

5 FAST FACTS

CHENNAI | Q1 2024



The need-to-know for Chennai's commercial real estate

1 HEALTHY LEASING IN Q1 DRIVEN BY GLOBAL CAPABILITY CENTERS



Healthy gross leasing volume of **1.7 MSF** was recorded in **Q1**, driven by fresh space take-up accounting for nearly **93%** of the total GLV. Global Capability Centers dominated leasing activity in **Q1** with a share of **40%** of quarterly leasing volume, followed by Engineering & Manufacturing with a 16% share.

2 INFLUX OF SUPPLY AND MARGINAL DROP IN CITY LEVEL VACANCY



Chennai's office market saw new Grade A supply of **0.63 MSF**, with a significant share of **83%** concentrated in Suburban South submarket. Despite the influx of supply, the city level vacancy rate saw a marginal decrease of **23** basis points q-o-q and stood at **17.4%**.

3 HEALTHY RESIDENTIAL LAUNCHES DRIVEN BY SUBURBAN SOUTH II SUBMARKET



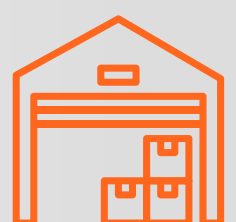
In **Q1** healthy residential launches of over **5490 units** were recorded, with a significant growth of **86%** on a q-o-q basis. Suburban South II submarket accounted for majority of these launches with a share of **63%** followed by Suburban North with a **28%** share. Mid-segment dominated with more than **3500 units** under this category, nearly doubling from the previous quarter's share.

4 DROP IN CITY LEVEL MALL VACANCY DUE TO HEALTHY LEASING



Healthy leasing activity in malls contributed to a **117** bps decrease in the city level mall vacancy on a q-o-q basis, which stood at **11.14%**. Superior malls witnessed healthy demand and maintained tight vacancies in the range of **1-3%**.

5 LOGISTICS SECTOR DROVE THE DEMAND FOR WAREHOUSING SPACES



During the quarter, the city a significant demand for industrial and warehousing spaces, mainly in the northern and western industrial corridors, driven primarily by the manufacturing and logistics sectors.

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