India Real Estate

Office and Residential Market - January - June 2025

H1 2025	Knight Frank's ultimate guide to real estate market performance and opportunities in the world's most promising economy.	knightfrank.co.in/research

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FOREWORD

Shishir Baijal
Chairman and Managing Director

The first half of 2025 has reinforced India's position as a resilient and compelling real estate market amid a persistently volatile global environment. Strong macroeconomic fundamentals along with a sharp reduction in interest rates, have created a supportive backdrop for real estate activity even as external headwinds remain.

India's office market has not only sustained but accelerated the momentum built in 2024, propelled by the expansion of Global Capability Centres (GCCs), the resurgence of third-party IT service providers, and the growing demand for flexible workspaces. Global enterprises continue to deepen their footprint in India, attracted by the country's skilled talent pool and cost advantages. Despite a moderated supply pipeline, occupier activity remained elevated, reinforcing the country's status as a strategic operational hub.

In contrast, the residential market took a breather after two years of rapid growth. While overall sales dipped marginally, the market's composition continued to evolve, with a pronounced shift toward premium and luxury housing. Developers have been quick to adapt, rationalizing new launches and offering innovative financing solutions to support buyer sentiment. The resilience of pricing and sustained buyer appetite in the higher ticket-size segments reflect the structural strength of demand.

Looking ahead, the outlook for India's real estate sector remains optimistic. The monetary easing cycle, improving liquidity, and a stable economic environment are expected to catalyze growth across both office and residential segments. As India continues to emerge as a preferred destination for global capital and enterprise expansion, its real estate markets are well-positioned to build on their strong foundations in the second half of the year and beyond.

INDIA

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	372,936	6%	1,79,740	-2%	83,431	-7%
Sales (housing units)	350,612	7%	1,70,201	-2%	81,927	-6%

Note - 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

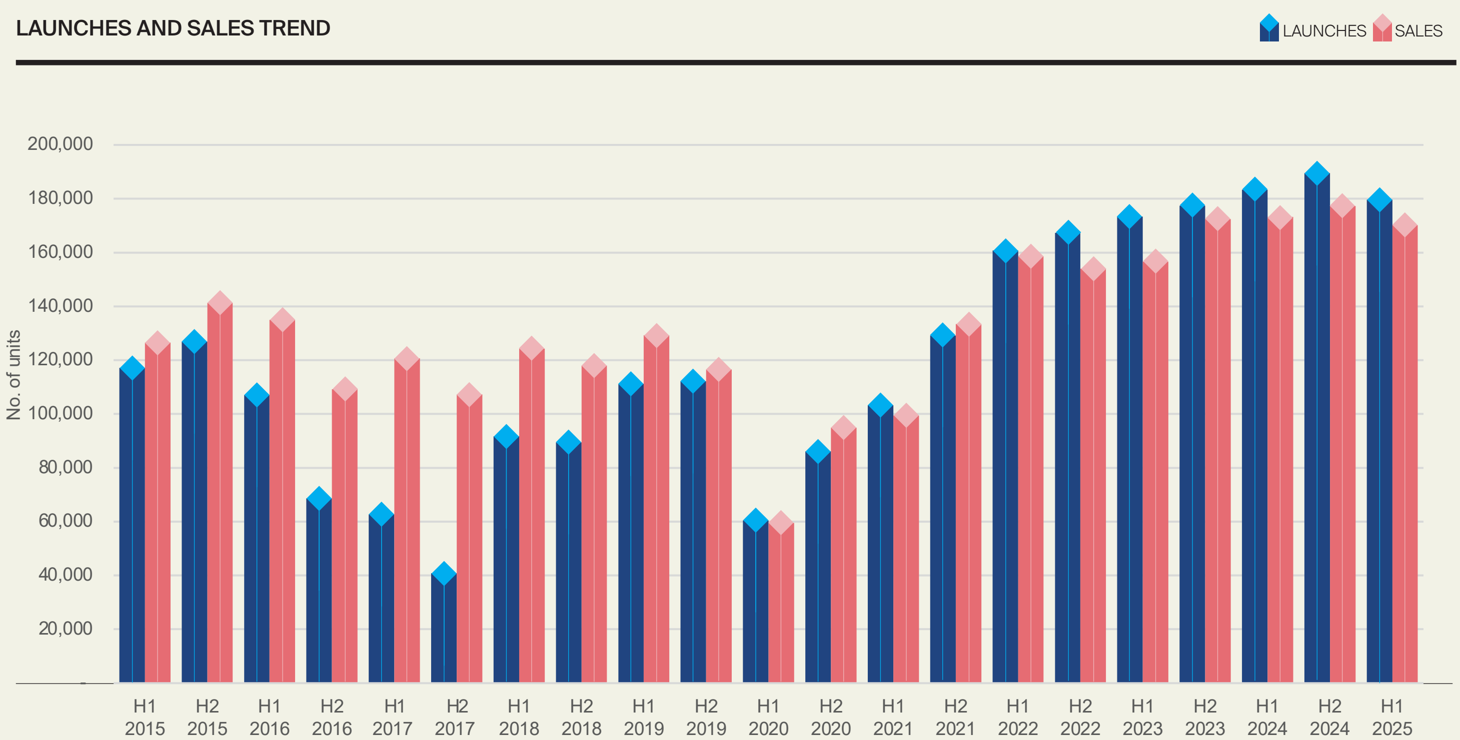
505,377
Unsold inventory (housing units)

