

5 FAST FACTS

CHENNAI | Q3 2024



The Need-to-Know for Chennai's Commercial Real Estate

1

STRONG LEASING ACTIVITY DRIVEN BY THE PRIME SUBMARKETS

Chennai office market saw a **healthy leasing volume** of **1.8 MSF**, with **South-west and Suburban South submarkets** accounting for a dominant **83% share**. **City-wide vacancy dropped by 17bps to 16.1% in Q3**. **YTD net absorption** rose to **2.16 MSF**, largely driven by high pre-commitments in the new supply.



2

SURGE IN LEASING BY GLOBAL CAPABILITY CENTERS

Global Capability Centers accounted for **36% of the quarterly leasing**, with a **17% q-o-q growth** and nearly **doubling on y-o-y**. There has been a **significant increase in interest** from global occupiers, mainly in **BFSI and Engineering & Manufacturing sectors** to establish innovation centers in the city.



3

HEALTHY UNIT LAUNCHES DRIVEN BY THE SOUTHERN SUBURBAN MARKETS

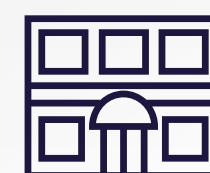
In **Q3**, Chennai's residential market saw a healthy launch of **~6,000 units**, a **19% q-o-q growth** and a **33% y-o-y increase**. **Suburban South I and II** dominated the quarterly unit launches with a **combined share of 68%**.



4

IN Q3, HIGH-END AND LUXURY SEGMENTS SAW IMPRESSIVE GROWTH FROM Q2

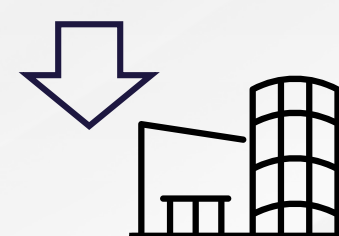
Mid-segment continued its **dominance in Q3**, accounting for **52% of quarterly unit launches**. **High-end and luxury segments** combined made up **32% of the launches**, with a significant **71% q-o-q growth**. Affordable segment accounted for **16% of unit launches**, nearly doubling the volume from **Q2**.



5

CITY LEVEL MALL VACANCY RECORDED A MINOR DROP

Minimal leasing activity led to a **minor 25 bps drop** in **city-level mall vacancy**, currently at **14.41%**. **Superior malls** maintained low vacancy rates **between 1-3%**. **In Q3**, mall leasing was **driven by retailers in the Fashion and Accessories & Lifestyle segments**.



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