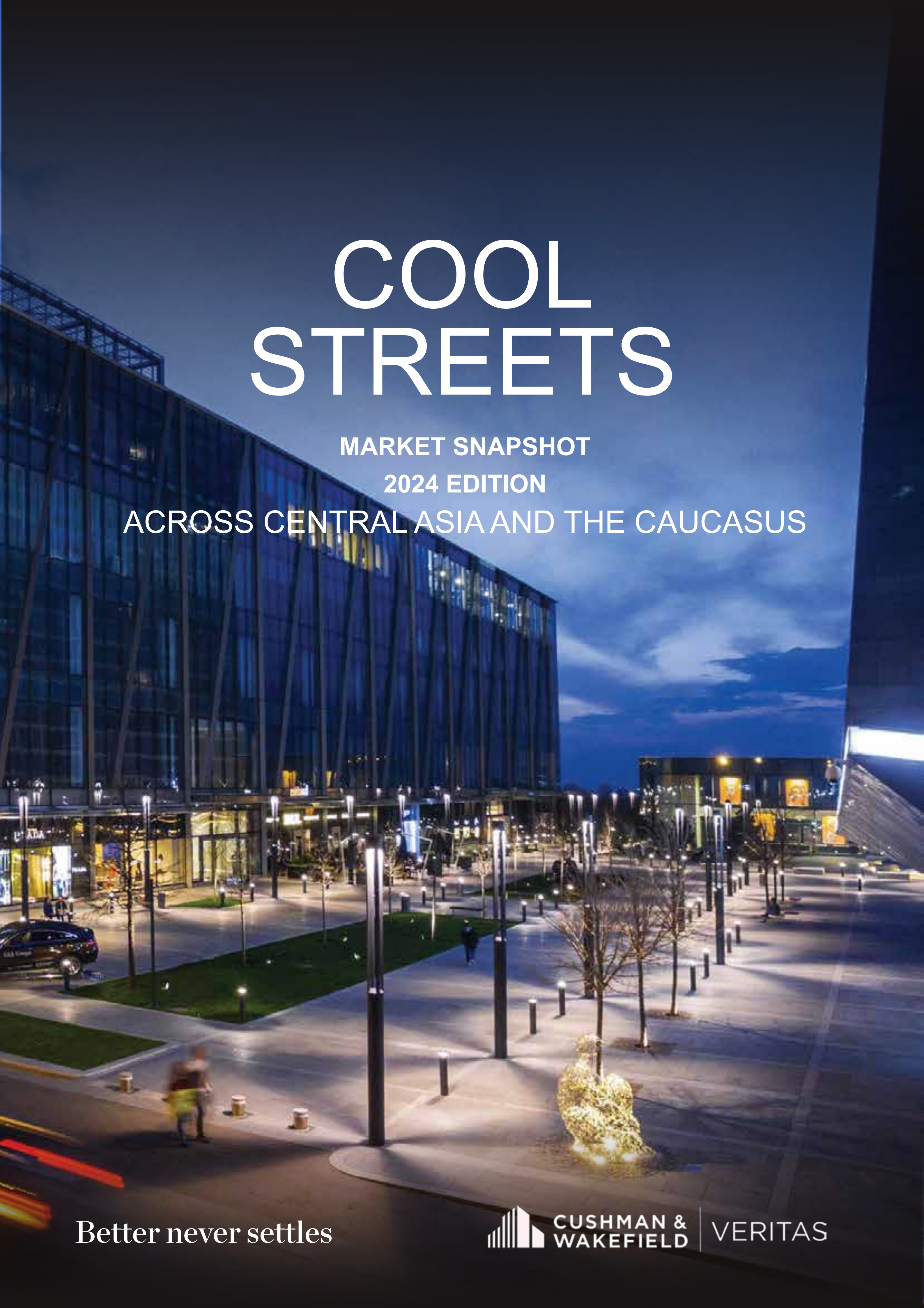
COOL STREETS

MARKET SNAPSHOT

2024 EDITION

ACROSS CENTRAL ASIA AND THE CAUCASUS



Better never settles

CUSHMAN & WAKEFIELD | VERITAS

Welcome to Cushman & Wakefield’s annual Cool Street report.

As a leading advisor to both retailers and landlords, we are excited to share our insights and analysis on key retail real estate trends.

This report includes information on central shopping areas in the metropolises of the CIS and Caucasus regions, which are experiencing active growth across all real estate sectors: offices, residential, hotels, shopping centers, and retail.

Before diving into the specifics of street retail in these regions, we want to share insights from our recent interviews with journalists about current trends in the street retail sector and their impact on the future of urban retail.

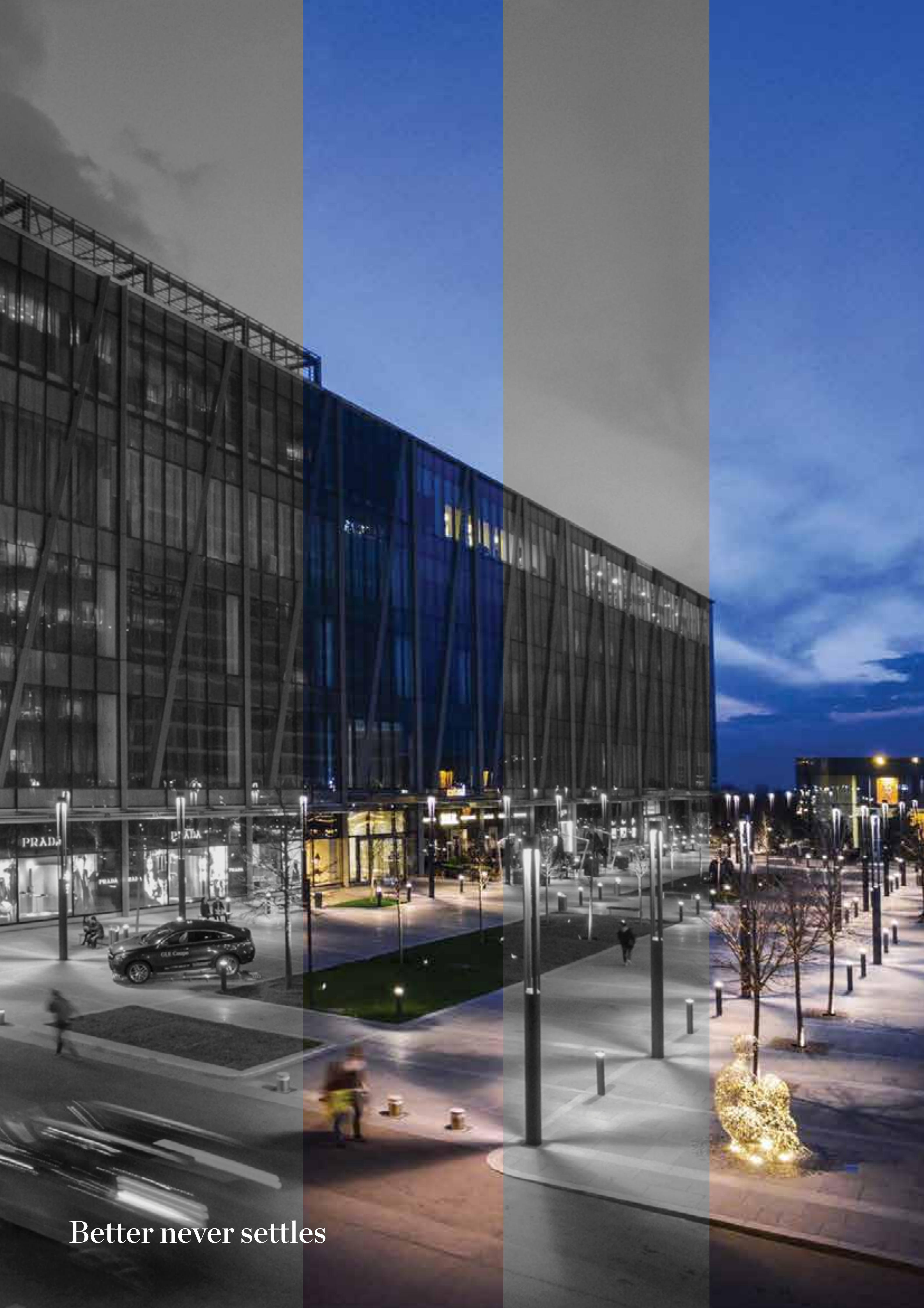
We are excited to share these insights with our readers.

Street retail is a topic of great interest to us and our partners.

Let us together observe and understand its development.

GULSHAT SARIYEVA
Partner | Head of Country
gulshat.sariyeva@cushwake.kz

SEMYON YURCHENKO MRICS
Partner | Cushman & Wakefield Veritas
semyon.yurchenko@cushwake.kz



Better never settles

CONTENTS

Better never settles

01 CHAPTER

INTRODUCTION

Urban planning and retail development is a dynamic field that evolves in response to societal changes, technological advancements, and economic shifts.

Many traditional retail centers have transformed from purely residential areas into vibrant hubs for leisure and shopping. However, the nature of street retail varies significantly across cities due to historical development patterns, economic conditions, and cultural influences.

KEY GLOBAL TRENDS SHAPING URBAN RETAIL:

1. TRANSFORMATION OF RESIDENTIAL AREAS

Mixed-Use Developments:

Increasingly, urban planners are integrating retail spaces with residential, office, and recreational areas. This approach promotes a live-work-play environment, enhancing the attractiveness and convenience of urban living.

Revitalization Projects:

Many cities are investing in revitalizing historic districts and underutilized areas to create new retail opportunities. This often includes preserving architectural heritage while modernizing infrastructure.

