

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
16.4 Mall Stock* (MSF)	▲	▲
0.67 Retail Space Per Capita	▬	▬
6.8% 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 STREET LEASING LED Q3 RETAIL ABSORPTION

Retail leasing in Delhi NCR stood at 0.6 msf in Q3-26 – a decrease of 18% q-o-q and an increase of 8% y-o-y. Gurugram led the overall retail leasing during Q3-26 with a 56% share, followed by Noida (27%) and Delhi (17%). High Streets secured 71% of the quarterly leasing volume, while Malls accounted for the remaining 29%. Of the ~160K sf leased in malls during Q3-26, nearly 65% represented renewals & churn, with the remaining activity comprising fresh space take-up. During the quarter, retail leasing in malls declined by 62% q-o-q. The reason for compression in mall leasing in Q3-26, compared to the last quarter, is limited availability of space in Grade A malls and swift space take-up during H1-26 in the two malls that became operational in Q4-25. During Q3-26, the F&B category led retail absorption with a 23% share, followed by Fashion (15%) and Entertainment (14%).

Retail leasing in the first nine months of 2026 (9M26) totalled 1.8 msf – an increase of 49% y-o-y. During 9M26, high street leasing registered 10% y-o-y growth, while mall leasing grew 120% compared with the same period last year. The Fashion segment led 9M26 leasing with a 23% share, followed by F&B (18%) and Department stores (13%). Leasing by international brands increased by 4.5X in 9M26 as compared to similar period last year. International brands absorbed ~200K sf in newly opened malls, showing an inclination to set up shop in malls over high streets.

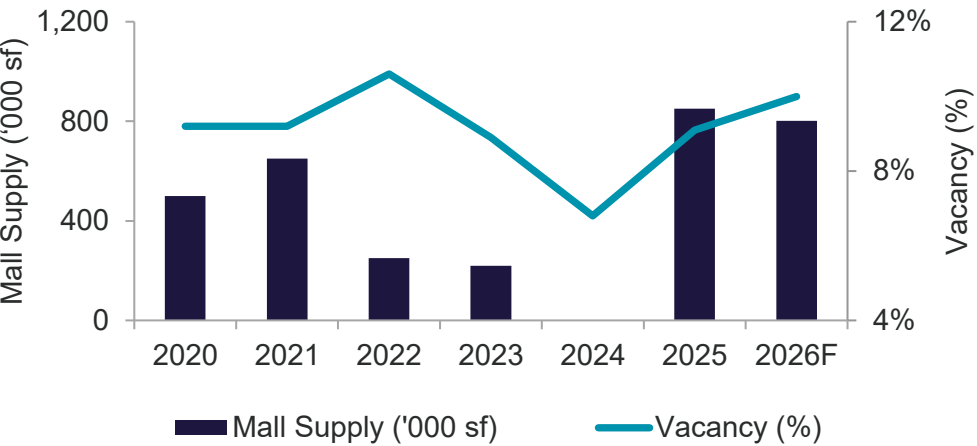
NO NEW MALL COMPLETION IN Q3-26; VACANCY DROPS QOQ

Delhi-NCR saw no new mall completions in Q3 26. With ~56K sf of fresh space take-up in malls, headline mall vacancy declined by 34 bps during Q3 to 6.8%. While vacancy remains tight, with Grade A malls recording a vacancy rate of ~5% compared with 13% in Grade B+ malls, the addition of a couple of new malls over the next 12 months is expected to push up NCR’s headline vacancy rate.

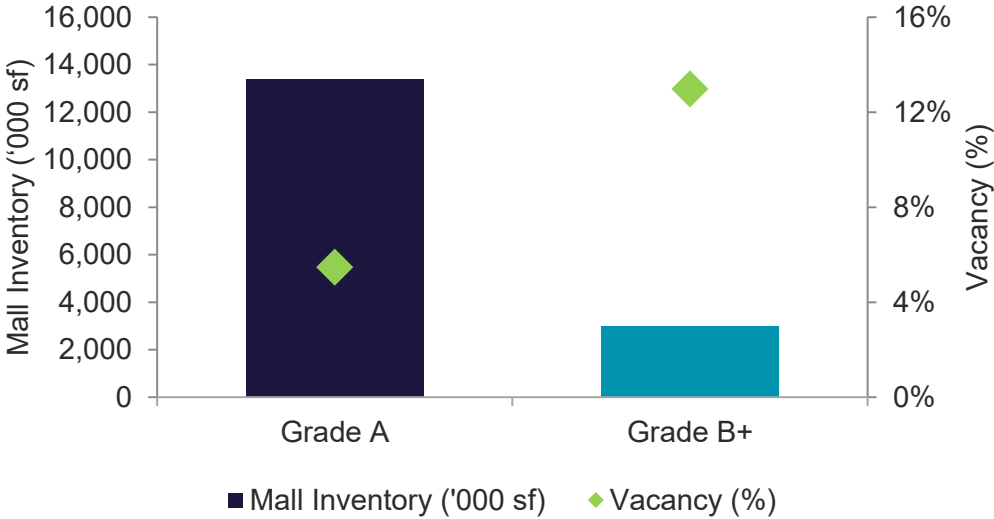
HIGH STREET LOCATIONS AND MALLS WITNESS YOY RENTAL INCREASE

Major high street rentals across Delhi-NCR saw growth compared to last year. Khan Market witnessed 14% y-o-y growth, while Galleria Market (Gurugram) and Connaught Place have seen annual rental increases of 10% and 6%, respectively. Rentals in South Extension I & II witnessed a strong y-o-y growth of 9%. Most Grade A malls witnessed a y-o-y increase in ground-floor rentals, with properties in South Delhi setting the pace at 10-15% growth.

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
Khan Market	1,875	204.4	235.6	3.9%	6.0%
South Extension I & II	900	98.1	113.1	0.0%	9.1%
Lajpat Nagar	330	36.0	41.5	6.5%	6.5%
Connaught Place (Inner Circle)	1,325	144.1	166.5	3.9%	6.0%
Greater Kailash I, M Block	500	54.5	62.8	0.0%	0.0%
Rajouri Garden	265	28.9	33.3	0.0%	0.0%
Punjabi Bagh	280	30.5	35.2	0.0%	1.8%
Karol Bagh	420	45.8	52.8	0.0%	1.2%
Kamla Nagar	500	54.5	62.8	0.0%	0.0%
Galleria Market (Gurugram)	1,375	149.9	172.8	5.8%	10.0%
Sector 29 (Gurugram)	190	20.7	23.9	0.0%	2.7%
Sector 18 (Noida)	220	24.0	27.6	0.0%	2.3%

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	Khan Market, New Delhi	Saint G	500
High Street	Connaught Place	Kalyan Jewellers	4,500
AIPL Joy Central	Golf Course Road Extension	Inox	40,000
GulshanOne29	Sector 129, Noida	Yohzy Labs	17,620
Pacific Mall	Subhash Nagar, New Delhi	Bershka	7,100
Unity One Elegante	Netaji Subhash Place, New Delhi	Jaypore	1,940

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

PROPERTY	LOCATION	SF	COMPLETION TIMELINE
Unity One Elegante	Netaji Subhash Place, New Delhi	450,000	Q4 2025
Felix Plaza	Sector 82A, Gurugram	850,000	Q4 2025

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