

KOLKATA

Retail Q4 2023

CUSHMAN & WAKEFIELD

6.3% OVERALL MALL VACANCY (Q4-23)

0.35 msf MALL SUPPLY (Q4 2023 – 2024)

4.71 msf MALL INVENTORY (Q4-23)

Higher leasing volume q-o-q in Q4; leasing dominated by main streets

Kolkata recorded retail leasing of ~64,300 sf in Q4 2023, a 30-35% qoq growth with city's main streets witnessing healthy space take-up. Main streets accounted for over 90% of quarterly leasing volumes with city's malls recording low activity owing to lack of vacant spaces in Grade A malls. Full year retail leasing stood at over 0.2 msf, with main streets contributing more than 90% of demand. A couple of Grade A malls at Syed Amir Ali Avenue and Salt Lake recorded leasing by fashion and accessories brands, which cumulatively accounted for around 3% of quarterly leasing volumes. On the other hand, main streets such as Lee Road, Camac Street and Russell Street (CBD), Hatibagan (suburban north), Kankurgachi (northeast) and Salt Lake (peripheral east) witnessed leasing activity by fashion, jewellery, CDIT and F&B brands. Fashion and jewellery brands dominated leasing activity in the quarter, accounting for 36% and 32%, respectively, followed by F&B with a share of ~20%. A prominent jewellery brand opened its largest store while a pan India F&B brand forayed into Kolkata with a large space in the CBD micro market.

No new mall supply in 2023; suburban and peripheral main streets garners interest from retailers

Kolkata recorded no new mall supply in Q4 and, therefore, also for the full year. Thus, in the near term, main streets will continue to attract retailers given the low availability of quality mall space. While CBD micromarkets such as Park Street, Camac Street, Theatre Road are in demand and continue to command premium rentals, inadequate availability of suitable properties are leasing to higher leasing traction across key suburban and peripheral locations. The trend is likely to continue in the near-to-medium term. Locations such as EM Bypass, Lake Town, Kankurgachi recorded space take-up by F&B and jewellery brands.

A prominent city-based developer announced a greenfield Grade A mall at EM Bypass during the quarter. Another mall at Joka, which is currently under construction, is expected to be completed by mid-2024.

Mall rentals remain broadly stable; key main street rentals rise marginally

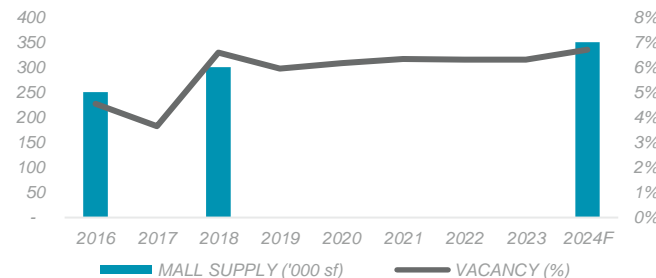
Mall rentals remained stable on a quarterly basis and headline mall vacancy rate remained largely unchanged. Main street rentals appreciated by 2-4% on a qoq basis across locations such as Park Street, Camac Street, Kankurgachi, EM Bypass, and Lake Town. Many retailers are also looking at locations in the peripheral south of the city (Garia, Narendrapur) because of growing consumer base there.

ECONOMIC INDICATORS Q4 2023

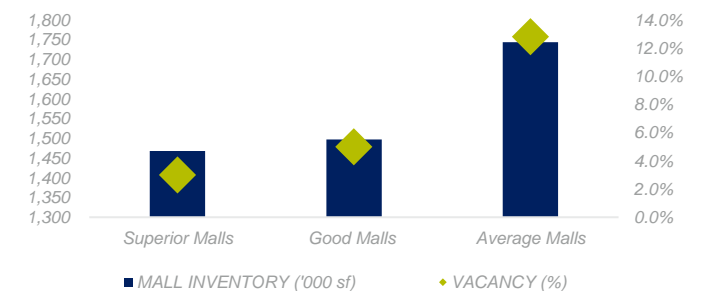
	2022	2023	2024 Forecast
GDP Growth	7.2%	6.5%	7.0%
CPI Growth	6.7%	5.3%	5.0%
Consumer Spending	7.5%	7.0%	6.7%
Govt. Final Expenditure Growth	9.7%	8.1%	7.4%

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
Park Street (CBD)	600	80	86	2.0%	20%
Camac Street (CBD)	510	68	73	2.3%	18%
Lindsay Street (CBD)	427	57	62	0%	10%
Elgin Road (CBD)	295	40	42	0%	8%
Theatre Road (CBD)	270	36	39	0%	15%
Gariahat (South)	290	39	42	0%	13%
Shyambazar (North)	125	17	18	0%	0%
Hatibagan (North)	135	18	19	3.7%	10%
Kankurgachi (North East)	190	25	27	3.3%	12%
VIP Road (North East)	128	17	18	3..1%	10%

Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted
US\$ 1 = INR 83.3 € 1 = INR 89.6

SIGNIFICANT LEASING TRANSACTIONS Q4 2023

PROPERTY	LOCATION	TENANT	SF
Main Street	Russell Street	Social	10,000
Main Street	Hatibagan	Senco Gold	11,500
Main Street	Salt Lake	Croma	8,000
Main Street	Beleghata	Pantaloons	8,000

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Acropolis South	Joka	350,000	Q2 2024

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