



For Immediate Release

New York’s Fifth Avenue Crowned World’s Most Expensive Shopping Street, Overtakes Hong Kong in Global Ranking

- *Asia Pacific home to four of the top 10 most expensive cities for prime retail globally*
- *Best-in-class physical retail passes COVID-19 ‘stress test’ with global rebound in rents*
- *Luxury brands showing resilience and cities experience increase in leasing activity*

SINGAPORE, Wednesday 23 November 2022 – New York’s Fifth Avenue has reclaimed its position as the world’s most expensive retail street, with average rents of USD2,000 per square foot (sq ft) per year, according to a new global ranking from real estate services firm [Cushman & Wakefield](#).

Helped by its US-pegged currency, Hong Kong maintained a high-ranking position in 2022 in second place, with Tsim Sha Tsui at USD1,436/sq ft/yr displacing Causeway Bay as the territory’s representative in the rankings.

In third, Milan’s Via Montenapoleone at USD1,380/sq ft/yr is Europe’s most expensive shopping street for the first time, climbing above New Bond Street in London and Avenues des Champs- Élysées in Paris. (See Figure 1).

Cushman & Wakefield’s flagship ‘Main Streets Across the World’ report, first launched in 1988, tracks the top retail streets across 92 cities and ranks the most expensive by prime rental value utilising Cushman & Wakefield’s proprietary data. An annual report until 2019, this is the first since then – allowing insight into comparative performance pre- and post-pandemic.

Figure 1
Global Rankings 2022: Most Expensive Retail Districts by City

Global Ranking 2022	Ranking Pre-COVID	City	Location	Rent (USD/sq ft/yr)	Pre-COVID to present (local currency)	Y-o-Y (local currency)
1	2	New York City	Upper 5th Avenue (49th to 60th Sts)	\$2,000	14%	7%
2	1	Hong Kong	Tsim Sha Tsui (main street shops)*	\$1,436	-41%	-5%
3	5	Milan	Via Montenapoleone	\$1,380	9%	7%
4	3	London	New Bond Street	\$1,361	-11%	-7%
5	4	Paris	Avenue des Champs Elysees	\$1,050	-18%	-4%
6	6	Tokyo	Ginza	\$945	0%	5%
7	8	Zurich	Bahnhofstrasse	\$847	-3%	-1%
8	7	Sydney	Pitt Street Mall	\$723	-24%	-7%
9	9	Seoul	Myeongdong	\$567	-23%	-15%
10	10	Shanghai	West Nanjing Road	\$496	-14%	-14%

* Causeway Bay held the #1 ranking for Hong Kong pre-COVID

Source: Cushman & Wakefield

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Spotlight on APAC

As well as the global city ranking, the report features rankings for each region. In Asia Pacific, Hong Kong and Tokyo dominate the region's most expensive streets, accounting for six of the top seven. Hong Kong's Tsim Sha Tsui (main street shops), is the most expensive regionally (second globally) at USD1,436/sq ft/yr and is followed in-region by Causeway Bay at USD1,292/sq ft/yr. These are followed by Tokyo's Ginza (USD945/sq ft/yr) and Ometesando (USD756/sq ft/yr), third and fourth placed in the region respectively.

Only Sydney's Pitt Street Mall (USD723/sq ft/yr) broke east Asia's dominance in the top 10, taking fifth place, followed by Shinjuku in Tokyo and Hong Kong's Central (main street shops). Seoul's Myeongdong and Gangnam Station took eighth and ninth place respectively. Shanghai's West Nanjing Road rounds out the top 10.

