

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
4.69 Mall Stock* (MSF)	▲	▲
0.3 Retail Space Per Capita	▼	▲
5.8% Mall Vacancy*	▼	▲

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

ECONOMIC INDICATORS

	YOY Chg	Outlook*
7.80% GDP Growth (Q1 FY26-27)	▲	▼
4.82% CPI Inflation	▲	▲
7.10% Consumer Spending Growth (Q1 FY26-27)	▲	—

Source: MOSPI, RBI

HIGH STREETS DOMINATED RETAIL LEASING

Chennai’s retail market recorded leasing of 0.18 msf in Q3 2026, down 9% q-o-q but up 12% y-o-y. High streets continued to dominate leasing activity, accounting for 82% of quarterly demand, led by North-West with a 35% share, followed by Off-CBD and Peripheral South at 22% each. On a sectoral basis, Accessories & Lifestyle led demand with a 42% share, followed by F&B at 27% and Fashion at 13%. Jewellery brands, grouped under Accessories & Lifestyle emerged as a key driver during the quarter, accounting for ~30% of high street leasing, including one new entrant to the Chennai market.

Mall leasing stood at ~34,000 sf in Q3, down 20% q-o-q but up 73% y-o-y, with demand concentrated in Peripheral South and North-West submarkets, which together accounted for 85% of quarterly mall leasing. Furniture & Furnishing, Accessories & Lifestyle and Footwear led mall demand during the quarter.

On a YTD basis, retail leasing stood at 0.52 msf, up 7% y-o-y, with high streets accounting for 82% (0.43 msf) of total demand. Peripheral South emerged as the key driver, contributing 33% of YTD high street leasing, while F&B, Fashion and Accessories & Lifestyle each contributed 23-24%, indicating a relatively balanced sectoral mix. YTD volumes are already ~76% of 2025’s full-year leasing, keeping 2026 on course to surpass the previous year’s leasing volume.

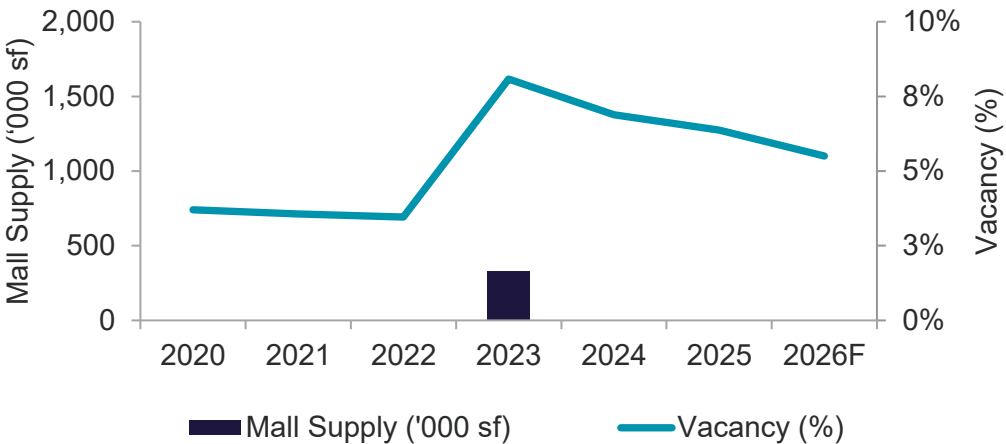
LIMITED NEW SUPPLY KEEPS GRADE A MALL VACANCY TIGHT

With no new mall supply added since 2023 and limited availability across existing malls, particularly Grade A assets, vacancy remained tight during Q3. Grade A malls remained nearly fully occupied, with vacancy in the range of 1-2%, while leasing activity was largely driven by churn.

