

RE Insights

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INDIA Office Update Q1 – 2025

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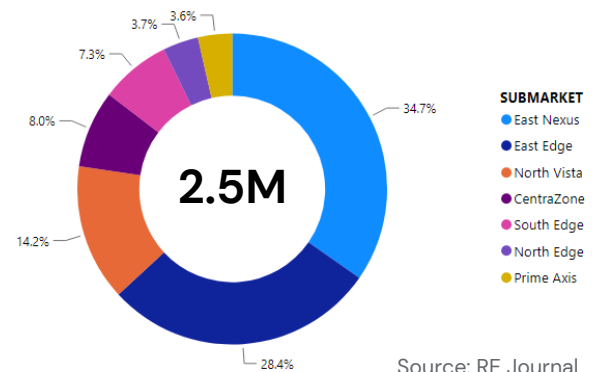
BENGALURU

TECH AND FLEX PLAYERS LED THE DEMAND FOR OFFICE IN THE CITY DURING Q1

Submarket Dynamics

- East Nexus emerged as the top-performing submarket this quarter, contributing 34.7% of the total leasing activity.
- East Edge and North Vista followed closely, accounting for 28.4% and 14.2% of the leasing, respectively, with major traction seen in areas such as Whitefield, Vartur Road and Hebbal.
- The city witnessed addition of 1.9 million sq. ft of new supply during the quarter, with East Edge alone contributing 74.2%.

Submarket Share in Leasing



- There was moderate pre-leasing seen in the newly completed buildings in the quarter.

Key Leasing Transactions

PROPERTY NAME	SUBMARKET	AREA LEASED (sq ft)	TENANT SECTOR
BCIT Block 3 - Wing A	North Edge	91356	IT/ITeS
Brigade Nalapad Centre	East Edge	58190	Consultancy
E City Software Park Block 2	South Edge	31701	IT/ITeS
Embassy Golf Links Phase 3	CentraZone	145872	Co-working
Prestige Tech Park IV - Block 2(Cosmos)	East Nexus	105289	IT/ITeS

Source: RE Journal

Demand Drivers

- IT/ITeS remains the dominant tenant sector, driven by the presence of tech occupiers, followed by significant leasing activity seen in the Manufacturing and Co-working segments in the quarter.
- Modernizations of old buildings in certain areas contributed to improve occupancy.
- Term renewals constitute 65.1% of the leasable space, while new leases constitute 27.5%, reflecting consistent leasing activity.
- Good quality office spaces coupled with growing demand from GCCs and flex occupiers continues to drive leasing in Bengaluru.

Bengaluru Submarket Definitions: Prime Axis: M.G. Road, St Marks Road, Residency Road, Madras Bank Road, Church Street, Vittal Mallya Road, Richmond Road, Cunningham Road, Infantry Road, Victoria Road | CentraZone: C.V. Raman Nagar, Inner Ring Road, Koramangala, Old Airport Road, Banashankari, Indiranagar, Rajaji nagar | North Vista: Hebbal, Hebbal Outer Ring Road, Airport Road, Hennur Road, Jakkur | North Edge: Bellary Road, Yeshwanthpur, Devanahalli, Yelahanka, Thanisandra Road | East Nexus: Outer Ring Road (Eastern Stretch), Sarjapur Road, KR Puram, Bellandur | East Edge: Whitefield, Brookfield, Old Madras Road, Vartur Road | South Edge: Electronic City, Hosur Road, Mysore Road, Bannerghatta Road

Note: Note: For this report, total office leasing activity (including new leases, pre-leases, churns, and renewals) reflects transactions in Grade A office properties only.

