MARKETBEAT

DELHI NCR

OFFICE Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YoY Chg	Outlook*
18.6% Vacancy Rate	▼	▼
2.75 H1-26 Net Absorption (MSF)	▼	▲
INR 93 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	YoY Chg	Outlook*
7.80% GDP Growth (Q4 FY2025-26)	▲	▼
3.93% CPI Inflation	▲	▲
58.2 Services PMI (3 months average)	—	▼

Source: MOSPI, RBI, HSBC

IT-BPM AND FLEX WORKSPACE OPERATORS LED Q2 OFFICE DEMAND

Delhi NCR witnessed gross leasing volume (GLV) of 4.1 MSF in Q2 2026. GLV in Q2-26 increased 46% q-o-q, while it moderated 25% on a y-o-y basis. IT-BPM firms led quarterly demand with 23% share, followed by flexible workspace operators (21%) and professional services firms (19%). Gurugram accounted for 56% of leasing in Q2-26, followed by Noida and Delhi with 25% and 19% shares, respectively. Delhi Aerocity was the most active sub-market during the quarter, accounting for 18% of the GLV, followed by Noida Expressway and Gurgaon CBD with 16% share each.

Space take-up by flexible workspace operators in Q2-26 was 78% above the quarterly average since 2025. The data points to an evolving occupier preference for agile real estate strategies, primarily to better manage headcount fluctuations and compliance with modern ESG and wellness criteria. Meanwhile, IT-BPM leasing remained healthy but relatively measured, as occupiers continued to optimize portfolio strategies and prioritize operational efficiency over large-scale expansion. GCC leasing in NCR remained robust at 1.4 MSF during the quarter, rising 50% q-o-q and 8% y-o-y, reflecting continued expansion by global firms seeking to leverage the region's deep talent pool, mature office ecosystem, and strong business infrastructure.

Delhi NCR's H1-26 GLV stood at 6.9 MSF, a decrease of 16% on a y-o-y basis. The moderation in leasing during H1-26 can be attributed to a dip in quality supply and a cautious approach by companies in response to volatile growth prospects.

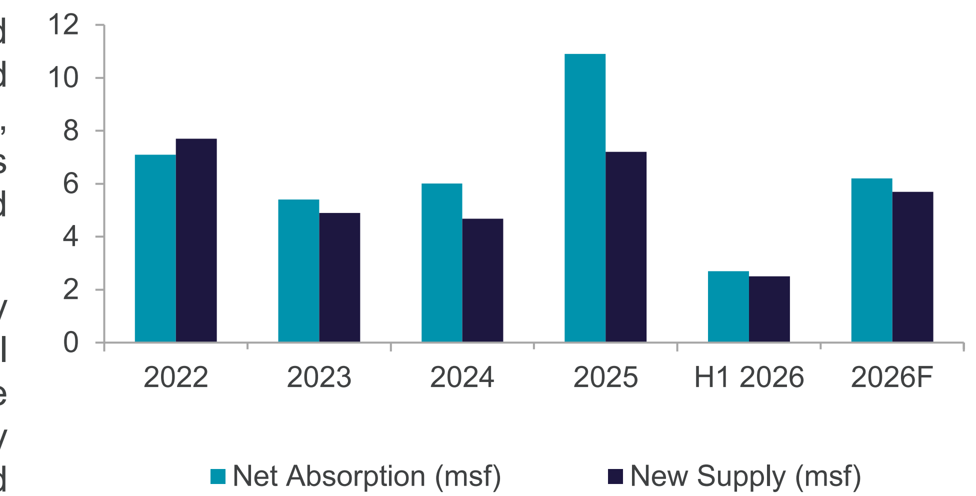
VACANCY DROPS AS FRESH SPACE TAKE-UP OUTPACED SUPPLY ADDITION

During Q2-26, NCR witnessed demand-supply dynamics skewed in favour of new space take-up. Net absorption for the quarter stood at 1.2 MSF, a moderation of 18% q-o-q and 37% y-o-y. Close to 0.7 MSF supply got added during the quarter. Fresh space take-up dominated overall leasing activity with 77% share. Steady leasing momentum has brought down headline vacancy in Delhi NCR by 206 bps y-o-y, to 18.6%.

