

## MARKETBEAT



8.9%

MALL VACANCY

6.6 msf

MALL INVENTORY

0.8 msf

UPCOMING SUPPLY IN  
Q4 2019WHAT'S  
NEXT

## HIGHLIGHTS

## Select Malls &amp; Main streets Drive Q3 Demand

Leasing activity during the third quarter was restricted to quality, available space in select malls and main streets. Main streets like MG Road, JM Road & malls like Amanora & SGS dominated a major portion of the leasing activity with F&B, sporting goods, entertainment & apparel segments emerging as the major space takers. Key transactions concluded during the quarter were Decathlon at SGS Mall in Camp & Smaaash at Amanora Mall in Hadapsar. Rentals for malls as well as main streets continue to remain at their peak and were consequently range-bound during the quarter. Going forward, we expect malls & main street rentals to remain stable over the remainder of the year.

## New Mall addition in Hadapsar

A new mall addition - 93 Avenue Mall at Hadapsar became operational during the quarter with key retailers like DMart, Domino's etc. Elpro City Square Mall at Chinchwad also became partly operational with Reliance Smart & Reliance Digital commencing their operations. The mall is expected to be completely operational during the festive season in the last quarter of 2019. The overall mall vacancy during the quarter was 8.9%, a marginal q-o-q increase on account of the new completion.

## Restricted Supply in Western Pune

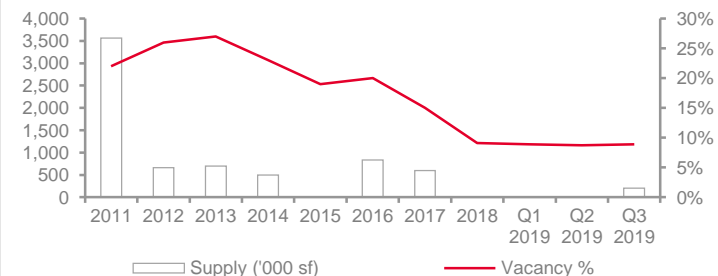
While in the past we have seen mall being refurbished to account for the growing demand for commercial office space, it has now created the need for high quality retail developments in certain corridors. Western Pune is a case in point with Phoenix Mall at Wakad being the only major upcoming development here.

## ECONOMIC INDICATORS

	2017	2018	2019 Forecast
GDP Growth	7.2%	6.8%	6.1%
CPI Growth	3.6%	3.5%	3.4%
Consumer spending	7.4%	8.1%	5.5%
Govt. Final Expenditure Growth	14.2%	9.2%	6.0%

Source: Oxford Economics, RBI, 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	54	59	0%	9%
J.M. Road	370	57	63	0%	0%
F.C. Road	275	42	47	0%	2%
Koregaon Park	150	23	25	0%	0%
Aundh	180	28	31	0%	13%
Bund Garden Rd	150	23	25	0%	7%
Mumbai-Pune Highway – PCMC	120	19	20	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	36	0%	0%
Koregaon Park	135	21	23	0%	0%
Nagar Road	250	39	42	0%	0%
Hadapsar	180	28	31	0%	0%
PCMC	190	29	32	0%	0%
Aundh	250	39	42	0%	8.7%
S. B. Road	230	35	39	0%	0%

*Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted  
US\$ = INR 70.79 AND € = INR 77.81*

## SIGNIFICANT LEASING TRANSACTIONS

PROPERTY	LOCATION	TENANT	SF
Amanora Mall	Hadapsar	Smaaash	23,000
SGS Mall	Camp	Decathlon	14,000
Main street	MG Road	UCB	4,000

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Global Highstreet Mall	Hinjewadi	250,000	Q4 2019
Elpro City Square Mall	Chinchwad	450,000	Q4 2019

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