

MARKETBEATS



9%

DECREASE IN MALL INVENTORY (YoY)

9.3%

MALL VACANCY

6.3msf

MALL INVENTORY

WHAT'S NEXT

HIGHLIGHTS

Mall Leasing gained traction in the last quarter of 2018

The quarter was marked by healthy leasing activity concentrated in Phoenix, Pavillion and Amanora malls located on Nagar road, S.B road and Hadapsar respectively. Gross leasing for 2018 was recorded at 0.45 msf. International retailers are expressing strong demand for retail space in Pune market. The leasing activity in malls was dominated by food & beverage (F&B) retailers and lifestyle brands such as Forever21, Onitsuka Tiger, Ximivogue, Westside and Sephora expanding their footprint in the city. Moderate supply churn of few F&B outlets witnessed on Koregoan Park main street. Mall inventory decreased by 9% y-o-y, since Nitesh hub mall got converted into office space.

Decline in vacancy levels

Amidst no fresh mall supply, vacancy rate declined to 9.3% compared to 12.8% in the last quarter. Upcoming Supply of 0.25 msf will bring more space options to the market in 2019.

Inflated rentals at select malls

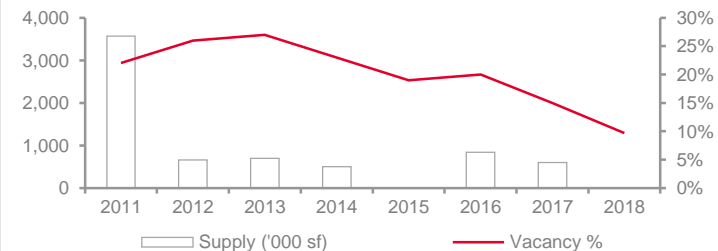
Despite healthy leasing, rentals remained range-bound in malls except Pavillion and Westend Mall which saw 13% y-o-y appreciation. Rentals are expected to grow marginally across malls in the forthcoming quarter owing to low vacancy levels. The main streets rentals maintained status quo across Pune.

ECONOMIC INDICATORS

	2017	2018	2019 Forecast
GDP Growth	6.2%	7.6%	7.2%
CPI Growth	3.3%	4.5%	5.0%
Consumer spending	5.9%	7.5%	7.3%
Govt. Final Expenditure Growth	14.2%	2.6%	16.6%

Source: Oxford Economics

MALL SUPPLY / VACANCY



Source: Cushman & Wakefield Research

A Cushman & Wakefield Research Publication

DATA INTO ACTION

Rohan Sharma

 Director
 Research Services
 Tel: +91 124 4695555
 Rohan.sharma1@cushwake.com

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	48	54	0%	0%
J.M. Road	370	55	63	0%	0%
F.C. Road	270	40	46	0%	8%
Koregaon Park	150	22	26	0%	0%
Aundh	160	24	27	0%	0%
Bund Garden Rd	140	21	24	0%	0%
Mumbai-Pune Highway – PCMC	120	18	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	32	37	0%	0%
Koregaon Park	135	20	23	0%	0%
Nagar Road	250	37	43	0%	0%
Hadapsar	180	27	31	0%	0%
PCMC	190	28	32	0%	0%
Aundh	230	34	39	0%	0%
S. B. Road	230	34	39	0%	0%

*Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted
 US\$ = INR 70.50 AND € = INR 80.28*

SIGNIFICANT LEASING TRANSACTIONS

PROPERTY	LOCATION	TENANT	SF
Global High Street	Hinjewadi	Pantaloons	8500
Phoenix Market city	Nagar Road	Grandmamas Cafe	2800
Phoenix Market city	Nagar Road	Onitsuka Shoes	2000

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	LOCATION	SF	COMPLETION
Global Highstreet	Hinjewadi	250,000	Q4 2019

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 A Cushman & Wakefield
 Research Publication

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