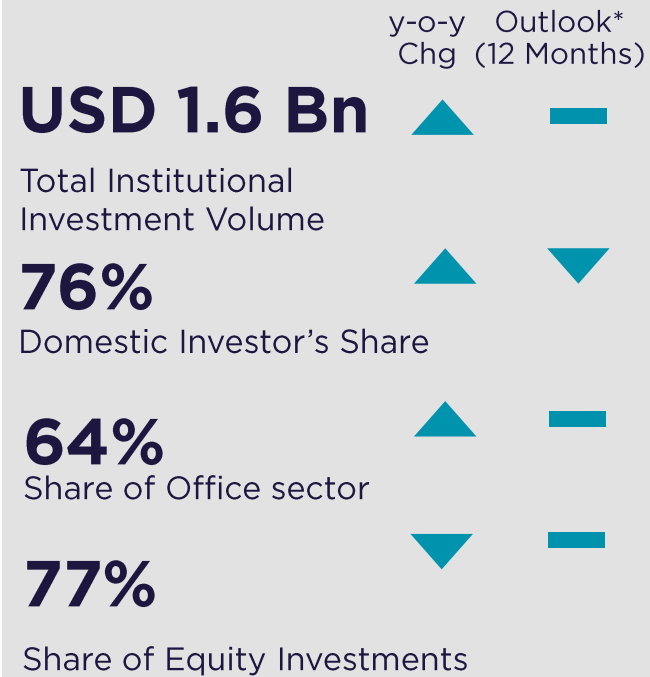
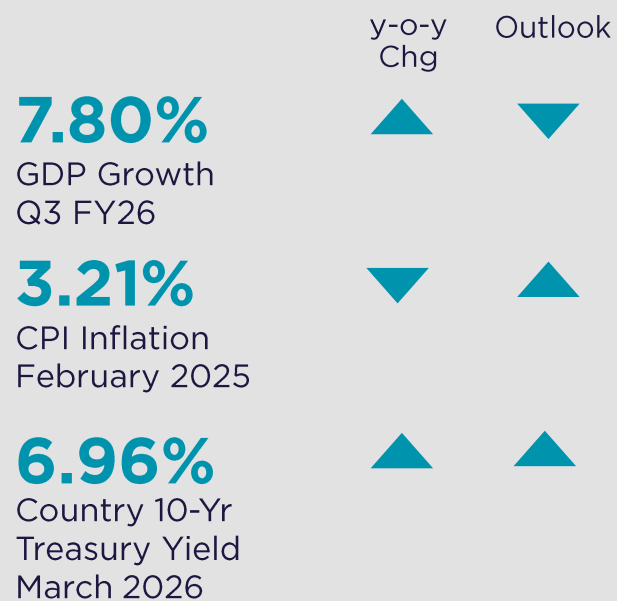


MARKET FUNDAMENTALS



ECONOMIC INDICATORS



Source: MoSPI, RBI.
10-year Treasury Yield as on 31st March 2026

GROWTH MOMENTUM STRONG, ALTHOUGH HEADWINDS EMERGE IN Q1

As of 1Q-2026, the GDP growth story of India continues to remain robust, forecasted to deliver real growth of 7.6% in FY2025-26. However, the recent episodes of volatility in crude oil prices and currency have elevated concerns on sustaining this growth rate in the current fiscal year given the risks it poses w.r.t. higher inflation, weaker investment outlook, and impact on consumer sentiment. The April 2026 RBI policy has moderately lowered the estimated growth rate for FY2026-27 at 6.9%, also highlighting a downside risk if the situation worsens in the Gulf region.

India's CPI Inflation climbed up to 3.21% as of Feb-26 month, driven by higher food inflation and continued pressure from rising commodity prices. The combined housing inflation, which now has a weight of 11.9% in the CPI, came in at 2.12% versus 2.05% in January. After having reduced the repo rate by a significant 125 bps in 2025, the RBI's April policy has kept the repo rate unchanged. From a real estate perspective, borrowing rates remain low owing to a 125-bps drop-in repo rate in 2025, thereby helping lending rates low for homebuyers as well as developers.

