL) Group aims to expand its GCC-wide footprint to 140-150 locations, reflecting its commitment to increase market presence while meeting customer demands.

The science behind location scouting:

When selecting a mall for our brand stores, we focus on prime locations, adjacencies and accessibility to ensure high visibility and ease of access. We also consider the surrounding retail environment and the demographic profile of shoppers to make sure it aligns with our target market.

The math behind revenue per sqft:

We begin by selecting a prime location with high visibility and strong foot traffic. Secondly, we look at adjacent businesses to ensure they complement our brand and attract our target demographic. We follow up by assessing traffic patterns and the overall size and layout of the space to align with operational needs. We also evaluate proximity to existing locations to avoid market overlap. Balancing these factors helps in optimising revenue potential of our stores.

Data & instincts - a balancing act:

I rely on both data and instincts. Data is essential to validate decisions and make informed choices based on concrete metrics. At the same time, instincts, which come from experience and a deep understanding of the market, play a crucial role in interpreting the data and identifying details that numbers alone might not reveal.



Houssam Zachry
Director of Leasing
BFL Group



BFL GROUP at a Glance

Present across the **GCC** **114+** stores (Currently)

Tenant-Landlord Relationship...in 10 Words:

Clear responsibilities, transparent communication channels & mutually agreed expectations are key.

“

A 'Perfect' Location... in your words:

While there's no such thing as a universally 'perfect' location, each site has its own unique advantages and challenges. The key is to maximise the benefits and address the setbacks to help enhance the store's performance.

”

Growing Seamlessly

Luxury retailer Etoile Group has established a robust presence across the Middle East, with a strong footprint in key markets including the UAE, Saudi Arabia, Kuwait, Bahrain, Qatar and the Levant.

The science behind location scouting:

We prioritise several factors, including brands' mix, demographics and footfall. We look for malls that align with our luxury brand profiles, having the right tenants' mix and a proven track record or a clear future potential of high foot traffic from affluent clientele. We also prefer malls that host complementary luxury brands, which create a cohesive and high-end shopping environment.

The math behind revenue per sqft:

High visibility and easy accessibility for our clients within the mall are crucial. We focus on creating a space that allows for optimal product placement, ensuring our clients can easily explore offerings and engage with the brand. Operational efficiency is important, including factors such as storage, back-of-house facilities and colleague workflow, all of which are critical in ensuring that brands can operate smoothly while providing a personalised and exclusive experience to clients.

Data & instincts - a balancing act:

It's a balance of both. Data provides us with critical figures on footfall, consumer demographics and spending patterns, essential to make strategic and informed decisions. While instinct plays a significant role to understand market nuances, intangible aspects of a location and predicting emerging trends.



Samer Khouri
Managing Director
Etoile Group

ETOILE Group at a Glance

58+
luxury boutiques
across the
Middle East

Expanding
e-commerce presence

08+
new stores
to come up in the
UAE and KSA in 2025

Tenant-Landlord Relationship...in 10 Words:

We must share a common vision about the mall's positioning and the role of brands in it.

“

A 'Perfect' Location... in your words:

A perfect location, or something close to it, would be one that attracts our target demographic, aligns with our brand's prestige and allows us to offer a seamless experience.

”

Gastronomic Growth

Established in 2003, Kuwait-based food & beverage company Gastronomica built around the principle that food must appeal to all five senses specialises in creating iconic venues that stand out due to their diverse food offerings and unique experiences.

The science behind location scouting:

Some of the key factors that we consider before signing up a location include foot traffic & demographics, location & accessibility, tenant mix and the reputation of the mall.

The math behind revenue per sqft:

If we get the location right offering us the kind of visibility we are looking for, coupled with acceptable lease terms and costs and if the adjacency is aligned and competitive, the math becomes straightforward.

Data & instincts - a balancing act:

When choosing locations for our brand outlets, we rely on both data and instincts. Data helps with understanding foot traffic, demographics and market trends, while instincts and experience offer a deeper insight into the market and potential opportunities. Using both approaches together usually leads to better decision-making.



Louay Moursel
Director of Operations
Gastronomica

GASTRONOMICA at a Glance

16 brands across the GCC	Operates 45 units (currently)	12 new locations in the pipeline
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Tenant-Landlord Relationship...in 10 Words:

Lease terms & flexibility define how well the landlord-tenant relationship will work.

“

A 'Perfect' Location... in your words:

We're fortunate to have several such 'perfect' locations within our portfolio. What truly sets us apart is our ability to attract significant foot traffic wherever we establish a presence. For example, in Kuwait, we have Slider Station; in Dubai, we have OFK; and in Riyadh, we have Lazy Cat Laysen Valley.

”

Data Driven & Ambitious

Through its efforts over the past 45 years, UAE-based diversified business GMG has become a trusted partner for growth and innovation across global markets and plans to significantly increase its footprint by 2025.

The science behind location scouting:

We thoroughly evaluate each potential site, taking into account the primary and secondary catchment areas, coupled with proximity to major roads, public transportation and parking availability. We also evaluate foot traffic, demographics of the area, the mall's brand mix and the synergy between tenants, because a well-curated mix can significantly enhance the overall shopping experience and drive customer engagement.