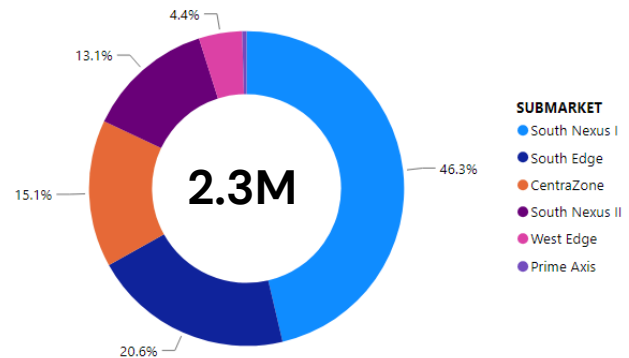
CHENNAI

CHENNAI WITNESSED NOTABLE 2.3 MN SQ. FT. OF LEASING, DRIVEN BY SOUTHERN OFFICE SUBMARKETS

Submarket Dynamics

- South Nexus I with areas such as OMR Perungudi, OMR Taramani, and Velachery led leasing activity during the quarter with a dominant 46.3% share, driven by positive business sentiments.
- South Edge (20.6%) and CentraZone (15.1%) followed closely, reflecting their prominence as other key commercial hubs.
- Few major churn transactions were seen in South Nexus II amid negligible new supply of spaces in Q1, 2025.
- However, healthy supply is expected in the coming quarters, aligning with the expectations of improved leasing.

Submarket Share in Leasing



Source: RE Journal

- Competitive rentals and better quality supply are likely to impact vacancy rate downward in the coming quarters.

Key Leasing Transactions

PROPERTY NAME	SUBMARKET	AREA LEASED (sq ft)	TENANT SECTOR
Ambit IT Park	South Edge	67792	IT/ITeS
DLF Downtown Phase 2	South Nexus I	40182	Co-working
DLF IT Park, Chennai Block 1B	CentraZone	49879	IT/ITeS
Pacifica Tech Park Block 1	South Nexus II	70038	Manufacturing/Industrial
SP InfoCity OMR Block C	South Nexus I	52711	IT/ITeS

Source: RE Journal

Demand Drivers

- Technology segment continued to drive with a significant 40.5% to total leasing in Q1.
- Pharma/Biotech/Telecom followed with a strong 29.4%, while Consultancy (10.4%) and BFSI (9.0%) also played notable roles in leasing.
- Term renewals made up the majority share at 76.7%, indicating robust tenant stickiness. New leases accounted for 12.7%, indicating steady expansions by existing tenants and new entrants.
- Churn remained moderate at 10.5%, suggesting some tenant movements but the overall occupancy level remained stable.

Chennai Submarket Definitions: **Prime Axis:** Mount Road, MRC Nagar, T Nagar, Egmore, Greams Road, Mc Nichols Road, Harris Road, RA Puram, Harrington Road, Off Mount Road, Anna Salai | **CentraZone:** Mount Poonamallee Road, Guindy, Inner Ring Road, Vadapalani, Anna Nagar, Taylors Road, LB Road, Porur, Saligramam, Thiruvannmiyur, SP Road | **South Nexus I:** OMR Perungudi, OMR Kandanchavadi, OMR Taramani, OMR Kottivakkam, OMR Perungudi, Velachery | **South Nexus II:** Pallavaram-Thoraipakkam Road, Sholinganallur, OMR Karapakkam, OMR Navalur, OMR Thoraipakkam, Kovilambakkam, OMR Pallikaranai | **South Edge:** Ambattur Industrial Estate, Sriperumbudur, Padi, Avadi | **West Edge:** GST Road

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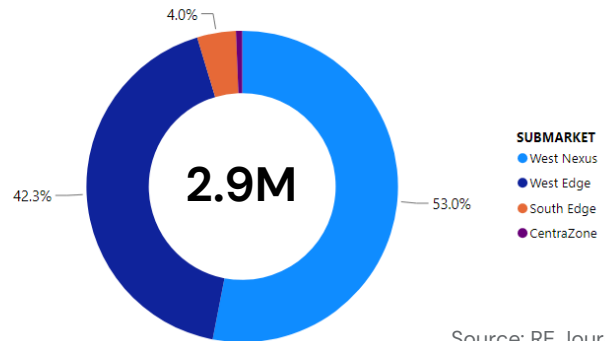
HYDERABAD

STRONG FRESH LEASING DROVE OVERALL LEASING ACTIVITY IN Q1

Submarket Dynamics

- The leasing landscape in Hyderabad during the Q1 was dominated by the western office corridor.
- West Nexus led with 53.0% of leasing activity, fueled by demand in key hubs like Hitec City and Madhapur.
- West Edge followed with 42.3%, reflecting continued interest in Gachibowli and Nanakramguda.
- In-line with leasing, Hyderabad saw healthy 2.6 million sq ft of new completions in Q1, with strong pre-commitments of space in buildings completed in West Nexus.

