

The main title of the report is "India Office Market Snapshot Q2 '23". The text "India Office Market Snapshot" is written in a white sans-serif font on the left side. The "Q2 '23" is rendered in a very large, white, stylized font that spans across the middle of the image. The background is a night-time aerial view of a city with many lit-up skyscrapers.

Stock as on Q2 2023

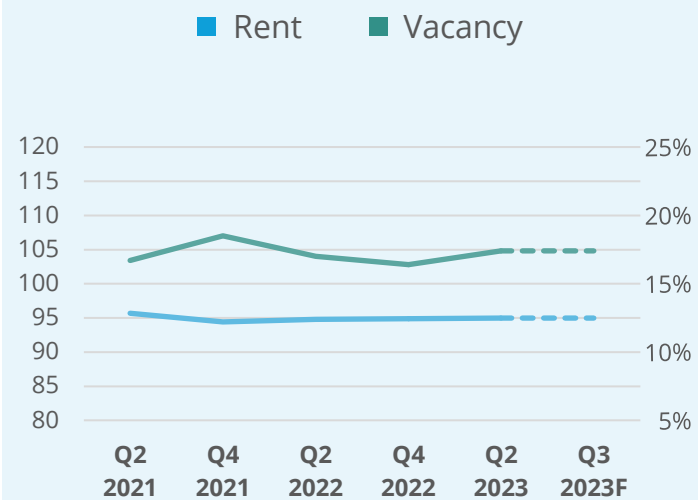
680.4 msf



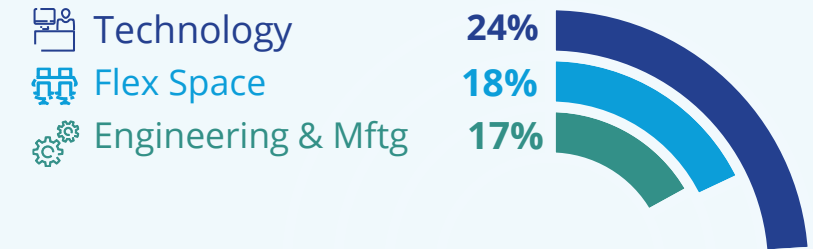
Vacancy Q2 2023

17.4%

Vacancy(%) & Rental Trends (INR/sf/month)

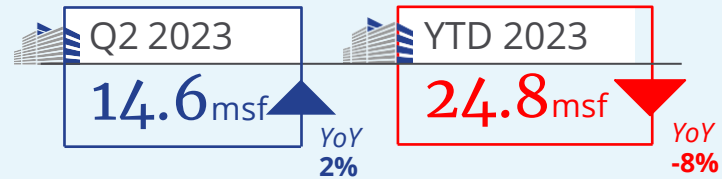


Key Demand Drivers (YTD 2023)



Gross Absorption

Outlook for next quarter

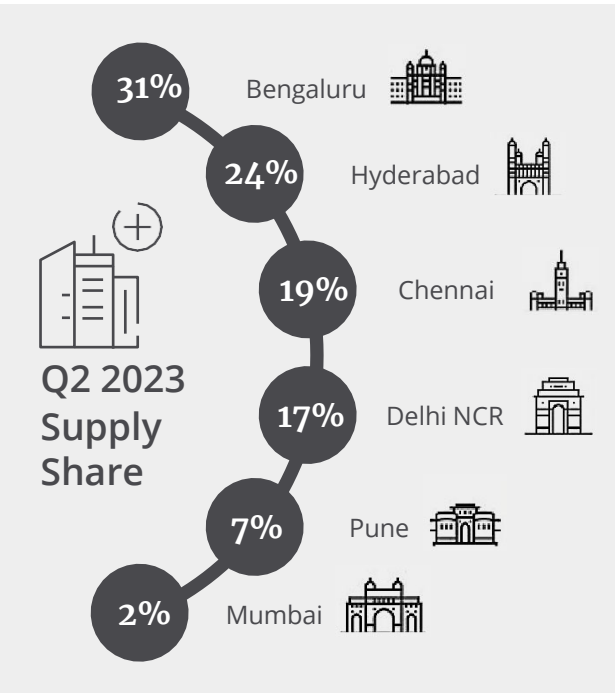
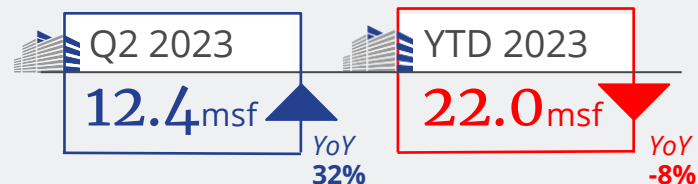


