

MARKET FUNDAMENTALS

	YOY Chg	Outlook
15.02% Vacancy Rate	▼	—
10.93 Full-Year Net Absorption (MSF)	▲	—
INR 147.7 Stock Wtd. Rent (PSFPM)	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
5.40% GDP Growth (Q2 FY25-25)	▼	▲
5.48% CPI Inflation	▼	▼
58.2 Services PMI (3 months average)	▼	▲

Source: MOSPI, RBI, HSBC

LEASING VOLUMES SET A NEW RECORD IN 2024

In Q4 2024, the city recorded GLV of 4.61 sft, reflecting a 4% QoQ growth, largely attributed to a 19% rise in fresh leasing, with notable contributions from submarkets of Malad-Goregaon, Thane Belapur Road. In terms of net absorption, Q4-24 recorded 4.11 msf, more than 55% rise QoQ and a rise of 83% YoY. BFSI dominated the leasing space with a notable 43% share in Q4-24 followed by the Flexible Workspace and IT-BPM having a share of 17% and 9% respectively. Mumbai's office market net absorption for year 2024 stood at 10.93 msf, a record high volume that grew by 2X compared to last year, largely driven by robust leasing volume. A 70% share of fresh leasing drove net absorption volume higher. In terms of gross leasing volume (GLV) too, Mumbai clocked a record high volume, surpassing the previous peak of 2022 while witnessing a 27% growth from 2023 volume. BFSI sector led the pack with a dominant 30% share in GLV, followed by Prof. Services and Engineering & Mfg. sectors with 16% and 13% shares, respectively. Submarkets that exhibited significant leasing activity include Malad-Goregaon (22% of 2024 GLV), Thane-Belapur Road (20%), and Andheri-Kurla (13%).

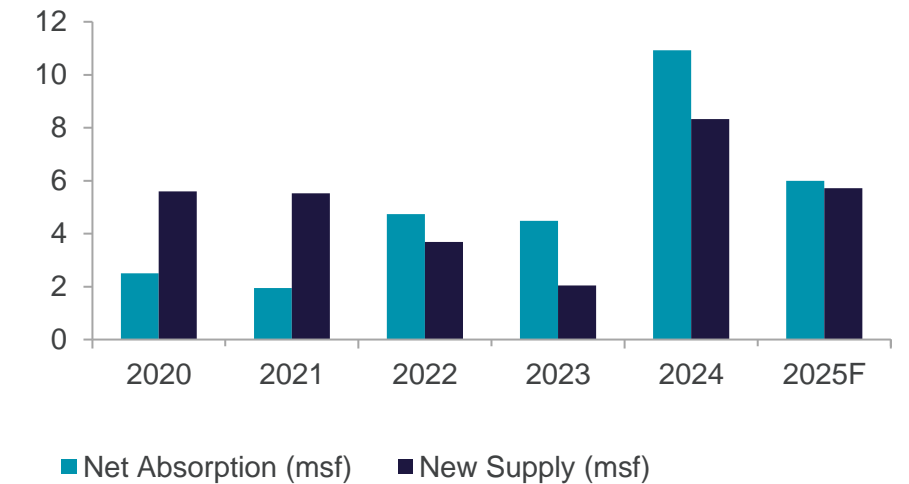
VACANCY FALLS SLIGHTLY DESPITE HEALTHY NEW SUPPLY

Q4 2024 saw project completions of 3.7 msf, surpassing previous peak of Q2 2024 by 40%. Also, new project completions during the quarter were higher than the annual supply seen in past 2 years. Since demand was strong amidst relatively low supply, the vacancy rate in the city's office market fell sharply by ~80 bps to 15% in Q4. Having said that, the supply pipeline looks healthy with an average annual supply of 7.43 msf over the next 3 years. The overall city vacancy is expected to remain in the range of 14-15% over the next four years given the steady growth in fresh demand.