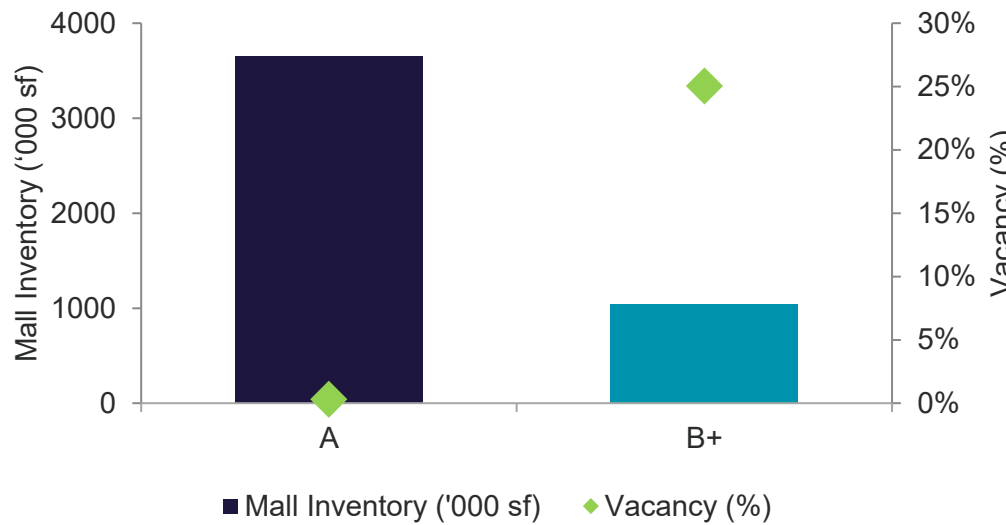
SELECT HIGH STREETS CONTINUED TO RECORD RENTAL APPRECIATION

Rental values across Chennai’s prominent high streets continued to rise in Q3, led by Cathedral Road-RK Salai, which recorded the highest q-o-q growth of 9%, followed by Usman Road-North at 7% and Anna Nagar 2nd Avenue at 5%. On a y-o-y basis, Cathedral Road-RK Salai recorded the strongest growth at 35%, supported by tight supply and improved demand, while Nungambakkam High Road, Khader Nawaz Khan Road, Adyar Main Road, Purasaiwalkam High Road and OMR recorded growth of 7-9%. Tight availability of quality retail space, including across Grade A malls, is likely to keep rental values firm across key retail locations.

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	150	16	19	3.4%	7.1%
Khader Nawaz Khan Road	160	17	20	3.2%	6.7%
Cathedral Road - RK Salai	175	19	22	9.4%	34.6%
Usman Road - South	130	14	16	0.0%	4.0%
Usman Road - North	160	17	20	6.7%	10.3%
Adyar Main Road	175	19	22	0.0%	9.4%
Anna Nagar 2nd Avenue	210	23	26	5.0%	13.5%
Purasaiwalkam High Road	135	15	17	3.8%	8.0%
Pondy Bazaar	200	22	25	0.0%	5.3%
Velachery	140	15	18	0.0%	3.7%
Ambattur (MTH Road)	115	13	14	0.0%	4.5%
OMR	135	15	17	3.8%	8.0%
Chromepet	185	20	23	0.0%	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\$ = 95.5 INR AND € = 110.1 INR

Data for the third quarter are based on market information collected until 25th Sep 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 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: Organised retail assets with relatively lower operational efficiency, tenant quality, occupancy levels, or asset management standards compared to Grade A malls.

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	LOCATION	TENANT	SF
High Street	Anna Nagar	Zudio	13,000
High Street	T.Nagar	Regal Jewellery	19,800
High Street	PTR Road	Mount Road Bilal	14,000
Nexus Vijaya Mall	Vadapalani	Bata	2,539
VR Mall	Anna Nagar	Uni Seoul	3,258
High Street	Anna Nagar	Kalyan Jewellers	15,000

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

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

A.M.LAKSHMI
Senior Manager, Research
Tel: +91 44 42995555
am.lakshmi@cushwake.com

SUVISHESH VALSAN
Senior Director, Research
Tel: +91 22 6771555
suvishesh.valsan@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

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.

©2026 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.