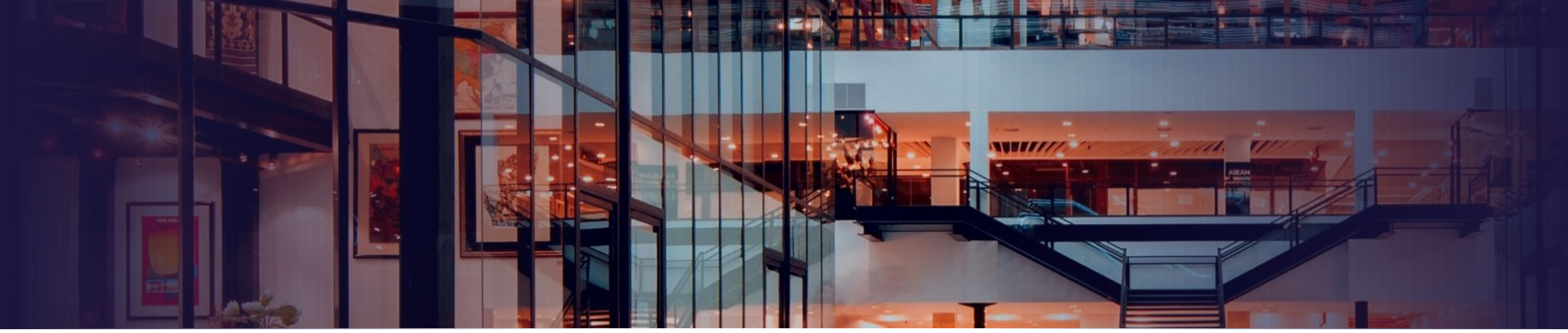
MARKETBEAT
BENGALURU
RETAIL Q2 2026



CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
11.5 Mall Stock (MSF)	–	–
0.79 Retail Space Per Capita	–	–
3.3% Vacancy*	▼	▼

Note: All data above pertains to Grade A and B+ malls

ECONOMIC INDICATORS

	YOY Chg	Outlook*
7.80% GDP Growth (Q4 FY25-26)	▲	▼
3.93% CPI Inflation	▲	▲
7.10% Consumer Spending Growth (Q4 FY25-26)	▲	▼

Source: MOSPI, RBI

MAIN STREETS DOMINATED RETAIL LEASING

Bengaluru recorded retail leasing volumes of around 0.25 msf, a growth of 19% on a quarterly basis and a 42% expansion over the same period last year. Main Streets drove retail leasing in Q2 with a share of 68% in overall lease volumes, up from 57% in Q1. Leasing across main streets stood at 0.17 msf, a 43% growth over the previous quarter. Prominent locations such as Indiranagar, Brigade Road, Church Street across CBD submarket and Sarjapur, Kanakapura Road, Koramangala, Mysore Road, Electronic City, in the South & South-East submarkets recorded leasing activity by fashion, accessories & lifestyle, CDIT, furniture brands.

Leasing across malls stood at 0.08 msf, contributing 32% of lease volumes in the quarter, down from 43% in Q1. Mall leasing declined by 13% on a quarterly basis. Bhartiya Mall, Phoenix Mall of Asia, Phoenix Market City, VR Mall recorded leasing led by fashion, F&B, accessories & lifestyle brands. In Q1, accessories & lifestyle brands led retail leasing with a 26% share followed by fashion with a 21% share. CDIT segment contributed 11% with furniture and furnishing brands accounted for 10%.

As of H1, retail leasing stood at 0.47 msf, a 27% growth on an annual basis. Main Streets accounted for 63% of retail leasing in the first half of the year with malls contributing 37%.

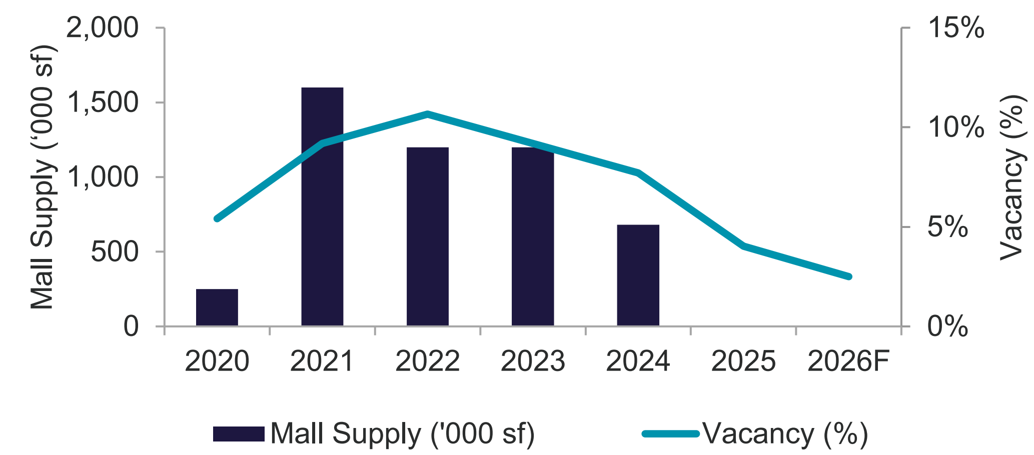
NO NEW MALL SUPPLY; MALL VACANCY CONTINUED TO TIGHTEN

Bengaluru recorded no new mall supply in Q2 and no new Grade A mall is expected to be completed in the current year. Continued healthy demand and lack of new supply led to a 40 bps drop to 3.3% in Grade A mall vacancy on a quarterly basis.