KEY GLOBAL TRENDS SHAPING URBAN RETAIL:

2. DIVERSE RETAIL FORMATS

Traditional Shopping Streets:

In many cities, retail activity is concentrated along specific streets known for their variety of shops, cafes, and entertainment options.

These streets often become cultural landmarks and tourist attractions.

Clustered Retail Zones:

Some urban areas develop retail clusters where multiple shops and vendors are concentrated in a specific location, such as markets or shopping districts.

This creates a dense retail environment that attracts high foot traffic.

Shopping Malls:

In cities where street retail is less developed, shopping malls often dominate the retail landscape.

These malls provide a controlled environment with a mix of local and international brands, catering to a broad audience.

Experiential Retail

Focus on Experience and Temporary Retail Formats:

Modern consumers desire unique and memorable shopping experiences.

To attract and retain customers, retail spaces are increasingly incorporating entertainment, dining, and interactive elements.

This trend enhances the overall shopping environment, making it more engaging and enjoyable for visitors.

Additionally, temporary retail formats such as pop-up shops and events are becoming popular.

These provide a platform for brands to create buzz and test new markets without long-term commitments.

CASE STUDY:

PROJECT: **BAKU WHITE CITY**

Location: Azerbaijan, Baku
Territory: 1,650 ha

The New White City project in Baku is a major urban redevelopment initiative that began in the early 2010s, transforming a former industrial zone into a modern, sustainable district.

It aims to create a vibrant mixed-use area with residential, commercial, and leisure facilities, incorporating green spaces and environmentally friendly technologies.

By 2023, the project has seen remarkable advancements, with the completion of multiple residential complexes, office buildings and public parks, all of which are integrated into Baku's dynamic urban fabric.

KEY FEATURES AND COMPONENTS:

- **Residential Areas**
- **Commercial Zones:** Modern office spaces and retail outlets
- **Leisure and Recreation:** Parks, cultural venues, and entertainment facilities.
- **Green Spaces**: Extensive parks, gardens, boulevards.
- **Eco-Friendly Technologies:** Advanced green technologies for energy efficiency.
- **Transportation:** Improved public transport and pedestrian pathways.

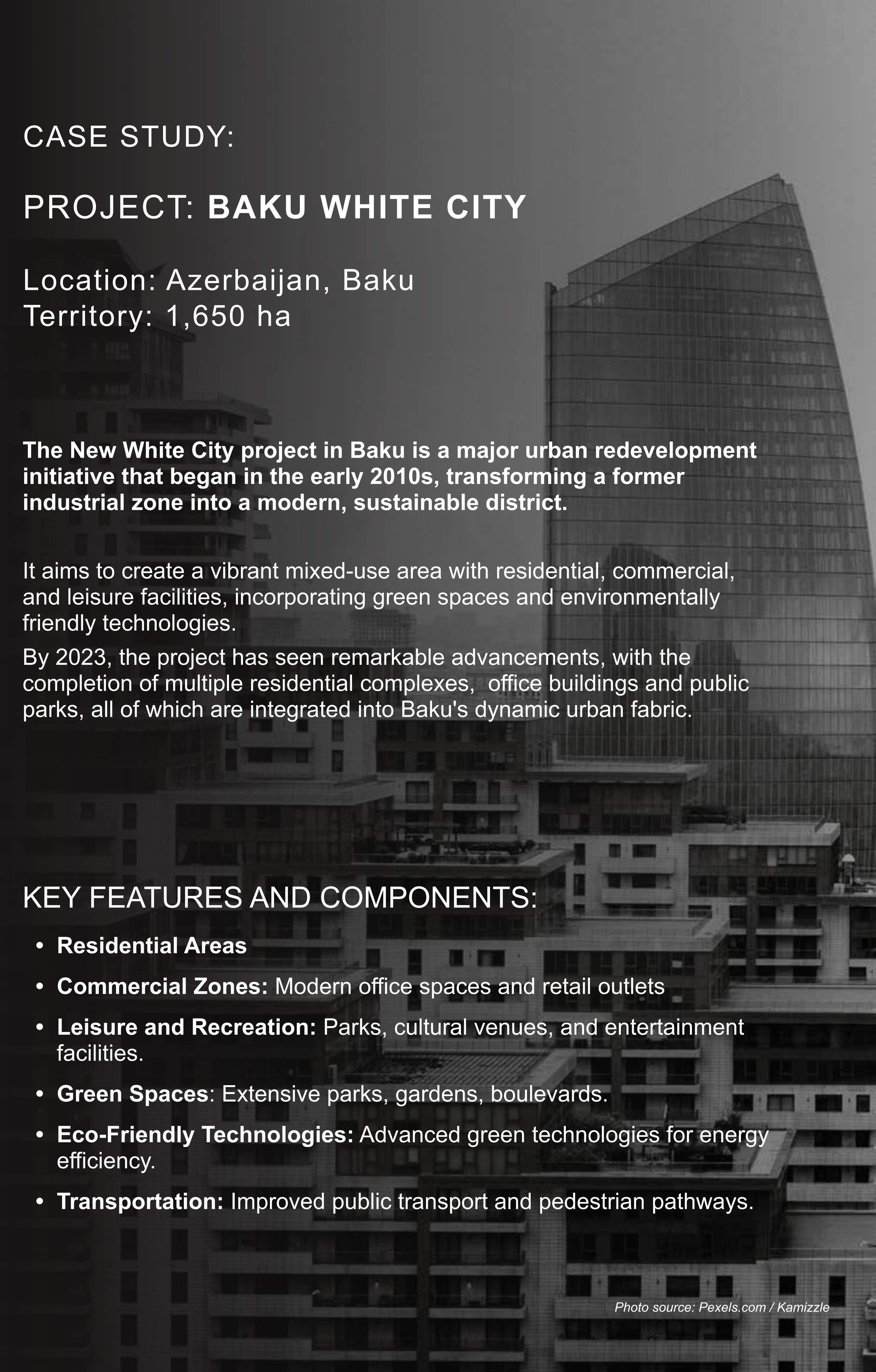
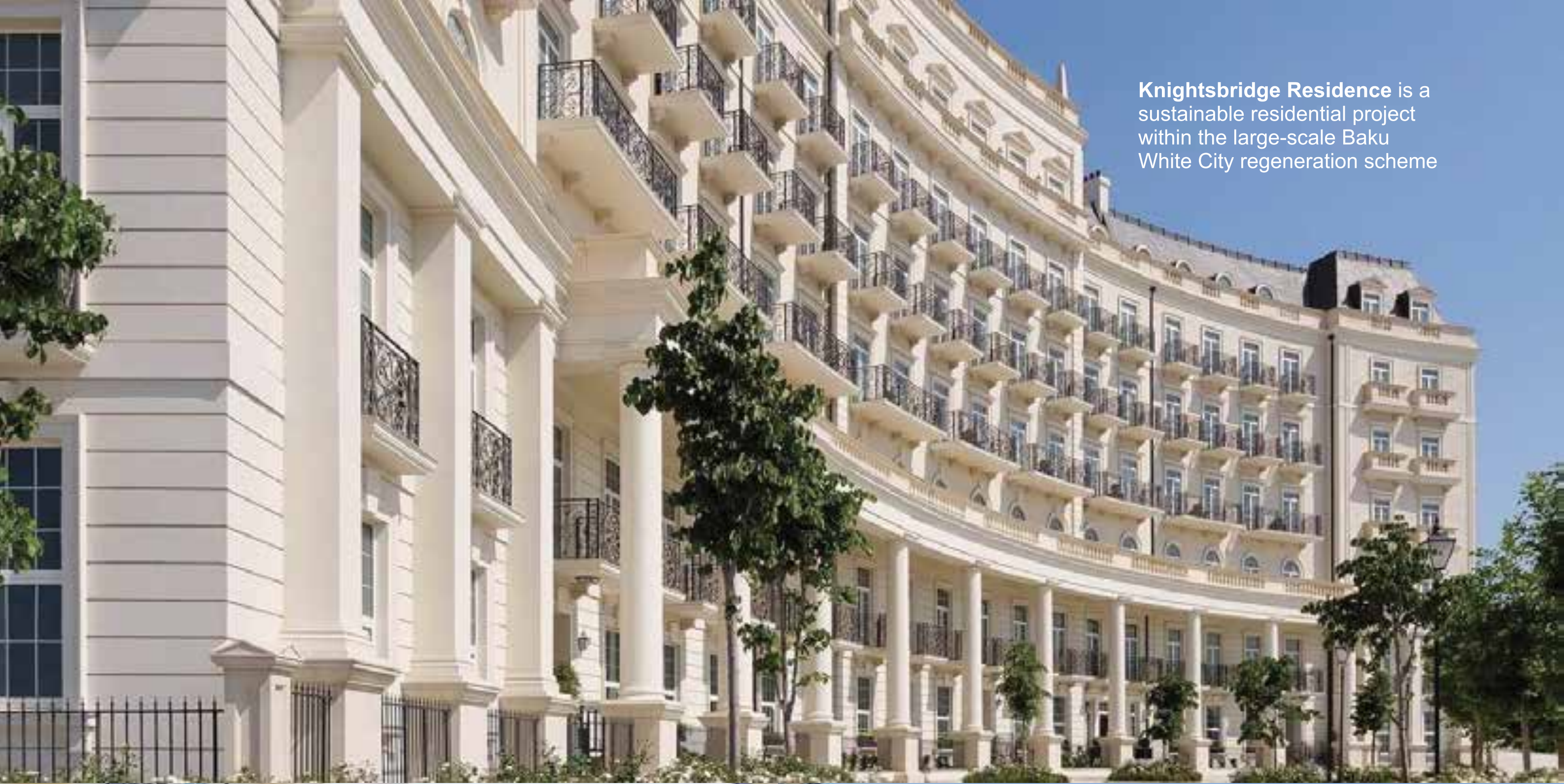


Photo source: Pexels.com / Kamizzle



Knightsbridge Residence is a sustainable residential project within the large-scale Baku White City regeneration scheme

KNIGHTSBRIDGE RESIDENCE WHITE CITY
Photo source: www.knightsbridge.az

BAKU WHITE CITY LOCATION
Photo source: bakuwhitecity.com

KEY GLOBAL TRENDS SHAPING URBAN RETAIL:

3. TECHNOLOGICAL INTEGRATION

E-commerce and Omnichannel Retail:

The rise of online shopping has pushed traditional retailers to adopt omnichannel strategies, integrating online and offline experiences.

