

**MARKET FUNDAMENTALS**

	YOY Chg	Outlook
<b>22.6%</b> Vacancy Rate	▼	▲
<b>7.1</b> Full-Year Net Absorption (MSF)	▲	▲
<b>INR 82</b> Stock Wtd. Rent (PSFPM)	▲	▲

**ECONOMIC INDICATORS**

	YOY Chg	Outlook
<b>5.40%</b> GDP Growth (Q2 FY 24-25)	▼	▲
<b>5.48%</b> CPI Inflation	▼	▼
<b>58.2</b> Services PMI (3 months average)	▲	▲

Source: MOSPI, RBI, HSBC

**CONSISTENT ANNUAL LEASING; GCR EXTENSION LEADS DEMAND**

NCR witnessed gross leasing volume (GLV) of 3.0 msf in Q4 2024. Around 62% of leasing was in fresh leases, while churn deals (25%), renewals (10%) and pre-commitments (3%) accounted for the remaining share. IT-BPM sector led quarterly demand with 35% share, followed by flexible workspaces with 22% share. In terms of net absorption, NCR recorded 1.8 msf during Q4 2024, a 12% y-o-y growth.

Consequently, the annual 2024 GLV for NCR stood at 13.2 msf, around the same levels witnessed last year. At a submarket level, Gurugram continued to lead demand by securing 83% share in GLV during Q4 and 71% share in 2024 net absorption, driven by leasing in prime submarkets such as GCR extension, Cybercity, and NH-8 Prime.

GCR extension accounted for ~25% of the annual GLV in 2024, registering 2x growth as compared to last year, primarily due to availability of office spaces at rents which are 25-40% below prime submarkets and aa continuously evolving social infrastructure.

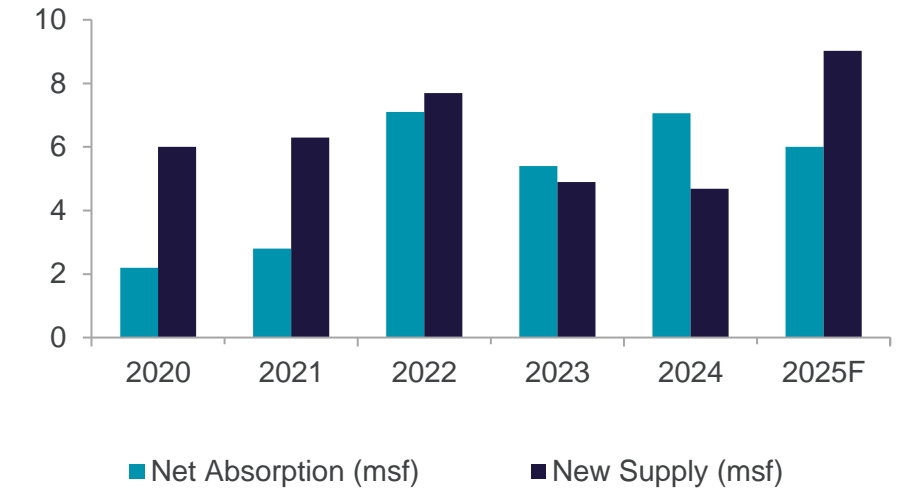
**ROBUST NET ABSORPTION BRINGS DOWN VACANCY**

Delhi NCR witnessed close to 1.27 msf of supply addition during the quarter. New supply addition during the year (4.69 msf) trailed the annual net absorption (7.06 msf), which grew by 30% on y-o-y basis, resulting in reduction of vacancy rate by 183 bps during 2024. Vacancy rate in GCR extension fell by 9.0 percentage points during 2024, even after supply addition of 0.5 msf during the same period. Lack of quality supply availability in CBD markets and limited upcoming Grade A supply is prompting occupiers to make precommitments 2 -3 years in advance.