The math behind revenue per sqft:

Maximising revenue per sqft is crucial. We focus on optimising every aspect of our physical spaces to achieve this. High visibility is essential as it attracts customers and reduces the need for extensive advertising. Our stores' size, layout and façade are carefully designed to enhance customer flow and product visibility, balancing the need for sufficient space without compromising the intimacy and exclusivity of the shopping experience. We also strategically select neighbouring tenants to complement our stores.

Data & instincts - a balancing act:

Striking a balance between data-driven decisions and intuition is imperative. While data is crucial in decision-making, there is still a place for instincts honed through experience when determining the right course of action.



Kapil Sethi
Deputy Chief Executive Officer
GMG

GMG at a Glance

500+
stores
across MENA

Introduced
120+
brands in its markets

Tenant-Landlord Relationship...in 10 Words:

A successful partnership that can weather the inevitable changes in retail.

“

A 'Perfect' Location... in your words:

A location that's perfect today may not retain its status tomorrow as mall dynamics and market conditions evolve. The continuous success of a location is contingent on being adaptable and forward-thinking in strategy, including the landlord's retail strategy and broader market dynamics.

”

Legacy of Excellence

UAE-based consumer electronics major Jumbo is celebrating five decades of operating in the region.

The science behind location scouting:

The most important factor is the mall's catchment area. We prefer locations and demographics that align with the premium nature of the brands that we distribute. The location of the store within the mall is also crucial and we prioritise spaces that experience high foot traffic, such as near mall entrances or exits. We also evaluate the presence of our stores in nearby malls, because having a strategic network of locations ensures better market coverage and reinforces brand visibility.

The math behind revenue per sqft:


While a smaller store typically yields higher revenue per sqft, it's important to balance space efficiency with customer expectations for variety. The store should be large enough to accommodate around 5,000 SKUs, ensuring a wide product selection without overwhelming the space. That's why strategic placement of products and intuitive navigation are crucial. The catchment area should be densely populated, with a good mix of local residents and tourists to drive consistent traffic.

Data & instincts - a balancing act:

For established locations, data is the primary source of decision-making, allowing us to analyse past performance, customer demographics and traffic patterns. However, when evaluating new locations, data might not always be available. In these cases, we also rely on insights into the government's vision, future development plans and the potential of the area.



Vikas Chadha
Chief Executive Officer
Jumbo Electronics Ltd.

 <p>JUMBO GROUP at a Glance</p>	<p>Presence in the UAE, Bahrain, Oman, Qatar and wider MEA</p>	
	<p>Operates franchisee stores for Sony, Dyson and du telecom</p>	<p>17 Jumbo Electronics stores across the UAE</p>

Tenant-Landlord Relationship...in 10 Words:

We look for fair rental agreements, flexibility and support.

“

A 'Perfect' Location... in your words: We believe Mall of the Emirates is a perfect location for us. The mall's strategic location allows us to reach a diverse customer base, making it an ideal spot for our brand.

”

Quenching Hunger

Lavoya Restaurants is the master franchisee of Dave's Hot Chicken and Barbar in the GCC and Joe and The Juice in the UAE.

The science behind location scouting:

When selecting a mall for our brand stores, we consider several key factors. First, traffic counts are essential as they provide an estimate of potential customer footfall. Capture rates are evaluated to determine the percentage of visitors. Demographics, including the neighbourhood and tenancy mix, are considered to ensure that our brand aligns well with other businesses within the mall.

The math behind revenue per sqft:

Financials are evaluated to ensure the space meets our budget and goals, as well as assessing cash flow requirements to ensure healthy operations. Capital investments are considered to determine the necessary funding for setup and ongoing improvements and breakeven analysis is conducted to project how long it will take for the store to become profitable.

Data & instincts - a balancing act:

We tend to rely on both data and instincts. Data gives us valuable insights into demographics, traffic and market potential. While our instincts, developed through years of experience, help to interpret that data in a way that aligns with our brand's goals.



Walid Hajj
Co-founder
Lavoya

Lavoya [”] at a Glance Food for Thought

07 Dave's Hot Chicken restaurants in **Dubai (3), Doha (2) & Riyadh (2)**
→ expand to **11** by 2025

12 Joe & The Juice branches in the UAE
→ expand to **26** by 2025

02 more Barbar outlets in the region by 2025

Tenant-Landlord Relationship...in 10 Words:

Clear communication, flexible lease terms, market knowledge and reliability are crucial.

“

**A 'Perfect' Location...
in your words:**

*We cherish all our locations
– each store possesses its own unique
charm and strengths.*

”

Chasing Growth

Abu Dhabi-based retail conglomerate LIWA Trading Enterprises has GCC-wide presence with franchised and homegrown brands including La Senza, Gant, OVS, Lovisa, Dwell, Simply Kitchen and more.

The science behind location scouting:

The first key factor in deciding a location depends on the target audience for the brand. Other factors include overall footfall in the mall and the exact location of the unit inside the mall. Overall, I believe malls in our region are quite ahead in terms of customer engagement and experiential retail with different options available to consumers under one roof.