This includes click-and-collect services, in-store digital experiences, and personalized marketing.

Innovations such as mobile payments are transforming how consumers interact with retail spaces.

4. SUSTAINABILITY

Green Retail Spaces:

There is a growing trend towards creating eco-friendly retail environments.

This includes using sustainable building materials, implementing energy-efficient systems, and promoting environmentally responsible products.

URBAN RETAIL PLANNING AND DEVELOPMENT :

Neighborhood retail

Q : HOW DO YOU ASSESS THE MODERN DEVELOPMENT OF STREET RETAIL IN CITIES?

A : As for current Market Status - Street retail can be divided into two key areas.

1. **High Streets/Shopping Corridors:**

These are prime locations characterized by the presence of large, expensive, and well-known brands. They are typically situated in central areas, business districts, and historical regions with high tourist traffic.

For example, in Almaty, Gogol Street is a prominent location with F&B units and luxury shops within the historical center, catering to both residents and visitors.

2. **Neighborhood Retail (Cool Streets):**

This type of street retail focuses on residential areas, offering stores that cater to the local residents. The synergy of these businesses creates a unique community space that reflects the history, spirit, and values of the neighborhood.

Such retail setups are designed to serve the needs of the local residents and visitors to the area.

In most cases, street retail develops chaotically, with frequent tenant turnover in new locations. This instability is a significant trend affecting the overall market.

Q / A SECTION

Successful street retail development depends on the urban infrastructure, such as road networks, street beautification, and the presence of attraction points.

The urban environment must be convenient and safe for pedestrians, featuring barrier-free access, regulated pedestrian crossings, the absence of spontaneous parking, bicycle lanes, and dedicated public transport lanes.

These elements increase pedestrian traffic, creating a favorable environment for street retail businesses.

Q : WILL DEVELOPMENT OF NEIGHBORHOOD RETAIL AFFECT THE POPULARITY OF SHOPPING MALLS, DRAWING AWAY CUSTOMERS?

A : Shopping malls and street retail have different functional roles and do not compete directly, they serve different purposes. While street retail addresses daily needs, malls offer a destination for weekly or monthly shopping. As street retail develops, some functions of malls may shift to street locations for convenience.

URBAN RETAIL PLANNING AND DEVELOPMENT :

Neighborhood retail

For instance, placing a furniture store in street retail is often ineffective because such stores require more space and parking, which is easier to arrange in specialized shopping centers.

Street retail in residential areas focuses on daily necessities like food, pharmacies, and fitness centers.

Central locations with high foot traffic and ample parking are suitable for flagship stores that serve a broader audience.

The average time spent in a hypermarket is about 45 minutes, making it time-consuming for daily shopping.

Therefore, daily format grocery stores located along pedestrian routes or near shopping malls are more convenient for quick shopping trips.

Q : WHAT ARE THE KEY CHALLENGES AND CONSIDERATIONS IN INTEGRATING COMMERCIAL SPACES INTO RESIDENTIAL DEVELOPMENTS, AND HOW CAN THESE ISSUES IMPACT BOTH FUNCTIONALITY AND COMPLIANCE?

A : Commercial spaces on the ground floors shape the urban environment by clearly separating the flow of commercial visitors from residents while creating a comfortable pedestrian space.

Potential Issues:

1. Visual Accessibility: Due to street topography and ineffective entrance group organization, some commercial spaces are visually inaccessible, directly impacting sales efficiency.

2. Challenges in residential areas include not just the size of spaces and necessary capacities but also barrier-free access, visitor movement organization, service and guest transportation.

3. Regulatory Compliance: There are cases where tenants don’t comply with sanitary and fire safety norms, even in new spaces. For instance, beauty salons are sometimes found in basements.

CASE STUDY:

PROJECT: **MIXED-USE DEVELOPMENT AT ROZYBAKIYEV STREET**

Location: Almaty, Kazakhstan

SCOPE:

Define an efficient approach to site use that maximizes the site's potential and develop a concept for commercial spaces.

RESULT:

The investor defined the purpose and technical characteristics of the spaces based on tenant needs, developed solutions for efficient interaction with residents and proper maintenance of the premises, and designated the site for mixed-use development.

The project on Rozybakiyev Street in Almaty is a mixed-use development adapted to the local context: its proximity to a major shopping center generates intense foot traffic, while the challenging terrain and restrictive urban planning regulations called for flexible solutions.

The final concept features Class A offices, a branded hotel, high-end residential units, street-level retail, and a wellness facility, all strategically integrated into the setting, effectively unlocking the site’s potential and creating a sustainable, in-demand urban environment.

FEASIBILITY STUDY provided by Cushman & Wakefield | Veritas

In contemporary street retail in new districts, there are notable shortcomings due to the absence of unified management and a comprehensive approach to the operation of commercial spaces.

Many developers sell commercial properties during the construction phase or immediately after the buildings are completed, leaving the future management of these spaces to the new owners.

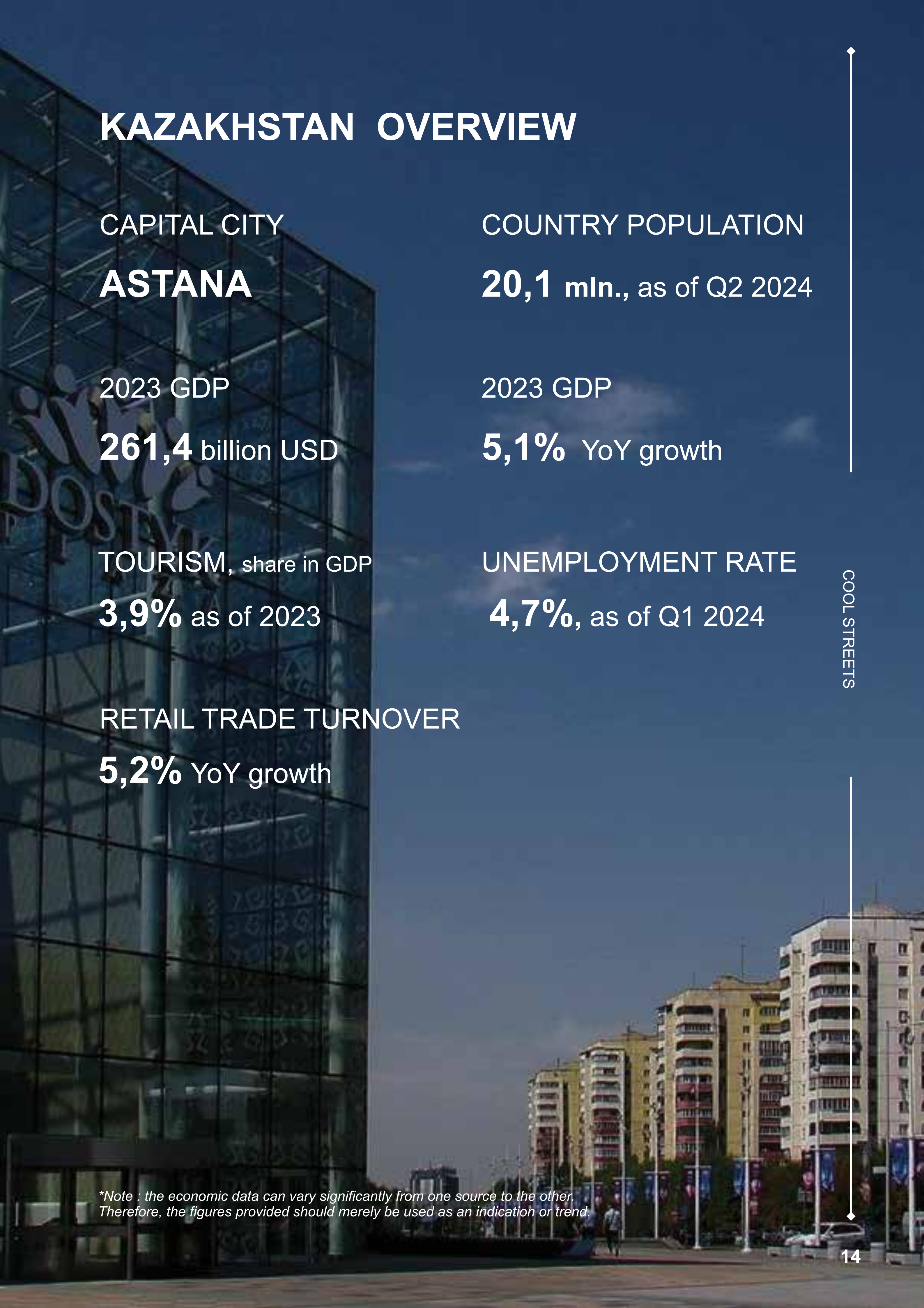
Such a disjointed approach can lead to unregulated competition, where similar tenants are clustered within a 3-5 minute walking radius.

