

MARKET FUNDAMENTALS

	YOY Chg	Outlook*
21.1% Vacancy Rate	▼	▼
5.2 YTD 2025 Net Absorption (MSF)	▲	—
INR 86.3 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook*
7.4% GDP Growth (Q4 FY 24-25)	▼	▼
2.8% CPI Inflation	▼	▲
58.7 Services PMI (3 months average)	▼	—

Source: MOSPI, RBI, HSBC

FRESH SPACE TAKE-UP DOMINATES QUARTERLY LEASING VOLUME

NCR witnessed gross leasing volume (GLV) of 4.6 MSF in Q2 2025, rising by 68% QOQ and 31% YOY. Occupiers’ flight to quality in new assets has led to a high volume of churn deals in existing CBD assets. IT–BPM sector led quarterly demand with 30% share, followed by professional services firms (21%) and engineering & manufacturing companies (13%). Gurugram witnessed 70% of the leasing Q2-25, followed by Noida and Delhi with 25% and 5% share, respectively.

A majority 65% of deals recorded in Q2 comprised of fresh space take-up, while term renewals had a 19% share. Precommitments, with a 16% share in Q2 GLV, continued to remain at similar levels seen in the previous year.

Net absorption for the quarter stood at 1.4 MSF, registering a decrease of 6% YOY. Gurugram Others and Noida PBD submarkets led fresh space take-up in Q2-25, with 36% and 32% share, respectively. GLV for 1H-2025 stood at 7.4 MSF, an increase of 14% as compared to similar period in the previous year.

ROBUST NET ABSORPTION BRINGS DOWN VACANCY ON YOY TERMS

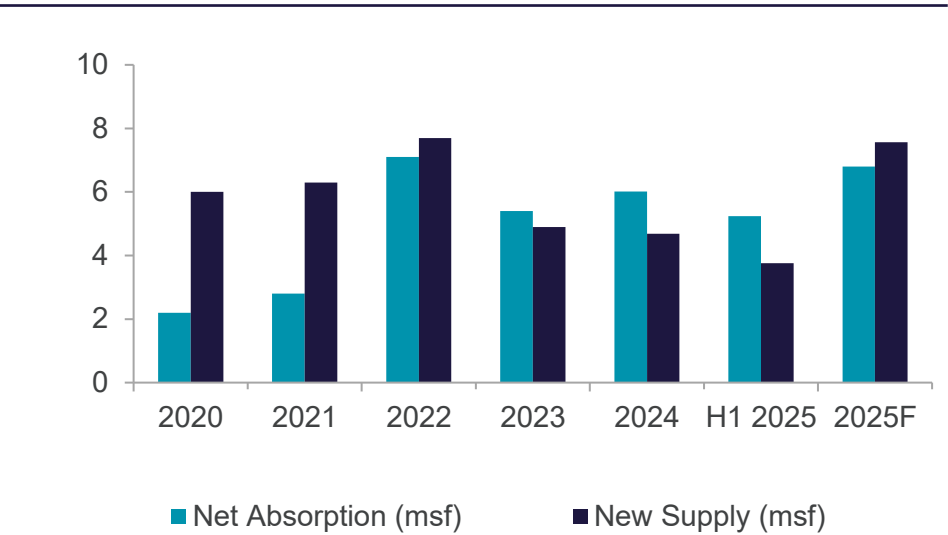
Delhi NCR witnessed close to 2.7 msf of supply addition during the quarter. Vacancy rate fell by 37 bps as compared to last quarter and a substantial 3.0 percentage points on YOY basis. With a fully pre-committed 2 MSF building in Gurugram CBD receiving occupancy certificate in Q1-25, net absorption in 1H-25 stood at 5.2 MSF, an increase of 81% as compared to previous year.

Vacancy in the Noida Expressway sub-market fell by 151 bps during the quarter and a staggering 5.7 percentage points on YOY basis. This is due to a continuously evolving social infrastructure, the upcoming inauguration of the Noida International Airport (Jewar) and availability of quality office spaces at rents which are 25-40% below prime Delhi NCR submarkets.

