MARKETBEAT
CHENNAI
RESIDENTIAL Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
~4,350 New unit launches	▼	▲
24-29K Prime CBD Capital Value (INR/SF)*	▲	▲
108.7 NHB Residex^ (March 2026)	▲	▲

Source: NHB

ECONOMIC INDICATORS

	YOY Chg	Outlook*
7.80% GDP Growth (Q4FY25-26)	▲	▼
3.93% CPI Inflation	▲	▲
7.90% External Benchmark Lending Rate	▼	—

Source: MOSPI, RBI, SBI

QUARTERLY LAUNCHES WERE LED BY SUBURBAN WEST

Chennai's residential market recorded ~4,350 unit launches in Q2 2026, up 17% q-o-q. While launches remained lower than the elevated levels seen last year, the quarter witnessed a notable chunk of supply. Suburban West emerged as the dominant contributor, accounting for 44% of quarterly launches, followed by Suburban South II with a 21% share. The quarter also witnessed a broader distribution of supply beyond Chennai's traditionally dominant southern suburbs, reflecting growing developer confidence beyond the traditional residential pockets, supported by improving connectivity and upcoming infrastructure developments.

The city recorded approximately 8,050 residential unit launches during H1 2026. Although launch volumes declined compared to both H2 2025 and H1 2025, the moderation reflects a normalization following the strong supply additions witnessed through 2025.

MID-SEGMENT DOMINATED THE LAUNCHES IN Q2

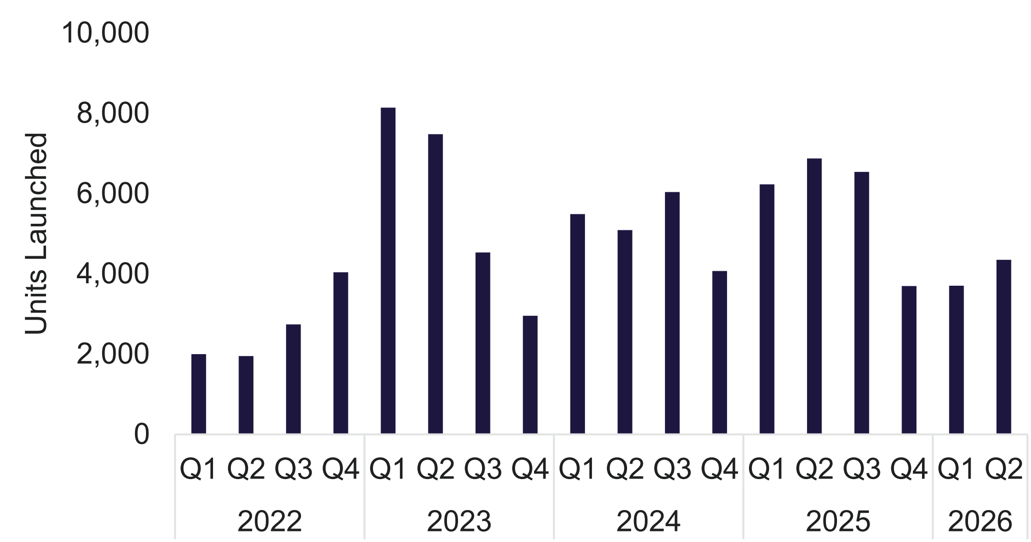
The launch mix in Q2 2026 was dominated by the mid-segment, which accounted for 77% of total launches, its highest share in the past six quarters. In contrast, the high-end and luxury segments witnessed a sharp moderation following the premium-led supply surge in Q1 2026, together contributing just 12% of quarterly launches. Affordable segment accounted for the remaining 11% of supply, with activity largely concentrated in the western and southern suburban locations.

In H1 2026, the mid-segment remained the dominant category, accounting for 59% of total residential launches. High-end and luxury segments together contributed 34%, highlighting the developer's continued confidence in the premium housing segment. Meanwhile, affordable housing remained limited, accounting for 7% share and being primarily concentrated in suburban and peripheral growth corridors.

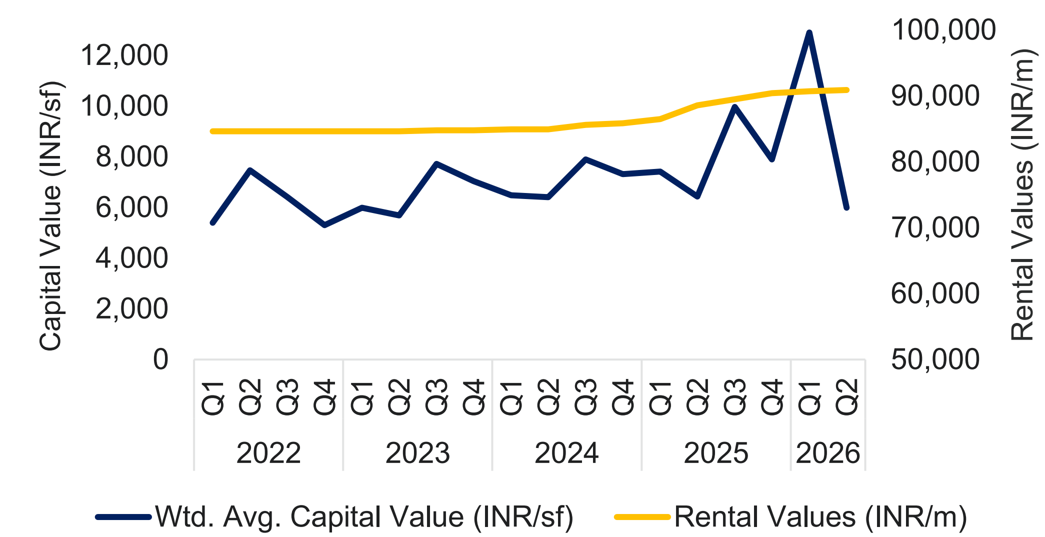
WTD. AVG. CAPITAL VALUE MODERATED AMID CHANGING SUPPLY MIX

Weighted average capital value across the city moderated during the quarter as the supply mix shifted towards mid-segment projects and relatively affordable suburban locations. Suburban South II continued to command the highest average launch prices among the suburban markets, supported by launches in locations such as Nandambakkam, Adambakkam and Kattupakkam. Going forward, ongoing infrastructure upgrades, including metro expansion and road connectivity improvements, are expected to support residential demand across the city.

