MARKETBEAT
HYDERABAD
INDUSTRIAL H1 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	H2 2025	H1 2026
Inventory (in MSF)	32.0	34.5
Vacancy (%)	6-8%	2-4%
Upcoming Supply in next 12 months (MSF)	2.3	0.8
L&I Leasing (in MSF)	2.0	2.1
Average Rentals Range (INR PSFPM)	20-28	20-32
Land Transacted (in acres)	~ 50	~ 96
Land Values Range (INR mn per acre)	35-180	35-220

Large deals: 100,000 sq. ft. and above; Mid-sized deals: 50,001 – 99,999 sq. ft.; Small deals: Up to 50,000 sq. ft.

WAREHOUSING DEMAND REMAINS BROAD-BASED; NORTHERN CORRIDOR LEADS ACTIVITY

Hyderabad recorded 1.49 msf of warehousing leasing in H1 2026, down 39.9% y-o-y and 12.6% compared with H2 2025. Activity remained broad based despite the moderation, primarily due to constrained availability of quality warehousing space following the strong leasing momentum witnessed in 2025. E-commerce (25.6%), Retail (22.5%), and 3PL (21.6%) were the key demand drivers, together accounting for nearly 70% of H1 activity. The Northern submarket retained its lead with a 51.7% share, anchored by Medchal and Jeedimetla, while the Southeast accounted for 27.2%, largely driven by a sizeable transaction in Kongara Kalan. Unlike the large deal led leasing pattern in 2025, H1 2026 witnessed a more balanced distribution across deal sizes, with mid sized transactions accounting for 38.0% of activity, followed by large (31.6%) and small (30.3%) deals.

INDUSTRIAL LEASING STRENGTHENS; SOUTHERN CORRIDOR RETAINS LEAD

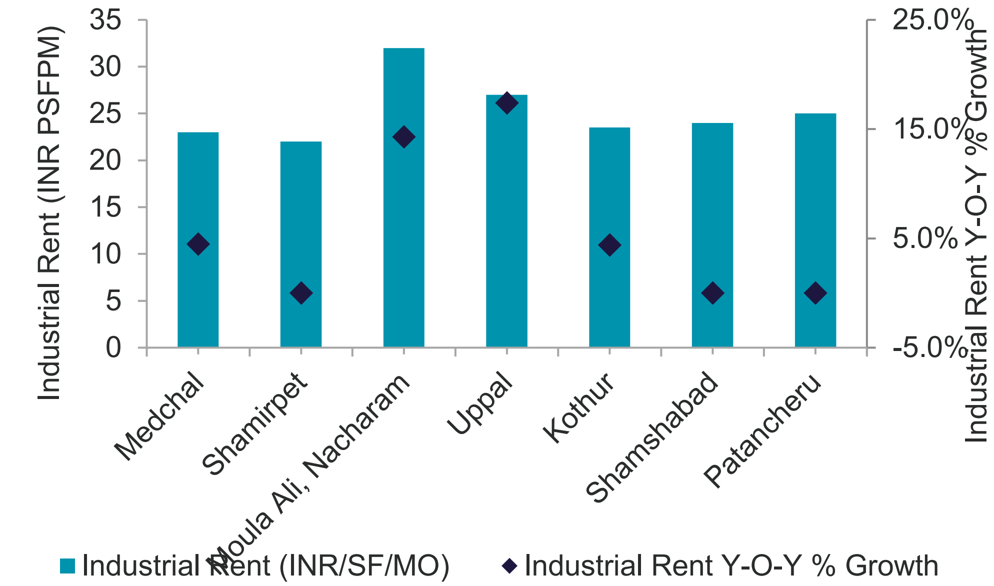
Industrial leasing reached 0.62 msf in H1 2026, over 3x H1 2025 levels and 2.4x H2 2025 volumes, surpassing the full-year 2025 leasing volume of 0.46 msf. Activity was supported by a manufacturing occupier base, with Engineering and Manufacturing accounting for 83.5% of H1 leasing. The Southern corridor retained its lead with a 53.2% share, with Maheshwaram, Fab City, and Shamshabad accounting for the bulk of activity, while the Western corridor contributed 19.4%, led by Patancheru. Unlike the large deal led leasing pattern in H2 2025, H1 2026 was driven by mid sized transactions, which accounted for 51.0% of leasing activity.