DOMESTIC INSTITUTIONS GET AGGRESSIVE AMIDST FII OUTFLOWS

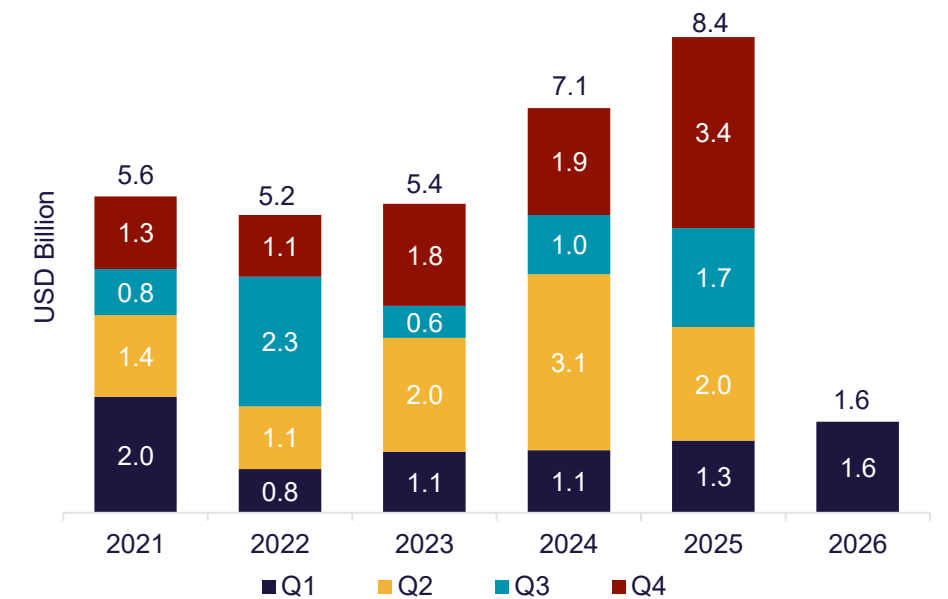
Institutional investment activity in real estate during Q1-26 recorded a total of USD 1.6 Bn, down 52% q-o-q and up 26% y-o-y. This is the best Q1 deployment figure since 2021. In Q1-26, domestic investors' share stood at 76%, while foreign investors contributed the remaining 24%. Domestic investors' share has been higher in four of the last five quarters. The increased domestic institutional share acts as a safeguard against volatile foreign capital flows, reducing risks from global currency fluctuations and geopolitical events.

Core asset acquisitions had 68% share in Q1-26, followed by 24% for under-construction projects and 8% early-stage investments. The office sector was the most attractive in Q1-26, having received 64% share of inflows, followed by the hospitality (13%) and residential (9%) sectors.

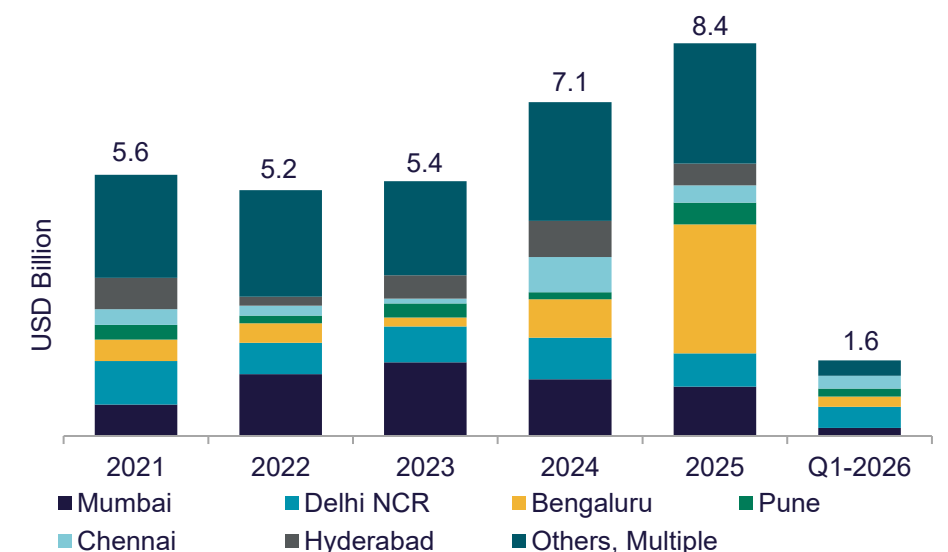
At a city level, Delhi NCR garnered 28% of the quarterly investment in Q1-26, followed by Chennai and Bengaluru at 17% and 14% shares, respectively. In the overall institutional fund deployment during Q1-26, Private Equity (PE) investments had 74% share, followed by real estate investment trusts (REITs) at 26%.

