

## MARKET FUNDAMENTALS

|  | YOY Chg | 12-Month Forecast |
|--|---------|-------------------|
| <b>2.87</b><br>Mall Stock (MSF)        | ▲       | ▬                 |
| <b>0.24</b><br>Retail Space Per Capita | ▲       | ▼                 |
| <b>16.4%</b><br>Mall Vacancy           | ▼       | ▬                 |

Note: All data above pertains to Grade A malls

## ECONOMIC INDICATORS

|   | YOY Chg | 12-Month Forecast |
|---|---------|-------------------|
| <b>6.70%</b><br>GDP Growth (Q1 FY24-25)               | ▼       | ▲                 |
| <b>3.65%</b><br>CPI Inflation                         | ▼       | ▲                 |
| <b>7.40%</b><br>Consumer Spending Growth (Q1 FY24-25) | ▲       | ▲                 |

Source: MOSPI, RBI

## DEMAND FOR RETAIL CONTINUES TO REMAIN STRONG, LARGELY MET BY MAIN STREETS

Ahmedabad recorded main street leasing of 59,900 sq. ft. in Q3 2024 which is meager 1% drop from last quarter, but 11% drop on y-o-y basis. This slight decline can be attributed to a temporary fall in leasing activities, but market fundamentals remain strong. Fashion segment dominated the market with 57% of the quarterly leasing, followed by health & fitness (35%) and accessories and lifestyle (6%).

On a YTD basis, Ahmedabad recorded 0.18 msf of main street leasing, a 44% drop from last year, largely due to a high base effect from Q1 2023. Prominent main streets like Sindhu Bhavan Road, CG Road and Ambli Bopal Road together contributed ~33% to the overall main street leasing this year, mainly due to the fashion and accessories & lifestyle segments.

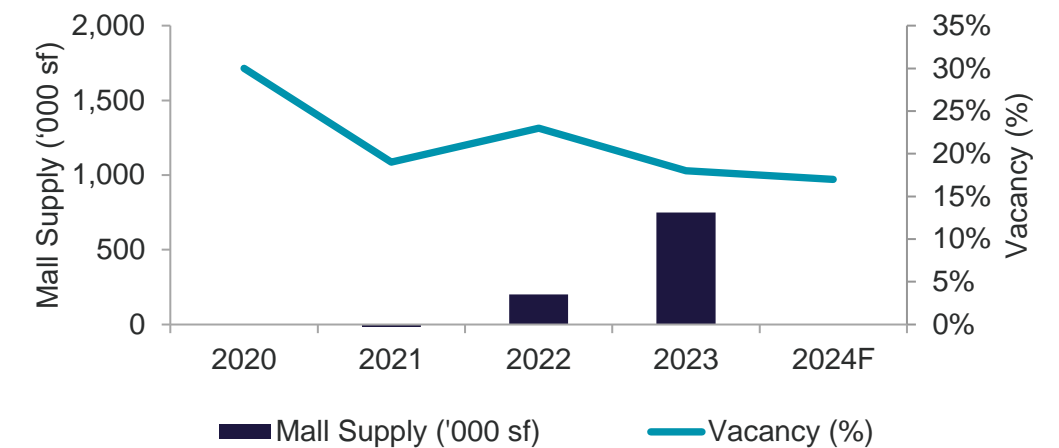
## LIMITED SUPPLY LEADS TO SHARP FALL IN MALL VACANCY

With no new supply addition and low availability in superior-grade malls, mall vacancy further dipped by 90 bps to 16.4%. Superior grade malls have maintained low vacancy rates of 2-3%. They recorded 19,606 sq.ft of leasing for YTD 2024, a significant drop from last year due to high base effect from last year when palladium mall got operational.

