

6.60% MALL VACANCY (Q3 2022)

4.3% SUPERIOR MALL VACANCY(Q3 2022)

1.63 msf UPCOMING SUPPLY BY 2024

Robust leasing witnessed across prominent malls / highstreets

Pune's malls recorded ~140,000 sf of leasing in the third quarter of 2022, a jump of 43% on q-o-q basis and an 8X increase as compared to same period last year. Malls such as Phoenix Marketcity and Seasons-Amanora Mall recorded healthy leasing volumes by Fashion & Apparel and F&B segments. Upcoming malls such as Aeromall (in Viman Nagar) and KOPA Mall (in Koregaon Park) have recorded healthy pre-committments. Around 100,000 sf leasing was recorded across prominent main streets in the quarter. Main streets such as NIBM Road, Hinjewadi and Koregaon Park witnessed majority of space take-up by leading F&B and Fashion & apparel retailers. Going forward, the festive season rise in discretionary spending is likely to have a positive impact on retailers' sales and leasing activity.

As of YTD 2022, Pune has witnessed retail leasing volumes of around 0.5 msf across malls and main streets, which is an all-time yearly high in terms of space take-up by retailers. In CY 2022, leasing in malls accounted for around 59% of the overall leasing activity. Besides the limited supply available at prominent main streets, retailers have been shifting their focus back to malls due to the increase in footfalls (surpassing pre-covid levels), improving retailers' business and robust demand for quality spaces.

No new supply in this quarter; vacancy declines

In the absence of new supply, Pune's mall inventory remained unchanged at 6.6 msf. Overall mall vacancy dropped by ~90 bps to 6.6% during the quarter on the back on strong leasing activity and lack of new supply. Up-coming supply of ~1.6 msf is set to enter Pune over the period of year 2023 – 2024. Majority of the upcoming supply is concentrated in PBD West (67%) followed by CBD (25%) and SBD East (8%).

Mall rentals remain stable, select main street rents witness growth

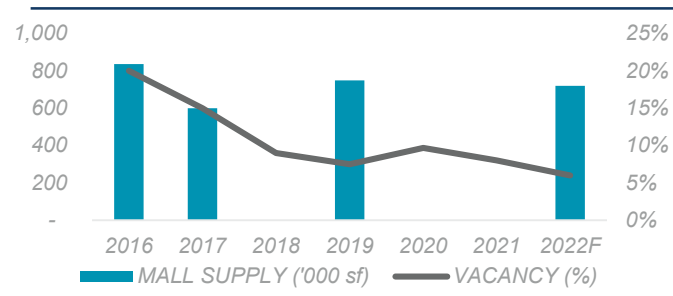
Main streets like Baner-Balewadi-Aundh and Koregaon Park witnessed a 1-2% q-o-q growth in rents, largely attributable to the limited supply of space in these markets. Rentals in such main streets are expected to remain range bound in the upcoming quarters. Rentals in prominent malls have remained stable in this and is expected to remain range-bound.

ECONOMIC INDICATORS Q3 2022

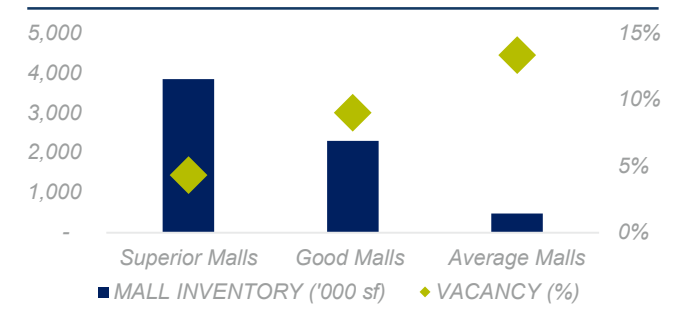
	2021	2022	2023 Forecast
GDP Growth	8.9%	7.0%	6.5%
CPI Growth	5.3%	6.7%	5.0%
Consumer Spending	6.3%	7.5%	7.8%
Govt. Final Expenditure Growth	10.8%	9.7%	8.5%

Source: Oxford Economics, IMF, RBI

MALL SUPPLY / VACANCY



CATEGORY-WISE STOCK / VACANCY



MARKET STATISTICS

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	290	43	44	0.0%	7%
J.M. Road	300	45	45	0.0%	6%
F.C. Road	250	37	38	1.2%	7%
Koregaon Park	154	23	23	2.0%	10%
Aundh	168	25	25	1.8%	6%
Bund Garden Rd	135	20	21	1.5%	6%
Mumbai-Pune Highway – PCMC	115	17	17	1.8%	8%
Baner- Balewadi	165	25	25	0.0%	8%
Kothrud, Karve Road	140	23	23	2.0%	8%
Pune Satara Road	125	19	19	0.8%	5%

PRIME RETAIL RENTS – MALLS (Prominent Malls)	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
SGS Mall, Kumar Pacific	180	26	28	-	3%
Phoenix Marketcity	224	33	35	-	3%
Seasons Mall, Amanora Town Centre	184	27	29	-	3%
Westend Gateway	204	30	32	-	3%
Pavillion Mall	200	29	31	-	3%
Grand Highstreet Mall	160	23	25	-	-

Note: Asking rent (INR/sf/month) on the carpet area of ground floor Vanilla stores is quoted
 US\$ = INR 79.40 AND € = INR 80.2

SIGNIFICANT LEASING TRANSACTIONS Q3 2022

PROPERTY / MAIN STREET	SUBMARKET	TENANT	Area (sf)
Hinjewadi	PBD West	Hamley's	5,000
Koregaon Park	CBD	Blue Tokai	5,000
Aundh	SBD West	Tasva	2,500
Ghole Road	CBD	Blue Tokai	2,000
Phoenix Marketcity	SBD East	Third Wave Coffee	2,000
Seasons Mall	SBD East	Van Huesen	1,200
Koregaon Park	CBD	Grey Soul Cafe	1,200
Kothrud	PBD East	Third Wave Coffee	1,200
Elpro City Mall	PBD West	American Tourister	800

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Phoenix Millennium	Wakad	1,100,000	Q4 2024
KOPA Mall	Koregaon Park	400,000	Q2 2023
Aero Mall	Viman Nagar	130,000	Q1 2023

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