4%
Change (YoY)

5.8
Quarters to sell (in quarters)

14.3
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

In the first half of 2025, India's residential real estate sector was shaped by the Reserve Bank of India's 100 bps repo rate cut to 5.5%, aimed at stimulating lending and investment amid global uncertainties. Consequently, inflation eased to a six-year low, with consumer price inflation dropping to 2.82% in May, supporting affordability and buyer sentiment. These macroeconomic shifts, alongside robust demand for premium housing and continued economic growth, set a positive tone for the market's trajectory during the period.

While the stable macroeconomic backdrop during H1 2025 helped shore up market sentiments, they did not translate to actual growth in overall sales. A total of 0.17 mn units were sold, marginally lower by 2% compared to the same period last year. Notably, this is the first time since H1 2023 that the market has experienced even a marginal drop in sales. NCR and Bengaluru witnessed declines of 8% and 3% YoY and were instrumental in the decline in overall sales volumes. Interestingly, these markets also witnessed the most price escalations during H1 2025 which weighed down homebuyer demand in these cities. These two markets, despite weaker overall sales, are seeing strong momentum and growth at the top end of the market.

However, market-wise performance was mixed. Four of the eight tracked cities saw sales growth, with Chennai and Hyderabad leading with 12% and 3% YoY increases respectively. Mumbai retained the top spot with 47,035 units sold, closely mirroring last year's sales volumes.

Development activity was also subdued during H1 2025 with developers curtailing new launches, particularly in the more price sensitive ticket-sizes under INR 10 mn.

The 0.18 mn units launched during the quarter represented a 2% drop, similar to sales. While lower, launches still continue to exceed sales for the seventh consecutive half-yearly period. Though price growth has sustained, developers have begun to offer financing options such as bank and developer subvention schemes and even stamp duty discounts and waivers in order to push sales.

Even as the overall market traction has reduced in H1 2025, it is clearly limited to the units priced under INR 10 mn with sales and launches falling by a significant 15% and 20% respectively in this category. In contrast, sales and launches in units priced over INR 10 mn have seen healthy growth of 17% and 18% YoY respectively.

The core of the residential market has steadily shifted to the higher ticket sizes over the past few years. Units priced under INR 5 mn accounted for 54% of the total sales in the market in H1 2018 but now constitute just 22%. The extreme restrictions on mobility during the pandemic had sparked a need for personal space and lifestyle amenities that continue to endure even today. In fact, the sales trajectory of the share of units priced over INR 1 cr grew from 16% in H1 2018 to 49% in H1 2025, in tandem with the drop in sales of the INR <5 mn segment.

