

MARKET FUNDAMENTALS		
	H2 2024	H1 2025
Inventory (in MSF)	43	51
Vacancy (%)	12.3	25.5
Upcoming Supply in next 12 months (MSF)	2.3	3.8
L&I Leasing (in MSF)	7.4	3.7
Average Rentals Range (INR PSFPM)	23-26	23-30
Land Transacted (in acres)	450	475
Land Values Range (INR Mn per acre)	20-24	20-24

WESTERN SUBMARKETS DROVE WAREHOUSING DEMAND IN H1

Chennai's warehousing market recorded 2.1msf of leasing in H1-25, a 29% drop from H1-24, mainly due to limited space availability. Leasing momentum remained concentrated in the western corridors, which collectively accounted for over 80% of the activity. Within this cluster, Oragadam dominated with a 44% share, followed by Sriperumbudur at 25%. Sector-wise, Engineering & Manufacturing segment dominated with 43% of total leasing, while 3PL operators accounted for 33%.

INDUSTRIAL SHEDS RECORD HIGHEST-EVER H1 LEASING

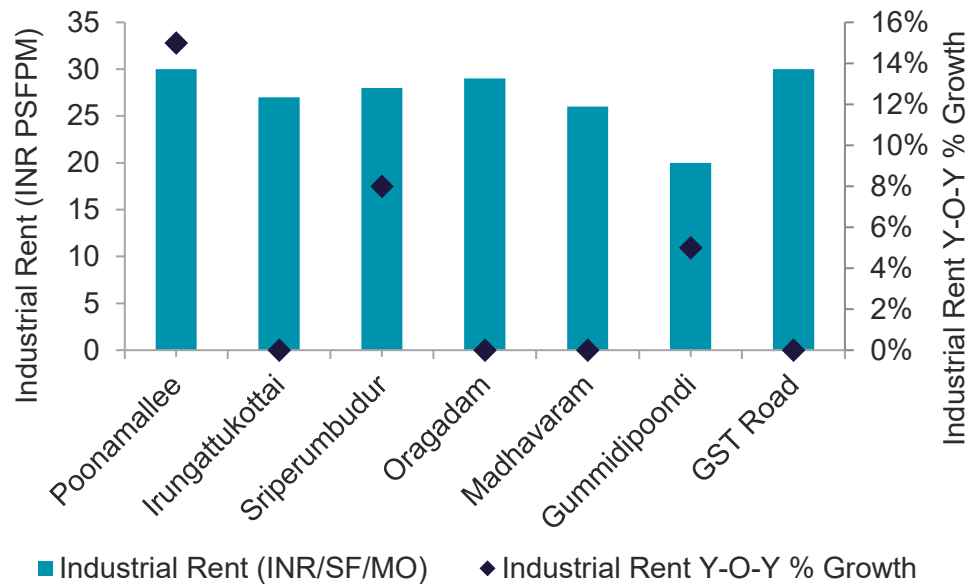
Industrial sheds witnessed a remarkable upswing, clocking 2.3msf of leasing in H1-25, 2.3x the volume of H1-24 and the highest volume recorded for any H1 period. Oragadam remained the preferred location with a 49% share, followed by Sriperumbudur with 28%. Engineering & Manufacturing occupiers drove 57% of the demand, while Consumer Durables contributed 25%.

Adding further momentum to the state's industrial landscape, the Government of Tamil Nadu has unveiled the Tamil Nadu Space Industrial Policy 2025, aimed at fostering aerospace manufacturing, attracting investments and supporting space-tech startups through various incentives. With this policy, precision engineering hubs such as Chennai are expected to see increased aerospace-linked warehousing and industrial demand in the coming quarters.