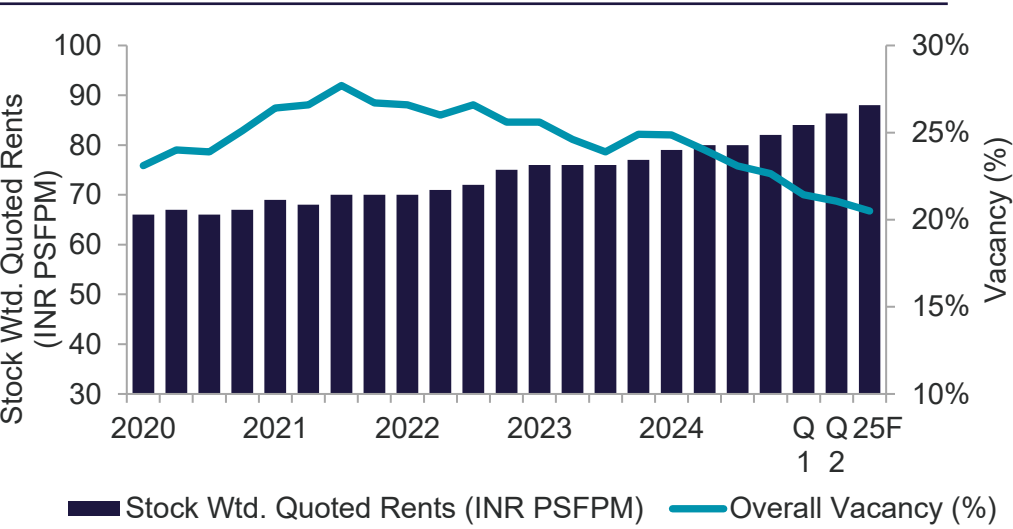
OVERALL RENTS WITNESS A RISE ON ANNUAL BASIS

Owing to tight vacancy in many submarkets, Delhi NCR witnessed increased rentals in prime properties. During Q2 2025, Delhi NCR saw overall rentals increase by 2–4% QOQ. Overall rentals have increased 5-7% on YOY basis, whereas Gurugram CBD witnessed a higher rental growth of 10-12% in the similar period.

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	18.3%	34,000	54,000	95,000	0	0	₹ 284.45
South-East Delhi	7,092,653	13.0%	0	0	85,000	0	0	₹ 115.60
Delhi International Airport (DIAL)	1,366,825	7.9%	0	0	136,221	0	4,055,000	₹ 226.91
Cyber City	17,712,813	2.4%	0	1,989,650	987,103	2,000,000	0	₹ 136.13
MG Road	3,857,879	7.0%	26,980	89,255	175,108	0	0	₹ 123.77
NH8 – Prime	15,516,763	11.7%	19,286	139,286	720,102	0	3,184,000	₹ 99.78
Golf Course Road	6,821,262	12.1%	67,746	157,746	418,981	0	0	₹ 131.61
Gurugram Others	49,346,603	31.7%	731,968	1,489,755	2,642,568	1,061,479	3,119,163	₹ 64.86
Noida	43,097,685	24.5%	490,421	1,319,706	2,116,992	710,000	8,143,923	₹ 56.68
DELHI NCR TOTALS	14,63,46,030	21.1%	1,370,401	5,239,398	7,377,075	37,71,479	18,502,086	₹86.31

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 = 85.4 INR € 1 = 96.4 INR
Numbers for the second quarter are based on market information collected until 16th June 2025

Outlook*: The outlook represents our forward-looking view of key market indicators over the next 12 months, based on current market trends, economic conditions, policy developments, and available data. Projections are indicative and may be adjusted as market dynamics evolve.

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Atrium Place Tower 4	Gurugram Others	Deloitte	720,000	Pre-lease
Candor TechSpace	Gurugram Others	Teleperformance	65,000	Lease
Capital Business Park Technica Tower 2	Gurugram Others	Pramerica	73,000	Lease
Max Square	Noida PBD	Adobe	51,000	Lease

KEY CONSTRUCTION COMPLETIONS Q2 2025

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
TRIL Intellion Park (TRIL IT City) Tower 3	Gurugram Others	-	524,222	Tata Realty
TRIL Intellion Park (TRIL IT City) Tower 4	Gurugram Others	-	537,257	Tata Realty

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