With the sale of units priced at over INR 10 mn now constituting almost half the residential market, it is imperative to break it down further for better analysis. For further assessment, we have split the INR 10 mn+ ticket size into six segments. Closer observation reveals that the trend of premiumization exists even within these segments with the share of sales increasing in the INR 20-50 mn segment from 13% in H1 2024 to 17% in H1 2025, while that of the INR 10-20 mn category increased from 25% to 27% during the same period. While this trend is prominent even in the higher ticket size segments of above INR 50 mn, together they constitute just 5% of the total sales and those above INR 100 mn constitute approximately 1% of the same. Sales in the INR 10-20 mn segment grew by 8% YoY and those in the INR 20-50 mn category grew by 29% YoY.

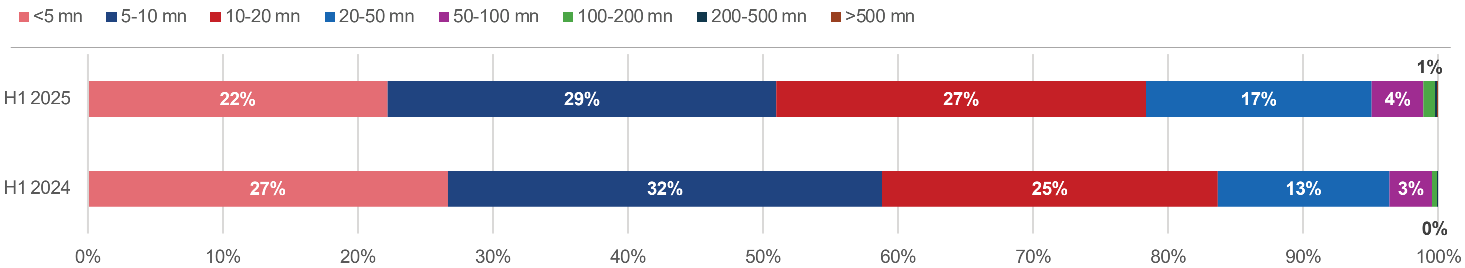
While sales growth has plateaued, the unsold inventory has consistently increased since 2020 as supply levels have exceeded sales. This growth in the inventory levels can be squarely attributed to the outsized development interest in the INR 10+ mn segment over the past few years. Inventory levels grew by 24% in this segment compared to a degrowth of 6% and 1% in the units priced under INR 5 mn and those in the INR 5-10 mn segment respectively. Inventory levels in the higher ticket sizes, particularly those in the INR 20-50 mn and INR 200-500 mn categories, have grown by 52% and 37% YoY respectively and warrant a closer look in terms of an assessment of whether the market is approaching bubble territory or a potential correction.While the rising inventory level may seem like a matter of concern when viewed in isolation, it must be seen in conjunction with the sales velocity to depict a more accurate picture of market health. The Quarters to Sell (QTS) level is a metric that enables this by calculating the number of quarters required by the market to exhaust existing inventory levels at the sales velocity of the trailing eight quarters. Generally, a lower QTS level denotes greater sales traction and better market health. The QTS level for the eight markets remained at 5.8 quarters (less than 18 months) over the past year in spite of growing inventory levels, depicting a market with stable fundamentals despite increasing inventory.

Although inventory has built up significantly in the INR 20-50 mn price bracket, levels continue to hover around 4 quarters, suggesting that inventory levels in this segment remain within manageable bounds. In contrast, the luxury and super-luxury segments ranging from INR 200-500 mn and above INR 500 mn present a more complex picture. The QTS (Quarters to Sell) for units priced above INR 500 mn is currently at 7.9 quarters, while it rises sharply to 17.1 quarters in the INR 200–500 mn range. However, it's important to note that volumes at this upper end of the market are quite limited, with a combined total of just over 3,700 units in both categories. As a result, even marginal shifts in supply or availability can lead to significant fluctuations in QTS, rendering it more volatile over a relatively short period.

Price growth has been healthy in H1 2025 despite a pause in overall sales as developers have postponed project launches to control inventory pressure. Instead of lowering prices, they have opted to increase prices while offering financing incentives to homebuyers, as noted earlier. Bengaluru and NCR experienced exceptional price growth, each recording a 14% year-on-year increase, driven by a stronger focus on developing premium, high-rise properties.