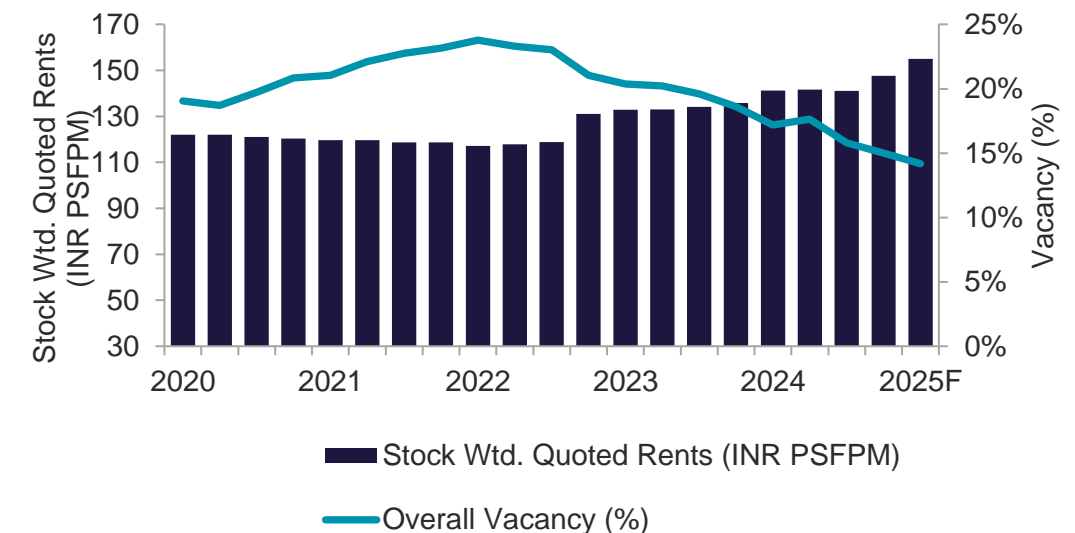
CITY-WIDE RENTS WITNESS A HEALTHY RISE

The city saw a healthy rise in rents, rising by ~2.0-2.1% QoQ in Q4 2024 and ~7-8% y-o-y. Submarkets such as Thane-Belapur Road and Lower Parel witnessed highest quarterly growth of 4-5% in rents. With strong demand and relatively limited supply, rents in the city are expected to rise.

NET ABSORPTION / NEW SUPPLY



OVERALL VACANCY & STOCK WTD. QUOTED RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANCY RATE	CURRENT QUARTER NET ABSORPTION (SF)	2024 NET ABSORPTION (SF)	2024 LEASING ACTIVITY (SF)	2024 CONSTRUCTION COMPLETIONS (SF)	PLANNED & UNDER CONSTRUCTION (SF)^	GRADE A STOCK WEIGHTED AVERAGE RENT (INR/SF/M)
CBD	1,962,814	4.9%	32,595	93,724	160,269	-	-	₹ 254.5
SBD –BKC	10,922,147	5.7%	263,433	810,711	17,73,972	150,000	2,538,670	₹ 303.3
Worli	3,119,504	18.1%	200,228	6,26,670	740,128	500,000	1,000,000	₹ 281.3
Lower Parel	12,169,730	27.9%	441,746	1,075,196	1,615,182	-	3,840,945	₹ 201.1
Andheri-Kurla	16,771,800	17.0%	850,983	1,432,745	2,305,892	2,410,000	3,443,046	₹ 138.1
Powai	7,656,286	13.6%	286,521	500,259	1,537,096	800,000	1,650,000	₹ 153.8
Malad/Goregaon	18,779,347	15.3%	886,111	3,244,917	3,850,639	4,000,000	-	₹ 144.3
Vashi	1,645,068	8.7%	24,223	43,693	155,385	-	-	₹ 92.8
Thane-Belapur Rd.	23,253,681	15.7%	766,726	2,143,438	3,641,943	-	3,947,500	₹ 69.1
Thane	10,498,323	8.9%	8,055	162,427	551,223	-	2,695,400	₹ 77.4
Central Suburbs	12,520,532	13.5%	344,721	796,982	1,511,287	464,000	3,200,000	₹ 136.3
TOTAL	119,299,232	15.0%	4,105,342	10,930,762	17,843,016	8,324,000	22,315,561	₹147.7

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. 2024 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:

CBD – Ballard Estate, Colaba, Churchgate, Fort & Nariman Point; SBD – Bandra-Kurla Complex, Bandra East, Kalina; Lower Parel- Lower Parel, Parel, and Dadar; Andheri-Kurla- Andheri (E), Chandivali, Marol; Malad Goregaon- Malad, Goregaon, Jogeshwari, and Borivali; Central Suburbs- Bhandup, Kanjurmarg, Vikhroli, Kurla, and Wadala; Thane- Belapur Rd- Airoli, Ghansoli, Mahape, Juinagar, Seawoods, and Dombivili; Thane- Thane, Kapurbawdi, Ghodbunder Road, and Wagle Estate

US\$ 1 = 84.4 INR € 1 = 90.1 INR

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

KEY LEASE TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Oberoi Commerz 3 Phase II	Malad – Goregaon	Morgan Stanley	534,841	Fresh
Mindspace Airoli East Building 5	Thane-Belapur	HDFC Bank Limited	516,094	Fresh
Cignus	Powai	BA Continuum	158,460	Fresh
Lighbridge	Andheri-Kurla	Wework	126,739	Fresh
Godrej 2	Central Suburbs	Blue Star	67,804	Fresh

KEY CONSTRUCTION COMPLETIONS 2024

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
Oberoi Commerz 3	Malad-Goregaon	Morgan Stanley	4,000,000	Oberoi Constructions
Runwal R Square	Andheri-Kurla	Tablespace	1,100,000	Runwal Group

AJAY BARVE

Senior Manager

Tel: +91 22 6771555

ajay.barve@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

©2025 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.