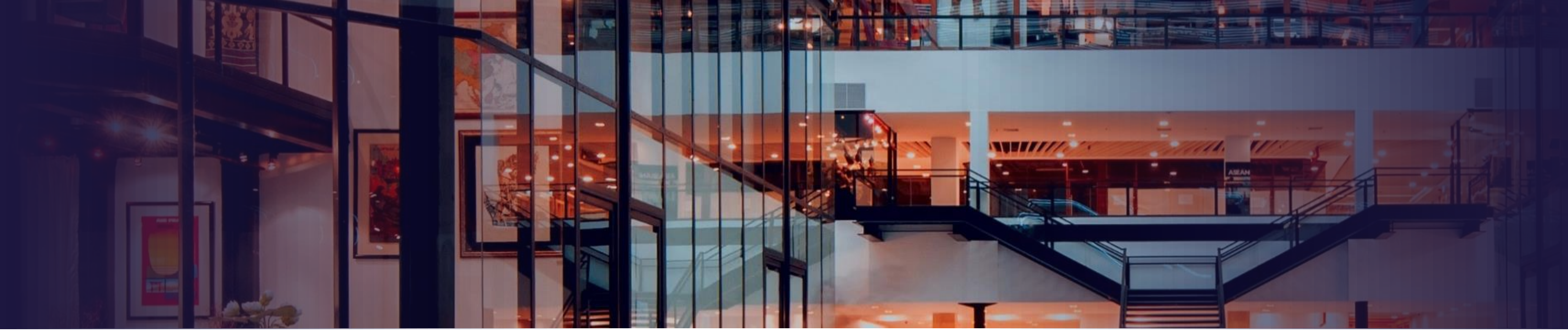
MARKETBEAT
BENGALURU
RETAIL Q1 2025



MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
11.0 Mall Stock (MSF)	▲	▬
0.75 Retail Space Per Capita	▲	▬
6.8% Mall Vacancy	▼	▼

Note: All data above pertains to Grade A malls

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
6.20% GDP Growth (Q3 FY24-25)	▼	▲
3.60% CPI Inflation	▼	▲
6.90% Consumer Spending Growth (Q3 FY24-25)	▲	▲

Source: MOSPI, RBI

LEASING VOLUME STABLE IN Q1; FASHION & F&B LEAD LEASING

Bengaluru recorded retail leasing volumes of 0.19 msf, a marginal 2% increase on an annual basis. Main streets drove leasing volumes in the quarter with space take-up of 0.14 msf, thereby accounting for 3/4th of quarterly retail leasing. Prominent main street such as Koramangala, HSR Layout, JP Nagar, Whitefield recorded space take-up by brands, especially in the fashion and F&B segments. Mall leasing stood at around 0.05 msf, a 22% growth on an annual basis with the city's Grade A malls contributing a quarter of the retail leasing volumes. A significant proportion of transactions was contributed by M5 Ecity Mall, inaugurated last quarter, followed by other prominent malls such as Phoenix Mall of Asia, Nexus Koramangala and Bhartiya City Centre.

Fashion segment dominated retail leasing during the quarter, contributing over 40% of the total lease volumes, followed by F&B segment with 21% share. Super/hypermarkets segment accounted for 8% of the quarterly lease volumes. Mall space take-up by fashion brands surged in Q1-25 with the segment accounting for nearly 60% of lease volumes across Grade A malls.