Residential sales took a pause in H1 2025 after a strong runup over the past two years and developers have responded in kind by curtailing project launches to curb inventory buildup. Nonetheless, their capacity to sell inventory at the top end of the market remains strong, particularly due to the increasing incidence of financing options, stamp duty exemptions, and similar incentives. The interest rate reduction and CRR cut in H1 2025 have substantially increased liquidity in the Indian financial market by freeing up large amounts of funds for lending and lowering borrowing costs. This liquidity injection is aimed at stimulating credit growth and will benefit developers and urban homebuyers, thereby supporting the overall real estate market.

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

RESIDENTIAL SALES AND LAUNCHES

	SALES		LAUNCHES	
	H1 2025 (YoY change)	2024 (YoY change)	H1 2025 (YoY change)	2024 (YoY change)
Mumbai	47,035 (0%)	96,187 (11%)	45,451 (-3%)	96,470 (4%)
NCR	26,795 (-8%)	57,654 (-4%)	25,233 (-17%)	60,699 (-3%)
Bengaluru	26,599 (-3%)	55,362 (2%)	33,498 (31%)	56,014 (10%)
Pune	24,329 (-1%)	52,346 (6%)	26,559 (-5%)	59,548 (40%)
Hyderabad	19,048 (3%)	36,974 (12%)	20,962 (-6%)	44,013 (-6%)
Ahmedabad	9,370 (0%)	18,462 (15%)	10,734 (5%)	22,043 (-2%)
Chennai	8,935 (12%)	16,238 (9%)	9,621 (9%)	17,431 (7%)
Kolkata	8,090 (-11%)	17,389 (16%)	7,682 (-29%)	16,718 (6%)
Total	**170,201 (-2%)**	**350,612 (7%)**	**179,740 (-2%)**	**372,936 (6%)**

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	184,115 (-6%)	8.4
5 – 10 mn	139,004 (-1%)	5.1
10 - 20 mn	123,357 (18%)	5.5
20 – 50 mn	45,845 (52%)	3.9
50 – 100 mn	8,835 (-5%)	3.2
100 – 200 mn	2,638 (13%)	6.5
200 – 500 mn	1,097 (37%)	17.1
>500 mn	486 (73%)	7.9

Source: Knight Frank Research

RESIDENTIAL MARKET HEALTH

City	Unsold inventory (YoY change)	QTS
Mumbai	164,094 (-1%)	6.9
NCR	105,090 (0%)	7.4
Bengaluru	61,030 (18%)	4.4
Hyderabad	54,458 (11%)	5.9
Pune	48,646 (14%)	3.7
Ahmedabad	34,306 (14%)	7.6
Kolkata	20,338 (-12%)	4.9
Chennai	17,415 (6%)	4.2
Total	505,377 (4%)	5.8

Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT

City	Price in INR/sq m (INR/sq ft)	12 month change	6 month change
Mumbai	91,838 (8,532)	8%	3%
NCR	59,579 (5,535)	14%	9%
Bengaluru	75,912 (7,052)	14%	7%
Pune	52,399 (4,868)	6%	2%
Chennai	53,637 (4,983)	9%	4%
Hyderabad	68,093 (6,326)	11%	6%
Kolkata	41,883 (3,891)	7%	2%
Ahmedabad	33,476 (3,110)	2%	0%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	4.67 (50.3)	17%	1.87 (20.1)	-20%	1.35 (14.6)	20%
Transactions in mn sq m (mn sq ft)	6.68 (71.9)	21%	4.54 (48.9)	41%	1.93 (20.7)	12%