The math behind revenue per sqft:

A lot depends on the footfall and the commercials of a unit but at the same time stock to sale ratio is the key yardstick used by brands to finalise the ideal store size.

Data & instincts - a balancing act:

We do lot of data analysis before finalising anything. But data can only throw up scenarios based on history. In the end, decision making involves our understanding of the location in a mall and our instincts about it.



Sainik Kumar
Head – Real Estate & Business Development
LIWA Trading Enterprises



at a Glance

250+

stores across the region

20

Plans to add new stores in 2025

Set to launch 4 new brands:

- Foray into skincare with **3 Panier Des Sens** stores
- Strategic partnership with contemporary fashion brand **Le100Ciel**
- Conversations underway to sign up **2 more brands**

Tenant-Landlord Relationship...in 10 Words:

The longevity of the relationship is crucial to drive success.

“

A ‘Perfect’ Location... in your words:

There’s no such thing as a ‘perfect’ location in retail; even if you find one it might be for some time and then things change.

We’ve a few stores that are probably close to ideal in terms of revenue efficiency and target audience.

”

Built for Bookworms

One of the UAE's first homegrown bookstore chains Magrudy's is expanding its omnichannel retail presence across the Emirates, while plans are underfoot to open a branch in Muscat, Oman in 2025.

The science behind location scouting:

The surrounding community, potential footfall, location of the shop in the mall and the retail mix are all crucial considerations. Our track record indicates that with a perfect mix of these elements we can drive excellent footfall and build a loyal customer base with minimal marketing.

The math behind revenue per sqft:

We don't have a 'one size fits all' approach and endeavour to provide the right mix of products in each shop, determined by our customers. The design of each shop helps customers find what they want and allows them to discover new treats and surprises each time they visit. In addition, visiting physical spaces in malls and the surrounding residential areas are important when selecting potential locations to evaluate the impact of rent on the long-term profitability of the business.

Data & instincts - a balancing act:

Data mining and analysis is essential to respond to what our customers are looking for and need to find in our outlets. From the day a new Magrudy's opens its doors, we collect data, engage with our customers, watch trends and fine tune our offerings accordingly.



Dharani Krishnaa
Chief Operating Officer
Magrudy's



المجرودي
Magrudy's at a Glance
Bringing you only the best

21

shops
across the UAE

02

new shops
to open in 2025

Tenant-Landlord Relationship...in 10 Words:

Over the past 50 years, we've built great tenant-landlord relationships.

“

A 'Perfect' Location... in your words:

We've noticed that customers appreciate being able to pop into their nearby community malls which house their favourite café, a good supermarket and home-grown brands such as Magrudy's.

”

Sparkling Success

Jewellery retailer Malabar Gold & Diamonds was established in 1993 and is the flagship company of Malabar Group, a leading diversified Indian business conglomerate.

The science behind location scouting:

We prioritise malls whose customer footfall align with our target demographics, are conveniently located for our customers and feature a strong tenant mix that are attractive to the general population. These factors ensure our store attracts the right audience, benefits from high foot traffic and thrives in a dynamic retail environment.

The math behind revenue per sqft:

We focus on three key aspects: an efficient store layout that optimises product display, a prime location that ensures visibility and accessibility and high footfall in the area to drive consistent customer traffic. These factors work together to enhance sales potential and overall profitability.

Data & instincts - a balancing act:

We always rely on a blend of data-driven insights and instincts honed from years of experience. Data provides valuable information on market trends and customer behaviour, while experience allows us to interpret that data and make decisions that align with our brand's unique needs.



Shamlal Ahamed
MD – International Operations
Malabar Gold & Diamonds



MALABAR
GOLD & DIAMONDS **at a Glance**

Presence in **India**,
the **GCC**, **Singapore**,
Malaysia, the **US**,
the **UK**, **Canada**
& **Australia**

Operates
355+
showrooms

Tenant-Landlord Relationship...in 10 Words:

One that's built on transparent communication to address any issues promptly.

“

A 'Perfect' Location... in your words:

While the concept of a 'perfect' location can vary, a perfect location for us is one that consistently delivers strong sales, aligns seamlessly with our brand image and supports future growth. We are proud to have several such locations within our portfolio, where these elements come together to create an ideal environment for our brand's success.

”

Peri Peri Delicious

Popular for its flame-grilled peri peri chicken, Nando's UAE is on an expansion mode with an aim to operate 25-28 sites by the end of 2025.

The science behind location scouting:

Visibility, accessibility and convenience are common considerations be it a shopping centre, high street or a community. In case of a mall, we also evaluate the primary trade area, how far away it is from our existing locations, demographic profile and the commercial terms offered.

The math behind revenue per sqft:

Square or rectangular units with 8-10 mt shopfront with all the base build services along one wall work well for us. We do well near cinemas or family entertainment centres, as well as along a restaurant strip with other casual dining brands. We consider these factors while selecting a venue. Other key considerations are electric power, kitchen extraction, make up air and chilled water allocations for the unit – the MEP/HVAC specs must meet our specifications.

