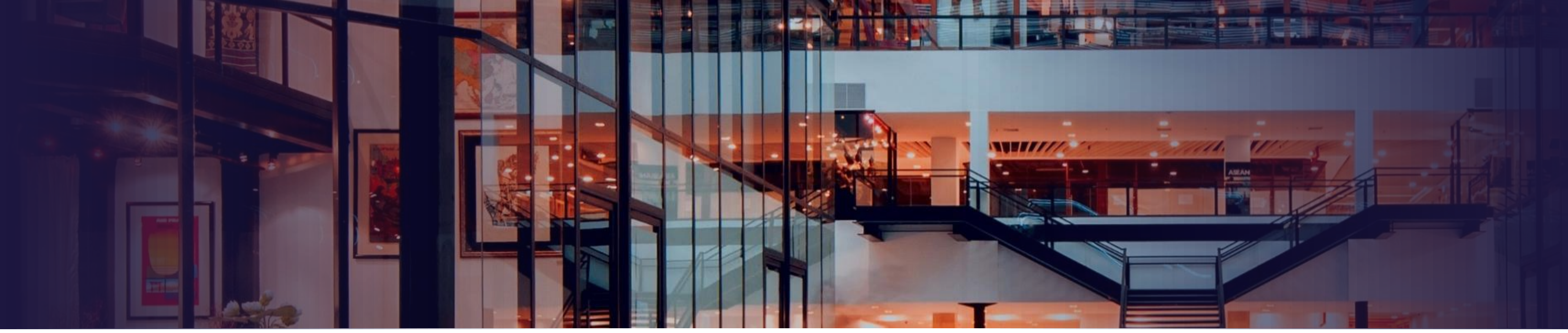


MARKETBEAT
CHENNAI
RETAIL Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
4.69 Mall Stock* (MSF)	—	▲
0.3 Retail Space Per Capita	▼	▲
6.3% Mall Vacancy*	▼	▲

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

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
7.80% GDP Growth (Q4 FY25-26)	▲	▼
3.93% CPI Inflation	▲	▲
7.10% Consumer Spending Growth (Q4 FY25-26)	▲	▼

Source: MOSPI, RBI

MAINSTREETS CONTINUED TO DRIVE LEASING MOMENTUM

Chennai's retail market recorded leasing of 0.20 msf in Q2 2026, a growth of 45% on q-o-q and 29% on y-o-y. Main Streets continued to dominate occupier demand, accounting for nearly 79% of total leasing during the quarter. Within the Main Street segment, Peripheral South emerged as the most preferred destination, capturing 40% of leasing activity, followed by Peripheral South-west (28%) and North-west (24%). From a sectoral standpoint, Fashion led Main Street leasing with a 40% share, followed by F&B (27%) and Accessories & Lifestyle (17%). The quarter also witnessed the entry of several F&B brands into the Chennai market.

Mall leasing rose to ~42,000 sf in Q2 2026, recording a strong 175% q-o-q rise despite remaining marginally lower on a y-o-y basis. Leasing activity was concentrated in the Peripheral South (61%) and North-west (39%) submarkets, with Fashion (33%) and CDIT (20%) contributing to major chunk of occupier demand.

During H1-26, Chennai recorded a cumulative retail leasing of nearly 0.34 msf, with Main Streets absorbing more than 80% of the demand. The gross share of leasing in the Peripheral South and Peripheral South-west submarkets suggests that retailers are increasingly targeting emerging residential pockets alongside established Main Street destinations, thereby broadening the city's retail footprint.

