

MUMBAI

Retail Q2 2024

CUSHMAN & WAKEFIELD

7.6% OVERALL MALL VACANCY (Q2 2024)

16.9 msf MALL INVENTORY (Q2 2024)

0.65% VACANCY IN SUPERIOR GRADE MALLS (Q2 2024)

Robust leasing activity witnessed in Q2; Vacancy dips further

In the second quarter of 2024, grade-A malls experienced robust leasing activity, with a total of 132,900 square feet leased. This surge was primarily driven by term renewals in malls across the city. Fashion segment led the leasing activity, accounting for 40% of the total space leased. The food and beverage (F&B) and family entertainment center (FEC) categories followed, with 18% and 17% shares, respectively. Majority of the large space deals (>5,000 sf) were concentrated in Thane and Eastern suburban mall in this quarter.

No new mall was added to the city's inventory during this quarter. The overall city-wide mall vacancy rate decreased by 65 basis points, reaching 7.62%. This decline is attributed to the limited new supply and steady demand for fresh space. Superior malls now boast a vacancy rate of just 0.65%, reflecting increased occupancy levels, particularly in suburban areas.

By the end of 2024, close to 1.2 million square feet of Grade A mall supply will become operational across two suburban micro-markets. In 2025, close to 0.45 million square feet of additional space is expected with expansion in existing malls, in the core city submarket.

It is expected that the city-level vacancy will largely remain range-bound in the upcoming quarters given the pre-commitment activity in the upcoming malls.

Fashion segment drove main street leasing

During the quarter, prominent main streets of Mumbai experienced sustained leasing activity, totalling around 71,200 square feet. The fashion segment drove this activity, with notable store openings in areas such as Linking Road, Peddar Road and Fort areas. Suburban and peripheral markets like Navi Mumbai and Andheri also witnessed steady leasing during the quarter. Additionally, high-end hypermarkets and F&B brands were actively leasing in these submarkets.

Malls and main street rentals continued to appreciate

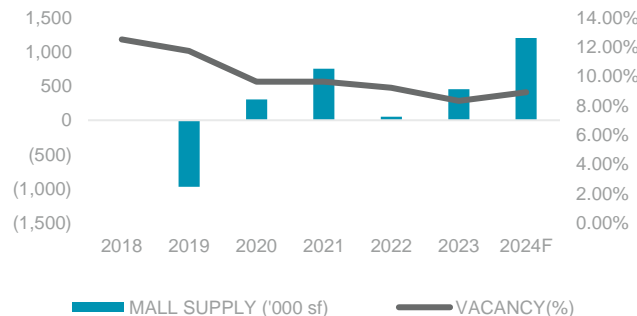
City-wide mall rentals witness an average growth of 2-3% on a q-o-q basis on the back of limited space availability and active term renewals. Prominent main streets in prime locations also witnessed a rental appreciation of 1-3% over previous quarter and 7-11% in annual terms. Mall rentals are expected to broadly remain range-bound going forward, largely owing to high levels of early pre-commitments expected in the upcoming malls.

ECONOMIC INDICATORS Q2 2024

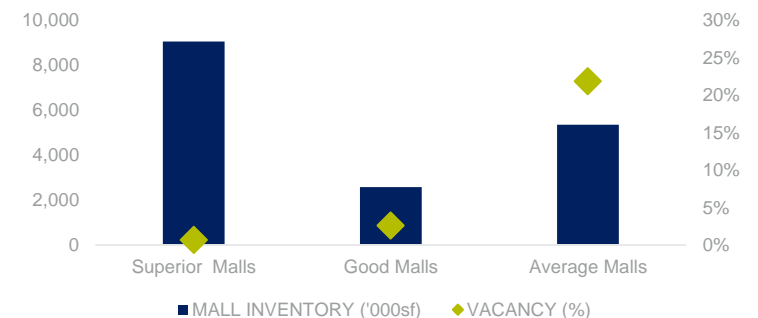
	2023	2024	2025 Forecast
GDP Growth	7.3%	7.0%	6.5%
CPI Growth	5.6%	4.5%	4.2%
Consumer Spending	5.0%	6.1%	6.5%
Govt. Final Expenditure Growth	7.5%	7.0%	6.7%

Source: Oxford Economics, RBI, IMF

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
Linking Road	860	115	124	3.0%	9.7%
Kemps Corner / Breach Candy	500	67	72	0.0%	11.1%
Colaba Causeway	650	87	94	2.4%	7.5%
Fort	560	75	81	0.0%	17.9%
Lokhandwala Andheri	430	57	62	1.2%	7.5%
Borivali LT Road	425	57	61	0.0%	7.7%
Chembur	375	50	54	0.0%	0.0%
Vashi	450	60	65	0.0%	12.5%
Thane	300	40	43	0.0%	9.1%

Note: Asking rent (INR/SF/month) on the carpet area of ground floor
 US\$ = INR 83.40 AND € = INR 89.90

SIGNIFICANT LEASING TRANSACTIONS Q2 2024

PROPERTY	LOCATION	TENANT	SF	TYPE
Oberoi Mall	Goregaon	House of Fett	1,800	Fresh Lease
R City Mall	Ghatkopar	Play N Learn	8,000	Fresh Lease
Main Street	South Mumbai	The Sleep Company	2,100	Fresh Lease
Main Street	Vashi	Birla Opus	2,500	Fresh Lease

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION DATE
Aurum Mall	Ghansoli	200,000	Q4 2024
Oberoi Sky City Mall	Borivali East	1,000,000	Q4 2024
The Rise, Palladium Expansion	Lower Parel	~450,000	Q4 2025

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About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

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