Data & instincts - a balancing act:

We rely heavily on data. Our teams spend time at a venue under consideration to observe footfall, demographic mix, purchasing power, conversions, basket size, how other restaurants are performing etc. We also talk to our aggregator partners to understand delivery zones, business potential, overlap with our existing stores and develop a realistic business case. Of course, gut also plays a part in decision-making.



Nando's
at a Glance

21 Restaurants & **3** to
open soon

02 Dark kitchens & **1** to
open soon

Tenant-Landlord Relationship...in 10 Words:

Trust is paramount & honouring commitments
is critical for mutually beneficial relationships.



George Kunnappally
Managing Director
Nando's UAE

“

A 'Perfect' Location... in your words:

Our restaurant in Dubai Mall can be called as 'perfect' as it gets. A perfect location that we'd love to see Nando's at would be Dubai International and Abu Dhabi (Zayed) International Airport.

”

Perfecting Pizzas

Dubai-headquartered PJP that operates Papa Johns Pizza restaurants in the UAE, Saudi Arabia and Jordan aims to increase its portfolio of restaurants to 160 by 2025.

The science behind location scouting:

Foot traffic and demographic profile of the mall, tenant mix and competition are three factors we consider while scouting for locations for our restaurants. From a technical perspective, if you're in the restaurant business, it's crucial to ensure adequate electrical load and suitable MEP (Mechanical, Electrical & Plumbing) provisions in every potential site.

The math behind revenue per sqft:

There are several factors to consider while designing a restaurant to maximise revenue per square foot. As an international brand, we must adhere to the brand design template, ensuring essential elements such as kitchen workflow are carefully planned. The kitchen should be designed to minimise employee movements, allowing them to prepare food quickly and efficiently. At the same time, it's crucial to maximise seating capacity in the dining area while ensuring customer comfort.

Data & instincts - a balancing act:

Data, which helps to tailor menu offerings to attract the right customer base, provides the assurance needed before committing to significant capital expenditures. While instincts play a crucial role in decision-making. When combined with data, strong instincts can enhance and refine the insights gained, adding the final touch to strategic decisions.



Farah Hamdan
Leasing Manager
PJP UAE

PAPA JOHNS at a Glance	03 Countries (UAE, KSA, Jordan)
	130 Locations (Currently)

Tenant-Landlord Relationship...in 10 Words:

Being open, responsive & willing to collaborate for long-term success.

“

A 'Perfect' Location... in your words:

A perfect location is one that meets the brand's strategic objectives of offering visibility, attracting visitors, driving revenue and ensuring customer satisfaction. For instance, some of our top-performing restaurants are in high-traffic malls or prime urban locations where we've achieved a strong balance of these elements.

”

Say Sushi

Sumo Sushi & Bento is a Japanese, family dining franchise looking to touch the 20-outlet-mark by 2025.

The science behind location scouting:

We always evaluate the volume and quality of foot traffic. The presence of complementary businesses, such as retail stores, entertainment venues and other dining options, which can be crucial in driving traffic to our restaurant. The exact location of the restaurant – its proximity to main entrances, anchor stores or popular attractions – within the mall is vital for visibility.

The math behind revenue per sqft:

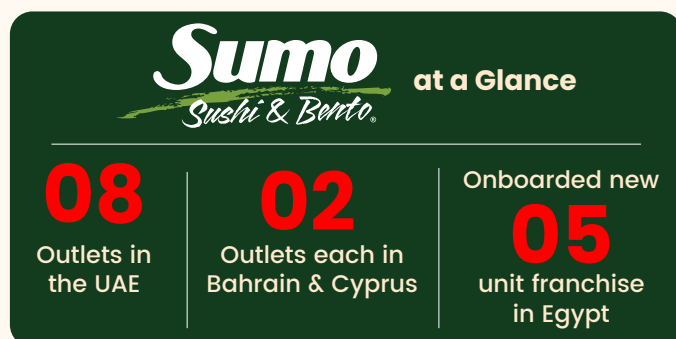
The space should be optimally sized for our operations, neither too large nor too small. The layout should facilitate smooth operations and enhance customer experience. High visibility from major thoroughfares and easy accessibility, including ample parking and public transport options are crucial for attracting diners. Favourable lease terms, including reasonable rent and flexibility in the lease duration, are essential to manage costs and adapt to changing business needs.

Data & instincts - a balancing act:

It's a combination of both. Data provides critical insights into demographics, foot traffic and market trends, helping us to make informed decisions. However, instincts honed from years of experience in the industry also play a crucial role, particularly when assessing intangible factors such as the vibe of a location or the potential for future growth.



Jerome Mortel
Chief Operating Officer
Sumo Sushi & Bento



Tenant-Landlord Relationship...in 10 Words:

It's all about flexibility & support, reputation & reliability and shared goals.

“

A 'Perfect' Location... in your words:

While there's no single 'perfect' location, some locations come close to ticking most of the boxes – high foot traffic, strategic placement, favourable lease terms and a complementary tenant mix.

”

New growth frontiers

Indian jewellery retailer Tanishq, belonging to the house of Titan, entered the UAE with a single store in October 2020 and has been on a robust growth path.