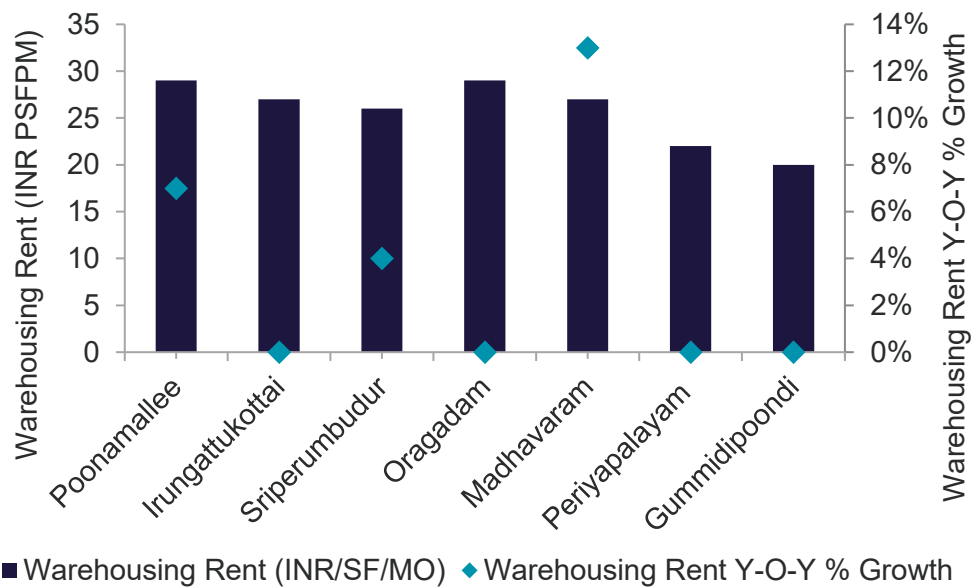
RENTALS RISE ON LIMITED SUPPLY AND STEADY DEMAND

Limited supply continued to exert upward pressure on rentals, particularly across high-demand submarkets. Warehouse rents rose in markets such as Poonamallee (7%), Sriperumbudur (4%) and Madhavaram (13%) when compared to H1-24. Key industrial submarkets such as Poonamallee, Sriperumbudur and Gummidipoondi recorded a 5-8% rental growth over H2-24.

INDUSTRIAL RENT / Y-O-Y GROWTH



WAREHOUSING RENT / Y-O-Y GROWTH



KEY WAREHOUSING SUBMARKETS – RENTALS AND LAND RATES – JUNE 2025

SUBMARKET	WAREHOUSE RENT			LAND RATES		
	INR/SF/MONTH	Y-O-Y CHANGE	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y CHANGE
Madhavaram	27	13%	90	1.05	0.93	10%
Periyapalayam	22	0%	16	0.19	0.17	0%
Irungattukottai	27	0%	27	0.32	0.28	2%
Sriperumbudur	26	4%	24	0.28	0.25	2%

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	INR/SF/MONTH	Y-O-Y CHANGE	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y CHANGE
Sriperumbudur	28	8%	24	0.28	0.25	4%
Oragadam	29	0%	26	0.30	0.27	4%
Irungattukottai	27	0%	27	0.32	0.28	4%
Gummidipoondi	20	5%	16	0.19	0.17	0%

Quoted land rates for serviced industrial land parcels are mentioned
Represents government owned serviced plots in industrial parks
Percentage growth are in local currency; Y-O-Y – Year on Year
Conversion Rate: US\$1= 85.4 INR and Euro 1 = INR 96.4

SIGNIFICANT INDUSTRIAL / WAREHOUSE TRANSACTIONS H1 2025

LESSEE	LESSOR	TYPE	SUBMARKET	AREA (SF)
Fuji Electric	San Landmark	Industrial Shed	Oragadam	130,000
Modine Thermal System	Indospace	Industrial Shed	Oragadam	125,946
Vikram Solar	Indospace	Warehouse	Oragadam	565,850
Hyperpure by Zomato	Popular Auto	Warehouse	Madhavaram	119,437
Dixon	Indospace	Industrial Shed	Oragadam	316,000

SIGNIFICANT LAND TRANSACTIONS H1 2025

BUYER	SELLER	TYPE	SUBMARKET / LOCATION	AREA (ACRE)
Knorr-Bremse	Sri City Developer	Industrial	Sri City	100 Acres
LG Electronics	Sri City Developer	Industrial	Sri City	250 Acres
House of Hiranandani	Individual Owner	Logistics & Warehouse	Periyapalayam	6.5 Acres

A.M.LAKSHMI
Manager, Research
Tel: +91 44 42995555
am.lakshmi@cushwake.com

SUVISHESH VALSAN
Senior Director, Research
Tel: +91 22 6771555
suvishesh.valsan@cushwake.com

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