

MARKET FUNDAMENTALS

| | YOY Chg | 12-Month Forecast |
|--|---------|-------------------|
| 9.98 Mall Stock (MSF) | ▲ | ▲ |
| 0.71 Retail Space Per Capita | ▲ | ▬ |
| 5.3% Vacancy | ▼ | ▼ |

Note: All data above pertains to Grade A malls

ECONOMIC INDICATORS

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

Source: MOSPI, RBI

BOTH MALLS AND MAIN STREETS WITNESS GOOD DEMAND

Bengaluru recorded retail leasing volumes of ~0.2 msf, a growth of nearly 10% on an annual basis. The contribution of malls in quarterly leasing activity remained steady with the segment accounting for around 44% of leasing volumes. Space leased in malls stood at ~0.09 msf, a 15% growth on a yoy basis. Prominent malls such as Prestige Falcon City at Kanakapura Main Road, Phoenix Mall of Asia at Bellary Road and Nexus Shantiniketan and VR Mall, both at Whitefield, recorded leasing activity in the quarter. Mall leasing was driven by fashion segment which accounted for 53% of leasing volumes, followed by furniture segment with a share of 24% and F&B with a 10% contribution. Main street leasing stood at ~0.11 msf in the quarter, a 5% growth on an annual basis and contributed 56% to quarterly leasing volumes. Transactions were recorded across main street locations such as Indiranagar (suburban east), Hoskote and Whitefield (peripheral east). Fashion segment led main street leasing with a share of 28% followed by F&B with a contribution of 20%.

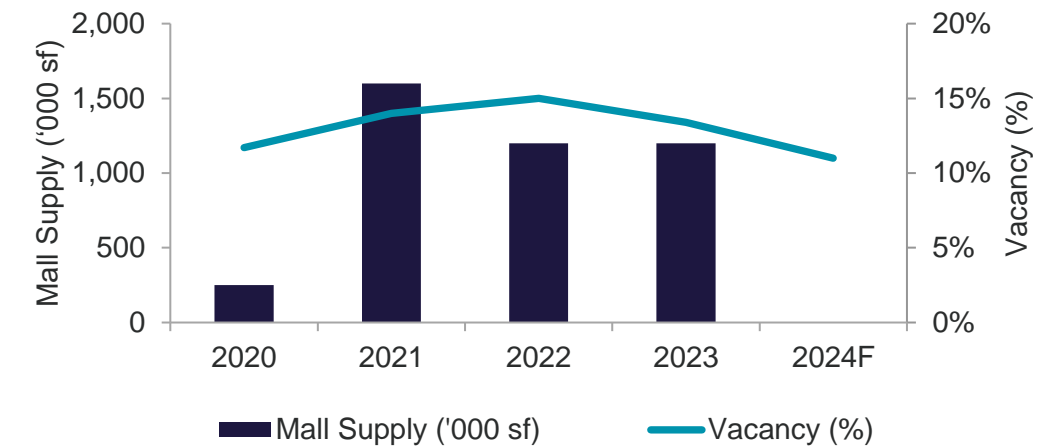
SHARP FALL WITNESSED IN CITY MALL VACANCY IN Q3

Bengaluru recorded no new mall supply in Q3 owing to delay in completion of a greenfield Grade A mall at Kanakapura Road in the peripheral south micromarket. With continued strength in mall leasing activity in the quarter, the headline city-wide mall vacancy rate fell sharply to 11.2% from 12.6% in the previous quarter. Extremely tight vacancy rates (4-5%) prevailed in superior malls with even the 'good' malls recording average vacancies of 7-8%.

STABLE MALL RENTALS; MAIN STREET RENTALS APPRECIATE

Quoted mall rentals remained stable on a quarterly basis. Prominent main streets such as Indiranagar 100 Feet Road, Vittal Mallya Road, HSR Layout 27th Main, Kamanahalli Main Road recorded quarterly rental growth of 2-3% on the back of continued space takeup and enquiries from retailers.

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 |
|--|------------|------------|------------|--------------|--------------|
| MG Road | 248 | 32 | 36 | 2.0% | 10.0% |
| Brigade Road | 400 | 52 | 57 | 0.0% | 8.0% |
| Commercial Street | 400 | 52 | 57 | 0.0% | 8.0% |
| Indiranagar 100 Feet Road | 325 | 42 | 47 | 2.0% | 25.0% |
| Jayanagar 4 th Block, 11 th Main | 215 | 28 | 31 | 2.5% | 15.0% |
| Sampige Road, Malleshwaram | 150 | 20 | 15 | 0.0% | 7.0% |
| Koramangala 80 Feet Road | 198 | 26 | 22 | 2.7% | 13.0% |
| Vittal Mallya Road | 390 | 51 | 28 | 2.5% | 11.0% |
| New BEL Road | 160 | 21 | 56 | 0.0% | 8.0% |
| Marathalli Junction | 156 | 20 | 23 | 0.0% | 7.5% |
| Kamanahalli Main Road | 275 | 36 | 39 | 2.3% | 19.0% |
| HSR Layout 27 th Main | 237 | 31 | 34 | 2.1% | 20.0% |

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 |
|---------------------------|---------------------------|-------------------------|--------|
| Prestige Falcon City Mall | Kanakapura Main Road | Lifestyle International | 45,000 |
| Phoenix Mall of Asia | Bellary Road | Home Centre | 22,000 |
| Hoskote | Hoskote | Max Furn | 30,000 |
| LR Arcade | Indiranagar 100 Feet Road | Foodale India | 21,000 |
| Phoenix Mall of Asia | Bellary Road | Skechers | 3,500 |

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

| PROPERTY | LOCATION | SF | COMPLETION TIMELINE |
|----------------------|--------------|-----------|---------------------|
| Phoenix Mall of Asia | Bellary Road | 1,200,000 | Q4 2023 |

SWARNAVA ADHIKARY

Assistant Vice President, Research

Tel: +91 80 40465555

swarnava.adhikary@cushwake.com

SUVISHESH VALSAN

Senior Director, Research

Tel: +91 22 6771555

suvishesh.valsan@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

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.

©2024 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.