

MARKETBEATS



0.0 msf Mall Space Expected in 2018
14.5% Mall Vacancy
16.7 msf Mall Inventory



HIGHLIGHTS

Mall Leasing gains traction

Leasing was mainly concentrated in the key submarkets of Lower Parel, Kurla and Goregaon, led by retailers in the apparel, food and beverage (F&B) and fashion accessories segments. However, overall mall vacancy for the city declined marginally and stood at 14.3% at the end of the quarter, as prominent malls continue to witness significant churn in terms of brands. Lower Parel continued to be the preferred choice for international brands as Moschino, Miniso, Armani Exchange and Typhoon Shelter set up shop during the quarter. Mall rentals remained at similar levels from the previous quarter owing to steady demand-supply scenario.

Main street leasing remain tepid

Leasing was mainly restricted to the main streets of Linking Road and Bandra Kurla Complex (BKC) driven by apparel / electronics and F&B respectively. F&B leasing continues to be slow with increased compliance requirements from the government with respect to safety and infrastructure, resulting in delay in approvals. Rentals across key main streets remained range-bound during the quarter on the back of weak demand.

Rentals to remain stable

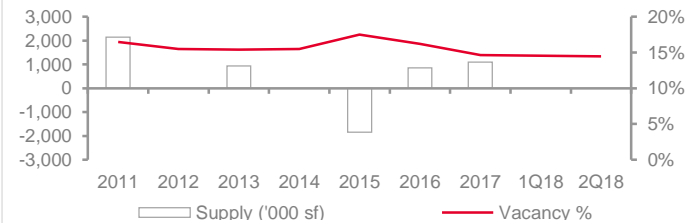
In the upcoming quarter, mall leasing is expected to continue at a steady rate, keeping rentals unchanged in most of the submarkets. Main street rentals in BKC are expected to witness an upwards bias as demand strengthens amidst limited supply.

ECONOMIC INDICATORS

	2016	2017	2018 Forecast
GDP Growth	7.9%	6.2%	7.5%
CPI Growth	4.9%	3.3%	5.2%
Consumer Spending	8.3%	5.9%	7.2%
Government Final Consumption Expenditure	12%	14.2%	6.7%

Source: Cushman & Wakefield Research

MALL SUPPLY / VACANCY



Source: Cushman & Wakefield Research

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DATA INTO ACTION

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MUMBAI RETAIL MARKETBEATS

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PRIME RETAIL RENTS – MAIN STREETS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
Linking Road	780	119	138	0.0%	4.0%
Kemps Corner/ Breach Candy	430	65	76	0.0%	0.0%
Colaba Causeway	625	95	110	0.0%	2.5%
Fort Fountain	385	59	68	0.0%	0.0%
Lokhandwala Andheri	400	61	71	0.0%	0.0%
Borivali LT Road	400	61	71	0.0%	0.0%
Chembur	380	58	67	0.0%	1.3%
Vashi	360	55	64	0.0%	2.9%
Thane	260	40	46	0.0%	4.0%
PRIME RETAIL RENTS - MALLS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
Lower Parel	880	134	155	0.0%	7.3%
Link Road (Andheri W)	400	61	71	0.0%	0.0%
Malad	470	72	83	0.0%	0.0%
Goregaon	490	75	86	0.0%	4.3%
Kandivali	200	30	35	0.0%	0.0%
Kurla	180	27	32	0.0%	-5.3%
Ghatkopar	260	40	46	0.0%	-13.3%
Bhandup-Mulund	125	19	22	0.0%	-10.7%
Vashi	350	53	62	0.0%	0.0%
Thane	280	43	49	0.0%	7.7%

Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted
US\$ = INR 68.0 AND € = INR 78.85

SIGNIFICANT LEASING TRANSACTIONS

PROPERTY	LOCATION	TENANT	SF
Phoenix Market City Kurla	Kurla	Westside	14,950
Individual property (Main street)	BKC	Copper Chimney	3,000

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Maker Maxity Mall	BKC	450,000	Q1 2019
Reliance Mall	BKC	350,000	Q4 2019

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