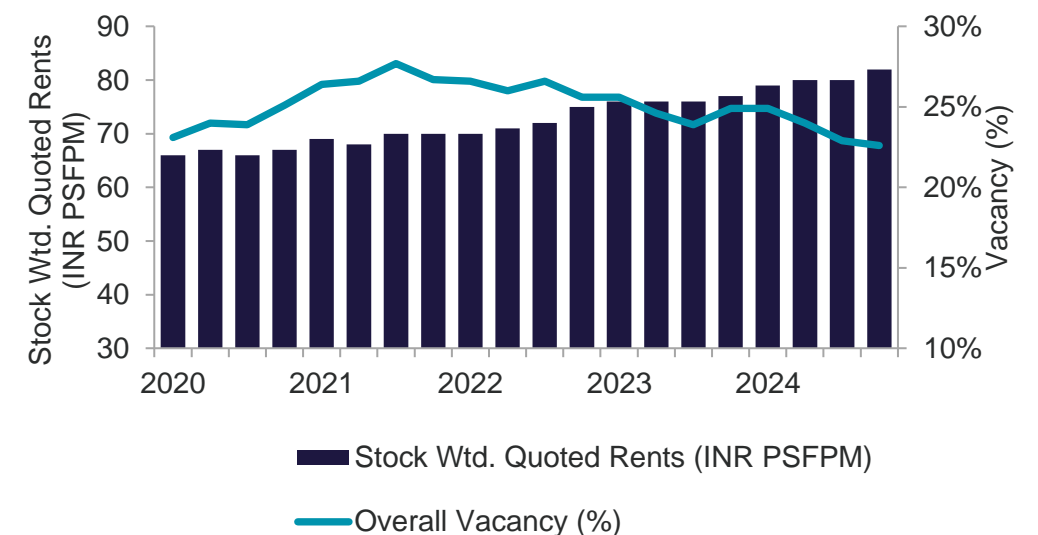
**SUPERIOR QUALITY ASSETS WITNESS RENTAL DURING THE QUARTER**

During Q4 2024, Delhi NCR saw rents increase by 2-7% q-o-q. Gurgaon CBD and Noida PBD submarkets witnessed rentals go up by 12-15% on y-o-y basis. Tight vacancy in CBD markets will lead to increased rentals in prime properties.

**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	₹ 282.49
South-East Delhi	7,092,653	15.7%	11,000	34,300	68,300	0	0	₹ 112.13
Delhi International Airport (DIAL)	1,366,825	7.9%	56,500	-40,061	810,900	0	4,055,000	₹ 224.57
Cyber City	15,712,813	2.3%	214,000	368,739	2,474,566	0	2,000,000	₹ 121.13
MG Road	3,857,879	9.32%	122,000	678,428	578,512	525,993	0	₹ 121.55
NH8 – Prime	15,516,763	12.59%	100,850	227,371	1,182,011	0	3,184,000	₹ 95.00
Golf Course Road	6,821,262	14.4%	223,204	292,299	1,043,492	1,064,000	0	₹ 127.14
Gurugram Others	48,285,124	33.4%	814,002	3,446,992	4,280,221	978,906	3,896,592	₹ 63.12
Noida	42,387,685	25.6%	293,121	2,023,306	2,697,864	2,063,520	8,853,923	₹ 56.62
<b>DELHI NCR TOTALS</b>	<b>142,574,551</b>	<b>22.6%</b>	<b>1,834,677</b>	<b>7,055,374</b>	<b>13,165,566</b>	<b>4,682,419</b>	<b>21,989,515</b>	<b>₹82.04</b>

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 2027. \* 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 = 84.0 INR € 1 = 90.1 INR

Numbers for the fourth quarter are based on market information collected until 20<sup>th</sup> December 2024

**KEY LEASE TRANSACTIONS Q4 2024**

PROPERTY	SUBMARKET	TENANT	SF	TYPE
International Tech Park Phase II	Gurgaon Others	Incedo	250,000	Lease
Godrej Golf Course Road	Gurgaon SBD	Tablespace	200,000	Lease
Alphathum Tower 2	Noida PBD	Infosys	80,000	Lease
Embassy Galaxy IT Park	Noida PBD	Iqor	65,000	Lease

**KEY CONSTRUCTION COMPLETIONS Q4 2024**

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
Godrej Golf Course Road	Gurgaon SBD	Tablespace	1,000,000	Godrej Properties
Capital Business Park Technica Tower 2	Gurgaon Others	-	516,900	Capital Group

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