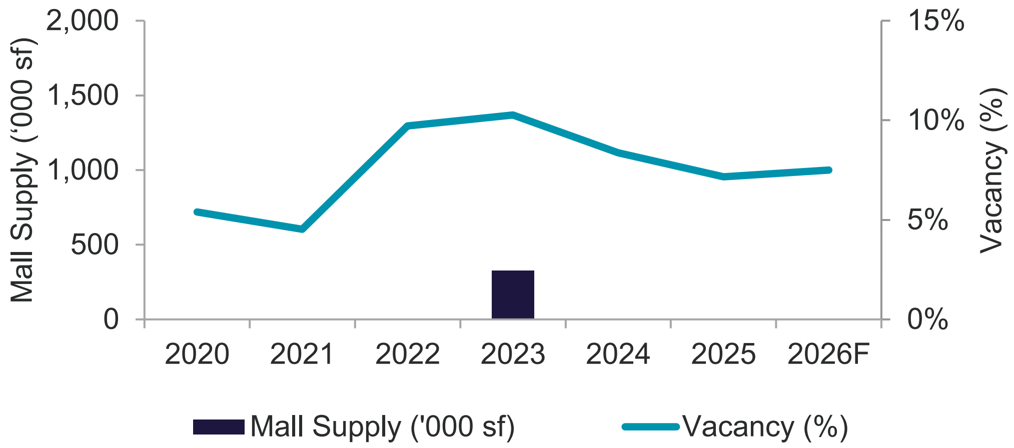
MARGINAL UPTICK IN MALL VACANCY

Overall city mall vacancy stood at 9.6% with a marginal 6 bps q-o-q increase. Vacancy in Grade A malls remained in the 1-3% range, indicating continued churning of available space and sustained occupier demand. The limited availability of quality organised retail space is expected to keep Grade A assets highly occupied over the coming quarters, with leasing activity likely to remain largely churn-driven helping keep the vacancy at similar levels.

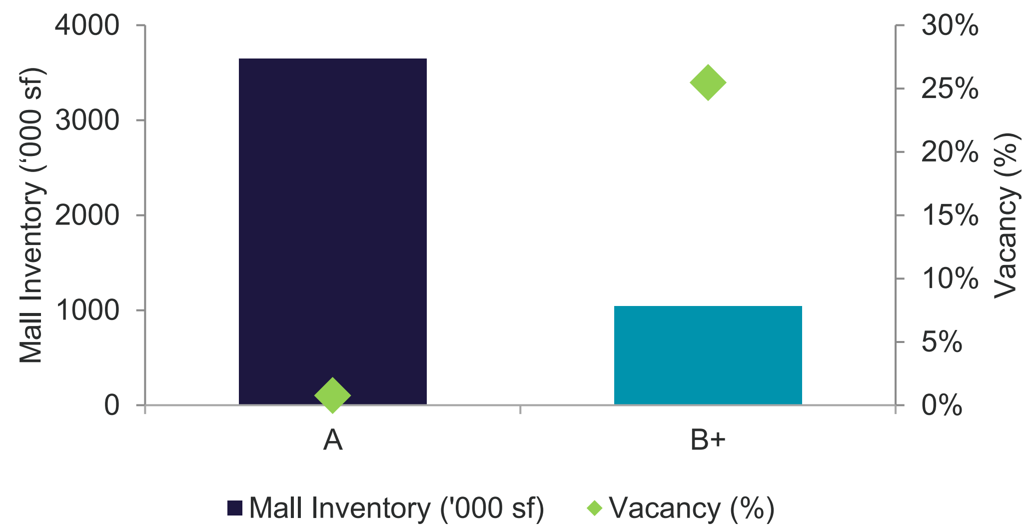
MAIN STREETS CONTINUED TO WITNESS RENTALS APPRECIATION

Main Street rentals in Chennai remained largely unchanged q-o-q, with selective appreciation in high-demand corridors. On a y-o-y basis, key Main Streets such as Pondy Bazaar, Velachery, Usman Road - South, Adyar Main Road, Chromepet, and Anna Nagar 2nd Avenue recorded healthy rental growth of 8-11%. Looking ahead, rentals across prime Main Streets and Grade A malls are expected to rise further, supported by limited quality space and sustained expansion by domestic retailers.

OVERALL GRADE A MALL SUPPLY & VACANCY*



GRADE A MALL STOCK & VACANCY BY CATEGORY*



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	145	16	18	0.0%	3.6%
Khader Nawaz Khan Road	155	17	20	0.0%	3.3%
Cathedral Road - RK Salai	160	17	20	0.0%	23.1%
Usman Road - South	130	14	16	0.0%	8.3%
Usman Road - North	150	16	19	0.0%	3.4%
Adyar Main Road	175	19	22	2.9%	9.4%
Anna Nagar 2nd Avenue	200	22	25	0.0%	11.1%
Purasaiwalkam High Road	130	14	16	0.0%	4.0%
Pondy Bazaar	200	22	25	0.0%	8.1%
Velachery	140	15	18	0.0%	7.7%
Ambattur (MTH Road)	115	13	15	0.0%	15.0%
OMR	130	14	16	0.0%	4.0%
Chromepet	185	20	23	2.8%	8.8%
ECR	130	14	16	0.0%	4.0%

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.

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	LOCATION	TENANT	SF
Vivira Mall	Navalur	EasyBuy	10,000
Vivira Mall	Navalur	RoyalOak Furniture	7,000
Mainstreet	Valasaravakkam	Max Fashion	14,000
Mainstreet	Singaperumal Koil	Zudio	10,000
Mainstreet	Chromepet	Malabar Gold & Diamonds	16,000
Mainstreet	Valasaravakkam	Croma	8,000

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

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

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About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of $10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.