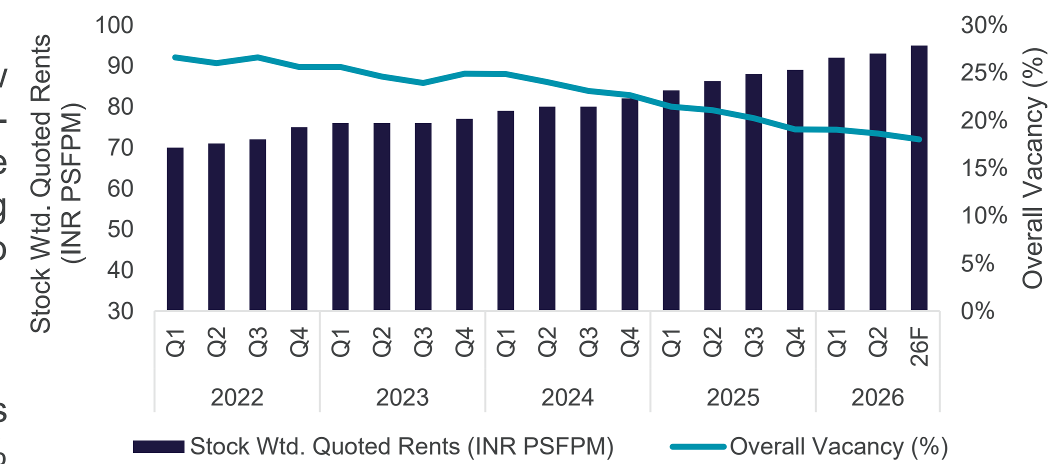
RENTS WITNESS AN INCREASE ON ANNUAL BASIS ACROSS SUBMARKETS

During Q1 2026, Delhi NCR recorded a 2-4% q-o-q increase in overall rentals. Rents have risen by 6-9% y-o-y across the region, with NH-8 Prime outperforming at 12-15% growth over the same 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	18.7%	6,390	-9,948	6,390	0	0	₹ 293.00
South-East Delhi	7,092,653	14.4%	-135,000	-119,405	66,195	0	0	₹ 122.00
Delhi International Airport (DIAL)	4,026,825	36.9%	487,147	654,312	781,888	1,610,000	1,145,000	₹ 244.00
Cyber City	13,985,813	1.4%	0	21,000	621,696	0	0	₹ 145.00
MG Road	3,857,879	5.8%	21,744	40,617	85,354	0	0	₹ 132.00
NH8 – Prime	21,134,763	7.5%	64,827	90,827	748,124	0	6,004,229	₹ 116.00
Golf Course Road	6,821,262	5.6%	200,381	340,290	565,041	0	200,000	₹ 136.00
Gurugram Others	49,826,603	28.2%	374,177	835,714	1,973,442	480,000	6,060,000	₹ 66.00
Noida	43,957,684	20.6%	218,312	892,454	2,034,325	404,999	8,705,750	₹ 60.00
DELHI NCR TOTALS	**152,237,029**	**19.0%**	**1,237,978**	**2,745,861**	**6,882,455**	**2,494,999**	**22,114,979**	**₹ 93.00**

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:
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 = 94.6 INR € 1 = 110.4 INR
Numbers for the second quarter are based on market information collected until 19th June 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 Q2 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Bharti Worldmark Tower 4	Aerocity	The Executive Centre	101,000	Lease
TRIL Intellion Park Tower 4	Golf Course Extension Road	Acuity Analytics	106,000	Lease
The Opus 132 Crown Tower	Noida Expressway	Simpliwork	142,000	Lease

KEY CONSTRUCTION COMPLETIONS Q2 2026

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
AIPL Autograph Tower C	Golf Course Road Extension	-	480,000	AIPL
The Opus 132 Crown Tower	Noida Expressway	Simpliwork	218,927	DAH Group

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