The solution lies in centralized management of all commercial real estate within residential complexes, akin to shopping center management.

This enables the formation of a balanced tenant mix, avoiding oversaturation and direct competition.

If a developer prefers selling commercial spaces rather than managing them, it is crucial to establish conditions that regulate the functional use of these spaces by the new owners.

KAZAKHSTAN



KAZAKHSTAN OVERVIEW

CAPITAL CITY

ASTANA

COUNTRY POPULATION

20,1 mln., as of Q2 2024

2023 GDP

261,4 billion USD

2023 GDP

5,1% YoY growth

TOURISM, share in GDP

3,9% as of 2023

UNEMPLOYMENT RATE

4,7%, as of Q1 2024

RETAIL TRADE TURNOVER

5,2% YoY growth

**Note : the economic data can vary significantly from one source to the other. Therefore, the figures provided should merely be used as an indication or trend.*

ALMATY

Almaty remains the largest city in Kazakhstan, serving as its key business center and primary retail destination, despite not being the country's capital city.

Street retail in Almaty is one of the most mature and well-developed retail sectors in Kazakhstan, characterized by high retail density and the highest retail sales volumes compared to other cities in the country. Various catering establishments, grocery stores, recreational areas, shopping centers, and global brand stores are evenly distributed along the city’s main streets.

The primary street retail zones are concentrated along Abay Avenue, Nazarbayev Avenue, Satpaev Street, Timiryazev Street, Rozybakiev Street, Al-Farabi Avenue, and Dostyk Avenue. These streets are located in the Bostandyk and Medeu districts, which are the most affluent areas of the city, with the highest income levels.

As a result, the infrastructure in these districts caters primarily to the upscale and upper-upscale segments, featuring a high concentration of administrative and residential properties, parks, recreational areas and elite street retail outlets.

These districts exhibit high turnover, making commercial premises in these areas among the most expensive in the city. The first floors of residential buildings are frequently converted for commercial use, hosting a wide range of tenants. Many newly constructed residential complexes are also planning to include commercial spaces on the first and second floors.

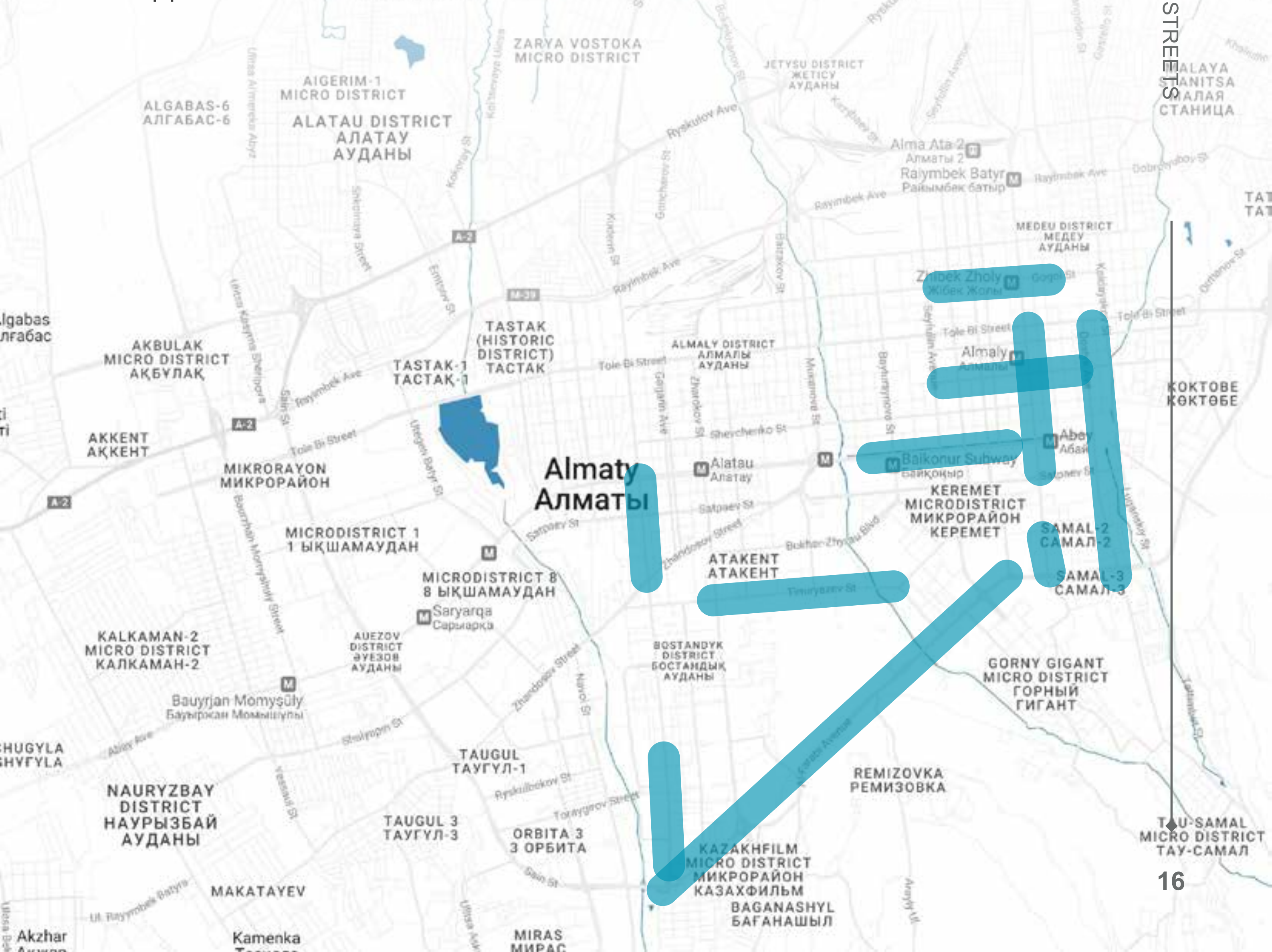
The retail real estate market in Almaty is diverse, offering everything from open markets and bazaars to modern street retail stores and new concept shopping and entertainment centers.

While Almaty has faced economic challenges due to regional instability and global factors such as the COVID-19 pandemic and geopolitical tensions, the city still benefits from increasing retail turnover, a low unemployment rate, the highest standard of living in Kazakhstan, and a growing population exceeding 2 million people.

Consumers have shown a strong preference for modern retail formats, with the success of shopping malls reflecting robust demand for integrated shopping, dining, and entertainment experiences. Developers are progressively adopting global retail trends by transitioning toward mixed-use retail destinations.

According to recent data, Almaty’s international-standard retail stock has expanded to 831,000 sqm of leasable space. With the city’s population growth, the retail space per 1,000 residents has reached approximately 415 sqm. While this marks notable progress, it remains below levels observed in developed European markets, indicating room for further development.

Despite prior uncertainties impacting the retail development pipeline, Almaty remains a strategic market for regional expansion. Its strong consumer base and evolving retail ecosystem continue to attract both domestic and international retailers seeking long-term growth opportunities.



RENTAL RATES

CITY DISTRICTS	AVERAGE RENTAL RATES (USD/M²)
BOSTANDYK	28–32
AUEZOV	12–18
ALMALINSKY	18–24
MEDEU	32–38
TURKSIB	18–22
ZHETYSU	12–14
ALATAU	14–20
NAURYZBAY	10–14

In order to gauge current rent rates in districts of Almaty, we have surveyed the current postings on real estate websites with commercial premises.

Mainly there were considered premises intended for shops, boutiques, beauty salons, offices, restaurants and cafes.

As of 1H 2024, Bostandyk and Medeu districts exhibit the highest rates, while the lowest rental rates at Zhetysu, Nauryzbay and Auezov districts. The highest rental rate in the Medeu district is approximately 30 USD per m².

Pricing is also affected by the quality of finishes in the room. When a property features high-end, expensive finishes, landlords often charge 1.5 to 2 times more than the average rate.

F&B KEY AREAS	CONSUMER PROFILE
DOSTYK AVENUE	HIGH-END/FINE DINING
SHOPPING MALLS (MEGA ALMA-ATA, DOSTYK PLAZA, MEGA PARK, A'PORT)	CASUAL RESTAURANTS, LOUNGE BARS, MASS MARKET, FAST FOOD
CENTRAL BUSINESS DISTRICT	MASS MARKET, PREMIUM CAFES AND LOUNGE BARS
HISTORIC CENTRE OF THE CITY (ALSO KNOWN AS 'GOLDEN SQUARE')	HIGH-END/FINE DINING, LOUNGE BARS

Outside the shopping mall complexes, the food and beverage sector is dominated by domestic operators ranging from high-end restaurants to fast-food and take-away outlets equally spread across the city.

The fine-dining restaurants are generally located in the southern part of the city in the most favourable and prestigious areas that benefit from the proximity to the mountains.