The science behind location scouting:

For our jewellery stores, we look for both mall-based and high street locations. While selecting locations, we look for a combination that includes four factors. Starting with being positioned in a place where customers frequent for the category. The ideal location within a mall would be one that offers a balanced mix of shopping, entertainment (not just cinema), F&B options and necessities (pharmacies, government services, money exchanges). For instance, Dubai Hills Mall is my personal favourite in the region. Easy access and exit with enough parking are crucial. And all of this at a decent rental is pivotal.

The math behind revenue per sqft:


We like to opt for a large façade and sufficient height and space that allow us to build customer service amenities. The store should have sufficient natural lighting and sound absorbing walls along with accessibility features. In addition, easy digital-led navigation to the store is important.

Data & instincts - a balancing act:

I'd say getting a location based on the factors that I've mentioned above is a combination of data and instincts.



Aditya Singh
Head - Jewellery
International Business
Titan

 **TANISHQ** at a Glance

UAE entry: **October 2020**

12 stores across two brands,
Tanishq and Mia, in 2024

Double the store network by the end of **2025**

Tenant-Landlord Relationship...in 10 Words:

Empathy & fairness are crucial to improve the offerings and drive traffic.

“

A 'Perfect' Location... in your words:

A perfect location is more of a dream. While it might fulfil some of the criteria that we look for, it may fall short on some other considerations.

”



Michael
Beverly

Debbie
Russo

Khalifa
Bin Braik

Ali Abdallah

State of Retail Real Estate: From the Lens of Malls



**Anoop
Gopal**

Mayank Pal

**Majed
Al Gothmi**

**Mishaal
Almairani**

**Mohammed
Khammas**

Evolution is Key

Situated in Dubai's Deira area close to Dubai Creek, Al Ghurair Centre holds the distinction of being the first shopping centre in the UAE.

Towards 2026 - a look ahead:

Considering the success of our development plan in attracting new customers, we will continue adding more aspirational brands such as the global-first store of Black & Decker and the first Bazooka in the UAE, among several others.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

It's important to identify the right demographics to select tenants aligned with visitor preferences. Introducing football drivers is crucial. Category analysis is pivotal to make informed decisions about what we and our visitors need.

2020 vs. 2024 - evolution in tenant mix:

Al Ghurair Centre has gone through more than two years of development. We've added the likes of GLITCH, Sun and Sand Sports, Nike and Under Armour, Australian pharmacy chain Chemist Warehouse and a new Brand Bazaar. Implementing a big box strategy has been instrumental in driving the addition of 50 new brands, encouraging cross-shopping among customers. We've also increased the F&B GLA by approximately 40% between 2022 and 2024, introducing concepts including Saudi franchise Al Baik, popular Lebanese spot Zaatar w Zeit and our new street food hall Flayva.



Michael Beverly
Executive Vice President
Al Ghurair Centre

Al Ghurair Centre at a glance

830,000 sqft of GLA

16 million in annual footfall

270+ retail stores

50+ dining spots

GLITCH, a 40,000 sqft indoor active game park

DID YOU KNOW?

Within the first two weeks of launching Flayva in March 2024, Al Ghurair Centre recorded an 11% increase in footfall.

Mall of the Future... in your words:

My vision of the 'mall of the future' is represented by placing community at the heart of the property's operations. A space where both digital and physical environments merge to provide a convenient experience for visitors.

Diversifying Strategically

Located in the heart of Abu Dhabi, Al Wahda Mall is one of Lulu Group International's properties.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

We consider consumer demand to ensure the tenant mix caters effectively to them. We needed a cinema in the mall due to consumer demand, so we partnered with one of the best film distributors. We constantly evaluate market trends, including the rise of experiential shopping, to remain relevant and competitive. Importantly, we always ensure brand synergy so that new tenants complement existing ones to maintain a balanced offering that maximises foot traffic and consumer engagement.

2020 vs. 2024 - evolution in tenant mix:

Since 2020, we've strategically diversified our tenant mix, incorporating more lifestyle and experiential brands to reflect changing consumer behaviours, which now emphasise on convenience, health, entertainment and holistic experiences.

Towards 2026 - a look ahead:

The focus will likely be on enhancing customer experiences through digital integrations and immersive retail concepts, catering to a more tech-savvy, environmentally conscious consumer base. The mall might include more local and international brands that prioritise customer engagement.

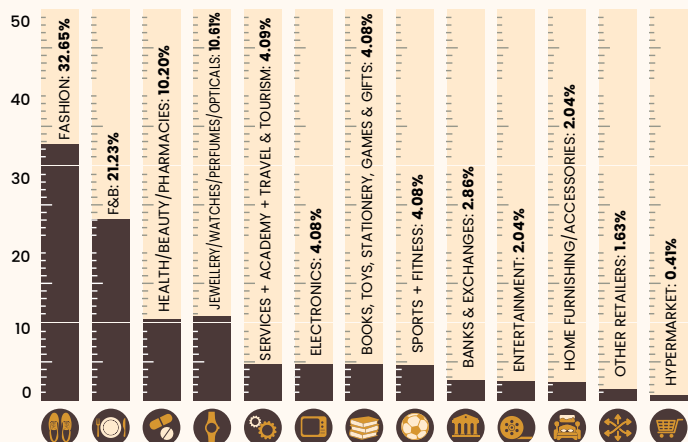


Mayank Pal
General Manager
Al Wahda Mall

Al Wahda Mall at a glance

- Spread across **1,031,203 sqft**
- Attracts **30 million** visitors annually
- 307+** retail brands, **9-screen** cinema

Tenant Mix: A Snapshot



Mall of the Future... in your words:

The 'mall of the future' in the region might be a blend of advanced technology and unique physical spaces to create immersive and personalised shopping experiences. While there are inklings of this vision in some UAE malls, a fully integrated 'mall of the future' is still on the horizon, with further developments expected in the coming years.