Average rent Q2 2023

₹95.0 /sf/month

New Supply

Outlook for next quarter



Insights

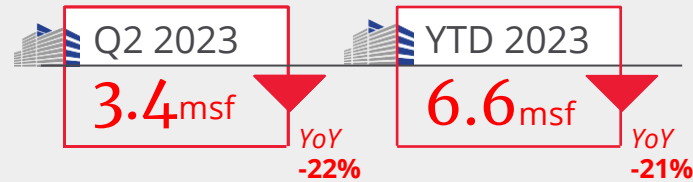
- Leasing improved significantly during the quarter at 14.6 msf, led by Bengaluru and Chennai
- In Q2 2023, Engg & mftg, BFSI and flex spaces saw a combined rise of 71% YoY in leasing
- New supply rose by 32% on YoY basis in Q2 2023, pushing vacancy levels up by 40bps.

Data pertains to Grade A office buildings. Gross absorption: does not include lease renewals, pre-commitments and deals where only a Letter of Intent has been signed. Weighted Average Quoted (WAQ) Rents are in INR per square feet per month for warm shell offices and do not include common area maintenance (CAM) or taxes. Our stock basket in each city was updated in Q2 2021.

Gross Absorption



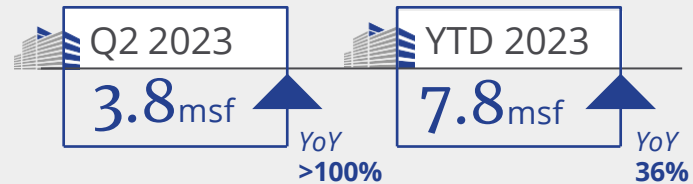
Outlook for next quarter



New Supply



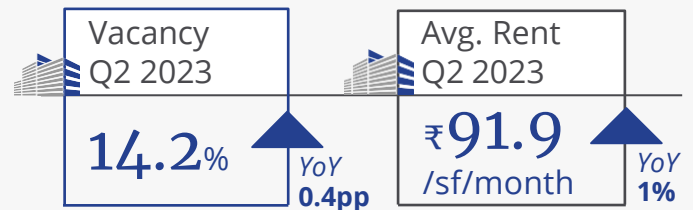
Outlook for next quarter



Vacancy & Rents



Vacancy Outlook

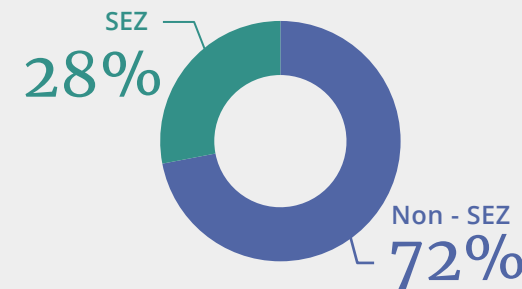


Stock as on Q2 2023

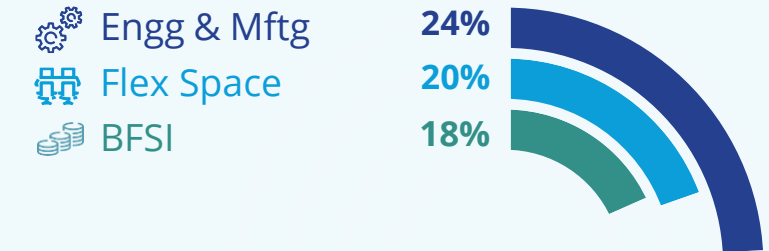
193.2 msf

Upcoming supply Q3 2023

2.5 msf

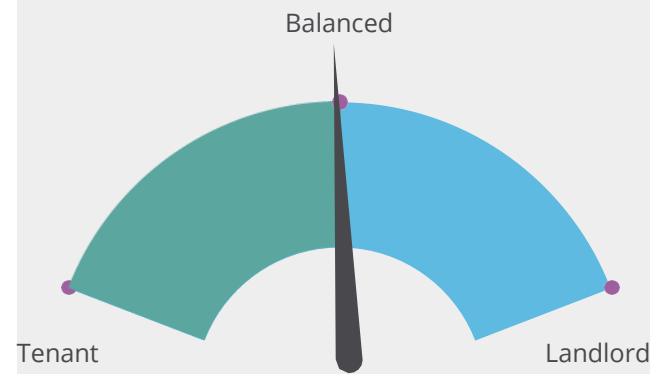


Key Demand Drivers (YTD 2023)



Other categories includes Consulting, FMCG, Healthcare, and E-Commerce.

