

# REFURBISHMENT PROJECTS



## CREATING VALUE AND MEETING GREAT EXPECTATIONS THROUGH REFURBISHMENTS

Retail is changing, and shopping centre owners must adapt to a brave new world of evolving visitor expectations to survive and thrive. Refurbishments have become the stand-out way to add value to a property in this universe of evolving tastes and crowded catchment areas. With solutions already implemented across Europe, North Africa and South America, Sonae Sierra's multidisciplinary teams have created a blueprint for effectively refurbishing shopping centres.

Sonae Sierra know-how, covering the entire lifecycle of an asset, dramatically transforms assets of all types and sizes through refurbishment, to deliver superior destinations while ensuring value creation. Sonae Sierra has developed a holistic service offering to help clients update existing assets incorporating an integrated bespoke approach to each asset. Each refurbishment project is tailored to meet your needs. Below is the extensive range of services Sonae Sierra is able to offer:

REFURBISHMENT PROGRAMME						
For your asset : Retail Offices Residential Mixed-Use Logistics Hospitality Student Housing						
MARKET INTELLIGENCE & LICENSING >	ARCHITECTURE DESIGN >	ENGINEERING DESIGN >	LEASING >	MARKETING >	ESG STRATEGY >	BUILDING CERTIFICATION STRATEGY
<ul style="list-style-type: none"> <li>- Market research</li> <li>- Costing and feasibility study</li> <li>- Specialized research including catchment area analysis, consumer profile, competition positioning and others</li> </ul>	<ul style="list-style-type: none"> <li>- Theme selection</li> <li>- Layout, Concept, Schematic Detail Design</li> <li>- Food halls and food courts, Playgrounds, Kiosks</li> <li>- Landscape, Lighting, Graphics, Wayfinding</li> <li>- Design management, supervision, assessment and audits</li> </ul>	<ul style="list-style-type: none"> <li>- Structure</li> <li>- Mechanical &amp; Electrical</li> <li>- Security</li> <li>- Sound</li> <li>- Lighting</li> <li>- Traffic study</li> <li>- Technical assessment</li> </ul>	<ul style="list-style-type: none"> <li>- Tenant mix strategy and plan</li> <li>- Prepare and submit letting proposals to the Owner</li> <li>- Information on tenants' commercial and financial capacity</li> <li>- Negotiating lease contracts</li> <li>- Mall Activation</li> </ul>	<ul style="list-style-type: none"> <li>- Marketing and communication strategy</li> <li>- Advertising campaigns</li> <li>- Events</li> <li>- Promotions</li> <li>- Public Relations plan</li> </ul>	<ul style="list-style-type: none"> <li>- Stakeholder engagement strategy</li> <li>- ESG strategy</li> </ul>	<ul style="list-style-type: none"> <li>- Green Building Certifications such as BREEAM and LEED</li> <li>- Safety, Health and Environment Management System certifications such as ISO 45001 and ISO 14001.</li> </ul>

This programme is tailor-made not all the services here mentioned need to be applied.

## CREATING VALUE

<b>+155%</b>	<b>+93%</b>	<b>+41%</b>	<b>4.8 out of 5</b>
total increase in rental income	total increase in tenant sales	total traffic increase	average tenant satisfaction during refurbishment processes

Results according to the case study "Creating value and meeting changing expectations through refurbishments" which encompasses Valle Real (Spain), Centro Colombo (Portugal), ArrábidaShopping (Portugal) and CascaiShopping (Portugal).

## TO OFFER UNIQUE EXPERIENCES

- Tackle the issues of changing tastes, experiential challenges, and crowded catchment areas to forge market-leading outcomes;
- Uniquely designed places that reinvent the space and bring new trends to life;
- Creative and personalised architectural and engineering design inspired by the culture and needs of communities;
- Modern projects that create new pulsing hubs in the heart of cities offering a unique and dynamic experience.

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### OUR EXPERIENCE



CASCAISHOPPING · PORTUGAL

Opened in 1991 and eight years later the first refurbishment exercise took place between 1999-2001 increasing GLA, sales and rents significantly, by 62% and 49% respectively.

Its most recent refurbishment, in 2017, has consolidated previous improvements by addressing the tenant mix, creating a playground, and remodelling the WCs. An IMAX screen, new lifts and dome replacements were also added. The most recent works have improved traffic by 16.4%, sales by 23%, and rents by 43%.



CENTRO COLOMBO · PORTUGAL

Inaugurated in 1997 after eleven years of extensive usage in 2008 a refurbishment was planned as a defensive move to halt the deterioration of the centre and face the opening of a large scheme within its primary catchment area. The subsequent works ensured that the centre could operate as usual, while maintaining visitor comfort and safety. The result was significant resilience in a time of instability for the wider Portuguese economy, with total rents increasing 15.5% from 2007 to 2018. The works reversed a user shift, promoting an upper middle-class visitor profile. Colombo resulted the dominant shopping centre in its catchment, with the highest penetration rate (80%), proving to be the most visited shopping centre in the catchment (19%) and most shopped (21%).



VALLE REAL · SPAIN

Valle Real, inaugurated in 1994 and expanded in 1999, showed signs of becoming dated. In 2009 an action plan was devised, to execute a change of use on the first floor, replacing leisure with retail. The subsequent letting efforts attracted international brands and the centre's repositioning increased its catchment area and footfall. The diversified fashion and retail offer increased the demand for space, placing upward pressure on future rents. Throughout the refurbishment process, tenant satisfaction was maintained, while the contractual rent in the affected area rose 31% as a result of the reconfiguration. The entry of a key tenant contributed to a buzz that positions the centre for potential expansion in the future.

## ABOUT US

We find solid platforms from which we can create sound investments, all around the world. From shopping to public or living spaces, from management to turnkey projects, we are the most far-sighted partner to have when developing innovative concepts.

Sonae Sierra operates from corporate offices located in more than 10 locations providing services to clients in geographies as diverse as Europe, South America, North Africa and Asia.

Incorporated in Portugal in 1989, Sonae Sierra is owned by Sonae, SGPS (Portugal) with 90% and Grosvenor Group Limited (United Kingdom) with 10%.

## Open mind Greater value

### PRAGMATIC DOERS

We have the know-how and the muscle, the enthusiasm and determination to make things happen. That's our biggest strength: to be experts in "done".

### AN INTERNATIONAL PLAYER

with a thing for localism. We learn about places, their substance and appeal. Their worth and potential. We believe that local value is what makes the world interesting. Our heart is on the street, our eyes on the world.

### URBAN DRIVEN

We are in love with the city. How it breathes, how it grows, who lives there, what people do, how they move, how they work. We love to push for its constant transformation. The city is our muse. Urbanity our home.

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