RENTAL GROWTH STRENGTHENS ACROSS SELECT MICRO-MARKETS

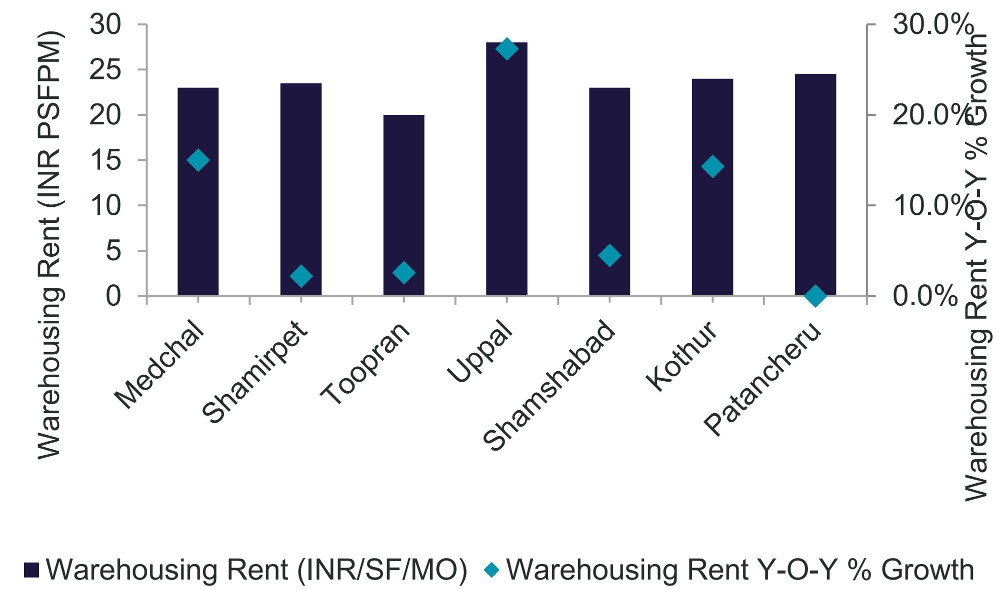
Warehouse rentals increased by an average of 5.5% y-o-y in H1 2026, led by rental growth in Uppal, followed by healthy increases in Medchal and Kothur. Industrial rentals rose by an average of 8.7% y-o-y in H1 2026, led by rental growth in Uppal and Moula Ali-Nacharam, followed by Shamshabad, while rental growth remained moderate across other established industrial submarkets.

Land values increased by an average of 8.3% y-o-y across key warehousing submarkets and 12.2% y-o-y across key industrial submarkets, supported by improving connectivity, sustained manufacturing and logistics demand, and limited availability of industrial land across established industrial and warehousing locations. The implementation of the Hyderabad Industrial Lands Transformation Policy (HILTP) during H1 2026 is expected to facilitate the relocation of eligible industrial units from core urban areas over the medium term. This could support demand for industrial land and space in peripheral locations.

INDUSTRIAL RENT / Y-O-Y GROWTH



WAREHOUSING RENT / Y-O-Y GROWTH



KEY WAREHOUSING SUBMARKETS – RENTALS AND LAND RATES – JUNE 2026

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
Medchal	23.0	15.0%	30	0.3	0.3	3.4%
Shamirpet	23.5	2.2%	45	0.5	0.4	4.7%
Toopran	20.0	2.6%	30	0.3	0.3	7.1%
Uppal	28.0	27.3%	220	2.3	2.0	15.8%
Shamshabad	23.0	4.5%	85	0.9	0.8	0.0%
Kothur	24.0	14.3%	35	0.4	0.3	9.4%
Patancheru	24.5	2.1%	38	0.4	0.3	8.6%

KEY INDUSTRIAL SUBMARKETS – RENTALS AND LAND RATES – JUNE 2026

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
Medchal	23.0	4.5%	60	0.6	0.5	13.2%
Shamirpet	22.0	4.8%	55	0.6	0.5	10.0%
Moula Ali, Nacharam	32.0	14.3%	100	1.1	0.9	0.0%
Uppal	27.0	17.4%	220	2.3	2.0	31.0%
Kothur	23.5	4.4%	45	0.5	0.4	0.0%
Shamshabad	27.0	12.5%	85	0.9	0.8	0.0%
Patancheru	25.0	4.2%	100	1.1	0.9	0.0%

Note: Quoted industrial and warehousing rental and land rates are historically corrected to reflect 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= 94.6 INR and Euro 1 = INR 110.4

SIGNIFICANT INDUSTRIAL / WAREHOUSE TRANSACTIONS H1 2026

LESSEE	LESSOR	TYPE	SUBMARKET	AREA (SF)
Zomato	NDR Warehousing	Warehouse	Ibrahimpatnam	300,000
Trent Hypermarket	Individual Landlord	Warehouse	Medchal	172,000
Skyroot Aerospace	Doyens Construction	Industrial	Maheshwaram	92,500
Nestle	NDR Warehousing	Warehouse	Ibrahimpatnam	86,000

SIGNIFICANT LAND TRANSACTIONS H1 2026

BUYER	SELLER	TYPE	SUBMARKET	AREA (ACRE)
Topsun Solar Pvt. Ltd.	United Breweries Ltd	Industrial	Uppal	8
Topsun Power Pvt. Ltd.	GMM Pfaudler Ltd	Industrial	Uppal	6.02

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