

MARKETBEATS



8.7%
MALL VACANCY

6.8 msf
MALL INVENTORY

0.9 msf
UPCOMING SUPPLY TILL
2019

WHAT'S
NEXT

HIGHLIGHTS

Tight Vacancy In Malls & Main Streets

With restricted vacancy conditions prevailing across prominent malls and main streets, leasing activity was slow during the quarter. Despite healthy demand from leading retailers, the city continues to remain underserved in terms of quality supply. Majority of the transactions recorded during the quarter were driven by hypermarkets, electronics, fashion & apparel segments. Key mall transactions include Dorabjee's & MAC at Pavillion Mall on Senapati Bapat Road while key main street transactions include Taneira at Aundh. Phoenix Marketcity at Nagar Road & select main streets like JM Road, MG Road & Koregaon Park continue to remain the gateway locations for new brands entering the city.

Future supply to aid retailer space take-up

Three malls with a combined supply of 0.9 msf are likely to be completed by the last quarter of 2019. Kharadi, Hinjewadi & Pimple Saudagar are making a strong push as preferred retail locations with significant demand from F&B, electronics, fashion & apparel retailers. Among major deals, Croma and Reliance Trends took up 12,000 sf and 10,000 sf, respectively in Hinjewadi during the quarter.

Rental growth anticipated in main streets

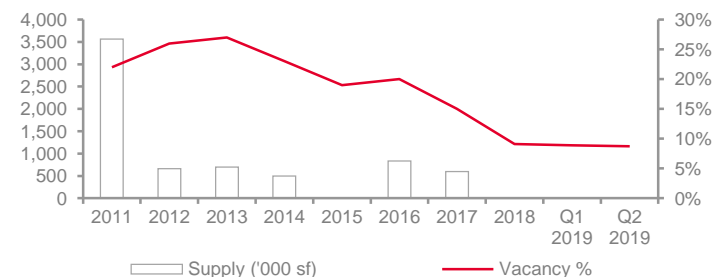
Rentals are likely to strengthen in prominent main streets - JM Road, MG Road & Koregaon Park due to limited vacancy and sustained demand from retailers. Mall rentals continue to remain at their peak and are expected to remain range-bound for the next few quarters.

ECONOMIC INDICATORS

	2017	2018	2019 Forecast
GDP Growth	7.2%	6.8%	7.0%
CPI Growth	3.6%	3.5%	3.4%
Consumer spending	7.4%	8.1%	7.1%
Govt. Final Expenditure Growth	14.2%	9.2%	15.0%

Source: Oxford Economics, Central Statistics Office

MALL SUPPLY / VACANCY



Source: Cushman & Wakefield Research

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PRIME RETAIL RENTS – MAIN STREETS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
M.G. Road	350	53	60	0%	9%
J.M. Road	370	56	64	0%	0%
F.C. Road	275	42	47	0%	2%
Koregaon Park	150	23	26	0%	0%
Aundh	180	27	31	0%	13%
Bund Garden Rd	150	23	26	0%	7%
Mumbai-Pune Highway – PCMC	120	18	21	0%	0%
PRIME RETAIL RENTS - MALLS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
Camp	215	33	37	0%	0%
Koregaon Park	135	20	23	0%	0%
Nagar Road	250	38	43	0%	0%
Hadapsar	180	27	31	0%	0%
PCMC	190	29	33	0%	0%
Aundh	250	38	43	0%	8.7%
S. B. Road	230	35	40	0%	0%

*Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted
US\$ = INR 69.55 AND € = INR 79.10*

SIGNIFICANT LEASING TRANSACTIONS

PROPERTY	LOCATION	TENANT	SF
Pavillion Mall	Senapati Bapat Road	Dorabjee's	4,500
Global Highstreet Mall	Hinjewadi	LED	7,000
Main street	Aundh	Taneira	3,500

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Global Highstreet Mall	Hinjewadi	250,000	Q4 2019
93 Avenue	Solapur Road	200,000	Q4 2019

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