

# RE Insights

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Real Estate Intelligence



## Hyderabad Office Update Q3 – 2024

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## Hyderabad witnessed record office leasing during Jan–Sept 2024, despite a slow Q3 performance

### Quarterly Trend

- **Impressive Growth in H1 2024:** This year began with solid leasing growth, showing 5.1 million sqft in Q1 and slightly tapering to 4.9 million sqft in Q2.
- **Modest Q3 figure:** Q3 marked a slight decrease with 2.1 million sqft leased. This pause appears strategic, as companies reassess their space needs and optimize for efficiency.
- **Overall Robust Leasing in the year:** Despite the slight Q3 dip, Hyderabad has seen an impressive total leasing of 12 million sqft so far in 2024. This volume underscores city's position as a major office hub in the country.

Quarterly Trend in LEASING (Q324)



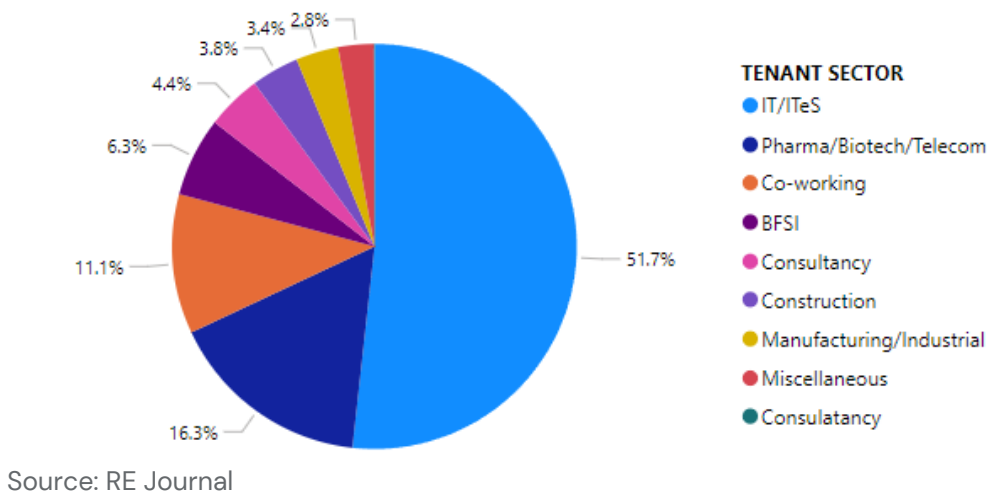
Source: RE Journal

**Note:** Total Office Leasing in a quarter includes all types of leasing transactions, such as new leases + pre-leases + churns + renewals. This does not include cancellations or exits of the quarter.

### Demand Drivers

- **IT/ITeS Sector Leads with 51.7%:** The IT/ITeS sector leads the leasing market, occupying 51.7% of the total leased area in Q3, highlighting its continued dominance in the city.
- **Emerging Biotech Segment (16.3%):** With the second-largest proportion of 16.3%, the Pharma & Biotech sector demonstrates its importance in the leasing which emphasizes Hyderabad's strength in this specialized field.
- **Co-working continues to grow:** The quarter was fairly diverse, with segments such as co-working (11.1%), BFSI (6.3%), and consulting (4.4%) accounting for a sizeable portion of the leasing space, aside from IT and pharmaceuticals.

Share of AREA LEASED by TENANT SECTOR (3Q24)



