

5 FAST FACTS

BENGALURU | Q2 2025



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

1 STRONG OFFICE LEASING MOMENTUM WAS DRIVEN BY IT AND FLEX SECTORS

Bengaluru recorded gross leasing volumes (GLV) of around 5 MSF in Q2, a growth of 2.4% on a quarterly basis. IT-BPM segment accounted for 59% of quarterly GLV, while flex operators ranked second with a 14% contribution.



2 HEALTHY NET ABSORPTION LOWERED OFFICE VACANCY RATE

Net absorption stood at 3.5 MSF in Q2, a 41% growth on a quarterly basis, driven by robust fresh leasing and commencement of pre-committed buildings. Headline city-wide vacancy rate declined by 40 bps on a quarterly basis, due to healthy absorption.



3 HIGH-END AND LUXURY SEGMENT DOMINATED RESIDENTIAL LAUNCHES

Bengaluru recorded launch of ~12,038 units in Q2, a growth rate of 20% on a y-o-y basis. High-end and luxury segment dominated with a 57% share in quarterly launches, up from 40% in Q1. Mid-segment followed with a 43% share.



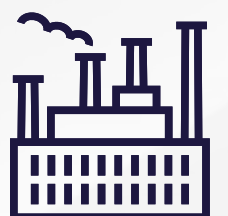
4 MALLS CONTRIBUTED A HIGHER SHARE OF RETAIL LEASING IN Q2

Retail lease volumes stood at around 0.18 MSF in Q2 with malls contributing nearly 0.1 MSF, a 55% share in quarterly leasing. The share of main streets declined to 45% in Q2 from 75% in the previous quarter. Fashion and F&B drove retail leasing in Q2.



5 INDUSTRIAL LEASE VOLUMES MORE THAN DOUBLED IN H1-25

Industrial lease volumes stood at 1.6 MSF in H1, a surge of over 2.5x on an annual basis, due to robust space take up by energy and aerospace firms. Warehouse leasing of 1.7 MSF was recorded in H1, lower than the volume recorded during the same period last year.



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