Creating Experiences

By continuously enhancing both retail offerings and customer experiences, Saudi Arabia-based Azad Properties aims to lead the future of retail environments in the Kingdom.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

We start by strategically balancing global brands with local businesses. Across all our properties, there is a strong commitment to offering opportunities for local brands of all sizes to thrive. We carefully curate these partnerships to ensure each brand is perfectly matched with the destination's character and audience. Our commitment to staying ahead of market trends and consumer preferences is evident in the continual evolution of the tenant mix.

2020 vs. 2024 - evolution in tenant mix:

Between 2020 and 2024, our tenant mix has undergone significant evolution. In retail, there has been a clear transition from traditional shops to a carefully curated mix including fashion-forward, technology-driven and eco-friendly brands. We've expanded the F&B offerings to include a broader selection of gourmet and international cuisines alongside fast food. Our entertainment offerings have been upgraded from

basic amenities to more interactive family-friendly attractions. We've also introduced cultural spaces such as art galleries and exhibition halls, along with venues for community events and workshops.

Towards 2026 - a look ahead:

We anticipate our tenant mix to diversify and evolve. We expect to see increased demand for international and tech-driven brands as consumers become more connected and reliant on smart technology. Experiential retail will play an even larger role with brands that offer unique and interactive experiences becoming highly sought after. There will be a growing emphasis on wellness-focused businesses. Importantly, we will continue supporting local brands.

Azad Properties at a glance

12 properties

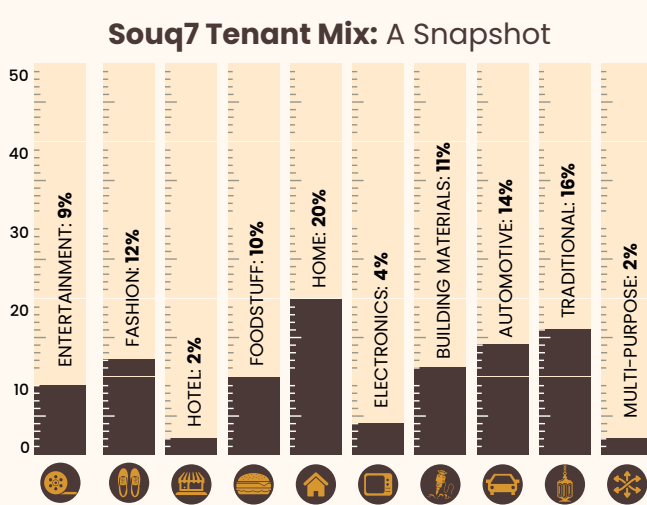
1,400,000 sqm GLA

10,000,000+ shoppers annually

7,000+ tenants



Majed Al Gothmi
 Chief Operating Officer
 Azad Properties



**Mall of the Future...
 in your words:**

We envision the 'mall of the future' as a space that integrates cutting-edge technology, sustainable design and immersive experiences.

Pioneering Value Shopping

Dubai Outlet Mall is a key player in the retail landscape of the UAE, renowned for being one of the largest outlet malls in the region, particularly after its recent expansion.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

When planning our tenant mix, we prioritise diversity – offering everything from high-end fashion to everyday essentials and a wide selection of F&B options; brand strength – attracting well-established global brands and emerging independent labels; and market relevance to remain ahead of trends and align with the evolving needs of our catchment areas.

2020 vs. 2024 - evolution in tenant mix:

In 2020, the focus was largely on traditional retail categories such as fashion, electronics and homeware. Fast forward to 2024, we've expanded to include more independent and online brands as well as F&B and entertainment offerings. Moreover, the expansion has allowed us to diversify our tenancy mix, taking on a more dynamic approach by introducing a larger brand categorical mix. We've also introduced logistical services within the mall to support e-commerce brands with physical spaces.

Towards 2026 - a look ahead:

We envision our tenant mix to be even more dynamic and diverse, with a stronger focus on digital-native brands and experiential retail. We anticipate a growth in wellness, technology and sustainable brands, reflecting the evolving consumer mindset and the growing range of demographics.



Mohammed Khammas
Chief Executive Officer
Al Ahli Holding Group

Dubai Outlet Mall at a glance

Spread across over **3.8 million sqft**

Houses **1,200+** retail brands

Attracts over **12 million** visitors annually

DID YOU KNOW?

Founded in 2007,
Dubai Outlet Mall is the
first outlet concept
in the region.

