

MARKET FUNDAMENTALS

	y-o-y Chg	Outlook*
12.4% Vacancy Rate	▼	▼
0.3 Q1-26 Net Absorption (MSF)	▼	▲
INR 54 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	y-o-y Chg	Outlook*
7.80% GDP Growth (Q3 FY25-26)	▲	▼
3.21% CPI Inflation	▼	▲
58.2 Services PMI (3 months average)	▼	—

Source: MOSPI, RBI, HSBC

SLOWER LEASING ACTIVITY IN Q1

Kolkata witnessed gross leasing volumes (GLV) of 0.16 msf in Q1, a 39% decline on an annual basis. Net absorption stood at 0.26 msf in the quarter, a 32% decline as compared to the same period last year. Engineering & manufacturing firms and flexible workspace operators drove leasing in the quarter, occupying the top two positions. Engineering & manufacturing segment accounted for 37% of the GLV while flex operators continued to expand footprint in the city, contributing 30% to the quarter's GLV. The bellweather IT-BPM sector, which usually has the highest contribution to GLV, accounted for 21% of quarterly GLV. The professional services sector followed with a share of 9% in GLV. In continuation of the trend over the past several quarters, fresh demand accounted for 100% of GLV. Salt Lake Sector V and Rajarhat submarkets cumulatively accounted for 90% of GLV in the quarter, maintaining their status as the prime office corridors while CBD contributed the remaining 10%.

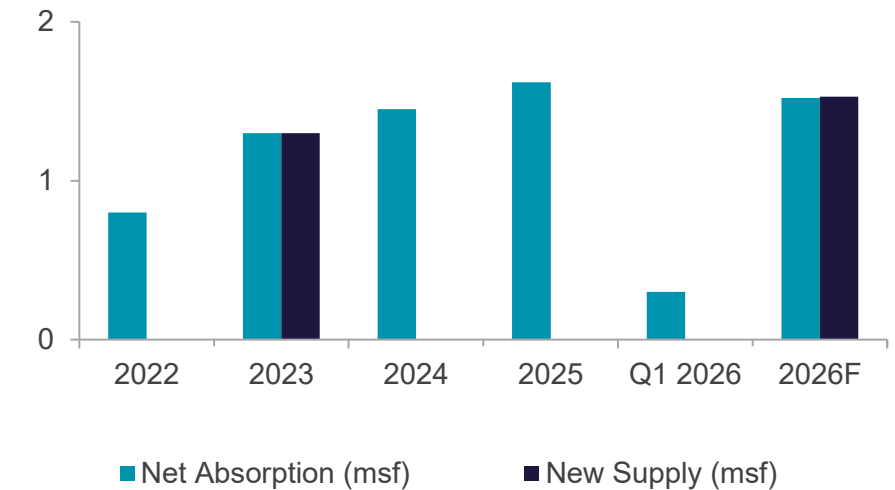
NO SUPPLY IN Q1; DECLINE IN OFFICE VACANCY

Kolkata recorded no new supply in Q1 though the supply pipeline for the remainder of the year remains healthy with around 1.5 msf expected to enter the market. Headline city-wide office vacancy fell by 90 bps on a quarterly basis on the back of reasonable demand and no new project completions.

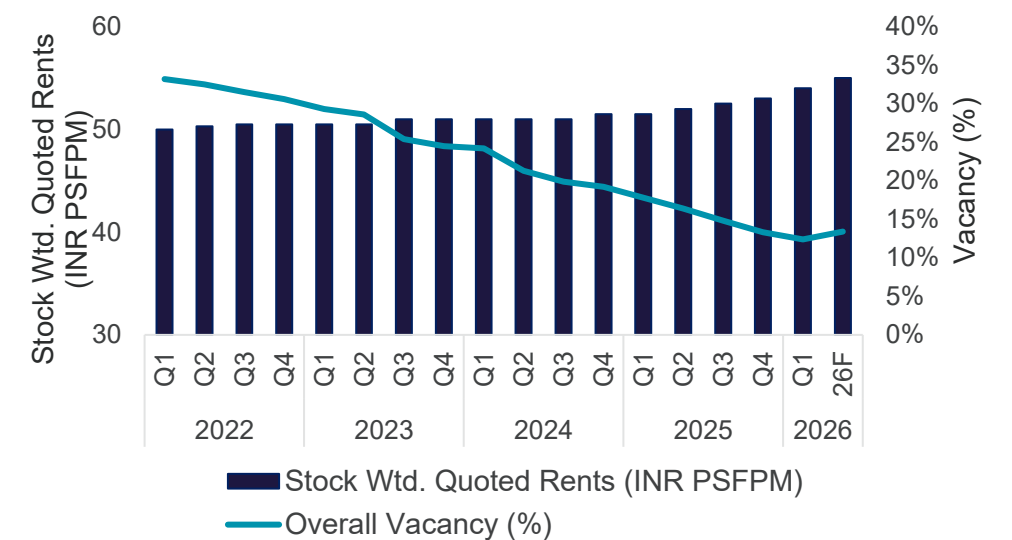
RENTALS CONTINUED TO APPRECIATE IN THE QUARTER

Headline office rentals recorded growth both on a quarterly and annual basis. Both Salt Lake Sector V and Rajarhat continued to record rental appreciation in the quarter. Expected pickup in leasing activity in the upcoming quarters is likely to drive rentals higher over the next few quarters despite more supply entering the market.

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)
CBD	1,872,454	20.3%	16,000	16,000	16,000	0	0	₹ 110.1
Park Circus Connector	710,260	16.1%	0	0	0	0	599,606	₹ 85.0
Rashbehari Connector	1,413,780	22.1%	0	0	0	0	0	₹ 82.0
Rajarhat	10,587,434	8.7%	39,000	39,000	39,619	0	3,158,103	₹ 49.0
Sector V, Salt Lake	13,009,650	13.0%	201,199	201,199	101,207	0	931,360	₹ 54.0
KOLKATA TOTALS	27,593,578	12.4%	256,199	256,199	156,926	0	4,689,109	₹54.0

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 2028 * Stock weighted average asking rental rates for spaces that provide core facility, high-side air conditioning and 100% power back up

Key to submarkets:

CBD– Park Street, Camac Street, AJC Bose Road, Theatre Road

US\$ 1 = 90.9 INR € 1 = 106.9 INR

Numbers for the first quarter are based on market information collected until 20th March 2026

***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 Q1 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Infinity Think Tank	Sector V, Salt Lake	Awfis	24,500	Fresh Lease
Millennium City	Sector V, Salt Lake	Globiva	21,611	Fresh Lease
Infinity Benchmark	Sector V, Salt Lake	Redbricks	21,547	Fresh Lease
RDB Primarc Tech Park	Rajarhat	Linde	17,000	Fresh Lease
Infinity Benchmark	Sector V, Salt Lake	BDO India	13,908	Fresh Lease

KEY CONSTRUCTION COMPLETIONS Q1 2026

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
No completions in Q1 2026				

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