**Note:** For this report purpose, total leasing includes transactions of Grade A office properties only.

## Key Office Leasing Transactions in Q3 24

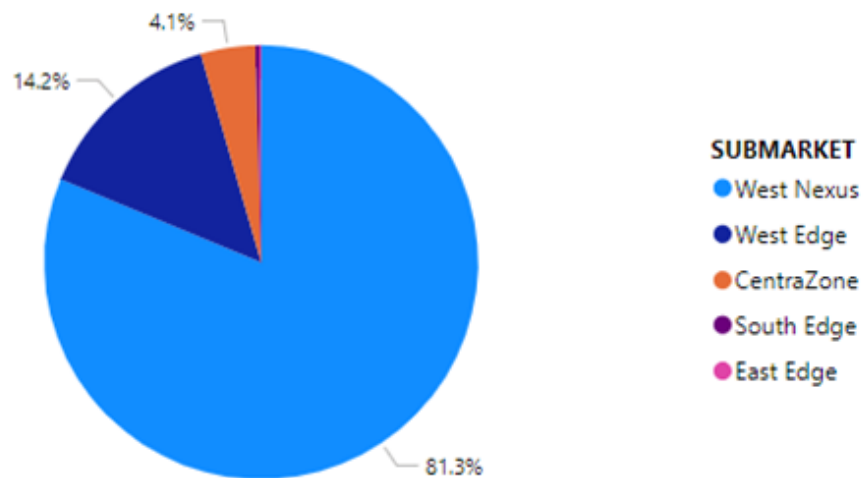
CITY	PROPERTY NAME	ADDRESS	SUBMARKET	LEASE START QTR	LEASE START YEAR	AREA TRANSCATED (sq ft)	TENANT SECTOR
Hyderabad	Phoenix Lithop Towers	Banjara Hills	Centra Zone	3Q	2024	40324	Co-working
Hyderabad	Salarpuria Knowledge Capitol 2	Nanakramguda	West Edge	3Q	2024	75885	IT/ITeS
Hyderabad	Prestige Sky Tech Towers	Nanakramguda	West Edge	3Q	2024	60260	Pharma/Biotech/Telecom
Hyderabad	Divyasree Orion SEZ Block 6	Raidurg	West Nexus	3Q	2024	36380	IT/ITeS
Hyderabad	Salarpuria knowledge City Argus (Parcel 2)	Hitec City	West Nexus	3Q	2024	183241	IT/ITeS
Hyderabad	KRC Mindspace Building 14	Hitec City	West Nexus	3Q	2024	131342	IT/ITeS

Source: RE Journal

## Submarket Dynamics

- **The West Nexus Holds a Dominant 81.3%:** West Nexus submarket continues to lead, securing 81.3% of total leased area this quarter. Known for its well-established infrastructure, connectivity, and business amenities, West Nexus remains the preferred location for companies looking to make a lasting presence in Hyderabad.
- **West Edge Leases 14.2%:** West Edge, as an alternative to West Nexus, claims 14.2% of the total leasing in Q3. The submarket offers equally attractive buildings but slightly lower rents, making the submarket ideal for companies seeking affordable yet strategic locations.
- **Rising Interest in South and East Edge:** South and East Edge are gaining attention due to ongoing infrastructure improvements. Enhanced connectivity in these regions is expected to attract businesses seeking expansion opportunities, making them potential hotspots for future growth.

Share of AREA LEASED by SUBMARKET (3Q24)



Source: RE Journal

### Hyderabad Office Submarket Definition

**Prime Axis:** Begumpet, SP Road, Punjagutta, Raj Bhavan Road, Somajiguda

**CentraZone:** Banjara Hills, Jubilee Hills, Ameerpet, Shaikpet

**West Nexus:** Hitec City, Raidurg, Madhapur, Kondapur, Kukatpally

**West Edge:** Gachibowli, Nanakramguda, Kokapet, Puppalguda, Manikonda

**East Edge:** Uppal, Pocharam, Nacharam

**South Edge:** Shamshabad, Adibatla





# About Us

RE Journal is a leading provider of real estate research and data analytics, delivering accurate and up-to-date information to empower decision-making across the industry. We specialize in offering comprehensive insights into commercial leasing and sales transactions, as well as in-depth project analysis, focusing on India's major metropolitan areas (Tier I and Tier II cities). Our platform equips stakeholders with the knowledge needed to navigate the dynamic real estate landscape.

Our data and analytics cover a wide spectrum of real estate sectors, including commercial office spaces, retail malls, warehousing facilities, residential properties, and mortgage markets. By providing real-time data and forecasting capabilities, RE Journal enables clients to make informed decisions, identify emerging trends, and gain a competitive edge in the Indian real estate market.



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