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

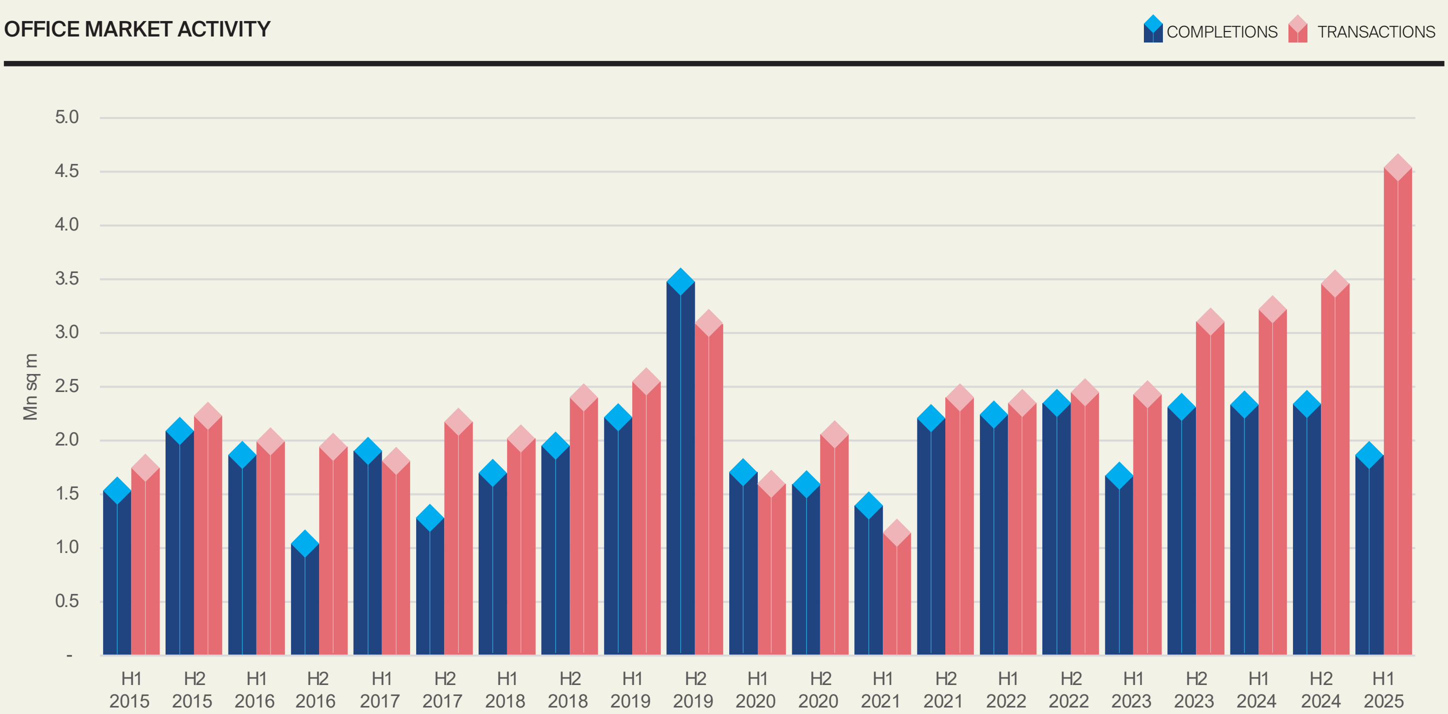
92.23 (992.8)
Stock mn sq m (mn sq ft) in H1 2025

5%
Change (YoY)

14.7%
Vacancy (%)

73
basis points decrease

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

India demonstrated strong economic resilience in the face of rising geopolitical tensions and global economic headwinds in H1 2025. Despite ongoing external pressures from geopolitical conflicts and supply chain disruptions to evolving US tariff policies, India's macroeconomic fundamentals have remained comparatively intact. The Reserve Bank of India's GDP growth projections at 6.5% for both FY 2025 and FY 2026, reinforce India's position as one of the fastest-growing major economies globally. This continued economic stability is reflected in the sustained strength of occupier activity across the Indian office market.

2024 was a breakout year for the office market when annual transaction volumes scaled the previous high by a substantial 19% and it remained to be seen if this momentum could be sustained in 2025. However, market momentum has continued its surge with the first half of 2025 recording a massive 4.5 mn sq m (48.9 mn sq ft) of area transacted across the eight markets under our coverage. This translates to a 41% YoY growth and for more perspective, this volume is greater than all the annual transaction talliess recorded prior to 2022, with the sole exception of 2019.

Four of the eight markets have scaled record highs in terms of volumes transacted in a half-yearly period. Bengaluru stood out in this period of exceptional performances by most markets, by accounting for almost 1.7 mn sq m (18.2 mn sq ft) or 37% of the total transacted volume. In fact, this even exceeded annual volumes transacted in the city for any previous year. Occupier traction was spurred largely by GCCs which accounted for 55% of Bengaluru's transacted volumes. It must also be noted that 46% of the area transacted was accounted for by pre-commitments as ready-to-occupy properties fell far short of occupier requirements during the period.