Private Equity (PE) investment in the Real Estate sector during Q1-26 was up by 48% on y-o-y basis, and 19% lower than the previous quarter. PE investments from the USA made a strong start to the year at USD 293 billion, up by 5% y-o-y.

INSTITUTIONAL INVESTMENT VOLUME

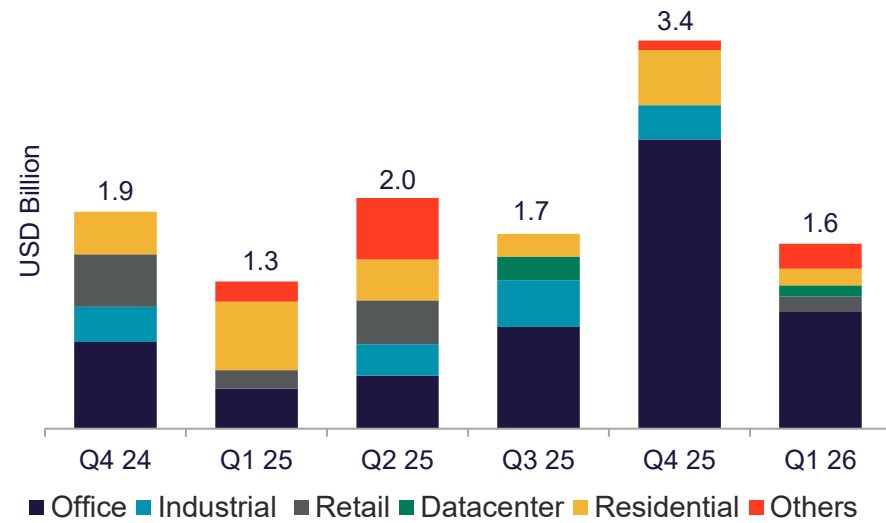


INSTITUTIONAL INVESTMENT SALES VOLUME BY CITY

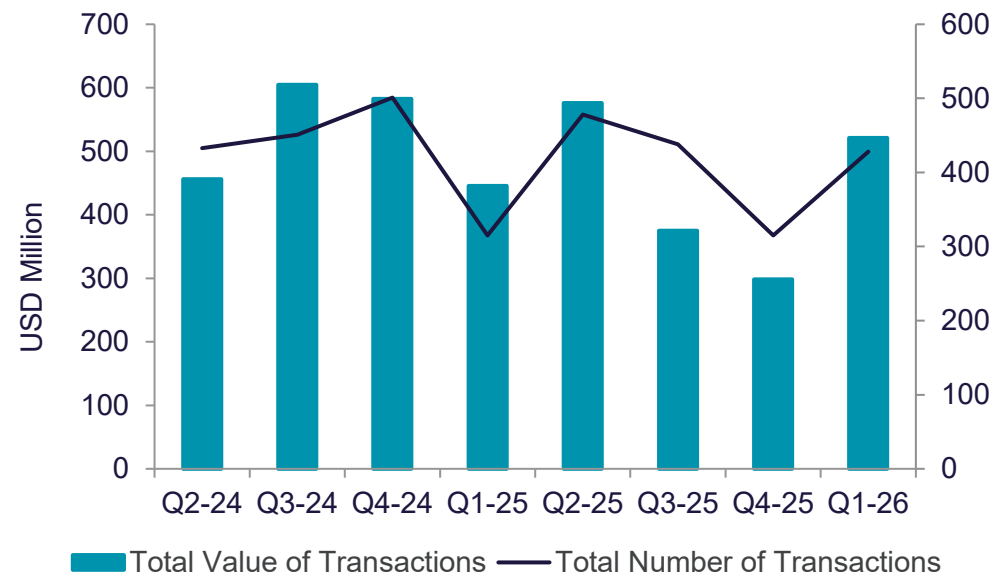


Source: (added 3rd party data source if used)

