

WAREHOUSE LEASING LED BY WESTERN AND NORTHERN MARKETS

In H2-25, Chennai's warehousing market witnessed leasing of 3.1msf, recording a 50% increase over H1-25. This was largely driven by a pickup in large-format requirements from 3PL operators, accounting for nearly two-thirds of H2 leasing. Periyapalayam and Sriperumbudur emerged as the most active submarkets, together contributing close to 70% of the half-yearly volume. For the full year 2025, warehouse leasing stood at 5.2msf, with demand led by 3PL (52%), followed by E&M (24%) and Consumer Durables (8%) sectors. While western hubs such as Oragadam and Sriperumbudur accounted for 52% of annual leasing, northern markets including Madhavaram and Periyapalayam also gained prominence, together contributing 33% of the total leasing volume in 2025.

AUTOMOBILE AND ENGINEERING ANCHOR DEMAND FOR INDUSTRIAL SHEDS

Industrial leasing in H2-25 stood at 2.1msf, marginally lower than H1-25. However, it remained well above the half-yearly average of 1.5msf recorded since H1-22, indicating sustained occupier confidence. The western manufacturing belt, considered as the city's core industrial belt, continued to dominate activity, with Sriperumbudur and Oragadam together accounting for over two-thirds of the H2 space take-up. Sector-wise, E&M and Automobile occupiers drove demand, together accounting for around 85% of manufacturing leasing. For the full year 2025, industrial leasing reached 4.5msf, a 32% increase over 2024, highlighting Chennai's position as a preferred destination for manufacturing-led developments, particularly in auto components, heavy and precision engineering and consumer durables.

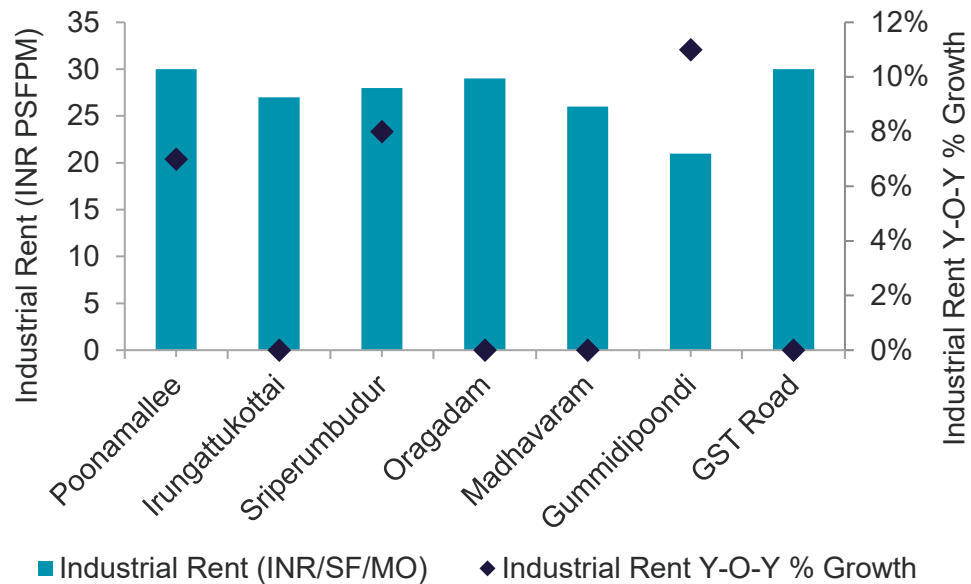
MODERATE RENTAL APPRECIATION IN SELECT MARKETS

Rental values across key industrial and warehousing submarkets remained largely unchanged on a half-yearly basis in H2-25. Select northern submarkets such as Gummidipoondi and Periyapalayam recorded a 5% uptick. On a y-o-y basis, both industrial and warehousing rentals witnessed moderate appreciation of 5-11% in select pockets, supported by sustained demand and limited availability of ready-to-occupy Grade-A assets. With rising interest from 3PL players, automobile-led manufacturing occupiers, Chennai's industrial and warehousing market appears well-positioned for a steady growth in the coming quarters.

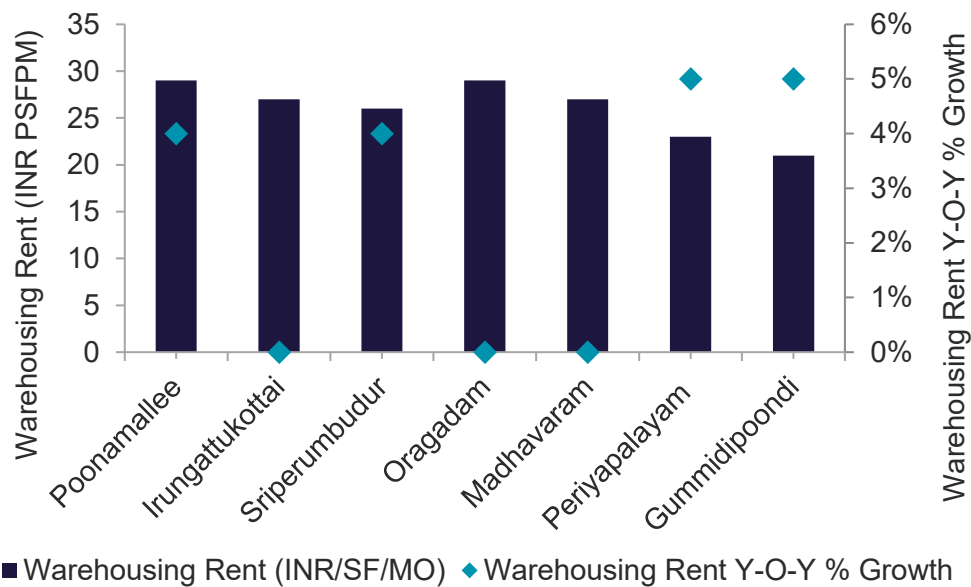
MARKET FUNDAMENTALS

	H1 2025	H2 2025
Inventory (in MSF)	51	59.5
Vacancy (%) <small>*Historical data has been corrected to reflect accurate market conditions</small>	14.7*	11.8
Upcoming Supply in next 12 months (MSF)	3.8	7.9
L&I Leasing (in MSF)	4.4	5.2
Average Rentals Range (INR PSFPM)	23-30	23-30
Land Transacted (in acres)	475	750
Land Values Range (INR Mn per acre)	20-24	20-24

INDUSTRIAL RENT / Y-O-Y GROWTH



WAREHOUSING RENT / Y-O-Y GROWTH



KEY WAREHOUSING SUBMARKETS – RENTALS AND LAND RATES – DECEMBER 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	0%	90	1.01	0.87	10%
Periyapalayam	23	5%	16	0.18	0.15	0%
Irungattukottai	27	0%	27	0.30	0.26	0%
Sriperumbudur	26	4%	24	0.27	0.23	0%

KEY INDUSTRIAL SUBMARKETS – RENTALS AND LAND RATES – DECEMBER 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
Sriperumbudur	28	8%	24	0.27	0.23	4%
Oragadam	29	0%	26	0.29	0.25	4%
Irungattukottai	27	0%	27	0.30	0.26	4%
Gummidipoondi	20	11%	16	0.18	0.15	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= 88.9 INR and Euro 1 = INR 103.3

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SIGNIFICANT INDUSTRIAL / WAREHOUSE TRANSACTIONS H2 2025

LESSEE	LESSOR	TYPE	SUBMARKET	AREA (SF)
Daedong	Pasteur Healthcare	Industrial Shed	Sriperumbudur	63,107
Johnson Electric	Nobel PVR	Industrial Shed	Sriperumbudur	120,000
Sambo Motors	OPG	Industrial Shed	Irungattukottai	103,000
DHL	CCI Logistics Park	Warehouse	Sriperumbudur	229,857
Kerry Indev	Rising Sun	Warehouse	Poonamallee	300,000

SIGNIFICANT LAND TRANSACTIONS H2 2025

BUYER	SELLER	TYPE	SUBMARKET / LOCATION	AREA (ACRE)
Olympia Group	Individual owner	Industrial	Sriperumbudur	18 Acres
WIS Group	Individual owner	Industrial	Sriperumbudur	600 Acres
KSH Group	Individual owner	Industrial	Sriperumbudur	60 Acres