

## Retail Nirvana around the corner for Northern Ireland

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*Kathryn Collie, partner at Cleaver Fulton Rankin in Belfast, explains how as a practising solicitor and enthusiastic participant in the pursuit of retail therapy, life in Northern Ireland and Belfast in particular has never been better.*

With over 82,000 jobs, retail is Northern Ireland's largest and fastest growing private sector with predictions of a further 12,000 new jobs by 2012 despite the prevailing 'credit crunch' and faltering house prices.

The arrival of the multi-million pound Victoria Square in March, which followed hot on the heels of Ikea in Belfast, the Bridgewater Outlet Centre in Banbridge, and Junction One in Antrim, marked a tipping point in Northern Ireland's retail outlook, dramatically increasing consumer choice and boosting the expectations of significant retailers in Belfast city.

With this increased inward investment has come a plethora of opportunities for commercial law firms specialising in the retail sector.

In the last number of years, we have seen the retail sector in Northern Ireland change considerably, both in terms of volume and nature of advice. Work which we would have considered our traditional bread and butter, such as lease negotiations with landlords, is becoming more complex and more challenging with the arrival of retailers who are new to the Northern Ireland marketplace and who need strong local guidance. As such the importance of dual qualified solicitors advising these clients on the differences in landlord and tenant law between for example England and Northern Ireland, has never been greater.

There are also a host of issues which are a concern to retailers which wouldn't necessarily be an issue for office tenants - the rights a landlord may have over a mall area, the months of the year a landlord can carry out major works of repair, the ability to re-brand shops and so on. The solicitor who is a specialist in acting for retail clients and who knows the Northern Ireland market can really add value.

### **Northern Ireland 'open for business'**

Central Belfast in particular has been transformed with Victoria Square, a 14 acre, 800,000 square foot open plan retail scheme, increasing shopping space in the capital by a third.

The centre has 98 shops, boasting the largest ever House of Fraser, of which 70 per cent were open at the launch and 93 per cent of the units are now let. Cleaver Fulton Rankin has acted for 16 stores opening units at the Centre, such as Urban Outfitters, Reiss, The Pier, All Saints and River Island. Footfall according to measurement company CACI is expected to be in the region of 17.2 million a year.

Victoria Square is the first significant retail development in the centre of Belfast since the opening of Castlecourt in 1989 and forms part of a massive regeneration of the city since political stability was achieved last year. Victoria Square will undoubtedly enhance Belfast's reputation as a shopping destination but its arrival will also alter the city centre's dynamic.

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It may indeed have been the impetus for a large number of new retail/mixed use developments, such as the £360 million Royal Exchange development which includes 420,000 square feet of retail space and St Anne's Square, a £100 million leisure, commercial and residential development that will incorporate 30,000 square feet of retail.

Northern Ireland with its wealth of beautiful beaches, scenery and world class golf courses has always been an attractive destination for tourists. Now with sophisticated retail and a much improved leisure offering, Northern Ireland and Belfast are becoming a great location for a weekend break.

## **Office/mixed use development is seeing 'Titanic' growth**

In addition to retail, there are also significant projects in the pipeline for office and mixed use development. Titanic Quarter represents a £1.5 billion investment which between now and 2020 will transform the 185 acre site where the world famous RMS Titanic was built. The developer behind the project, Titanic Quarter Limited, is a major client for Cleaver Fulton Rankin. The first phase is already under way and will include a 15,000 square metre Gateway Office block and just less than 3,000 square metres of retail space.

The importance of this development cannot be over estimated, as it is envisaged that Titanic Quarter will be the hub of Belfast in years to come. Set to become a major social and business meeting place, Europe's largest waterfront development will require a wide range of legal services.

## **US investment**

More than 100 senior executives from some of America's leading companies visited Belfast from 7 to 9 May 2008 to promote inward investment in Northern Ireland. Michael Bloomberg, the mayor of New York, claimed that Belfast is waking up to a new economic horizon. Mr Bloomberg revealed how impressed he was with Belfast's rejuvenation as he helped to launch the new Financial Services Centre as part of the second phase at Titanic Quarter. Mr Bloomberg said "I am extremely impressed with what is happening here at Titanic Quarter. There is a great buzz and excitement about Belfast and it is great to see the investment being made in the city and to hear that the economy here is on the up and up."

## **Belfast competing with Dublin**

Belfast is now on a par with Dublin and indeed, is up to 40 per cent cheaper to live in, making it more attractive for business, according to consultants who carried out an investigation into the cost of living in the two cities.

Combined with the opening of Ikea's first store in Ireland and a strong Euro, Belfast is an attractive destination for southern shoppers. Belfast is now ranked fifth in the UK for best retail conditions and retailer confidence and with good foundations and a continuing confidence that there is a lasting peace in Northern Ireland it is hoped that this will continue.

The growth of the retail sector in Northern Ireland is reflected in the growth of retail clients within Cleaver Fulton Rankin, both new clients coming to Northern Ireland for the first time in the new large developments and also is reflected in the growth of a number of existing clients that have succeeded in consolidating their presence within the ever expanding market.

Long may it continue!

*Kathryn Collie is head of Cleaver Fulton Rankin's property department. She represents some of the biggest names in global retail including Hugo Boss, Reiss, River Island and Firetrap.*

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