Market orientation meter



Rental trends (INR/sf/month)

Sub Markets	Q1 2023	Q2 2023F
CBD ¹	144.1	◀▶
SBD 1 ²	122.8	◀▶
ORR	102.7	◀▶
Average Rent	91.8	◀▶
SBD 2 ²	77.0	◀▶
PBD ³	66.9	◀▶
North	65.8	◀▶
Electronic City	58.7	◀▶
Whitefield	61.0	◀▶

Insights

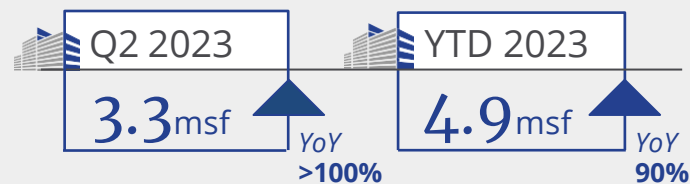
- BFSI and Engineering & Mftg dominated quarterly leasing at 68% share together. North Bengaluru & ORR fetched 67% share in total leasing by Engineering & Mftg during the quarter
- Majority of the quarterly leasing took place in North (37%) followed by Whitefield (24%)
- Rents across most micro markets expected to remain stable

Notes:
 1 Central Business District: MG Road, Richmond Road, Infantry Road, Cunningham Road, Sankey Road, Palace Road, and Vittal Mallaya Road
 2 SBD 1: Koramangala, CV Raman Nagar, IRR, Indiranagar, and others SBD 2: Bannerghatta Road, JP nagar, Jayanagar, Banashankari
 3 PBD: Mysore road, Sarjapur road, Kanakapura road
 Data pertains to Grade A office buildings.
 Gross absorption: does not include lease renewals, pre-commitments and deals where only a Letter of Intent has been signed.
 Weighted Average Quoted (WAQ) Rents are in INR per square feet per month for warm shell offices and do not include common area maintenance (CAM) or taxes.

Gross Absorption



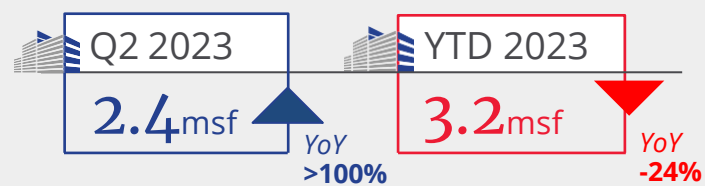
Outlook for next quarter



New Supply



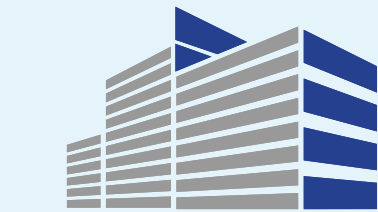
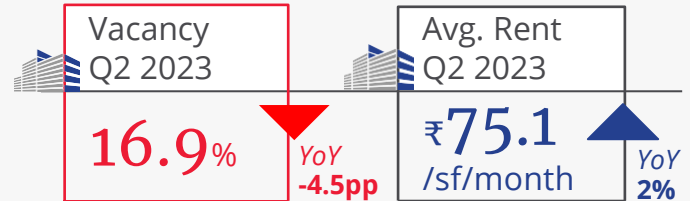
Outlook for next quarter



