

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
3.65 Mall Stock (MSF)	▲	▲
0.3 Retail Space Per Capita	▼	▲
1.4% Mall Vacancy	▼	▲

Note: All data above pertains to Grade A malls

ECONOMIC INDICATORS

	YOY Chg	Outlook*
7.40% GDP Growth (Q4 FY24-25)	▼	▼
2.82% CPI Inflation	▼	▲
5.95% Consumer Spending Growth (Q4 FY24-25)	▼	▲

Source: MOSPI, RBI

MAINSTREETS DROVE RETAIL MOMENTUM IN Q2, LED BY F&B DEMAND

Retail leasing activity in Chennai stood at approx. 0.16 msf during Q2, with main streets contributing a strong 72% share at 0.11 msf, marking an 8% YOY growth. North-west submarket led the activity with a 45% share, followed by Suburban South at 22%. Key locations such as Madhavaram, T. Nagar, Velachery, Adyar and Anna Nagar witnessed good activity contributing to the around 70% of the demand in Q2. The F&B segment led the demand in Q2 with a 28% share, followed closely by Supermarket/Hypermarket category at 27%.

During H1 2025, mainstreets recorded a leasing volume of 0.27msf. Accessories & Lifestyle brands led mainstreet leasing with a 26% share, followed by Fashion retailers at 25%. Domestic brands continued to dominate, contributing 96% of leasing activity during the first half of the year.

MALL VACANCY RECORDED MARGINAL DECLINE

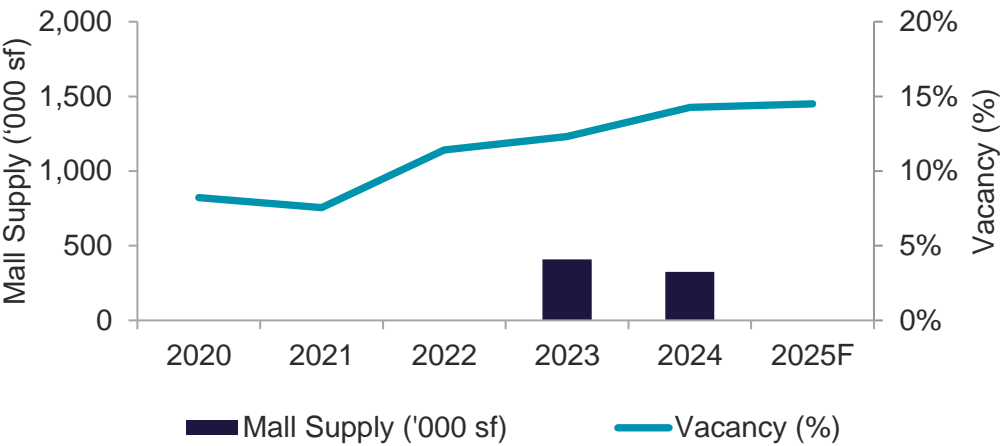
During the second quarter, malls recorded leasing activity of 0.04 msf. Malls in the North-west accounted for a dominant 96% of leasing, driven by demand from Supermarket/Hypermarket, F&B and Fashion brands.

Overall mall vacancy declined by 57 basis points QOQ, standing at 13.56% in Q2. Superior malls continued to see strong occupancy, with vacancy levels remaining tight at 1-2%. On a half-yearly basis, malls in the CBD and North-west submarkets together accounted for 91% of total leasing.

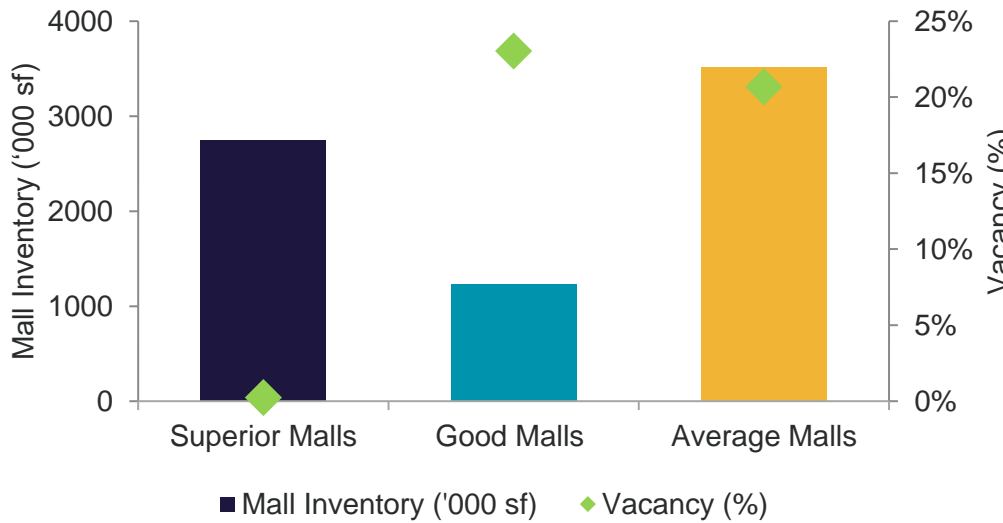
SELECT MAINSTREETS RECORDED MODERATE RENTAL APPRECIATION

Rental values in Grade A malls witnessed a modest uptick, backed by limited available space and steady demand. Select mainstreets such as Nungambakkam High Road, Velachery, Chromepet and Khader Nawaz Khan Road recorded quarterly rental growth in the range of 4-7%. With sustained demand from national brands, further rental appreciation is expected in key high-street locations in the coming quarters.

MALL SUPPLY / VACANCY RATE



CATEGORY-WISE STOCK / VACANCY



MARKET STATISTICS

PRIME RETAIL RENTS – HIGH STREETS	INR SF/MTH	EURO SF/YR	US\$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
Nungambakkam High Road	140	17	20	3.7%	3.7%
Khader Nawaz Khan Road	150	19	21	7.1%	11.1%
Cathedral Road - RK Salai	130	16	18	0.0%	8.3%
Usman Road - South	120	15	17	0.0%	9.1%
Usman Road - North	145	18	20	0.0%	16.0%
Adyar Main Road	160	20	22	0.0%	3.2%
Anna Nagar 2nd Avenue	180	22	25	0.0%	16.1%
Purasaiwalkam High Road	125	16	18	0.0%	8.7%
Pondy Bazaar	185	23	26	0.0%	12.1%
Velachery	130	16	18	4.0%	13.0%
Ambattur (MTH Road)	100	12	14	0.0%	0.0%
OMR	125	16	18	0.0%	0.0%
Chromepet	170	21	24	6.3%	9.7%
ECR	125	16	18	0.0%	4.2%

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

US\$ = 85.4 INR AND € = 96.4 INR

Data for the second quarter are based on market information collected until 13th June 2025

Outlook*: The Outlook represents our forward-looking view of key market indicators over the next 12 months, based on current market trends, economic conditions, policy developments, and available data. Projections are indicative and may be adjusted as market dynamics evolve.

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	LOCATION	TENANT	SF
Ampa Skyone Mall	Aminjikarai	D-Mart	40,700
Mainstreet	Madhavaram	D-Mart	30,000
Mainstreet	T.Nagar	AK Jewellery	14,000
Mainstreet	Velachery	Vasanta Bhavan	12,000
Mainstreet	Adyar	Skechers	2,000
Vivira Mall	Navalur	KFC	1,200

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

PROPERTY	LOCATION	SF	COMPLETION TIMELINE
No mall supply in last 12 months			

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