

# MARKETBEATS



**0.35msf**

Upcoming Mall Supply  
(Q4 2020)

**12.8%**

Mall Vacancy

**7.3msf**

Mall Inventory

WHAT'S  
NEXT

## HIGHLIGHTS

### Marginal Decline In mall vacancy

Select malls located at SB road and Aundh witnessed healthy leasing activity during the quarter. On an overall basis, vacancy dropped by around 60 bps q-o-q to be at 12.8% at the end of quarter. We expect further reduction in mall vacancy with no new mall supply expected till the end of the year. The only anticipated completion is a 0.35 mn sf retail mall in Hinjewadi, with expected completion in Q4 2019.

### F&B and apparel brands dominate activity

The Pune retail market has shown signs of sluggishness amid lack of vacancy in quality malls. Transaction activity during the quarter was led by apparel and food & beverage (F&B) segments in Westend and Pavilion malls located in the West submarket of the city. Amongst new entrants, e-commerce brands - Nykaa.com and TheLabelLife.com are actively expanding their brick and mortar presence at select malls and highstreets.

### Steady Rentals at Malls & Main Streets

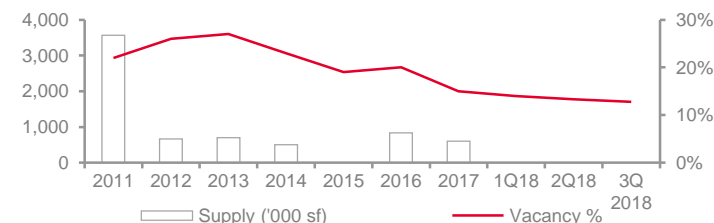
Rentals across key main street remained unchanged, owing to lack of quality supply. Sluggish demand also resulted in mall rentals remaining stable during the quarter.

### ECONOMIC INDICATORS

	2016	2017	2018 Forecast
GDP Growth	7.9%	6.2%	7.6%
CPI Growth	4.9%	3.3%	4.8%
Consumer spending	8.3%	5.9%	7.5%
Govt. Final Expenditure Growth	12%	14.2%	4.5%

Source: Oxford Economics

### MALL SUPPLY / VACANCY



Source: Cushman & Wakefield Research

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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
M.G. Road	320	45	53	0%	0%
J.M. Road	370	53	61	0%	0%
F.C. Road	270	38	45	0%	8%
Koregaon Park	150	21	25	0%	25%
Aundh	160	23	26	0%	0%
Bund Garden Rd	140	20	23	0%	0%
Mumbai-Pune Highway – PCMC	120	17	20	0%	0%
PRIME RETAIL RENTS - MALLS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
Camp	215	31	36	0%	0%
Koregaon Park	135	19	22	0%	0%
Nagar Road	250	36	41	0%	0%
Hadapsar	180	26	30	0%	0%
PCMC	190	27	31	0%	0%
Aundh	230	33	38	0%	0%
S. B. Road	230	33	38	0%	0%

*Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted  
US\$ = INR 72.50 AND € = INR 84.40*

### SIGNIFICANT LEASING TRANSACTIONS

PROPERTY	LOCATION	TENANT	SF
Amanora Town Centre	Hadapsar	Ikea	80,000
Lane no. 7	Koregaon Park	Grandmamas Cafe	3500
East Street	Camp	JD Cafe	2500

### SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Global Highstreet	Hinjewadi	350,000	Q4 2019

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