Vacancy & Rents



Vacancy Outlook

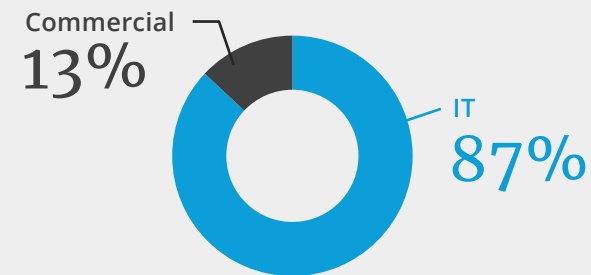


Stock as on Q2 2023

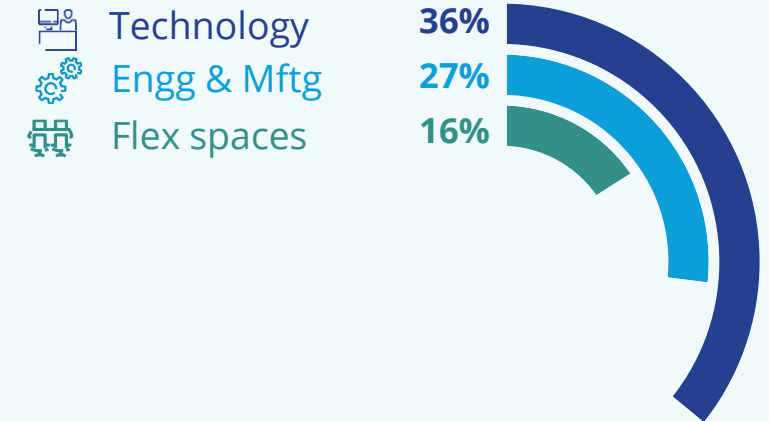
76.4 msf

Upcoming supply Q3 2023

2.5 msf

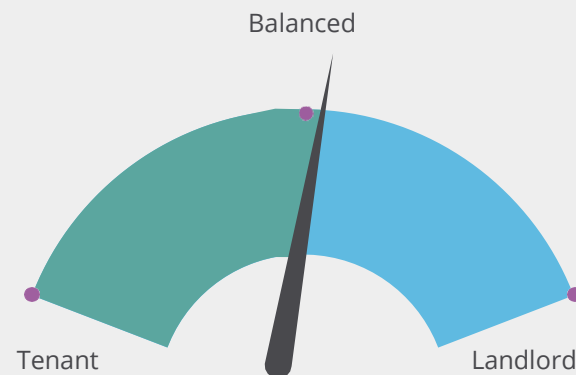


Key Demand Drivers (YTD 2023)



Other categories includes Healthcare and Pharma, BFSI, E-commerce & Consulting services etc.

Market orientation meter



Rental trends (INR/sf/month)

Sub Markets	Q2 2023	Q3 2023F
OMR Pre Toll ¹	94.1	↔
CBD ²	83.7	↔
MPR ³	80.0	↔
Guindy	79.6	↔
Average rent	75.1	↔
Off CBD ⁴	72.4	↔
PTR ⁵	62.9	↔
GST ⁶	55.0	↔
OMR Post Toll ⁷	52.7	↔
Ambattur	39.6	↔

Insights

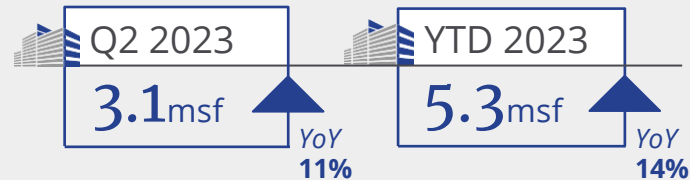
- Chennai saw a three-fold rise in demand during Q2 2023 led by enhanced occupier activity from Technology and Engineering & manufacturing sectors
- Share of flex space in total leasing of the city surged to 19% in Q2 2023, from mere 7% in Q2 2022
- Vacancy levels dropped by 450 basis points YoY amidst rising demand in the city

Notes – Chennai data has been recalibrated to reflect a change in office stock
 1 Old Mahabalipuram Road Pre-Toll: Madhya Kailash – Perungudi 2 Central Business District: Nungambakkam, Nandanam, Teynampet, RK Salai, Alwarpet, Egmore, T Nagar, Chetpet 3 Mount-Poonamallee High Road 4 Off CBD: Anna Nagar, Kilpauk, Nelson Manikam Road, Vadapalani, Guindy, MRC Nagar, Adyar 5 Pallavaram Thoraipakkam Road 6 Grand Southern Trunk Road 7 Old Mahabalipuram Road Post-Toll: Thoraipakkam to Sholinganallur; Semmencherry to Siruseri
 Data pertains to Grade A office buildings.
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Gross Absorption



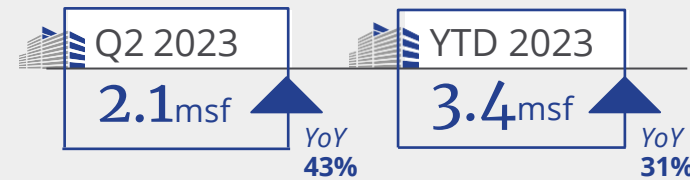
Outlook for next quarter



New Supply



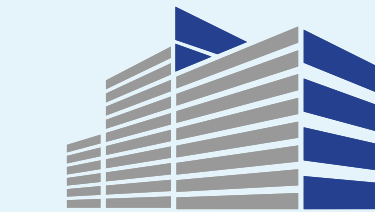
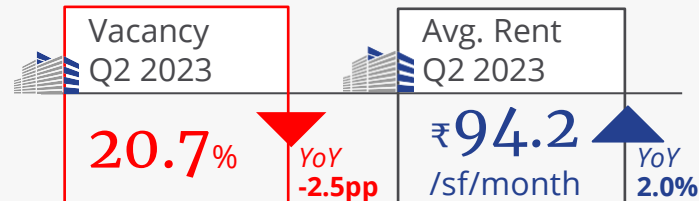
Outlook for next quarter