**Note : the evaluation and analysis of metrics in this report are conducted using publicly accessible data from websites. The outcomes reflect average listed prices and should not be interpreted as terms for drafting agreements or conducting transactions at these prices.*

TOP SHOPPING CENTERS

NAME	YEAR OPENED	MAJOR FASHION RETAILERS PRESENT
Aport East	2023	Zara, Massimo, Mango, Next, Adidias, Waikiki, SuperStep, L'etoile, Lacoste, Gloria Jeans, Koton, Li-Ning, Zara Home, Pull&Bear, Stradivarius
A'port Mall (1,2,3 phases)	2009 (phase 1) 2012 (phase 2) 2017 (phase 3)	New Yorker, Mango, Stradivarius, Reserved, Promod, Gloria Jeans, Koton, DeFacto, LC Waikiki, FLO, Kari, Sportmaste
MEGA Alma-Ata, (1,2,3 phases)	2006 (phase 1) 2013 (phase 2) 2019 (phase 3)	Inditex (Massimo Dutti, Zara, Zara Home, Stradivarius, Bershka, Oysho), H&M, Mango, Gap, Adidas, New Yorker, Koton, DeFacto, LCWaikiki, OVS, Marella, Tommy Hilfiger, Armani Exchange
Dostyk Plaza	2014	Inditex (Massimo Dutti, Zara, Zara Home, Stradivarius, Pull&Bear, Bershka, Oysho), Tommy Hilfiger, Calvin Klein, Lacoste, Levi's, Mango, HE by Mango, Reserved, Etam, Nike
Esentai Mall	2012	Saks Fifth Avenue, Louis Vuitton, Burberry, Gucci, Dior, Dolce&Gabbana, Fendi, Prada, Valentino etc.
MEGA Park	2014	Inditex (Zara, Stradivarius, Pull&Bear, Bershka), H&M, Mango, Gloria Jeans, Koton, DeFacto, Koton, LC Waikiki,TBOE, FLO, Adidas, Reebok, Sportmaster, Angel-in-us

TYPICAL WORKING HOURS (SHOPPING CENTRES)

MONDAY-FRIDAY	SATURDAY	SUNDAY
10.00-22.00	10.00-22.00	10.00-22.00

APORT MALL

Aport Mall is currently one of the first-largest shopping centre complex in Almaty and Almaty region with a GLA of 113,470 m².

It is situated in the suburbs to the West of the city and offers mass-market brands, food & beverage and leisure activities.

The outstanding feature of the shopping centre is a successful all-season aquapark complex (over 25,000 m²) enclosed within the perimeter of the shopping centre, as well as advantageous adjacency to the first in Kazakhstan international DIY hypermarket Leroy Merlin (approx. 17,500 m²) launched in August 2018.

DOSTYK PLAZA

Dostyk Plaza is one of the most popular shopping and entertainment centres in Almaty due to its strategic and central location in one of the most prestigious high-income districts of the city. The development benefits from a ‘Plaza‘ street retail area, which accommodates various F&B outlets, and the shopping mall, which houses mass-market retailers, a food court, cinema and other leisure operations.

ESENTAI MALL

Esentai Mall is a high-end shopping centre, which offers a broad range of exclusive brands and restaurants, an 11-screen cinema with IMAX technology, gourmet, fitness centre and spa, as well as a family entertainment centre. The shopping centre is part of the multifunctional Esentai Park complex, which also accommodates The Ritz-Carlton hotel, Class A business centre and elite class residences.

MEGA ALMA-ATA

Opened in 2006, MEGA Alma-Ata is one of Kazakhstan's most successful shopping centers, strategically situated along a major arterial road in the densely populated Bostandyk district. Its carefully curated tenant mix and effective management team have contributed to the highest footfall among retail destinations in the city.

MEGA PARK

Mega Park, part of the local ‘MEGA’ chain of retail facilities, opened in 2014 to cater to the central and northwestern residential districts of the city. The shopping center features a 9-screen cinema, a hypermarket, a family entertainment center, and a diverse selection of F&B outlets, enhancing its appeal to visitors.

GEORGIA

GEORGIA OVERVIEW

Capital city

TBILISI

Country population

3,7 mln., as of Q1 2024

2023 GDP

30,5 billion USD

2023 GDP

7,5% YoY growth

Tourism, share in GDP

7,1% as of 2023

Unemployment rate

16,4%, as of 2023

Retail trade turnover

4,3% YoY growth

**Note : the economic data can vary significantly from one source to the other. Therefore, the figures provided should merely be used as an indication or trend.*

TBILISI

The retail sector in Tbilisi is developing steadily, with a growing market structure supported by increasing consumer demand and ongoing investments. While there is room for further expansion in retail density and sales volumes, the city's retail landscape ranks well compared to other post-Soviet markets, reflecting a positive trajectory of growth and modernization.

The primary street-retail corridor is predominantly concentrated in the central part of the city, notably along Rustaveli Avenue, Chavchavadze Avenue, Aghmashenebeli Avenue, and Pekini Street. Secondary locations are distributed more evenly throughout the urban area.

These central, high-traffic streets play a critical role in shaping Tbilisi’s commercial real estate supply. The ground floors of residential buildings situated along these main routes are frequently utilized for commercial purposes and are generally under private ownership. This arrangement accommodates a wide range of tenants, spanning from small-scale grocery outlets to international brands.

While street retail has historically been a core component of Tbilisi’s urban landscape, the rise of centralized retail formats as the primary drivers of the market has led to notable shifts in demand. As a result, pricing in prime street-front locations has been adversely affected, and the tenant mix is becoming more uniform, increasingly favoring day-to-day goods, personal care items, food and beverage offerings, and various miscellaneous categories over traditional fashion retail segments.

SHOPPING MALLS

Georgia's retail sector is undergoing an exciting transformation, blending local and international brands with a thriving e-commerce industry.

Tbilisi hosts around 24 operational shopping centers, providing over 541,000 sq.m. of GLA.

These include Neighbourhood Centers, as well as Community Centres such as Galleria Tbilisi and Gldani City Mall, and Regional Malls like East Point, Tbilisi Mall, Saburtalo City Mall, and Tbilisi Sea Plaza.

Notably, East Point stands out for its diverse retailer range and potential for expansion, while Tbilisi Mall introduced a diverse brand mix as the city's first large shopping center.

Galleria Tbilisi, strategically located with historical commercial significance, now focuses on middle and upper segment brands.

City Mall, centrally located with extensive GLA, offers a wide array of brands, and Gldani City Mall, designed for the low and middle segments, caters to community-specific needs.

Source: cushwake.ge Georgia market outlook 2023

HIGH STREET RETAIL

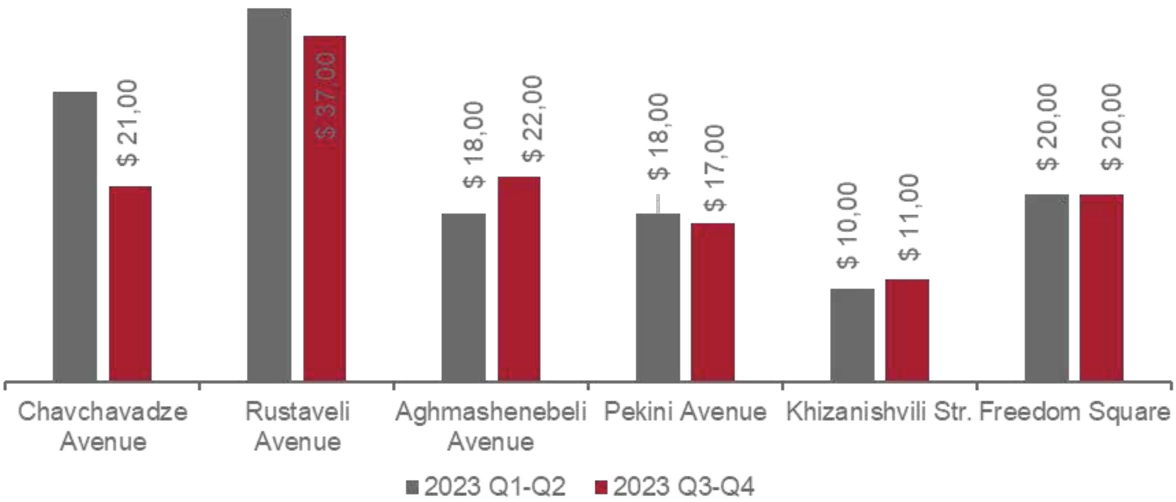
In recent years, Tbilisi's shopping centers have been the preferred choice for shoppers.

However, since 2022, there has been a resurgence of interest in street retail, fueled by an uptick in visitors and tourism. Streets such as Chavchavadze, Rustaveli, Pekini, Aghmashenebeli, and Khizanishvili have become pivotal for the city’s retail landscape.

Each street attracts a different mix of businesses: Aghmashenebeli hosts a variety of F&B establishments and offices, Pekini features a blend of medium-scale brands, and Khizanishvili is known for its economy-class fashion retail, banks, and pharmacies.

Chavchavadze serves as a central hub, boasting premium fashion retail, everyday shops, offices, and F&B outlets, while Rustaveli is primarily occupied by premium fashion retail and souvenir shops.

Premium fashion brands are prominently positioned on high street locations, either as standalone stores or within concept and multi-brand outlets like Garderobe, New Trend, and No Name. Rental rates vary significantly, with Rustaveli Avenue commanding the highest prestige and rental prices in Tbilisi.



Average Rent Rate/SQM for most demanded spaces (100-300 SQM), based on available listings. *excluding VAT*

Tbilisi’s retail landscape is witnessing a gradual increase in high-class and luxury brands, with names like Guess, Tommy Hilfiger, Armani Exchange, Boss, and Lacoste making a significant impact. City Mall Saburtalo features various concept stores, including Sense Concept Store and Posh Tbilisi, while Galleria Tbilisi recently added brands like Marc O’Polo, DKNY, and Wolford.

A notable addition to the Tbilisi shopping scene is the new luxury multi-brand store, Boygar's, which has opened on Rustaveli Ave. Boygar's offers an array of luxury fashion brands, including Bottega Veneta, Saint Laurent, and Loewe.