Mall of the Future... in your words:

The 'mall of the future' is one that seamlessly integrates digital and physical shopping experiences. It's a space where technology enhances the shopping journey, through personalised recommendations, seamless payments and where entertainment, dining, art, culture and retail coexist harmoniously.

Making Moments Memorable

Majid Al Futtaim is renowned for developing and operating some of the region's most iconic retail and leisure destinations.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

Tenant mix is the soul of the mall. It's not just about filling spaces; it's about creating a destination that people are drawn to, time and again. Our decisions are driven by a deep understanding of the market, powered by data and insights, but always with an eye on the future. We always factor in target demographics, category diversification and anchor tenants.

2020 vs. 2024 - evolution in tenant mix:

Back in 2020, fashion and apparel were the dominant categories, enjoying a significant presence. However, the pandemic shifted consumer behaviour, leading to a rise in e-commerce and necessitating a re-evaluation of our approach. We responded by embracing phygital retail experiences. At the same time, luxury sales experienced a remarkable surge, particularly at Mall of the Emirates, which solidified its position as a hub for high-end brands.

Majid Al Futtaim Malls at a glance

29 shopping malls across the Middle East and Africa – including Mall of the Emirates, City Centre malls, My City Centres, Matajers

Over 1.8 million sqm of retail space across the UAE, Oman, Bahrain and Egypt

112.6 million visitors in H1 2024

96% leasing occupancy

DID YOU KNOW?

AED17.4 billion in tenant sales were recorded by Majid Al Futtaim malls, as of July 2024.

Towards 2026 - a look ahead:

The future of retail is about seamlessly blending physical with digital, so we will invest in technology enablement and partnerships that will help redefine what it means to shop, experience and connect. Overall, our vision for 2026 includes a strategic restructuring of our malls into distinct precincts that cater to different lifestyles, from luxury to value shopping. From sustainable building designs to meaningful community engagement, we're committed to leading in this space and enhancing our already strong track record.



Khalifa Bin Braik
Chief Executive Officer
Majid Al Futtaim
Asset Management

Mall of the Future... in your words:

The 'mall of the future' isn't just a concept; it's a vision we're actively working towards. That vision includes a seamless blend of physical and digital experiences in sustainably built spaces acting as community hubs where people can connect, experience and engage.

Community Hubs

Owned by the Al Zarooni Group of Companies, Town Centre Jumeirah and Mercato are both community malls that have served the neighbouring areas on Jumeirah Road for decades.

Towards 2026 - a look ahead:

We will always review our leasing matrix to investigate gaps that need to be filled. Speaking for the malls that I manage I'd veer away from niche brands and look at what is purposeful or trending.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

In a community mall day-to-day service will be a key component. The design of the mall is important to consider. For example, if you were building a dumb bell design you would need an anchor tenant strategically placed at each end, therefore anchor position is key. It is vitally important to understand what's already available within the catchment area and who you are aiming to facilitate. These are all aspects that will help in planning the right tenancy mix.

2020 vs. 2024 - evolution in tenant mix:

As a community mall – and with the development of a lot of regional malls – we are seeing less demand from the big box retailers and expanding demand for boutique and home-grown brands. The growth in online shopping has also forced us to think differently, offering categories where experience plays a key role.



Debbie Russo
General Manager
Mercato &
Town Centre Jumeirah

At a glance

Mercato 643,067 sqft

Town Centre Jumeirah 193,680 sqft

TENANT MIX:

A Snapshot of Top Categories

	FASHION
	FOOD
	LEISURE & ENTERTAINMENT

Mall of the Future... in your words:

Elements of what is present in today's malls will feature in the mall of the future too. We can't completely ignore customer habits and preferences. Instead, we should work to enhance the experience.

Integrated Shopping Experience

Muscat Grand Mall is one of Oman’s much-loved shopping destinations, which is operated by Tilal Development Company since 2011.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

We focus on understanding the needs and preferences of our catchment area’s population to ensure our tenant mix caters to their specific requirements. We strategically select tenants that complement each other, enhancing the overall shopping experience and increasing customer dwell time. We position anchor tenants in key locations to evenly distribute footfall throughout the mall and create effective customer flow.

2020 vs. 2024 - evolution in tenant mix:

Our tenant mix has evolved significantly. We’ve prioritised high-demand categories such as F&B and entertainment, while fashion occupies slightly reduced space and consumer electronics has remained stable. Grocery has remained stable too, with Carrefour as a key anchor.

Towards 2026 - a look ahead:

We plan to further expand entertainment, leisure and dining options to create an immersive shopping experience. In addition, we aim to introduce more tech-oriented and lifestyle brands that resonate with the evolving preferences of our catchment area, particularly focusing on younger demographics. Importantly, we will seek brands that align with sustainability and wellness trends, catering to the growing demand for eco-friendly and health-conscious options.