Submarket Share in Leasing



- With growing presence of co-working players and rising demand by global capability centers in the city will continue to drive demand in Hyderabad.

Key Leasing Transactions

PROPERTY NAME	SUBMARKET	AREA LEASED (sq ft)	TENANT SECTOR
BSR Tech Park Block 1	West Edge	148722	IT/ITeS
KRC Mindspace building No 4A & 4B	West Nexus	172777	Co-working
Phoenix Aquila Tower B	West Edge	199602	IT/ITeS
RMZ TheSpire - Tower 110	West Nexus	273081	Pharma/Biotech/Telecom
Skyview 10 (My Home Dwivija)	West Nexus	87624	Consultancy

Source: RE Journal

Demand Drivers

- IT/ITeS and Co-working constituted more than 65% of the occupied area in the quarter across the city.
- West Nexus attracted a diverse mix of tenants, including co-working spaces, pharma/biotech/telecom firms, and consultancy services.
- Though term renewals like other cities were prominent in Hyderabad, good quantum of demand came from new leases which account for about 37% of the total leasing in Q1.
- With upcoming quality supply in West Nexus and West Edge, demand is further expected to rise in the coming quarters.

Hyderabad Submarket Definitions: 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

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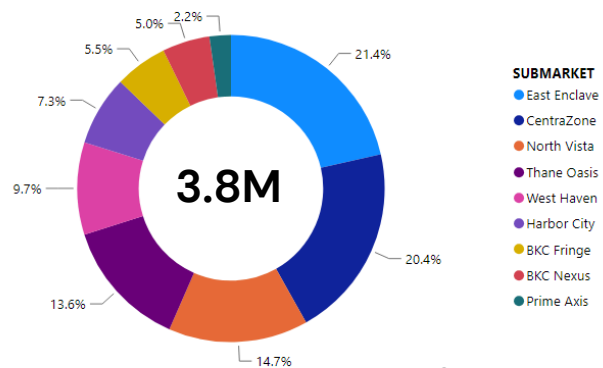
MUMBAI

MUMBAI BEGAN THE YEAR WITH ROBUST OFFICE LEASING, TOTALING 3.8 MN SQ. FT. IN Q1

Submarket Dynamics

- Mumbai was the top performer in leasing and supply among cities in Q1.
- East Enclave saw the highest leasing this quarter, accounting for 21.4% of total leasing, primarily driven by Powai and Vikhroli.
- CentraZone, at 20.4%, and North Vista, at 14.7%, were not far behind. The activities were seen in the major areas such as Lower Parel, Worli, Andheri East, and Chakala.
- 3.9 million sq ft of new supply was added in Mumbai, in which major contribution of 58.0% came from West Haven.

Submarket Share in Leasing



Source: RE Journal

- Strong pre-commitments were seen in the projects completed in the quarter, helping the overall vacancy to reduce in Q1.

Key Leasing Transactions

PROPERTY NAME	SUBMARKET	AREA LEASED (sq ft)	TENANT SECTOR
Equinox Building D	BKC Fringe	58827	BFSI
Lodha Amara Ithink Tower A	Thane Oasis	183322	Consultancy
Oberoï Commerz 3	West Haven	92595	BFSI
Runwal R Square	North Vista	327191	BFSI
Urmi Estate Iconic Tower	CentraZone	131781	Consultancy

Source: RE Journal

Demand Drivers

- BFSI continues to be the leading tenant sector in Q1, reflecting the strong leasing by banking, financial and insurance companies, followed by remarkable contributions from Manufacturing and IT/ITeS.
- Term renewals constitute 55% of the leasable space, reflecting strong tenant retention, and new leases constitute a healthy 43%, reflecting robust additional leasing activity.
- Limited but quality supply pipeline will further help the demand rise in the city.