Source: cushwake.ge Georgia market outlook 2023

AZERBAIJAN

AZERBAIJAN OVERVIEW

Capital City

BAKU

Country Population

10,1 mln., as of Q1 2024

2023 GDP

72,3 billion USD

2023 GDP

1,1 % YoY growth

Tourism, share in GDP

2,2 % as of 2023

Unemployment Rate

5,5 %, as Q1 2024

Retail Trade Turnover

3,4 % YoY growth

**Note : the economic data can vary significantly from one source to the other. Therefore, the figures provided should merely be used as an indication or trend.*

BAKU

Baku, the capital of Azerbaijan, is a dynamic commercial hub in the South Caucasus, blending historical heritage with modern urban development. The city's commercial real estate market shows steady growth due to its strategic location at the crossroads of Europe and Asia, continuous infrastructure investments, and expanding business activity.

Street retail in Baku has significantly developed over the past decade, becoming one of the city's most vibrant retail sectors. The market features a mix of international luxury brands, regional chains, and local entrepreneurs, reflecting the city's status as a popular tourist destination.

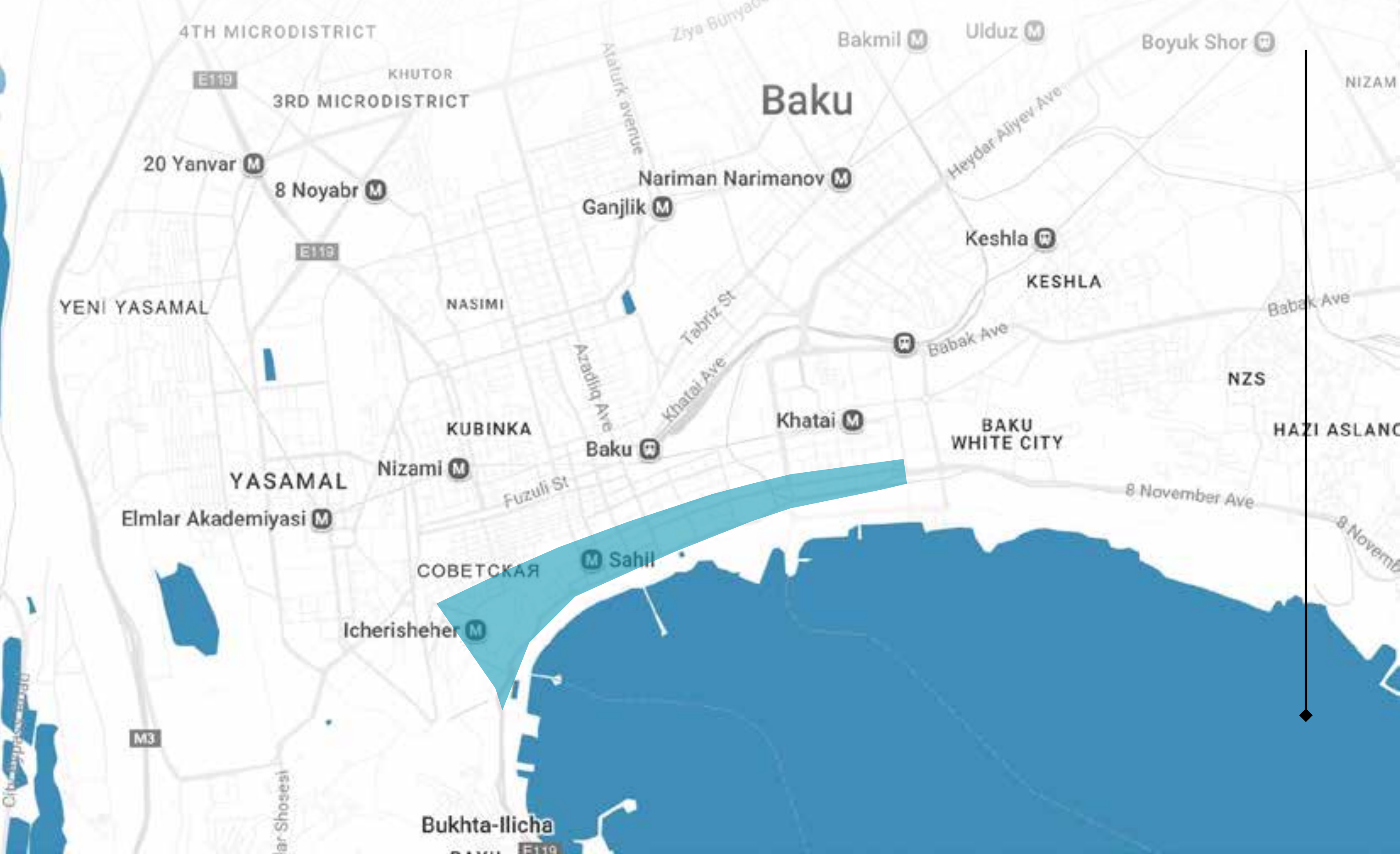
The main street retail zones in Baku are concentrated in the city center, particularly along Neftchilar Avenue, Nizami Street (also known as Trade Street), Fountain Square, and the Seaside Boulevard. These areas are filled with boutiques, fashion stores, jewelry salons, cafes, and restaurants.

Baku's street retail market is characterized by a diverse tenant mix, ranging from global brands to local artisans, along with a wide selection of dining establishments. High demand for commercial spaces in prestigious areas like Nizami Street and Fountain Square keeps rental rates elevated due to intense pedestrian traffic.

Traditional markets, such as bazaars, remain an important part of Baku's commercial life, offering local products, delicacies, and essential goods for both locals and tourists. At the same time, in recent years, Baku has seen the emergence of multifunctional projects and pedestrian zones that combine retail, entertainment, and hospitality. The market continues to develop, blending its historical commercial roots with a modern retail landscape shaped by economic growth and urban transformations.

KEY COOL STREETS

1. **Nizami Street** in Baku is a vibrant urban promenade known for its diverse shopping experience. It hosts a mix of international fashion retailers and upscale designer boutiques, complemented by a variety of cafes, restaurants, and entertainment venues, making it a popular destination for both locals and visitors.
2. Located in the city center, **Fountain Square** is a popular social and commercial hub. It features a mix of mid-range retail shops, boutiques by local designers, and casual dining spots. Its central location and high foot traffic from both locals and tourists make it one of the city's most vibrant areas.
3. **Seaside Boulevard**, stretching along the Caspian Sea in Baku, is a popular recreational area offering scenic views and various attractions. Visitors can enjoy its walking paths, restaurants, mini food kiosks, and the Baku Ferris Wheel. The boulevard also features the city’s main port and occasional seasonal fairs and cultural events. While the area is more focused on leisure and dining, a few shopping centers are located nearby, adding a retail component to its vibrant atmosphere.
4. **Neftchilar Avenue and Zarifa Aliyeva Street** are Baku’s key commercial corridors, featuring upscale shops, luxury hotels, and fine dining establishments. Their dynamic atmosphere, central location, and premium services contribute to their status as prime retail and lifestyle destinations in the city.
5. **Port Baku Mall and Adjacent Retail Spaces:** While technically a shopping mall, Port Baku Mall's integration with the surrounding urban environment creates a semi-open street retail experience. The nearby streets are home to premium showrooms and luxury fashion brands.



SHOPPING MALLS

1. **Port Baku Mall** is a premier destination for luxury shopping in Baku, showcasing an array of prestigious global brands such as Tiffany & Co., Balenciaga, Max Mara, Giorgio Armani, Massimo Dutti, Jimmy Choo and etc. Its spacious layout features over 300 high-end stores, creating an exceptional shopping experience for fashion enthusiasts. The mall's prime location along Baku Boulevard further enhances its appeal, complemented by an assortment of refined dining options, including stylish cafes.

2. **Deniz Mall** stands out with its stunning architectural design and prime waterfront location. Inside, visitors will find a mix of premium and mid-range brands, diverse dining options, and state-of-the-art entertainment facilities, including a cinema and family-friendly attractions. Its open spaces and breathtaking sea views make shopping here a memorable experience.

3. Conveniently located near a major metro station, **28 Mall** is a popular shopping destination offering a well-balanced mix of international fashion retailers, electronics stores, and beauty brands. Its modern design, variety of dining outlets, and entertainment venues, including a cinema, make it a favorite for both quick shopping trips and leisurely outings.

4. **Ganjlik Mall** is a dynamic shopping and entertainment hub that features a wide range of global and local brands. Among its highlights is the largest Adidas store in the Caucasus, spanning 700 square meters. The mall’s spacious layout and well-organized design ensure an enjoyable shopping experience for all visitors.

SHOPPING MALLS

5. **Crescent Mall** is one of the newest projects in the PASHA Malls portfolio, a subsidiary of the Azerbaijani holding company PASHA Holding, specializing in the development of commercial and retail properties. PASHA Malls is Azerbaijan’s largest mall operator, having opened its first shopping mall in 2008. Currently, the company manages eight shopping and entertainment centers across Baku and one shopping mall in Azerbaijan’s second-largest city, Ganja.

   These properties include:

   1. Port Baku Mall
   2. Deniz Mall
   3. 28 Mall
   4. Ganjlik Mall
   5. Amburan Mall
   6. Shuvelan Park
   7. Ganja Mall
   8. Crescent Mall

   Crescent Mall, opened on May 28, 2024, has quickly become a significant element of Baku’s urban transformation. Spanning over 115,000 square meters, the five-story complex includes more than 39,000 square meters of leasable space, offering 1,193 parking spots, an outdoor terrace, various restaurants, and Azerbaijan's first musical fountain—a landmark combining architectural and cultural significance.

   The mall hosts over 100 international brands, including Zara Home, Penelope, Medicine, Gant, Furla, and Melissa, marking their debut in Azerbaijan. It also features family entertainment zones, innovative dining concepts, toy and children's stores, home goods retailers, and a wellness center, providing a comprehensive shopping and leisure experience.