Vacancy & Rents



Vacancy Outlook

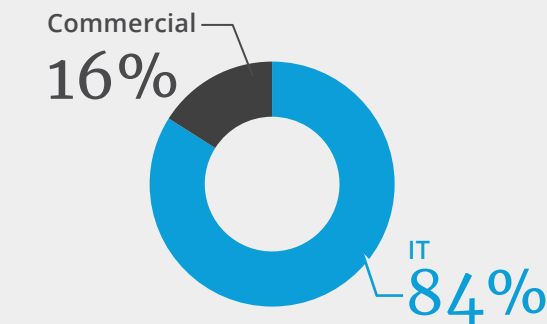


Stock as on Q2 2023

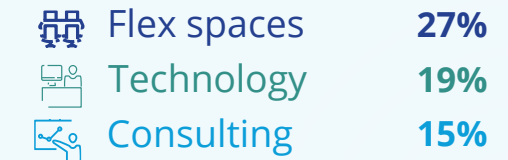
130.8 msf

Upcoming supply Q3 2023

1.6msf

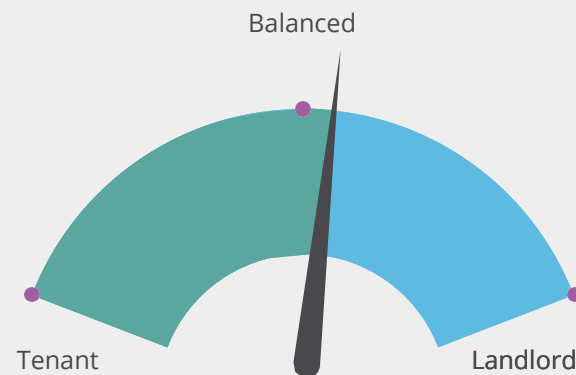


Key Demand Drivers (YTD 2023)



Other categories include E-commerce, Healthcare and Pharma, Consulting, Engineering & Manufacturing etc

Market orientation meter



Rental trends (INR/sf/month)

Sub Markets	Q2 2023	Q3 2023F
Delhi CBD ¹	313.1	↔
Aerocity	248.8	↔
Gurugram - Golf Course Road	149.5	▲
South Delhi ²	135.8	↔
Gurugram - Cybercity	120.0	↔
Gurugram - MG Road	113.0	↔
Gurugram - NH-48	105.2	↔
Noida - Sector 16A and 16B	104.8	▲
Average Rent	94.2	↔
Golf Course Extension Rd/ Sohna Rd	72.7	▲
Gurugram- Others ³	72.5	↔
Noida Expressway	60.7	↔
Noida - Sector 62	54.0	↔

Insights

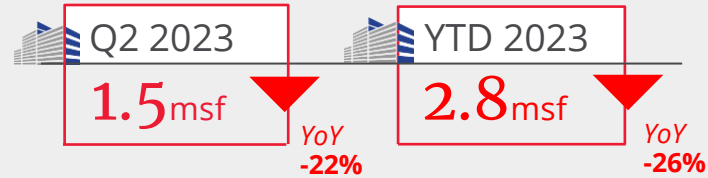
- Noida Expressway saw bulk of the new supply during the quarter with 53.6% share
- Noida Expressway led the office leasing in Q2 2023 accounting for 20.4% share, driven by tech and flex companies
- Vacancy levels dropped 250 basis points on YoY basis led by robust demand

Notes -
¹ Central Business District: Connaught Place; ² South Delhi: Jasola, Saket, Nehru Place and Okhla;
³ Includes Institutional Sectors 32 and 44, Udyog Vihar, Dundaheera, Southern Peripheral Road and Sector Road Data pertains to Grade A office buildings.
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Gross Absorption