INVESTMENT VOLUME SHARE BY SECTOR



OFFICE SALE TRANSACTIONS



Source: (added 3rd party data source if used)
1 USD = 90.9 INR

FUND RAISE AIF CAT-II, REITS AND QUALIFIED INSTITUTIONAL PLACEMENT

The first quarter recorded total fundraising of USD 444 million, down 37% y-o-y and 79% q-o-q. Office-focused funds/REIT had a 35% share in Q1-26 fund raise, while the Residential and Retail sectors attracted a 25% and 17% shares, respectively. Some of the REITs and developers have raised fresh debt by issuing non-convertible debentures (NCDs) to refinance and reduce interest expenses.

REITs

According to the Indian REITs Association (IRA), the five listed real estate investment trusts (REITs) in India as on 31st March 2026 distributed a total dividend of INR 24.50 Bn in the third quarter of the financial year 2025-2026 (Q3FY26). As of March-26, Indian REITs managed over 185 MSF of grade A office and retail space across India, with a market capitalization exceeding USD 19 Bn.

Indian REITs continue to perform well, supported by consistent demand for high-quality office and retail assets in key markets. The resilience of India's commercial real estate ecosystem is reflected in healthy leasing activity, rising occupancy, and rental growth. Recent regulatory/government measures, such as permitting banks to lend directly to REITs and establishing specific REITs for Central Public Service Enterprises (CPSEs), are expected to benefit the sector by providing stable, long-term funding and broadening access to high-quality assets.

COMMERCIAL OFFICE PURCHASE BY CORPORATES

Q1 2026 recorded sale transaction volumes of USD 521 Mn in the commercial office sector, up 17% and 75% on a y-o-y and q-o-q basis, respectively. During Q1-26, Mumbai continued to drive transactions with a 48% share in value terms, followed by Chennai (23%) and Pune (18%). Total number of commercial office purchase transactions by corporates in Q1-26 was 11% higher than the average deal count of the last four quarters.

OUTLOOK

The West Asia crisis has led to net outflows from some of the largest global PE funds. The deployment by institutional investors is expected to remain stable in the mid- to long-term as the fundamentals of the Indian economy remain strong. Domestic funds are anticipated to make strategic investments by deploying the record amount of funds raised through 2025 in the next couple of years, while the REITs are expected to add inventory to their portfolios. According to the IRA, we can expect approximately one REIT listing per year, depending on market conditions and commercial viability.

OUTLOOK

- For FY27, the RBI has projected India's real GDP growth at 6.9 per cent, with risks tilted to the downside.
- RBI projects inflation for FY27 at 4.6 per cent, with risks tilted to the upside.
- The cautious investor sentiment in Indian real estate is likely to prevail in the near future.
- The exceptional performance of the Indian office and retail REITs has made investments in these attractive assets.
- The year 2026 is likely to see further asset purchases by REITs, as they enter a multi-year expansion cycle.
- REITs have tailwinds from a favourable change in the regulatory environment, with direct bank lending expected to provide stable, long-term, and more affordable funding.

PROPERTY TYPE	INVESTOR	INVESTEES/ SELLER	CITY	INVESTMENT
Office	Mindspace REIT	Sycamore Properties and Content Properties	Chennai	269.6
Office	Edelweiss Alternatives	CapitaLand	Delhi NCR	225.5
Office	Alpha Alternatives	ASF Group	Delhi NCR	136.0
Hospitality	Warburg Pincus	APG / Lemon Tree	Multiple	106.2
Residential	ASK	Mantra Group	Mumbai and Pune	37.4

OFFICE SALE TRANSACTIONS (USD MILLION)

BUYER	Buyer's Sector	INVESTMENT	Area (Sq. ft.)	CITY
Baashyaam Foundation	Real Estate	122.3	482,112	Chennai
NTT Global	Information Technology	61.5	324,900	Mumbai
Advanced Realty	Real Estate	21.7	28,516	Mumbai

FIRST CLOSE / AMOUNT RAISED (USD MILLION)

Fund / REIT / Company	Sector	Amount Raised	Target Fund Size
CapitaLand India Trust	Mixed	100.0	-
Embassy REIT	Office	154.0	-
Nexus Select Trust	Retail	77.0	-

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.

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About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of \$10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com

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