Figure 2
Asia Pacific Ranking

Rank 2022	Location	City	Rent (USD/sq ft/yr)
1	Tsim Sha Tsui (main street shops)	Hong Kong	\$1,436
2	Causeway Bay (main street shops)	Hong Kong	\$1,292
3	Ginza	Tokyo	\$945
4	Ometesando	Tokyo	\$756
5	Pitt Street Mall	Sydney	\$723
6	Shinjuku	Tokyo	\$709
7	Central (main street shops)	Hong Kong	\$616
8	Myeongdong	Seoul	\$567
9	Gangnam Station	Seoul	\$522
10	West Nanjing Road	Shanghai	\$496

At the other end of the spectrum, Anna Ngar 2nd Avenue in Chennai and Banjara Hills in Hyderabad rank among the most affordable locations in the region with rents at USD24/sq ft/yr and USD30/sq ft/yr respectively.

Regional rental declines during the COVID-19 pandemic varied and were even starker at a market level. For example, Hong Kong's 45% decline from pre-pandemic to its COVID-19 low primarily reflected the impact of the drop-off in mainland Chinese tourists as international borders closed in response to the COVID-19 pandemic, though local headwinds likely exacerbated the fall. Other Asia Pacific markets such as Sydney and Seoul – which also rely heavily on international tourists – experienced declines in excess of 20%.

Asia Pacific Head of Insight and Analysis Dr Dominic Brown said: *“Tighter closure of international borders had a more severe impact on Asia Pacific's luxury retail strips than elsewhere in the world, as seen by the steeper decline and softer rebound in regional rents. While many markets have now either fully or partly reopened their borders, international tourism in the region is still down 75% on 2019 levels compared to the global average of 28% and just 16% in Europe.”*

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“That being said, domestic consumption has rebounded strongly, with practically all Asia Pacific markets recording retail sales higher than prior to the pandemic. We also know that e-commerce sales have slowed over the past year as customers have returned to physical stores.”

“In any strip there will be individual properties that outperform and those that underperform, but as an indication of the best-in-class market these results show that prime shopping districts in key locations continue to command strong rents that defy the predicted demise of physical retail.”

The Road to Recovery

Rents across global prime retail destinations declined by 13% on average at the peak of the COVID-19 pandemic but have subsequently rebounded to just 6% below pre-pandemic levels. Global rental growth over the past year averaged 2% but has varied tremendously.

Asia Pacific was the region most impacted during the pandemic, with rents falling 17% on average, mainly due to border closures affecting prime international tourist destinations. In EMEA, rental declines averaged 11%, while the decline in the Americas was just 7%, thanks in part to supportive fiscal policies and domestic migration patterns boosting buying power.

Since the pandemic nadir, global retail market rents have rebounded approximately 50%. Much of that improvement occurred through 2021 and into early 2022 before global economic headwinds started to negatively impact markets approximately six months ago.

Robert Travers, Head of EMEA Retail at Cushman & Wakefield, said: *“The industry has been through one of the biggest stress tests imaginable over the past few years, but best-in-class retail real estate has remained robust. While we now face new economic challenges, the conversation has shifted from pessimism to retail’s omnichannel evolution.”*

“Many brands are playing the long game and seeking to secure prime opportunities to adapt to ever-demanding customer needs. With further investment in high-quality in-store experiences and advances in omnichannel approaches, we are confident in the resilience of the sector, particularly at the luxury end, and in key global destination cities.”

Figure 3
Pandemic Retail Rental Change by Region

	Pre-pandemic to pandemic low	Pandemic-low to present	Pre-pandemic to present
APAC	-17%	7%	-12%
AMERICAS	-7%	23%	15%
EMEA	-11%	4%	-8%
U.S.	-4%	29%	25%
World	-13%	8%	-6%

Source: Cushman & Wakefield

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You can view the webpage here: [Main Streets Across the World | Cushman & Wakefield \(cushmanwakefield.com\)](https://www.cushmanwakefield.com)

Notes on Methodology: This report focuses on headline rents in best-in-class urban locations across the world which, in many cases, are linked to the luxury sector. The rental values in this specific segment have been relatively immune to additional discounts, incentive packages or shared risk rental models that have become more prominent in the wider retail markets globally.

About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) 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.cushmanwakefield.com or follow [@CushWake](https://twitter.com/CushWake) on Twitter.

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