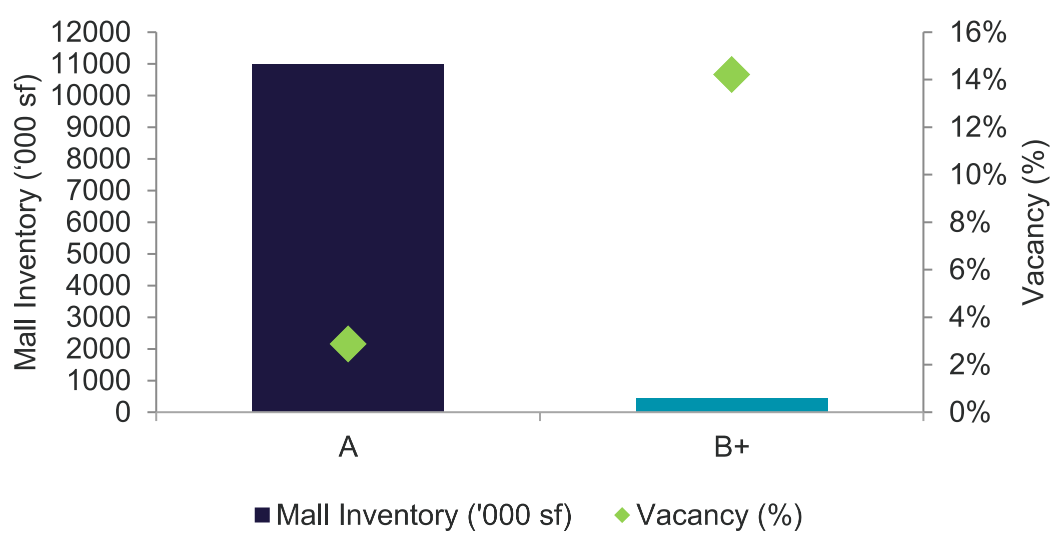
CONTINUED RISE IN MAIN STREET RENTALS

Rentals across prominent Main Streets increased 2-5% on a quarterly basis and 5-9% on an annual basis. Rentals recorded growth across main streets such as Indiranagar 100 Feet Road, HSR Layout 27th Main, Koramangala 80 Feet Road, Jayanagar 4th Block, Marathalli Junction. Quoted mall rentals remained unchanged on a quarterly basis.

OVERALL GRADE A MALL SUPPLY & VACANCY



GRADE A MALL STOCK & VACANCY BY CATEGORY



Better never settles

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	275	30	35	5.0%	8.0%
Brigade Road	420	46	53	1.0%	2.0%
Commercial Street	425	46	54	2.0%	4.0%
Indiranagar 100 Feet Road	363	39	46	1.2%	6.0%
Jayanagar 4th Block, 11th Main	240	26	30	3.0%	8.0%
Sampige Road, Malleshwaram	160	17	20	2.0%	7.0%
Koramangala 80 Feet Road	225	24	29	2.0%	8.0%
Vittal Mallya Road	420	46	53	2.0%	5.0%
New BEL Road	175	19	22	5.0%	9.0%
Marathalli Junction	170	18	22	5.0%	9.0%
Kamanahalli Main Road	300	33	38	1.0%	4.0%
HSR Layout 27th Main	265	29	34	3.0%	7.0%

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

US$ = 94.6 INR AND € = 110.4 INR

Data for the second quarter are based on market information collected until 12th June 2026

**Grade A Malls: Predominantly lease driven retail assets characterized by professional management, strong tenant mix, healthy occupancy levels, and high standards of operations and upkeep, including institutionally owned and professionally managed assets.*

Grade B+ Malls: Organized retail assets with relatively lower operational efficiency, tenant quality, occupancy levels, or asset management standards compared to Grade A malls.

***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 2026

PROPERTY	LOCATION	TENANT	SF
Lavelle Road	Lavelle Road	Rolex	14,393
Kanakapura Road	Kanakapura Road	Vijay Sales	15,000
Phoenix Market City	Whitefield	Uniqlo	21,000
VR Mall	Whitefield	Tesla Experience Centre	5,000
Indiranagar	Indiranagar	Nothing	5,032

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

PROPERTY	LOCATION	SF	COMPLETION TIMELINE
	No project completed in last 12 months		

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