

MARKET FUNDAMENTALS

	YOY Chg	Outlook
24.01% Vacancy Rate	▼	▼
~70k Q1-25 Net Absorption (SF)	▬	▲
INR 48 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
6.20% GDP Growth (Q3 FY24-25)	▼	▲
3.60% CPI Inflation	▼	▲
58.3 Services PMI (3 months average)	▲	▬

Source: MOSPI, RBI, HSBC

LEASING VOLUME WITNESS A DIP IN Q1-25

Ahmedabad saw gross leasing volume (GLV) ~70,000 sq. ft. in Q1 2025, which was 93% lower on quarterly basis and 25% lower on y-o-y basis. Almost the entire leasing during Q1-25 was witnessed in the SBD sub-market.

Leasing in Q1 was dominated by the IT-BPM sector with 68% share, followed by professional services firms and flexible workspace operators with 18% and 12% share, respectively

GIFT City is expected to regain traction, as close to a million square feet of supply is expected to become operational towards the second half of the year. Operationalization of Phase 2 metro has improved the connectivity of GIFT City to core parts of the city, and boost momentum along the entire transit corridor

VACANCY FALLS IN Q1; HEALTHY SUPPLY LINED UP IN 2025

The first quarter saw no new supply of office project commence operations, thereby resulting in 127 bps fall in vacancy rate to 24% at the end of Q1-25. At a sub-market level, CBD and SBD have ~24% vacancy each, while the GIFT City sub-market has the lowest vacancy in the city at ~7%.

Vacancy in the GIFT City sub-market has fallen by a staggering 5 percentage points on y-o-y terms as IT-BPM and BFSI firms look to make the most of incentives being provided by the central and state governments.

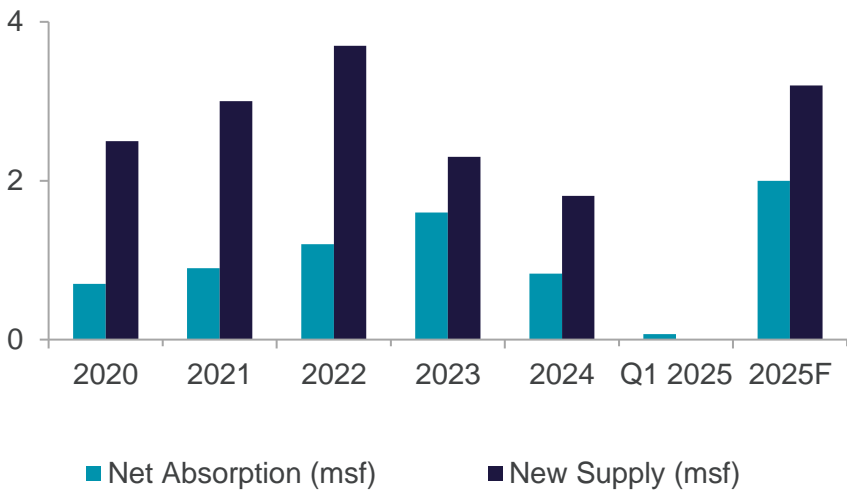
The city is expected to witness ~3.2 msf of supply addition during the remainder of current year, with majority of it lined-up in the second-half of the year.