The street retail market in Baku is expanding due to several important factors. The growth of tourism, driven by international events like the Formula 1, along with government efforts to diversify the economy, are bringing in foreign investments in trade and real estate.

Large urban development projects, such as White City and the revitalization of older areas, are improving infrastructure and enhancing the city’s appeal to shoppers. Together with rising incomes and a growing middle class, these elements support the long-term development of the market.

UZBEKISTAN

Capital City

TASHKENT

Country Population

37,1 mln., as of Q2 2024

2023 GDP

101,6 billion USD

2023 GDP

5,7% YoY growth

Tourism, share in GDP

2,6% as of 2022

Unemployment Rate

6,8%, as Q2 2024

Retail Trade Turnover

10,5 % YoY growth

**Note : the economic data can vary significantly from one source to the other. Therefore, the figures provided should merely be used as an indication or trend.*

TASHKENT

The retail sector in Tashkent is in a phase of active development but has yet to fully align with the classical concept of street retail. However, it is showing clear signs of active growth.

A notable example is the DEPO Mall project, positioned as the first platform in the city with a defined street retail theme and an artificially created retail corridor. While this project is a milestone, it does not mean that street retail was absent in Tashkent prior to its introduction.

Certain areas of the city exhibit small but emerging clusters of commercial premises. These are often limited to a few administrative buildings that house well-known international brands or established Uzbek brand chains with significant market presence and recognition.

These clusters are frequently complemented by food and beverage outlets, financial institutions, and bazaars, creating a mixed-use commercial environment.

Central streets with high footfall and developed road infrastructure continue to dominate the supply of commercial real estate in the city.

The majority of ground floors in residential and administrative buildings along these streets are utilized for retail purposes, offering spaces to a diverse mix of tenants ranging from small grocery stores to global retail brands. This combination of high-traffic locations and varied tenant profiles underscores the sector's potential for further growth and evolution.

The central, bustling streets with well-developed road infrastructure traditionally play a key role in Tashkent's commercial real estate market, driven by high pedestrian and traffic flow. On these streets, the ground floors of residential and administrative buildings are predominantly used for commercial purposes, providing space for a wide range of tenants—from grocery mini-markets to international brands.





TASHKENT

Several districts were selected for analysis based on their developed infrastructure, well-established transport interchanges, and metro access, combined with the commercial features described above.

KEY ACTIVE COMMERCIAL AREAS	
Amir Temur Avenue and Abdullah Kadiri Street	The intersection of Amir Temur Avenue and Abdullah Kadiri Street in Tashkent is a prominent commercial hub with a dynamic street retail environment with brands like Nike, Paul, Adidas, Urban Store, Timberland, Mexx, Nameit, Loccitane and etc. This area benefits from its central location, well-developed road infrastructure, and high pedestrian and vehicle traffic, making it a strategic point for retail businesses. The area's retail potential continues to grow, supported by ongoing urban development and increasing consumer demand.
Tashkent City, till Samarkand Darvoza	The Tashkent City district represents a modern urban development area characterized by a mix of premium residential, commercial, and hospitality properties. In terms of street retail, the district showcases a curated retail environment with a focus on mid-to-high-end brands, dining establishments, and lifestyle services.
Taras Shevchenko Street	In the fall of 2024, a new gastronomic street was launched on Taras Shevchenko Street in Mirabad district, enhancing the city's urban and commercial landscape. The project introduced a multifunctional public space featuring a diverse mix of 24/7 restaurants, cafes, grocery stores, boutiques, and leisure-oriented elements such as photo zones and a pedestrian fountain. This initiative aligns with the broader strategy of creating vibrant, tourist-friendly environments supported by robust service infrastructure. The redevelopment of the 800-meter stretch of Taras Shevchenko Street commenced in late July, incorporating key infrastructure upgrades. These included the construction of a modern bus stop, the installation of surveillance systems, seating areas, and waste management facilities, as well as the implementation of public Wi-Fi access points. Additionally, 3,000 square meters of new pedestrian pathways were built, enhancing connectivity and accessibility for both residents and visitors.
Shota Rustaveli Street (including Mirabad Street, with the Mirabad Avenue residential complex)	A large-scale project is underway in Tashkent — a 1.8 km-long gastronomic street on Shota Rustaveli Street. The opening of this culinary destination is scheduled for the second quarter of 2025.
Seoul Moon	The Seoul Moon gastronomic street in Tashkent, located along the river, has emerged as a dynamic culinary destination. Designed as a vibrant public space, it offers a variety of dining experiences, including street food stalls, cafes, and upscale restaurants. The area features scenic river views, pedestrian-friendly walkways, and outdoor seating, creating an inviting environment for both locals and tourists. Its unique blend of urban design and culinary diversity makes Seoul Moon a notable example of integrating natural landscapes with modern street retail concepts.

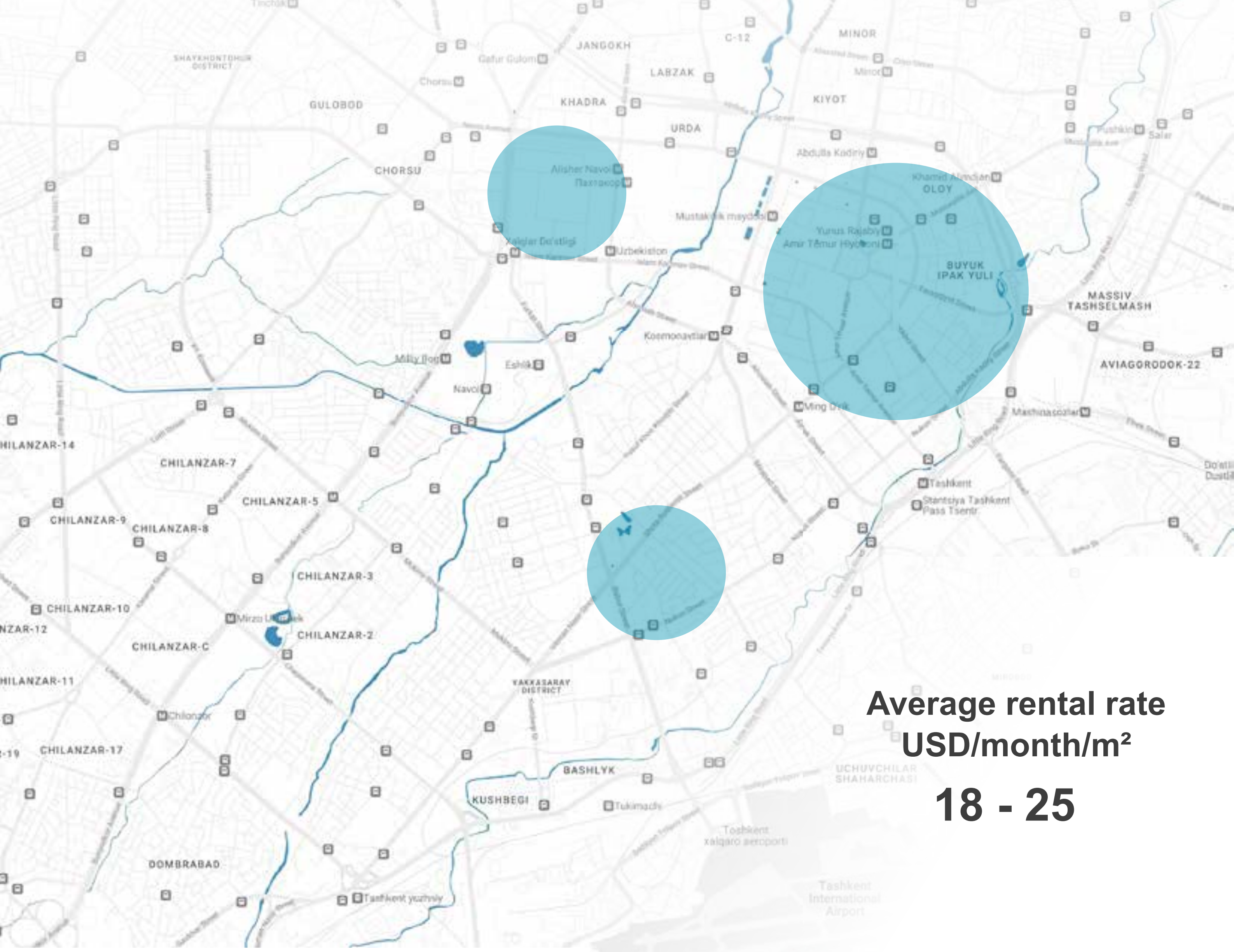


Tashkent City Mall, the largest shopping and entertainment complex in Uzbekistan, boasts a total area of 243,000 sqm, including 100,000 sqm of leasable space, 300 stores and boutiques, and a 2,500-space parking facility.

Its technical opening took place on February 29, marking a significant milestone for the country's retail landscape.

The mall's infrastructure spans three floors, featuring retail galleries, an entertainment center, a cinema, and a dedicated restaurant zone.

Key tenants include brands from **Inditex** such as Zara, Zara Home, Massimo Dutti, Oysho, Bershka, Stradivarius, and Pull&Bear. Additionally, **Union Space** retailers like Adidas, Reebok, and Nike are represented, alongside monobrand boutiques under **Podium Department Store**, including Pinko, Peserico, Hugo, Twinset, and Zadig & Voltaire.



