

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
22.8% Vacancy Rate	▼	▲
4.7 YTD Net Absorption (MSF)	▲	▲
INR 80 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
6.70% GDP Growth (Q1 FY 24-25)	▼	▲
3.65% CPI Inflation	▼	▲
59.6 Services PMI (3 months average)	▲	▲

Source: MOSPI, RBI, HSBC

STEADY GROWTH IN LEASING; PRIME MARKETS LEAD DEMAND

NCR witnessed gross leasing volume (GLV) of 3.7 msf in Q3 2024 - a 6% growth on quarterly basis and 10% growth as compared to similar period last year. Around 48% of leasing in MSF terms were fresh leases, while precommitments accounted for 26% share. IT-BPM sector led the quarterly demand with 29% share, followed by flexible workspaces at 15% share. In terms of net absorption, NCR recorded 1.8 msf during Q3 2024, witnessing 24% growth on q-o-q basis and 50% growth on y-o-y terms.

At a submarket level, Gurugram continued to lead demand within NCR, securing a 77% share in demand mostly in prime submarkets such as GCR extension, Cybercity, and NH 8 Prime. Noida Expressway contributed 14% to the overall GLV in NCR in Q3 2024.

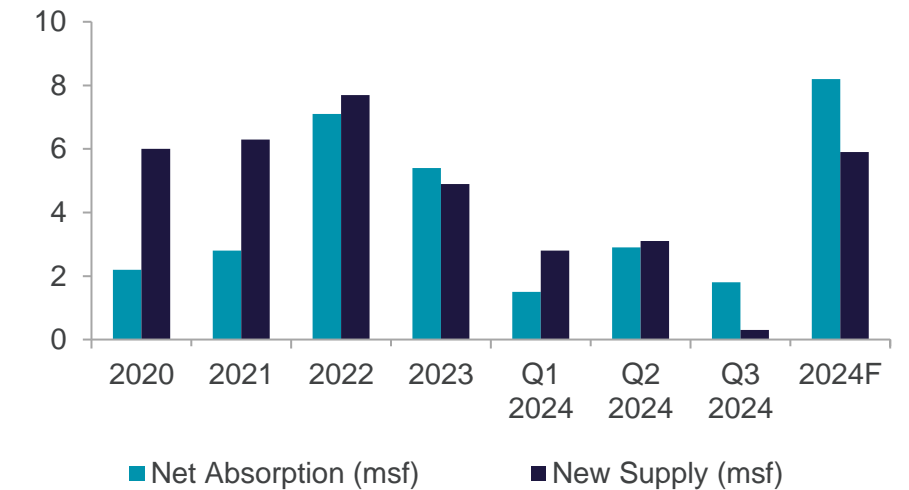
LIMITED NEW SUPPLY RESULTS IN FALL OF VACANCY RATE

Delhi NCR witnessed close to 0.3 msf of supply addition during the quarter. Limited supply, coupled with fresh leasing activity, resulted in vacancy falling 112 bps during Q3 2024. Close to 1.1 msf of supply is expected by the end of 2024, largely concentrated in Gurugram. As commercial operations at Jewar Airport are expected to begin in Q2 2025, rents in the Noida submarket may witness healthy growth in the coming quarters.

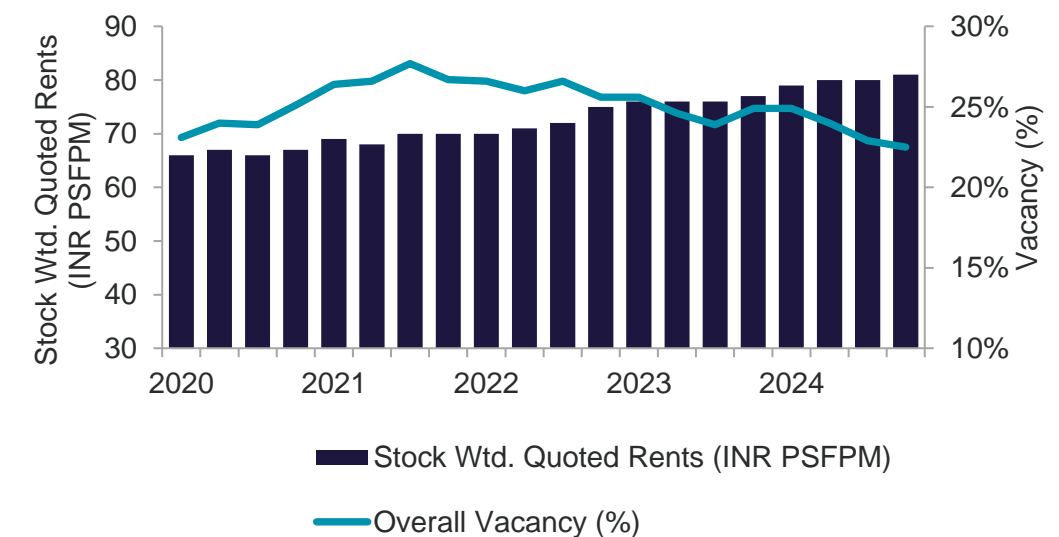
RENTS WITNESS AN INCREASE

During Q3 2024, Delhi NCR saw rents increase by 2-7% q-o-q. Growth in rentals may be attributed to healthy leasing activity during the quarter coupled with limited new supply in key submarkets. The rentals are expected to remain range bound for the rest of the year.

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	21.8%	0	24,000	29,700	50,000	0	₹ 282.00
South-East Delhi	7,092,653	15.7%	10,500	23,300	57,300	0	0	₹ 110.34
Delhi International Airport (DIAL)	1,366,825	12.1%	0	-96,561	719,400	0	3,445,000	₹ 222.34
Cyber City	15,712,813	2.7%	107,083	154,739	1,944,773	0	2,000,000	₹ 117.17
MG Road	3,331,886	10.5%	53,425	95,724	145,704	0	0	₹ 110.54
NH8 – Prime	16,042,756	12.8%	113,108	587,225	993,085	525,993	0	₹ 97.22
Golf Course Road	6,071,262	8.7%	40,384	69,095	637,450	314,000	0	₹ 110.62
Gurugram Others	47,768,218	33.7%	932,841	2,132,990	3,403,654	462,000	6,067,498	₹ 62.74
Noida	42,387,685	26.4%	552,673	1,730,185	2,292,719	2,063,520	5,054,500	₹ 56.12
DELHI NCR TOTALS	14,13,07,645	22.9%	1,810,014	4,720,697	10,223,785	3,415,513	16,566,998	₹80.00

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 2026. *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 = 83.7 INR € 1 = 92.1 INR

Numbers for the third quarter are based on market information collected until 20th September 2024

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
TRIL IT City Tower 1	Gurgaon Others	Dunnhumby	90,000	Lease
Embassy Oxygen	Noida PBD	Clarivate	170,000	Lease
Bharti Aerocity Phase 2	Delhi International Airport	The Executive Centre (TEC)	52,000	Pre-commitment
One Horizon Center	Gurgaon SBD	DP World	55,000	Lease

KEY CONSTRUCTION COMPLETIONS YTD 2024

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
The Headquarters 27	Gurgaon SBD	NVIDIA, Viacom18	525,993	Bharti Realty
Corenthum Iconic Tower	Noida PBD	India Accelerator, Ofis	450,000	Beaver Group

RAGHAV SAND

Manager, Research

Tel: +91 124 4695555

raghav.sand@cushwake.com

SUVISHESH VALSAN

Senior Director, Research

Tel: +91 22 6771555

suvishesh.valsan@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

©2024 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities.

You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.