

MARKET FUNDAMENTALS

	YOY Chg	Outlook
21.06% Vacancy Rate	▼	▼
3.1 Q1-25 Net Absorption (MSF)	▲	▲
INR 84 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 marginally low in Q1; Noida Expressway leads demand

NCR witnessed gross leasing volume (GLV) of 2.8 msf in Q1 2025. GLV in Q1-25 decreased 7% on q-o-q and 6% on y-o-y basis. IT-BPM sector led quarterly demand with 45% share, followed by professional services firms (21%) and engineering and manufacturing companies (13%). Gurugram witnessed 62% of the leasing Q1-25, followed by Noida and Delhi with 35% and 3% share, respectively.

On standalone terms, Noida Expressway sub-market witnessed highest leasing (27%) during the quarter, registering a 1.7x growth over the average GLV during the last four completed quarters.

Net absorption for the quarter stood at 3.1 MSF, nearly doubling on a y-o-y terms. A fully pre-leased building, with transactions that were recorded last year itself, commenced operations in Q1 and resulted in a higher net absorption number.

Robust net absorption brings down vacancy

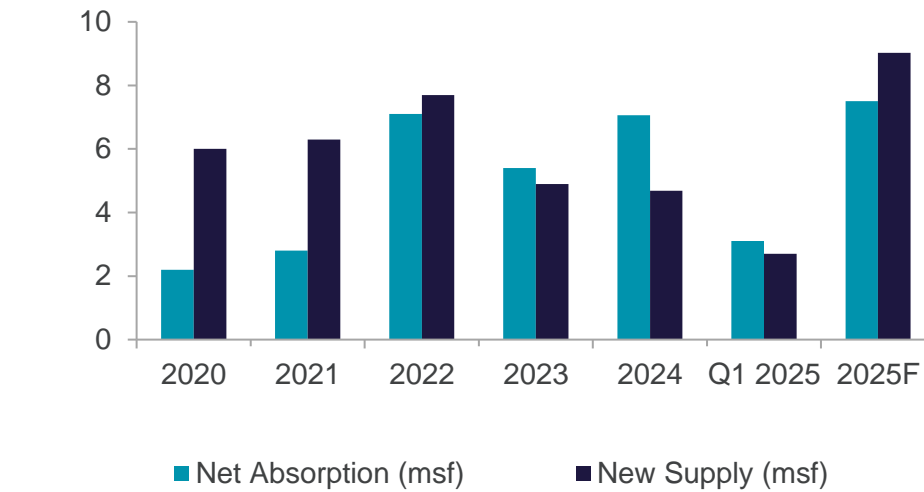
Delhi NCR witnessed close to 2.7 msf of supply addition during the quarter. Vacancy rate fell by 48 bps as compared to last quarter and a substantial 3.0 percentage points on y-o-y basis.

Vacancy in the Noida Expressway sub-market fell by 2.4 percentage points as compared to last quarter and a staggering 6.1 percentage points on y-o-y basis. This is primarily due to availability of office spaces at rents which are 25-40% below prime submarkets, a continuously evolving social infrastructure and the upcoming inauguration of the Noida International Airport (Jewar). Lack of quality supply in CBD markets and limited upcoming Grade A supply is prompting occupiers to make precommitments 2 -3 years in advance.