Ali Abdallah
General Manager
Tilal Development Company

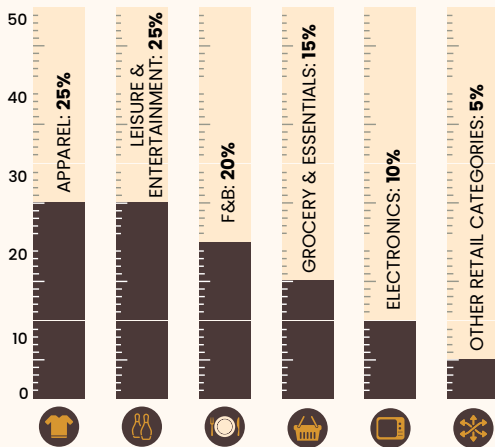
Muscat Grand Mall at a glance

Gross Building area: **75,000 sqmt**

Gross Leasing area: **67,000 sqmt / 282 units**

3,500+ parking spaces

Tenant Mix: A Snapshot



**Mall of the Future...
in your words:**

The ‘mall of the future’ will be less about traditional shopping and more about creating experiences through seamless integration of digital technology, coupled with entertainment, dining or events. It will serve as a community hub for social interaction, cultural events and wellness activities.

Catering to Communities

As part of Landmark Group, which has brand presence in 17+ countries and operates 2,200+ stores, Oasis Malls benefit from the Group's extensive retail expertise and resources.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

It's essential to consider the local customer demographics and preferences, ensuring that the tenants resonate with the community and their needs. Diversity and balance across various retail categories such as fashion, electronics, F&B and services are crucial to attract a broad range of customers and maintain consistent footfall. Additionally, securing strong anchor tenants, like popular supermarkets or entertainment centres, along with unique or niche brands, helps to create a compelling and attractive destination.

2020 vs. 2024 - evolution in tenant mix:

In 2020, the focus was primarily on traditional retail categories such as fashion and electronics. However, by 2024, there has been a marked shift towards enhancing service-oriented and experiential offerings. Our malls now house a diverse array of tenants, including educational & recreational facilities, government services and even a preloved bookstore. The entertainment sector has expanded and the F&B category has seen significant growth.

Towards 2026 - a look ahead:

There will be inclusion of experiential & interactive retail offerings and integrated services, such as healthcare facilities, co-working spaces and educational institutions. There will also be an increased emphasis on sustainable and ethical brands, reflecting the growing consumer demand for environmentally responsible and health-conscious living.



Anoop Gopal

Business Head – Oasis Malls
Landmark Group

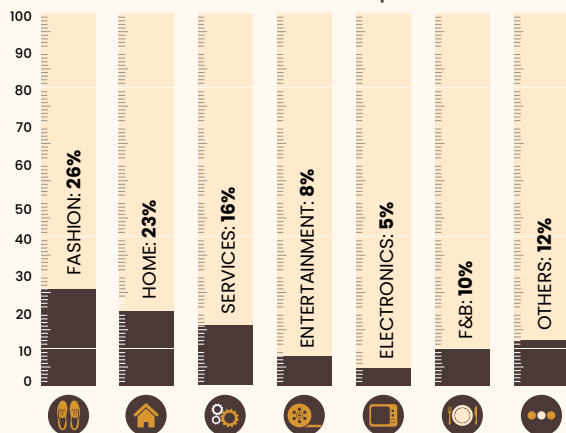
Oasis Malls at a glance

8 MALLS across key cities in the GCC

GLA exceeding 2.2 million sqft

400+ stores

Tenant Mix: A Snapshot



Mall of the Future... in your words:

The 'mall of the future' is envisioned as a dynamic, adaptive space that seamlessly integrates with the needs and aspirations of the community it serves. These malls will go beyond the traditional retail-centric model to become multifunctional hubs offering a blend of retail, entertainment, services and social spaces.

Not Just a Mall

Located on King Fahd Road between Abha and Khamis Mushait and 14 minutes away from Abha International Airport, The Point is being developed as an integrated destination for shopping, entertainment and hospitality.

THE SCIENCE BEHIND TENANT MIX

Top 3 factors while planning tenant mix:

- **Diversity and Inclusivity:** Ensuring a mix that caters to various demographics and preferences, including families, youth and tourists.
- **Experiential Offerings:** Integrating entertainment, dining and retail experiences that are unique to the region, such as local brands alongside international names.
- **Market Demand:** Aligning the tenant mix with the local market demand and future growth potential, especially considering the evolving consumer behaviour in the Asir region.



Mishaal Almainani
Senior Manager Development
The Point

The Point at a glance

- 75,000 sqm of land area**
- 50,000 sqm of leasing area**
- 50,000 sqm of green areas**
- 1,000 sqm of fountains and water**

Tenant Mix: A Snapshot

	RETAIL: 150+ stores
	FOOD & BEVERAGE: 40+ restaurants and cafés, 6,000 sqm hypermarket
	ENTERTAINMENT: 10-screen cinema, a family entertainment centre
	COMMUNITY & WELLBEING: 1,000 sqm youth centre, 3,000 sqm health centre

“

**Mall of the Future...
in your words:**

The Point's vision of 'mall of the future' is centred around creating a destination that goes beyond traditional retail. It will be a community hub where people come to engage in cultural, social and recreational activities. The integration of advanced technology, sustainability and an emphasis on local culture will be key elements in shaping this future. While there are developments in the region that incorporate some of these aspects, The Point aims to set a new standard for what a modern, future-focused mall can be.