Mumbai Submarket Definitions: Prime Axis: Fort, Nariman Point, Cuffe Parade, Churchgate | CentraZone: Worli, Mahalaxmi, Lower Parel, Prabhadevi, Parel, Dadar, Elphinstone, Byculla, Wadala | BKC Nexus: Bandra Kurla Complex | BKC Fringe: Bandra (E), Kalina, Santacruz, Kalanagar, Bandra (W), Kurla, CST Kalina Road | North Vista: Andheri, Chakala, Jogeshwari, Vile Parle, Saki Naka, JB Nagar, Marol, Saki Vihar Road, Mahakali Caves Road | West Haven: Goregaon, Dindoshi, Malad, Kandivali, Borivali, Oshiwara, Ram Mandir Road | East Enclave: Powai, Vikhroli, LBS Marg, Ghatkopar, Vidyavihar, Mulund, Kanjurmarg, Sion, Chembur, Bhandup | Thane Oasis: Thane, Wagale Estate, Ghodbunder Road, Kolshet, Hiranandani Estates, Panch Pakhadi, Dombivali | Harbor City: Airoli, Mahape, Ghansoli, Koparkhairane, Rabale, Vashi, Kharghar, Turbhe, Sanpada, Juinagar, Nerul, Seawoods, Panvel, CBD Belapur

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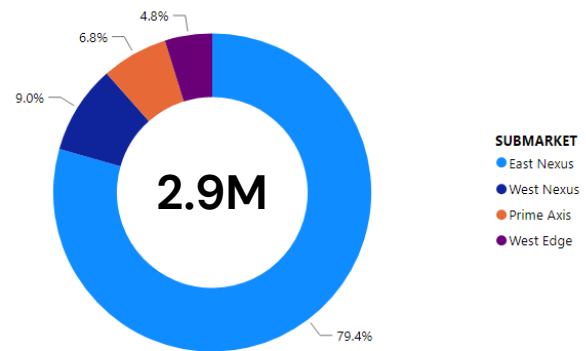
PUNE

PUNE WAS THE SECOND-BEST PERFORMING MARKET IN Q1 WITH 2.9 MN SQ. FT. OF LEASING

Submarket Dynamics

- East Nexus emerged as the standout submarket in Pune in first quarter, contributing 79.4% of the total leasing activity. The area's robust infrastructure, a high concentration of Grade A office spaces continue to make it a preferred destination for occupiers.
- In Q1 2025, Pune witnessed new completions of about 3.5 million sq. ft.
- The East Nexus submarket saw the highest share of new completions, accounting for 66.9% of the total office space delivered.

Submarket Share in Leasing



Source: RE Journal

- West Edge accounted for 22.5% of the total completions, while West Nexus contributed 10.7%, indicating a relatively lower share of new inventory.

Key Leasing Transactions

PROPERTY NAME	SUBMARKET	AREA LEASED (sq ft)	TENANT SECTOR
ABIL Boulevard	Prime Axis	134851	Co-working
Commerzone Building 8	East Nexus	128997	IT/ITeS
Cybercity Tower 6	East Nexus	88683	IT/ITeS
Panchshil Business Hub, Kharadi	East Nexus	771180	BFSI
Westend Icon	West Nexus	59365	IT/ITeS

Source: RE Journal

Demand Drivers

- In Q1 2025, leasing activity in Pune was led by the BFSI sector, which accounted for 36.1% of the total leasing volume, driven by a mix of expansions and consolidations. The IT/ITeS sector followed with 29.5%, reinforcing the city's strong position as a technology and services hub.
- Co-working operators also contributed 13.0%, reflecting the rising preference for flexible workspaces.
- On the type of lease front, new deals made up 55.0% of the activity, indicating robust expansions and business growth, while term renewals were at 39.5%.

Pune Submarket Definitions: Prime Axis: Shivaji Nagar, Koregaon Park, Senapati Bapat Road, Station Road, Bund Garden Road, Kennedy Road, Ganesh Khind Road, Wakdewadi, Sangamwadi, RB Mills, Ghorpadi | West Nexus: Aundh, Erandwane, Baner, Kothrud, Baner Pashan Link Road, Balewadi | East Nexus: Hadapsar, Kalyani Nagar, Viman Nagar, Kharadi, Airport Road, Yerawada, Nagar Road, Jail Road, Mundhwa, Salunkhe Vihar | West Edge: Hinjewadi, Pimpri, Bavdhan, Wakad, Pimple Saudagar, Bhosari, Chinchwad, PCMC, Tathawade, Warje, Nanded Phata | East Edge: Fursungi, Fatima Nagar, Wagholi

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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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+91 22-44555532