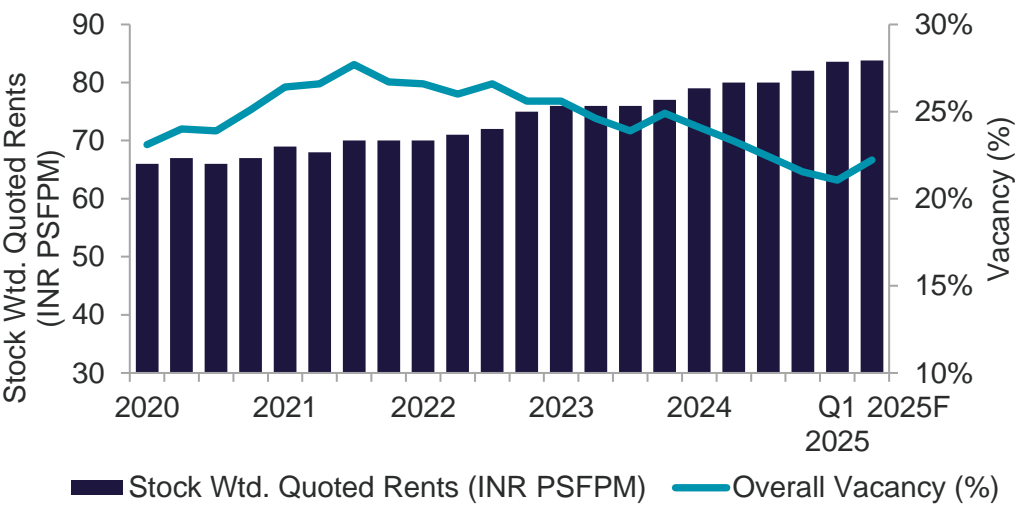
Overall rents witness a rise during the quarter

During Q1 2025, Delhi NCR saw rents increase by 3–5% q-o-q. Gurgaon CBD submarket witnessed rentals go up by 10-12% on y-o-y basis. Tight vacancy in CBD markets will lead to increased rentals in prime properties.

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)
Delhi CBD	1,533,547	11.8%	20,000	20,000	46,000	0	0	₹ 282.49
South-East Delhi	7,092,653	13.0%	0	0	45,000	0	0	₹ 112.13
Delhi International Airport (DIAL)	1,366,825	7.9%	0	0	0	0	4,055,000	₹ 225.49
Cyber City	1,77,12,813	2.3%	1,943,768	1,943,768	113,470	2,000,000	0	₹ 125.65
MG Road	3,857,879	7.7%	31,423	31,423	92,497	0	0	₹ 122.62
NH8 – Prime	15,516,763	11.8%	20,000	20,000	499,686	0	3,184,000	₹ 96.00
Golf Course Road	6,821,262	13.1%	65,000	65,000	199,735	0	0	₹ 127.33
Gurugram Others	48,285,124	31.3%	429,221	429,221	783,557	0	3,896,592	₹ 63.32
Noida	4,30,97,685	25.2%	612,013	612,013	970,213	710,000	8,143,923	₹ 57.47
DELHI NCR TOTALS	14,52,84,551	21.1%	3,121,425	3,121,425	2,750,158	2,710,000	21,989,515	₹83.80

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.

**Key to submarkets:**

Delhi CBD Includes Connaught Place; South East Delhi Includes Saket, Jasola, Malviya Nagar, Vasant Kunj, Nehru Place, Shastri Park, New Friends Colony, Okhla, Munirka and Parts of Shalimar Bagh and Shivaji Marg

Delhi International Airport (DIAL) Includes Aerocity

Gurugram Others includes Sohna Road, Golf Course Extension Road, Udyog Vihar, NH 8 Non-Prime, Gurgaon Faridabad Road and Southern Peripheral Road and excludes Manesar; Noida excludes Greater Noida

US\$ 1 = 86.7 INR    € 1 = 90.5 INR

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

KEY LEASE TRANSACTIONS Q1 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
NSL Techzone IT SEZ Tower 2	Noida PBD	Tata Consultancy Services	200,000	Lease
Max Square	Noida PBD	AML	150,000	Lease
DLF Atrium Place	Gurgaon SBD	T System	135,000	Lease
Candor TechSpace SEZ Tower 9	Noida PBD	Teleperformance	100,000	Lease

KEY CONSTRUCTION COMPLETIONS Q1 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
DLF Downtown Block 4	Gurgaon CBD	Barclays, Amazon, S&P Global, Amdocs	2,000,000	DLF
Wave One	Noida PBD	-	710,0000	Wave Infratech

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