MARKETBEAT
BENGALURU
INDUSTRIAL H1 2025

MARKET FUNDAMENTALS

	H2 2024	H1 2025
Inventory (in MSF)	45	47
Vacancy (%)	20	15
Upcoming Supply in next 12 months (MSF)	5.5	3.5
L&I Leasing (in MSF)	2.0	3.3
Average Rentals Range (INR PSFPM)	22.5	22.5
Land Transacted (in acres)	355	150
Land Values Range (INR MN per acre)	25-35	25-35

SLOWER WAREHOUSE LEASE VOLUMES IN H1

Bengaluru recorded 1.7 msf of warehousing lease volumes in H1 2025, lower than the exceptionally strong activity seen in H1 2024 and around 5% lower than H2 2024. The western corridor dominated warehouse leasing activity, accounting for over 50% of lease volumes in H1 with locations such as Nelamangala, Dabaspet and Bidadi the major contributors. The southern corridor followed with a 30% share, driven by leasing activity in Jigani, Kumbalgodu, and Begur. East Bengaluru accounted for the remaining 19% of lease volumes with space takeup recorded at Hoskote. E-commerce firms contributed around 46% of warehouse lease volumes in H1 followed by manufacturing (27%). Retail segment accounted for 10% of the lease volumes. The contribution of 3PL operators, which have been dominating space takeup in previous quarters, contributed just 6% of lease volumes in H1.

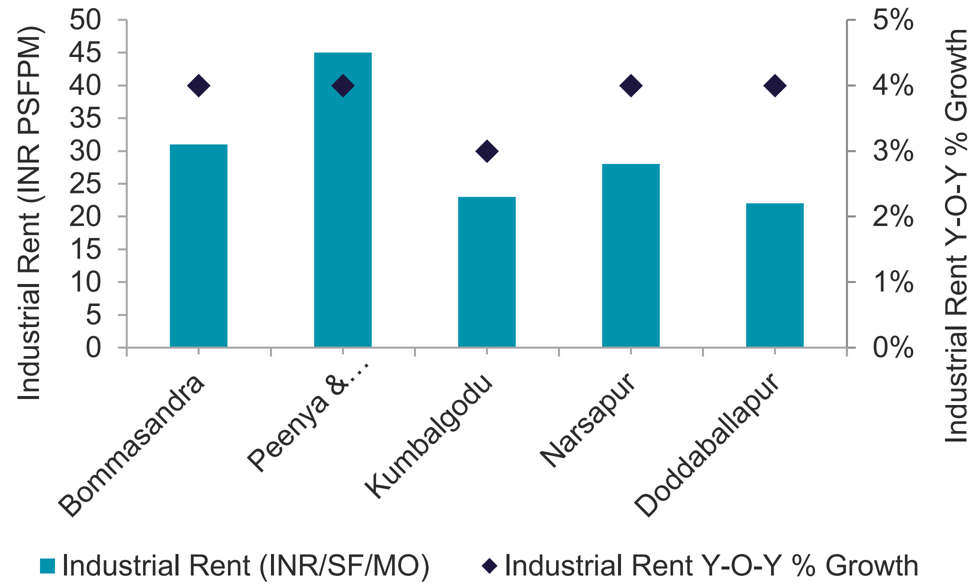
HEALTHY SUPPLY ADDITION H1

Bengaluru recorded warehouse supply addition of around 2 msf in H1 with the city's total inventory (A+B) at 47 msf at the end of the period. Supply pipeline remains strong with leading developers and warehouse operators moving ahead with projects to cater to strong demand. A number of built-to-suit (BTS) facilities are also coming up. Land parcels have also been transacted across prominent locations at the southern, western and eastern submarkets. Land prices rose by 9-10% yoy.

INDUSTRIAL LEASE VOLUME SURGES BY 2.5X ON ANNUAL BASIS

Bengaluru recorded industrial leasing of 1.6 msf in H1, a jump of over 2.5x over the same period last year. Industrial leasing was recorded by energy and aerospace firms at north submarket (Doddaballapur, Devanahalli), which had a share of 35%. South Bengaluru (Anekal, Bommasandra) contributed 28% of lease volumes. Headline industrial rentals increased by 3-4% on an annual basis in H1.

INDUSTRIAL RENT / Y-O-Y GROWTH



WAREHOUSING RENT / Y-O-Y GROWTH

KEY WAREHOUSING SUBMARKETS – RENTALS AND LAND RATES – JUNE 2025

SUBMARKET	WAREHOUSE RENT		LAND RATES			
	INR/SF/MONTH	Y-O-Y CHANGE	INR MN/ACRE	US$ MN/ACRE	EURO MN/ACRE	Y-O-Y CHANGE
Hosur Road (Jigani, Attibele)	24-27	3-4%	70-120	0.82-1.41	0.73-1.24	9-10%
Nelamangala	22-25	4-5%	35-50	0.41-0.59	0.36-0.52	9-10%
Bidadii	25-30	3-4%	55-65	0.64-0.76	0.57-0.67	7-8%
Hoskote, Malur	23-26	4-5%	35-40	0.41-0.47	0.36-0.41	9-10%
Devanahalli/KIADB Hitech Zone	30-35	4-5%	60-100	0.70-1.17	0.62-1.04	8-9%

KEY INDUSTRIAL SUBMARKETS – RENTALS AND LAND RATES – JUNE 2025

SUBMARKET	INDUSTRIAL RENT		LAND RATES			
	INR/SF/MONTH	Y-O-Y CHANGE	INR MN/ACRE	US$ MN/ACRE	EURO MN/ACRE	Y-O-Y CHANGE
Bommasandra	30-33	3-4%	175-195	2.05-2.28	1.82-2.02	8-10%
Peenya	42-45	3-4%	220-260	2.58-3.04	2.28-2.70	6-8%
Kumbalgodu	23-25	2-3%	110-130	1.29-1.52	1.14-1.35	6-8%
Narsapura	23-27	3-4%	25-30	0.29-0.35	0.26-0.31	8-10%
Doddaballapur	21-25	3-4%	25-35	0.29-0.41	0.26-0.36	8-10%

Note: Quoted industrial and warehousing rents are historically corrected to reflect accurate market conditions.
Quoted land rates for serviced industrial land parcels are mentioned
 # Represents government owned serviced plots in industrial parks
Percentage growth are in local currency; Y-O-Y – Year on Year
Conversion Rate: US$1= 85.4 INR and Euro 1 = INR 96.4

SIGNIFICANT INDUSTRIAL / WAREHOUSE TRANSACTIONS H1 2025

LESSEE	LESSOR	TYPE	SUBMARKET	AREA (SF)
Emmvee Energy	Mapletree Logistics Park	Industrial	Sulibele	405,674
Ashirwad Pipes	ATB Warehouse Park	Industrial	Anekal	230,000
Amazon	Sumadhura	Warehouse	Hoskote	200,000
Tata Power	Individual	Warehouse	Begur	100,000
Megamart Vebtures	Individual	Warehouse	Jigani	100,000

SIGNIFICANT LAND TRANSACTIONS H1 2025

BUYER	SELLER	TYPE	SUBMARKET / LOCATION	AREA (ACRE)
LAM Research	Embassy Developments	Industrial	Whitefield	25

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