GIFT CITY RENTALS WITNESS MARGINAL ANNUAL INCREASE

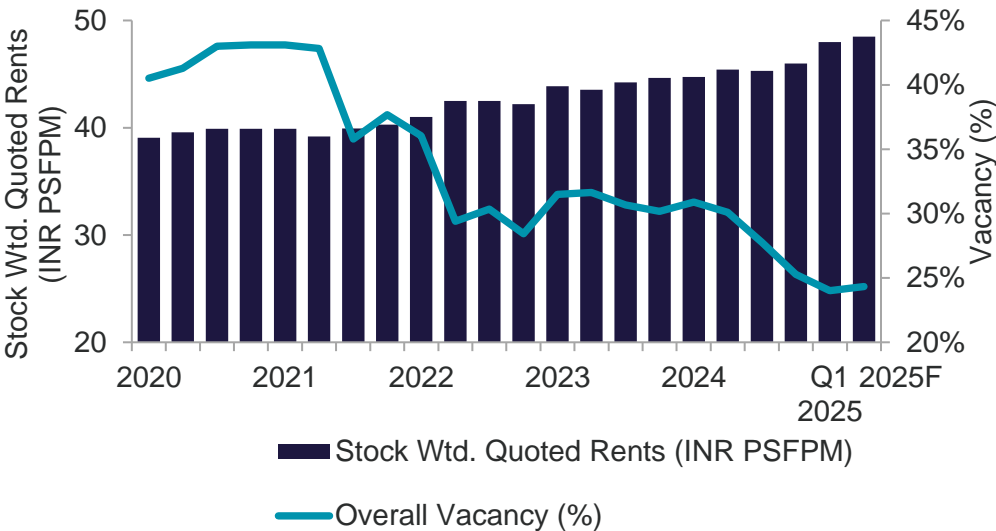
Quoted rents in some of the buildings in SBD and GIFT City sub-markets have increased by 5-10% q-o-q and 8-15% on y-o-y terms.

In the upcoming quarters, a strong supply pipeline is likely to keep city-wide rentals range bound, except for select superior grade supply available in the SBD and GIFT City sub-markets.

NET ABSORPTION / NEW SUPPLY



OVERALL VACANCY & STOCK WTD. QUOTED RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANCY RATE	CURRENT QUARTER NET ABSORPTION (SF)	YTD NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	YTD CONSTRUCTION COMPLETIONS (SF)	PLANNED & UNDER CONSTRUCTION (SF)^	GRADE A STOCK WEIGHTED AVERAGE RENT (INR/SF/M)
SBD	17,868,133	24.3%	68,500	68,500	68,500	-	2,438,149	₹ 46.00
CBD	3,488,504	24.5%	-	-	-	-	1,017,058	₹ 47.75
GIFT City	36,09,456	7.23%	1,350	1,350	1,350	-	2,030,241	₹ 64.75
TOTAL#	28,296,112	24.01%	69,850	69,850	69,850	-	6,718,778	₹ 48.00

The report highlights Grade A details only. Certain indicators are historically corrected by addition / deletion of older / refurbished projects as per grade A classification and accounting for changes in built-up / leasable area besides adjusting tenant leases to reflect accurate market conditions.

Net absorption refers to the incremental new space take-up. YTD gross leasing activity includes pre commitments and term renewals.

^Includes planned & under construction projects until 2027. *Stock weighted average asking rental rates for spaces that provide core facility, high-side air conditioning and 100% power back up.

Total figures contain submarkets not mentioned above.

Key to submarkets:

CBD: Central Ahmedabad west of Sabarmati river and east of 132ft Ring road, includes micro market of CG Road, Ashram Road, Paldi , Navrangpura , Ambawadi , Usmanpura , Naranpura

SBD: West of 132ft Ring road, spanning from Sarkhej Okaf to South of Sola Science City, includes micro markets of SG Highway, Thaltej, Prahladnagar , Okaf , Iscon Ambli Road and Sindhubhavan Road

PBD: includes micro markets of Science City, Adani Shantigram , Gota , Motera , Chandkheda, Mindspace IT SEZ and Gandhinagar.

GIFT City: GIFT City and GIFT SEZ designated area East Ahmedabad: Entire city on east of Sabarmati river, includes micro market of Shahibaug , Vatva , Maninagar , Vastral , Odhav , Naroda, Narol

US\$ 1 = 86.7 INR € 90.5 INR

Numbers for the first quarter are based on market information collected until 20th March 2025

KEY LEASE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Sheetal Westpark	SBD	HDFC Bank	180,000	Lease
Savvy Pragya 2	GIFT City	Cognizant	105,000	Lease
Fintech One	GIFT City	Capgemini	50,000	Lease
S&P Global House	SBD	Sikich	50,000	Lease

KEY CONSTRUCTION COMPLETIONS Q1 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
-	-	-	-	-

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