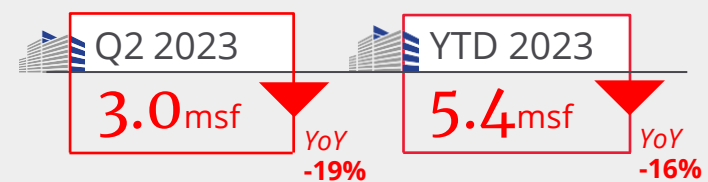
Outlook for next quarter



New Supply



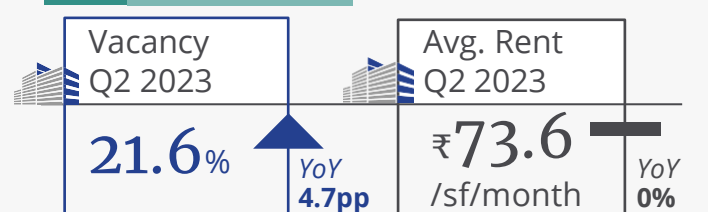
Outlook for next quarter



Vacancy & Rents



Vacancy Outlook

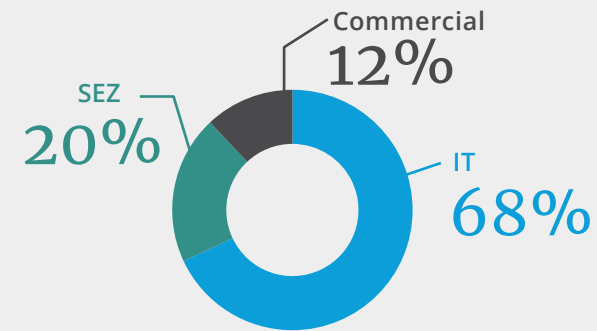


Stock as on Q2 2023

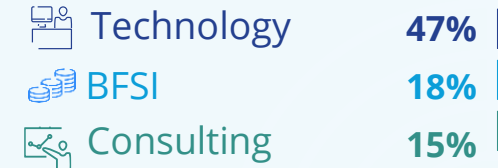
94.5 msf

Upcoming supply Q3 2023

4.5 msf

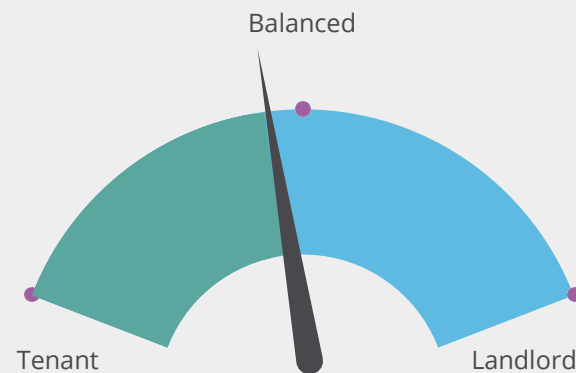


Key Demand Drivers (YTD 2023)



Other categories include Flex spaces, Engineering and manufacturing, etc.

Market orientation meter



Rental trends (INR/sf/month)

Sub Markets	Q2 2023	Q3 2023F
SBD ¹	77.7	◀▶
Average rent	73.6	◀▶
Off SBD ²	69.7	◀▶
CBD ³	57.2	◀▶
PBD ⁴	35.9	◀▶

Insights

- Hitec City continued to dominate the leasing activity with 84% share in total leasing during Q2 2023
- Share of flex space in total leasing in Hyderabad surged to 17% in Q2 2023, from mere 3% during the same period last year
- Vacancy increased by 470 basis points YoY amidst healthy supply infusion in the market and is expected to remain rangebound in the next quarter

Notes -

¹ Suburban Business District (SBD): Madhapur, HITEC City, Kondapur and Rai Durg. ² Off SBD: Gachibowli, Nanakramguda, Manikonda and Kokapet

³ Central Business District (CBD): Banjara Hills Road No.1,2, 10, 12 and Begumpet, Somajiguda, Punjagutta, Jubilee Hills. ⁴ Peripheral Business District (PBD): Pocharam, Uppal and Shamshabad

Data pertains to Grade A office buildings.