RESIDENTIAL UNIT LAUNCHES



WTD. AVG. CAPITAL VALUES/ RENTAL VALUES



Note: Wtd. Avg. is for the newly launched projects

CAPITAL VALUES AS OF Q2 2026

SUBMARKET	AVERAGE QUOTED CAPITAL VALUE** (INR/SF)	QoQ CHANGE (%)	YoY CHANGE (%)	SHORT TERM OUTLOOK*
High-end segment				
Central	25,000-28,000	0%	2%	—
Off Central - I	21,500-26,500	1%	9%	↗
Off Central - II	17,500-21,000	1%	10%	↗
East Coast Road	8,000-10,500	0%	3%	—
Mid segment				
Central	16,500-20,000	0%	11%	—
Off Central- I	16,000-19,000	0%	6%	↗
Off Central -II	12,000-14,000	0%	13%	↗
Suburban South - I	7,500-9,500	3%	14%	↗
Suburban South - II	6,500-8,500	0%	9%	↗
Suburban North	6,000-8,500	2%	5%	↗
Suburban West	6,000-9,000	0%	4%	—
East Coast Road	5,700-7,500	0%	19%	↗

RENTAL VALUES AS OF Q2 2026

SUBMARKET	AVERAGE QUOTED RENT (INR/MONTH)	QoQ CHANGE (%)	YoY CHANGE (%)	SHORT TERM OUTLOOK*
High-end segment				
Central	110,000-250,000	0%	0%	—
Off Central - I	97,000-155,000	0%	3%	—
Off Central - II	68,500-130,000	0%	4%	—
East Coast Road	97,000-250,000	0%	1%	—
Mid segment				
Central	56,000-80,500	0%	1%	—
Off Central- I	52,500-81,000	0%	2%	—
Off Central- II	35,500-52,000	1%	5%	↗
Suburban South - I	32,500-35,000	1%	11%	↗
Suburban South - II	23,500-28,500	2%	13%	↗

KEY PROJECTS LAUNCHED IN Q2 2026

PROPERTY	LOCATION	DEVELOPER	UNITS (Nos.)	UNIT SIZE (SF)
Casagrand Zodiac	West Mogappair	Casagrand Premier Builder Ltd.	764	1,054-2,428
Pacifica Bliss Tower (Towers A1 and A2)	Padur	Pacifica Builders Pvt Ltd	302	1,018-1,554
Casagrand Aquagrove	Kolathur	Casagrand Premier Builder Ltd.	544	1,307-2,581

KEY CONSTRUCTION COMPLETIONS IN Q2 2026

PROPERTY	LOCATION	DEVELOPER	UNITS (Nos.)	UNIT SIZE (SF)
Vatsa Amaze	Kattupakkam	StepsStone Promoters Pvt Ltd	107	869-1,194
The Banyan	Madhanandapuram	Anand Developers	89	925-1,386

Data collated from primary and secondary resources. Estimations are subject to change
** Rental and capital values have been depicted only for key submarkets*
*** Quoted capital values includes base rate and does not include other charges such as Preferential Location Charges, External Development Charges, Internal Development Charges, etc.*
^ Base year for NHB Residex is FY24-25.
Affordable: up to INR 50 lakh | Mid-segment: INR 50 lakh-1.2 Cr | High-end: INR 1.2 Cr-2.5 Cr | Luxury: INR 2.5 Cr+
Data for the second quarter is based on market information collected until 12th June 2026

***Prime CBD Capital Value (INR/SF):** Indicative capital value range for prime assets located within the Central Business District (CBD), reflecting current market benchmarks based on recent transactions, active listings, and investor sentiment. Estimates are subject to periodic review in line with prevailing market dynamics.*
***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.*
***Short Term Outlook:** Indicative directional view for the next 3–6 months, based on SME discussions, market sentiment, and ongoing activity. Subject to change as market conditions evolve.*

KEY TO SUBMARKETS

HIGH-END SEGMENT
***Central:** Boat Club, Poes Garden, Nungambakkam*
***Off Central-I:** R.A. Puram, Abhiramapuram, Alwarpet And Teynampet*
***Off Central-II:** T.Nagar, Mylapore, Annanagar, Kilpauk, Thiruvanmiyur, Adyar, Kotturpuram, Besant Nagar, K.K.Nagar, Velachery, Vadapalani*

MID SEGMENT
***Central:** Boat Club, Poes Garden, Nungambakkam*
***Off Central-I:** R.A. Puram, Abhiramapuram, Alwarpet And Teynampet*
***Off Central -II:** T.Nagar, Mylapore, Annanagar, Kilpauk, Thiruvanmiyur, Adyar, Kotturpuram, Besant Nagar, K.K.Nagar, Velachery, Vadapalani*
***Suburban North:** Madhavaram, Perambur,thondiarpet*
***Suburban West:** Mogappair, Nolambur, Ambattur, Poonamallee High Road*
***Suburban South-I:** Rajiv Gandhi Salai (Thiruvanmiyur To Kelambakkam)*
***Suburban South-II:** GST Road (Alandur To Tambaram, Porur)*

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