NCR, Pune and Kolkata were the other markets that scaled new highs during H1 2025. Notably, transaction volumes in the Kolkata market exceeded 1 mn sq ft for the first time ever for a half-yearly period. Mumbai and Ahmedabad were the only markets that saw a drop in volumes in H1 2025, but this can be attributed largely to a pronounced base effect rather than any slowdown in these markets.

In recent years, multinational corporations headquartered in the West have increasingly turned to India to expand their operational footprint, capitalizing on the country's growing pool of skilled professionals and favorable cost structures. This has led to a surge in the establishment of Global Capability Centres (GCCs) which are now handling a broader range of complex and strategic functions for their parent firms. These centers are no longer limited to back-office tasks; instead, they are playing a vital role in delivering high-value services.

During the review period, GCCs accounted for approximately 1.8 mn sq m (19.1 mn sq ft) of office space transactions, making up the largest share at 39% among all occupier segments. Bengaluru emerged as the top choice for this segment, accounting for more than half (52%) of the GCC-related leasing activity. The current period set a new benchmark for GCC leasing volumes in India, underscoring the country's rising stature as a global hub for enterprise capabilities.

After a subdued presence in the recent past, third-party IT service providers have re-emerged as a major force in the Indian office market during the first half of 2025. This segment was responsible for leasing approximately 1.0 mn sq m (10.9 mn sq ft), contributing 22% to overall transaction volumes, more than doubling its 10% share from the same period last year. As AI adoption accelerates globally, India's superior talent ecosystem and competitive operating costs are reinforcing its position as a preferred hub for outsourced IT services. These dynamics suggest the potential for continued leasing momentum from this sector throughout the rest of the year.

The first half of 2025 witnessed exceptional expansion in the flexible workspace segment, with operators leasing around 1.0 mn sq m (10.2 mn sq ft), a 43% increase over the previous year and the highest ever recorded for a six-month period. Co-working spaces accounted for a substantial 76% of total flex space absorption, well above the 63% average observed since H1 2023. The enquiries for managed office services are on the rise and they are expected to gain ground as the need for specialization and increased productivity continues to increase.

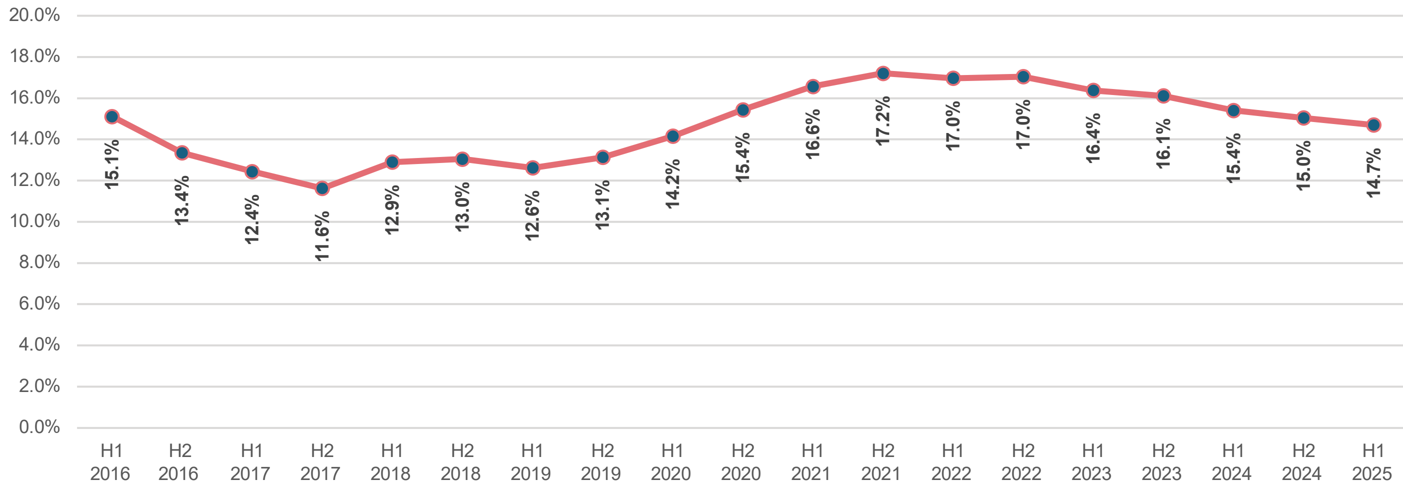
In contrast, India facing businesses primarily catering to the domestic Indian market, which had been the dominant demand drivers post-pandemic, saw a marked slowdown. Their share of transacted space dropped to 18% in H1 2025 from 41% a year earlier, amounting to 0.8 mn sq m (8.7 mn sq ft).