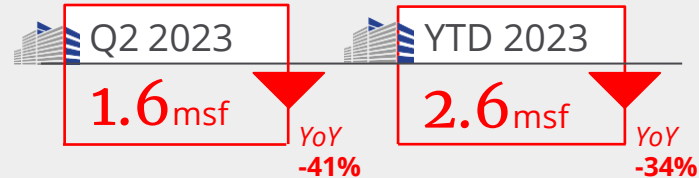
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Gross Absorption



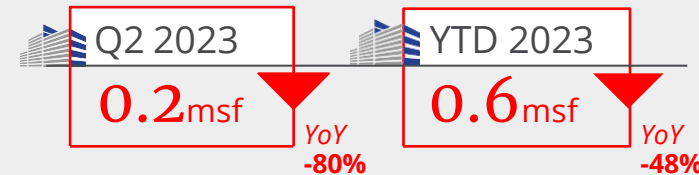
Outlook for next quarter



New Supply



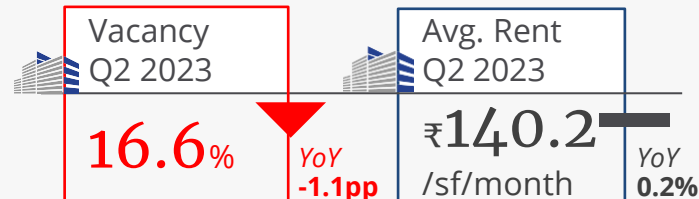
Outlook for next quarter



Vacancy & Rents



Vacancy Outlook

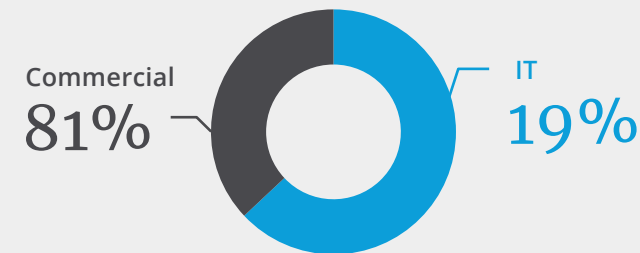


Stock as on Q2 2023

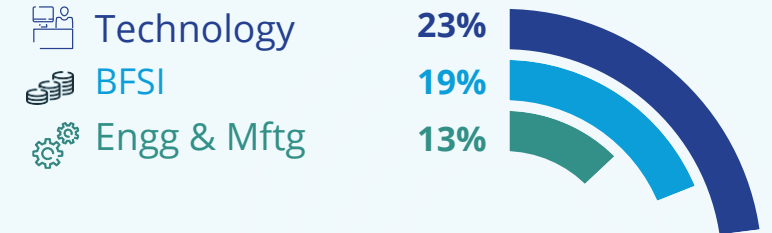
120.6 msf

Upcoming supply Q3 2023

4.4msf

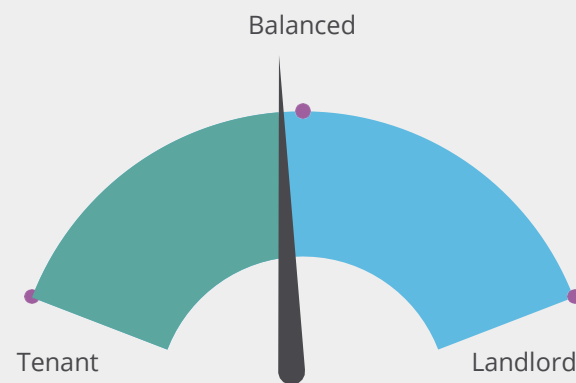


Key Demand Drivers (YTD 2023)



Other categories includes Consulting, Logistics, E-commerce, Flex spaces, Engg & manufacturing etc

Market orientation meter



Rental trends (INR/sf/month)

Sub Markets	Q2 2023	Q3 2023F
Bandra Kurla Complex ²	281.9	↔
CBD ^{1,2}	214.4	↔
Worli/Prabhadevi ³	190.1	↔
Lower Parel ³	165.1	↔
Kalina ²	156.2	↔
Goregaon/JVLR ³	149.7	↔
Average rent	140.2	↔
Powai ³	138.2	↔
LBS/Eastern Suburbs ³	136.1	↔
Andheri East ³	123.2	↔
Malad ³	83.8	↔
Thane ³	67.6	↔
Navi Mumbai ³	67.3	↔

Insights

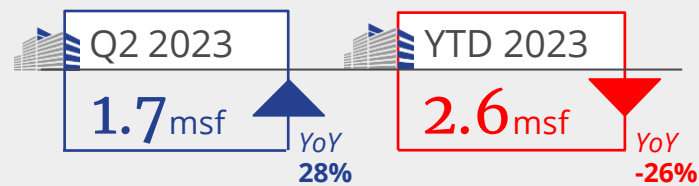
- LBS/Eastern suburbs and Navi Mumbai remained the most active micro markets, together accounting for about 26% of the gross absorption in Q2 2023
- While BFSI and Technology sectors continued to be the key demand drivers, Engineering and Manufacturing companies saw a multi-fold increase in leasing during Q2 2023
- Amidst limited new supply and steady demand, vacancy levels dropped 110 basis points YoY