Average rental rate USD/month/m²

18 - 25

KYRGYZSTAN OVERVIEW

CAPITAL CITY

BISHKEK

COUNTRY POPULATION

7,2 mln., as of Q1 2024

2023 GDP

13,9 billion USD

2023 GDP

5,0 % YoY growth

TOURISM, share in GDP

6,5 % as of 2022

UNEMPLOYMENT RATE

4,9 %, as of Q1 2024

RETAIL TRADE TURNOVER

14,5 % YoY growth

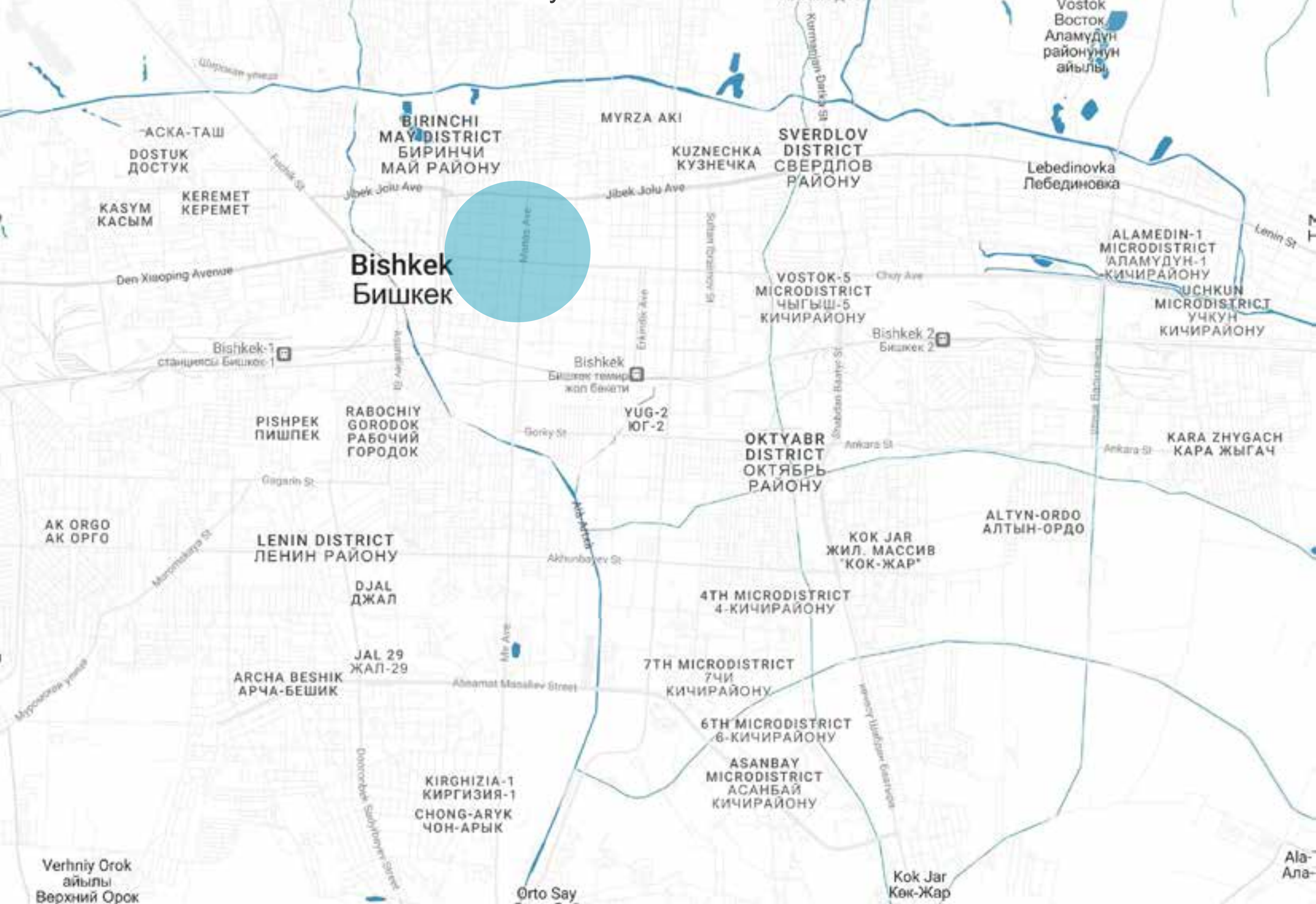
**Note : the economic data can vary significantly from one source to the other. Therefore, the figures provided should merely be used as an indication or trend.*

SHOPPING MALLS

Among the prominent shopping centers in Bishkek, the most popular are Asia Mall, Bishkek Park, Dordoi Plaza, Beta Stores, Aichurek, and Chinar. These retail platforms primarily feature global brands in the mid-range and luxury segments. While there is also some commercial activity in nearby buildings, this is relatively uncommon. More frequently, domestic Kyrgyz brands, including clothing, cosmetics, perfumes, banks, and small businesses, are represented in these areas.

A selection of global brands available in Bishkek's shopping and entertainment centers includes: Ecco, Gulliver, Inglot, Rieker, Petek, Koton, Tom Tailor, Mango, Lady Collection, Terranova, Geox, 21 Shop, Balizza, LC Waikiki, Quicksilver, Corneliani, Lacoste, Bagozza, Bogner, Alexander Terekhov, and Sela.

One of the most commercially dense areas in the city is Chui Avenue, home to Dordoi Plaza, Bishkek Park, and Asia Mall. The surrounding intersections also feature numerous buildings with commercial tenants, including many local brands, cafes, and restaurants. This area is the central hub of the city, with nearby landmarks such as Victory Square and the Opera and Ballet Theater, as well as alleys and parks, which further contribute to pedestrian traffic. Additionally, a large four-story children's clothing store, Detsky Mir, is located on the same avenue, and the Russian Federation Embassy is located close to Bishkek Park.



BISHKEK

As of 2024, Bishkek's commercial real estate market has seen the gradual entry of several well-known international brands. The market is in the growth stage, with an increasing appetite for global brands due to a rising middle class, growing consumer demand for international productsand regulatory improvements that allow for facilitation of new services in the country.

While Bishkek doesn’t yet compare to larger cities in the region, it has attracted several key players in fashion, electronics, food and beverage (F&B), industry, banking & finance and Technology.

The period of 2024-2026 is expected to bring further expansion in Bishkek’s commercial retail landscape, with international brands seeking to capitalize on the city’s growing consumer base and improving retail infrastructure.

Several factors, such as improved logistics, favorable tax regimes, and increased investment in commercial real estate, have paved the way for new entrants.

Street retail remains one of the most expensive and sought-after types of retail real estate in Bishkek, especially in prime areas. High pedestrian traffic and visibility are key drivers of rental rates in this segment.

Key Observations on the Historical Trend (2019–2023):

1.Pandemic Impact: Both street retail and mall-based retail saw declines in rental rates during 2020 due to decreased consumer spending and foot traffic. However, the impact was more pronounced in mid-range malls and peripheral street locations.

2.Recovery and Growth: From 2021 onwards, rental rates steadily recovered, driven by a resurgence in consumer demand and the entrance of new retailers. Prime street retail locations and high-end malls have seen particularly strong growth, with rates now surpassing pre-pandemic levels.

3.Central vs. Peripheral: Rental rates in central street retail locations have consistently outpaced those in malls and peripheral areas due to their high foot traffic and visibility, making them attractive for businesses.

Rental Rates:

1. Central locations (Chui Avenue, Manas Street, Kievskaya Street):

   50 – 70 USD/m2/month

2. Peripheral locations:

   20 – 35 USD/m2/month

**Note : the evaluation and analysis of metrics in this report are conducted using publicly accessible data from websites. The outcomes reflect average listed prices and should not be interpreted as terms for drafting agreements or conducting transactions at these prices.*

Gulshat Sariyeva
Cushman & Wakefield Kazakhstan
Partner

Mobile: +7 (701) 266 97 13
gulshat.sariyeva@cushwake.kz

Semyon Yurchenko
Cushman & Wakefield Kazakhstan
Partner

Mobile: +7 (701) 951 15 24
semyon.yurchenko@cushwake.kz

Dalel Mussina
Cushman & Wakefield Kazakhstan
Associate Director

+7 (777) 026 63 95
dalel.mussina@cushwake.kz

Adeliya Bolysbek | Editor in Chief
Cushman & Wakefield Kazakhstan
Consultant

Mobile: +7 (771) 574 35 42
adeliya.bolysbek@cushwake.kz

Mukhamadalikhon Asomov
Cushman & Wakefield Kazakhstan
Senior Consultant

Mobile: +7 (727) 334 44 00
ali.asomov@cushwake.kz

Nino Maghradze
Cushman & Wakefield Georgia
Head of Strategic Advisory and research

Office: +995 (0) 32 247 48 49
nino.maghradze@cushwake.ge

Tamta Janiashvili
Cushman & Wakefield Georgia
Senior Research Analyst

Office: +995 (0) 32 247 48 49
tamta.janiashvili@cushwake.ge

Ali Kassymguzhin
Cushman & Wakefield Kazakhstan
Associate Director

+7 (701) 276 64 99
ali.kassymguzhin@cushwake.kz

Saba Chakhvashvili
Cushman & Wakefield Georgia
Data Analyst

Office: +995 (0) 32 247 48 49
saba.chakhvashvili@cushwake.ge

Adiya Abisheva
Cushman & Wakefield Kazakhstan
Marketing & Communication

Mobile: +7 (771) 211 49 15
adiya.abisheva@cushwake.kz

About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 50,000 employees in over 400 offices and approximately 60 countries. In 2021, the firm had revenue of $9.4 billion across core services of property, facilities and project management, leasing, capital markets, and valuation and other services. To learn more, visit www.cushwake.kz or follow @CushWake_Kz on Instagram.

Better never settles

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION