

## MARKET FUNDAMENTALS

|  | y-o-y Chg | Outlook* |
|--|-----------|----------|
| <b>11.5</b><br>Mall Stock* (MSF)       | ▲         | ▲        |
| <b>0.79</b><br>Retail Space Per Capita | ▲         | ▲        |
| <b>3.7%</b><br>Vacancy*                | ▼         | ▲        |

## ECONOMIC INDICATORS

|  | y-o-y Chg | Outlook* |
|--|-----------|----------|
| <b>7.80%</b><br>GDP Growth Q3 FY 2025-26                 | ▲         | ▼        |
| <b>3.21%</b><br>CPI Growth                               | ▼         | ▲        |
| <b>8.70%</b><br>Consumer Spending Growth (Q3 FY 2025-26) | ▲         | ▲        |

Source: MOSPI, RBI

## MAIN STREETS DRIVE HEALTHY LEASING IN Q1

Bengaluru recorded retail leasing volumes of around 0.21 msf, similar to the previous quarter and 13% higher than the same period last year. Main streets drove retail leasing in Q1 with a share of 57% in overall lease volumes. Leasing across prominent main streets stood at 0.12 msf, recording a jump of nearly 50% on a quarterly basis. Locations such as Koramangala, Electronic City, Hennur, Whitefield and HSR Layout recorded leasing activity by Fashion and Accessories & Lifestyle segments, especially prominent jewellery brands.

Leasing across malls stood at 0.09 msf, contributing 43% of lease volumes in the quarter. Mall leasing declined by 31% on a quarterly basis though on an annual basis mall lease volumes jumped by nearly 2x. Malls such as M5 ECity Mall, Phoenix Mall of Asia, Mantri Square Mall, Nexus Shantiniketan and Gopalan Signature Mall recorded leasing activity from a well-diversified brand mix, comprising Fashion, Footwear, CDIT, F&B, and Accessories & Lifestyle segments. In terms of sectoral classification of total quarterly lease volumes, fashion led with a 24% share followed by Hypermarket and Wellness segments with a 13% share each. F&B contributed 11% of the lease volumes while Accessories & Lifestyle segment contributed 9%.

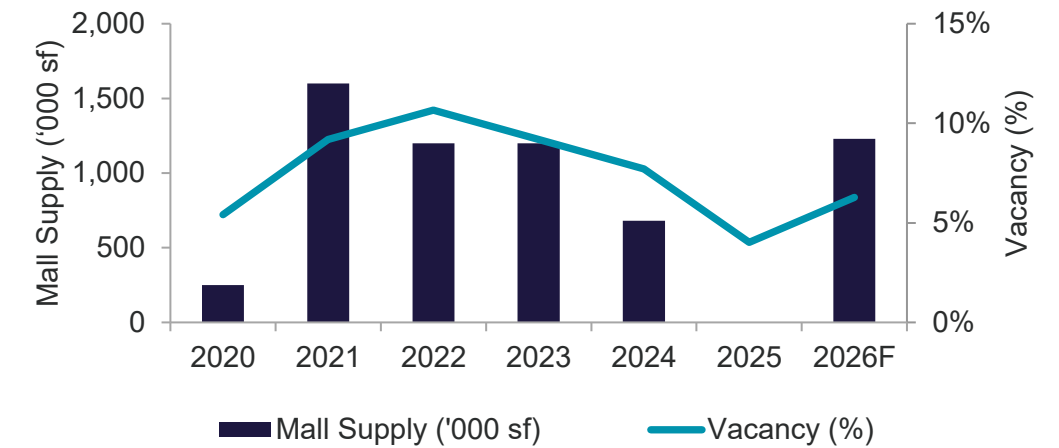
## WITH NO NEW SUPPLY, CONTINUED DECLINE IN MALL VACANCY

Bengaluru recorded no new mall supply in Q1 though the city is expected to witness supply addition of 1.2 msf in the remainder of the year. Grade A mall inventory remained at 11.5 msf by the end of the year and continued healthy demand led to a 30 bps drop in Grade A mall vacancy on a quarterly basis.

## MARGINAL QUARTERLY RISE IN MAIN STREET RENTALS

Quoted mall rentals remained unchanged on a quarterly basis. Rentals across prominent main streets increased 1-2% on a quarterly basis and 5-7% on an annual basis. Rentals recorded growth across prominent main streets such as Indiranagar 100 Feet Road, HSR Layout 27<sup>th</sup> Main, Koramangala 80 Feet Road, Jayanagar 4th Block and Kamanahalli Main Road.

## OVERALL GRADE A MALL SUPPLY & VACANCY\*



## GRADE A MALL STOCK & VACANCY BY CATEGORY\*



For grade definitions, refer to page 2

MARKET STATISTICS

| PRIME RETAIL RENTS – HIGH STREETS                      | INR SF/MTH | EURO SF/YR | US\$ SF/YR | q-o-q CHANGE | y-o-y CHANGE |
|--|------------|------------|------------|--------------|--------------|
| MG Road  | 263        | 30         | 35         | 1.1%         | 4.0%         |
| Brigade Road   | 417        | 47         | 55         | 1.0%         | 2.0%         |
| Commercial Street                                      | 416        | 47         | 55         | 1.0%         | 4.0%         |
| Indiranagar 100 Feet Road                              | 353        | 40         | 47         | 1.2%         | 6.0%         |
| Jayanagar 4 <sup>th</sup> Block, 11 <sup>th</sup> Main | 232        | 26         | 31         | 1.5%         | 5.0%         |
| Sampige Road, Malleshwaram                             | 157        | 18         | 21         | 1.9%         | 3.0%         |
| Koramangala 80 Feet Road                               | 220        | 25         | 29         | 2.0%         | 7.0%         |
| Vittal Mallya Road                                     | 413        | 46         | 55         | 1.0%         | 2.0%         |
| New BEL Road   | 167        | 19         | 22         | 1.2%         | 3.0%         |
| Marathalli Junction                                    | 162        | 18         | 21         | 1.3%         | 3.0%         |
| Kamanahalli Main Road                                  | 298        | 33         | 39         | 1.5%         | 5.0%         |
| HSR Layout 27 <sup>th</sup> Main                       | 257        | 29         | 34         | 1.7%         | 5.0%         |

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

US\$ = 90.9 INR AND € = 106.9 INR

Data for the first quarter are based on market information collected until 20<sup>th</sup> March 2026

**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.

**\*Grade A Mall Universe:** The Grade A mall universe comprises predominantly lease-driven retail assets characterized by relatively strong property management practices and healthy occupancy levels. Within this category, Grade A+ malls are institutionally owned, benefit from professional mall management, and maintain consistently low vacancy levels. In contrast, B+ malls, while still part of the Grade A universe, face a higher risk of functional or competitive obsolescence over the medium term.

KEY LEASE TRANSACTIONS Q1 2026

| PROPERTY               | LOCATION        | TENANT              | SF     |
|------------------------|-----------------|---------------------|--------|
| Gopalan Signature Mall | Old Madras Road | Zudio               | 15,656 |
| Mantri Square Mall     | Malleshwaram    | Mardamed Healthcare | 15,630 |
| Gopalan Signature Mall | Old Madras Road | Immerzo             | 4,300  |
| Phoenix Mall of Asia   | Bellary Road    | Metro Brands        | 2,000  |
| Nexus Shantiniketan    | Whitefield      | Lavonne Cafe        | 1,212  |

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

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

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