Notes -
 1 Central Business District : Nariman Point, Ballard Estate, Cuffe Parade, Churchgate, Fort 2 Reflects rents for Non-IT developments | 3 Reflects rents for IT developments | Data pertains to Grade A office buildings. Gross absorption: does not include lease renewals, pre-committments and deals where only a Letter of Intent has been signed.
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Gross Absorption



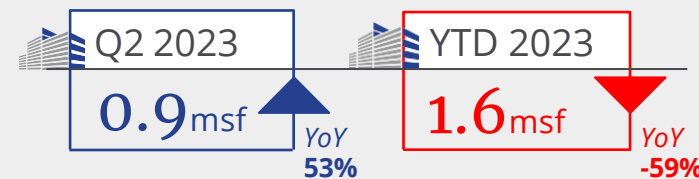
Outlook for next quarter



New Supply



Outlook for next quarter



Vacancy & Rents



Vacancy Outlook

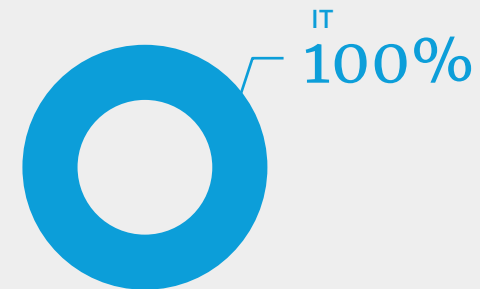


Stock as on Q2 2023

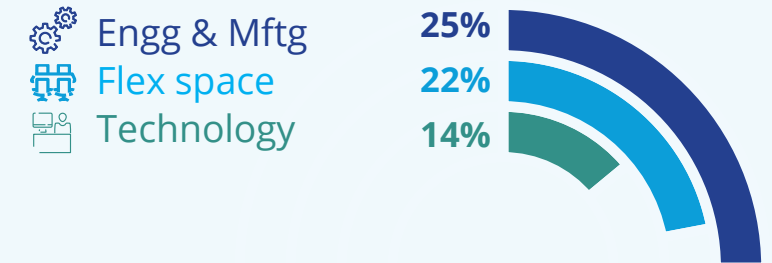
64.9 msf

Upcoming supply Q3 2023

1.2 msf

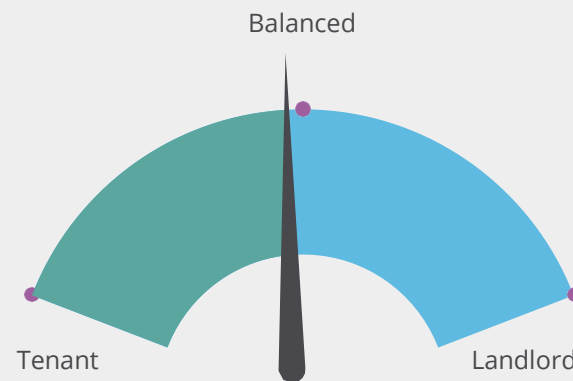


Key Demand Drivers (YTD 2023)



Other categories include E-commerce, Engineering manufacturing, etc.

Market orientation meter



Rental trends (INR/sf/month)

Sub Markets	Q2 2023	Q3 2023F
CBD ¹	94.8	◀▶
Kharadi	89.6	◀▶
Baner-Balewadi ²	87.0	◀▶
Hadapsar	85.8	◀▶
Viman Nagar	80.5	◀▶
Average rent	76.7	◀▶
Hinjewadi	54.1	◀▶
PCMC ³	52.3	◀▶

Insights

- Engineering & manufacturing accounted for 25% share in total leasing during 2023, surpassing Flex space and Technology
- Hinjewadi and Viman Nagar saw increased leasing activity during the quarter, contributing to 46% of the total leasing
- Vacancy levels remained rangebound amidst improved demand

¹ CBD: Bund Garden Road, Camp, FC Road, JM Road, Koregaon Park, Kalyani Nagar, Shivaji Nagar, Swargate, Raja Bahadur Mills Road, Senapati Bapat Road, Wakdeewadi, Yerwada
² Baner-Balewadi: Aundh, Baner, Bavdhan, Pashan
³ PCMC: Bhosari, Chinchwad, Nigdi, Pimpri, Talawade
 Note- Market definitions revised in Q1 2023
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