Office project completions remained modest in H1 2025, as developers continued to prioritize the booming residential segment, buoyed by strong buyer sentiment and rising property values. Only 1.9 mn sq m (20.1 mn sq ft) of new office supply was delivered across the eight major urban centers, marking a 20% decline from the same period last year.

Since 2021, the pace of new office supply has consistently lagged behind leasing activity, gradually tightening vacancy rates from 17.2% to the 14.7% level as of H1 2025. This demand-supply mismatch has given landlords greater leverage, pushing rental values upward in an environment where global office markets continue to face challenges. All major Indian office markets recorded rent increases ranging from 3% to 12% YoY, with Mumbai (12%), NCR (8%), and Bengaluru (7%) leading the gains.

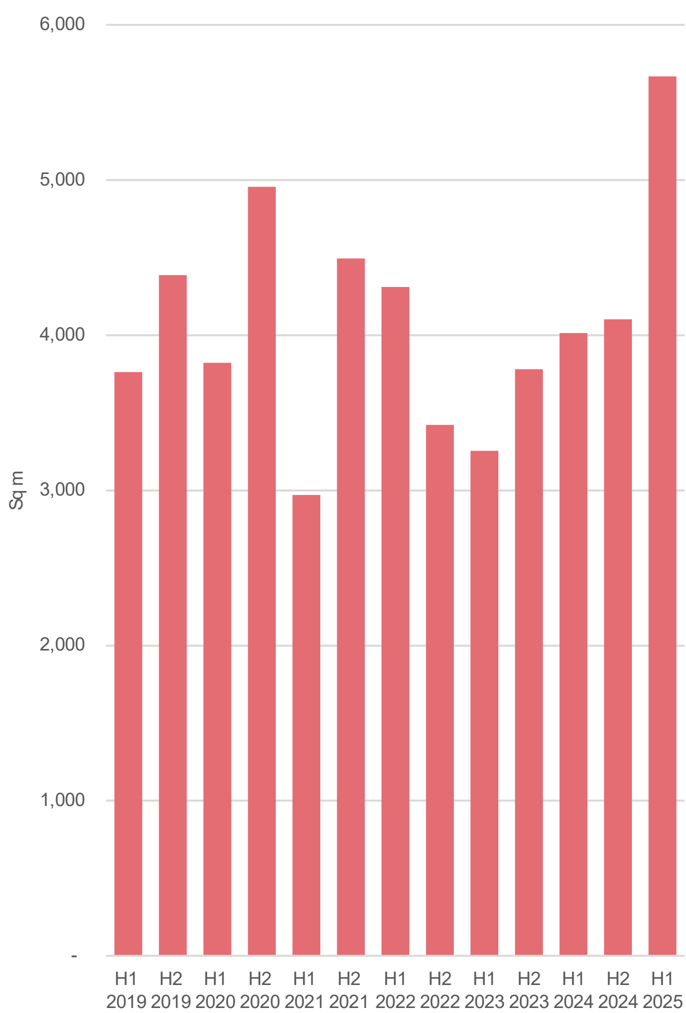
The Indian office market shifted gears in H1 2025 and accelerated well past the benchmarks set in 2024 which was a breakout year by itself. Notwithstanding the geopolitical upheavals which are disrupting businesses and investment momentum across the world, India represents a relative safe haven for global capital with a stable business friendly regime and strong economic growth. The increasing impact of GCCs and the steady revival of Third Party IT Services are powerful tailwinds that the market should continue to benefit from. The office space market faces minimal headwinds apart from constrained supply and appears well-positioned to maintain its momentum for the remainder of the year.