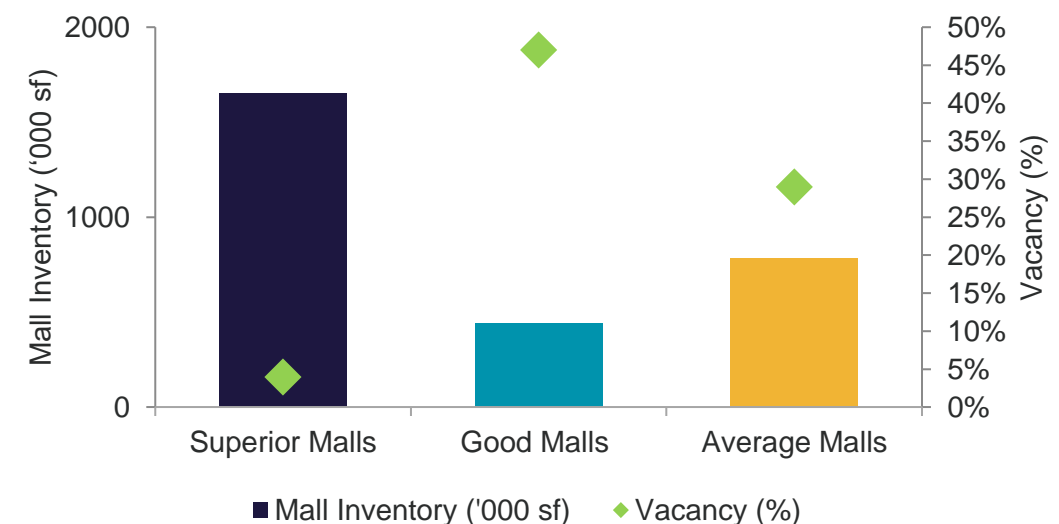
## MAIN STREET RENTS REMAIN STABLE DURING THE QUARTER

Main street rentals have remained largely stable on q-o-q basis but saw 10-12% growth on a y-o-y basis. Driven by strong demand and limited space availability, prominent streets including Sindhu Bhavan Road and Iskcon-Ambli Road witnessed rental appreciation in the range of 10-30% on y-o-y basis. Overall rentals are expected to rise in the upcoming quarters due to limited availability of space in superior malls.

## MALL SUPPLY / VACANCY RATE



## CATEGORY-WISE STOCK / VACANCY



MARKET STATISTICS

| PRIME RETAIL RENTS – HIGH STREETS | INR SF/MTH | EURO SF/YR | US\$ SF/YR | Q-O-Q CHANGE | Y-O-Y CHANGE |
|-----------------------------------|------------|------------|------------|--------------|--------------|
| C.G. Road                         | 180 – 220  | 23-25      | 25-28      | 0.0%         | 12%          |
| Prahladnagar                      | 160 – 175  | 23-25      | 25-28      | 0.0%         | 9%           |
| Sindhu Bhavan Road                | 220 – 240  | 29-31      | 32-34      | 0.0%         | 10%          |
| Science City Road                 | 150 – 170  | 20-22      | 22-24      | 0.0%         | 0%           |
| S.G. Highway*                     | 170 – 190  | 22-25      | 24-27      | 0.0%         | 7%           |
| Ambli – Bopal Road                | 200 – 220  | 26-29      | 29-32      | 0.0%         | 27%          |

\*S.G Highway rentals are given for the main street retail between Sarkhej to Thaltej locations

Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted

US\$ = 83.7INR AND € = 92.1 INR

KEY LEASE TRANSACTIONS Q3 2024

| PROPERTY           | LOCATION          | TENANT     | SF     |
|--------------------|-------------------|------------|--------|
| Sindhu Bhavan Road | Sindhu Bhavan Rd. | Decathlon  | 21,000 |
| Randesan           | Randesan          | Westside   | 28,000 |
| Navrangpura        | Navrangpura       | Carl Zeiss | 1,900  |

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

| PROPERTY                             | LOCATION | SF | COMPLETION TIMELINE |
|--------------------------------------|----------|----|---------------------|
| No new mall supply in last 12 months |          |    |                     |

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