

# MARKETBEATS



**28.2 msf**  
Mall Inventory

**22.5%**  
Mall Vacancy

**4.3 msf**  
Upcoming Mall Supply  
(2018-20)



## HIGHLIGHTS

### Department stores, apparel & jewelry retailers lead demand

Demand for retail spaces was driven by brands like Big Bazaar Gen Next, Ritu Kumar, Puma, Louis Philippe, Sabhyata, and Kalyan Jewelers which leased spaces in malls and main streets during the quarter. These segments are expected to grow further with brands exploring new ways of expansion. While Adidas is planning to commence stadium format stores, Fab India is expanding their presence with experience centers replete with café, design and wellness centers. Trent is also planning to expand the chain of Westside stores with a focus on smaller sized stores.

### No new mall supply observed in the city

No new mall supply was added to Delhi NCR during the quarter. However, the upcoming quarter is likely to see addition of 650,000 square feet of mall space in Delhi. Overall mall vacancy declined to 22.5% on the back of steady demand from retailers.

### Select main streets record rise in rents

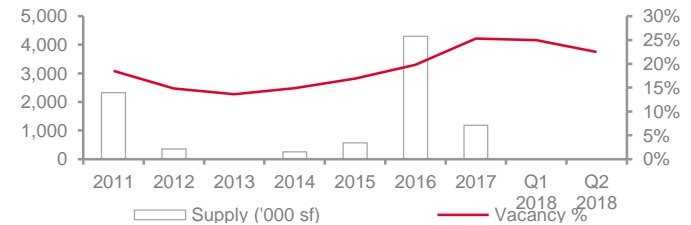
Main streets of Khan Market and Connaught Place witnessed a 3 – 5% increase in rents in comparison to the previous quarter due to increasing preference for retailers for these areas. However, rents for malls maintained status quo during the quarter.

### 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%
Govt Final Consumption Expenditure	12.0%	14.2%	6.7%

Source: Oxford Economics

### MALL SUPPLY / VACANCY #



Source: Cushman & Wakefield Research

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DATA INTO ACTION

Somy Thomas

Managing Director  
Valuation & Advisory Services  
Tel: +91 80 40465512  
Somy.thomas@ap.cushwake.com

PRIME RETAIL RENTS# MAIN STREETS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
Khan Market	1,350	205	238	3.85%	8.0%
South Extension I & II	700	107	124	0%	0%
Lajpat Nagar	250	38	44	0%	0%
Connaught Place	1,050	160	185	5.0%	10.5%
Greater Kailash I, M Block	375	57	66	0%	0%
Rajouri Garden	225	34	40	0%	0%
Punjabi Bagh	225	34	40	0%	0%
Karol Bagh	385	59	68	2.7%	2.7%
Kamla Nagar	380	58	67	0%	0%
Dwarka	450	68	79	0%	0%
Vikas Marg	175	27	31	0%	0%
DLF Galleria (Gurugram)	675	103	119	0%	3.85%
Sector 29 (Gurugram)	260	40	46	0%	4%
Sector 18 (Noida)	250	38	44	0%	0%
PRIME RETAIL RENTS# - MALLS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
South Delhi	600	91	106	0%	0%
West Delhi	325	49	57	0%	0%
Gurugram	350	53	62	0%	0%
Noida	250	38	44	0%	0%
Greater Noida	125	19	22	0%	0%
Ghaziabad	200	30	35	0%	0%

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

#Market statistics have been recalibrated historically

US\$ = INR 68.0 € = INR 78.85

## SIGNIFICANT LEASING TRANSACTIONS

PROPERTY	LOCATION	TENANT	SF
Ambience Mall	Vasant Kunj	Big Bazaar Gen Nxt	80,000
Main Street	Vikas Marg	Kalyan Jewelers	10,000
DLF Mega Mall	Golf Course Road, Gurugram	Urban Ladder	4,000

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Vegas Mall	Delhi	650,000	Q3 2018
Gaur City Mall	Noida	750,000	Q1 2019

DATA  
INTO  
ACTION

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