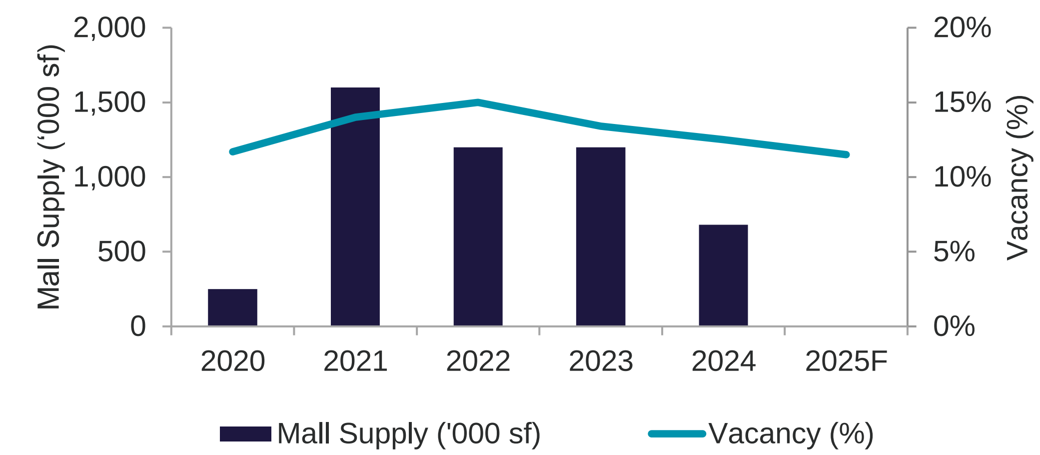
NO NEW MALL SUPPLY IN Q1; MALL VACANCY DECLINE 60 BPS

Bengaluru recorded no new mall supply in Q1 and the Grade A mall inventory remained unchanged at 11 msf during the quarter. City headline vacancy in Grade A malls fell by 60 bps at 6.8% during the quarter. Average vacancy rate in superior malls (Grade A+) remained tight at around 3%, highlighting the robust demand but inadequate supply of premium mall space. On the other hand, main street leasing is likely to remain strong as major brands look to expand across prominent main streets in the city.

MARGINAL APPRECIATION IN MAIN STREET RENTALS

Quoted mall rentals remained unchanged on a qoq basis. Rental appreciation of 1-2% was recorded on a quarterly basis across main streets such as Indiranagar 100 Feet Road, Koramangala 80 Feet Road, HSR Layout 27th Main and Jayanagar 4th Block, 11th Main on the back of sustained space demand.

MALL SUPPLY / VACANCY RATE



CATEGORY-WISE STOCK / VACANCY

MARKET STATISTICS

PRIME RETAIL RENTS – HIGH STREETS	INR SF/MTH	EURO SF/YR	US$ SF/YR	Q-O-Q CHANGE	Y-O-Y CHANGE
MG Road	255	34	35	1.6%	6.0%
Brigade Road	410	54	57	1.0%	5.0%
Commercial Street	405	54	56	1.3%	5.0%
Indiranagar 100 Feet Road	336	45	47	1.8%	12.0%
Jayanagar 4th Block, 11th Main	220	29	30	1.0%	10.0%
Sampige Road, Malleshwaram	150	20	21	0.0%	3.0%
Koramangala 80 Feet Road	205	27	28	1.5%	11.0%
Vittal Mallya Road	400	53	55	0.0%	8.0%
New BEL Road	160	21	22	0.0%	4.0%
Marathalli Junction	156	21	22	0.0%	3.0%
Kamanahalli Main Road	284	38	39	1.1%	11.0%
HSR Layout 27th Main	245	32	34	1.2%	11.0%

Note: Asking rent (INR/sf/month) on carpet area of ground floor Vanilla stores is quoted

US$ = 86.7INR AND € = 90.5 INR

Data for the first quarter are based on market information collected until 15th March 2025

KEY LEASE TRANSACTIONS Q1 2025

PROPERTY	LOCATION	TENANT	SF
Nagarbhavi	Nagarbhavi	Zudio	13,000
JP Nagar	JP Nagar	Easybuy	12,000
M5 Ecity Mall	Electronic City	Snitch	4,500
Jayanagar	Jayanagar	Shobitam	4,000
Church Street	Church Street	Kling	3,500

KEY PROJECTS COMPLETED IN LAST 12 MONTHS

PROPERTY	LOCATION	SF	COMPLETION TIMELINE
M5 Ecity Mall	Electronic City	680,000	Q4 2024

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