INDIA OFFICE MARKET VACANCY



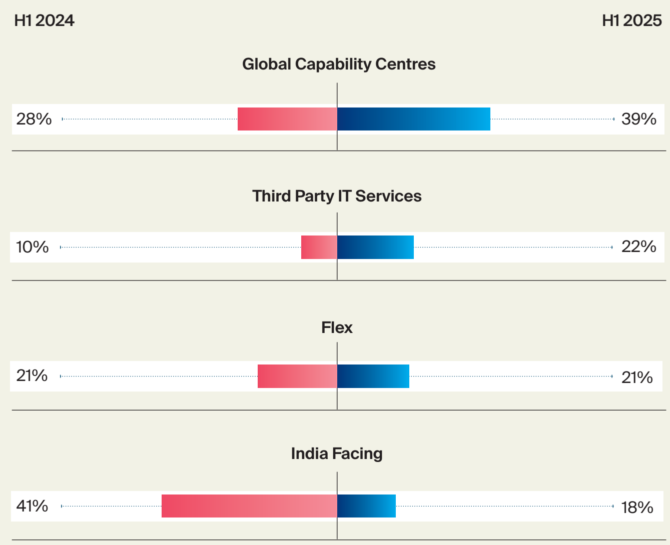
Source: Knight Frank Research

AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS



Source: Knight Frank Research

Notes:

1. India Facing: These refer to such transactions where the lessees/buyers are entities which have an India focused business, i.e., no export or import.
2. Third Party IT Services: These refer to transactions where the lessees/buyers are focused on providing IT and IT enabled services to offshore clients. They service multiple clients and are not necessarily owned by any of them.
3. Global Capability Centre (GCC): These refer to transactions where the lessees/buyers are focused on providing various services to a single offshore company. The offshore company has complete ownership of the entity that has transacted the space.
4. Flex Space: These refer to transactions by companies that specialise in providing comprehensive office space solutions for other businesses along with the benefits of flexibility of tenure, extent of services provided and the ability to scale higher or lower as required.

OFFICE TRANSACTIONS AND SPACE COMPLETIONS

	TRANSACTIONS		COMPLETIONS	
	H1 2025 in mn sq m (mn sq ft) (YoY Change)	2024 in mn sq m (mn sq ft) (YoY Change)	H1 2025 in mn sq m (mn sq ft) (YoY Change)	2024 in mn sq m (mn sq ft) (YoY Change)
Bengaluru	1.69 (18.2) (116%)	1.68 (18.1) (45%)	0.19 (2.1) (-73%)	1.15 (12.4) (-7%)
NCR	0.67 (7.2) (27%)	1.18 (12.7) (25%)	0.38 (4.1) (39%)	0.52 (5.6) (-20%)
Hyderabad	0.54 (5.9) (16%)	0.96 (10.3) (17%)	0.13 (1.4) (-72%)	1.45 (15.6) (139%)
Mumbai	0.51 (5.5) (-5%)	0.96 (10.4) (40%)	0.21 (2.2) (-48%)	0.54 (5.8) (89%)
Pune	0.47 (5.1) (17%)	0.74 (8) (19%)	0.82 (8.8) (264%)	0.53 (5.7) (58%)
Chennai	0.47 (5.1) (68%)	0.76 (8.1) (-25%)	0.1 (1) (30%)	0.19 (2.1) (-69%)
Kolkata	0.1 (1.1) (60%)	0.13 (1.4) (-1%)	0 (0) (-100%)	0.03 (0.3) (-64%)
Ahmedabad	0.08 (0.8) (-51%)	0.28 (3) (64%)	0.05 (0.5) (-71%)	0.26 (2.8) (45%)
Total	**4.54 (48.9) (41%)**	**6.68 (71.9) (21%)**	**1.87 (20.1) (-20%)**	**4.67 (50.3) (17%)**

Source: Knight Frank Research

MARKET-WISE RENTAL MOVEMENT

City	Rental value in H1 2025 in INR/sq m/month (INR/sq ft/month)	12 month change	6 month change
Mumbai	1,392 (129)	12%	10%
Hyderabad	807 (75)	10%	7%
Kolkata	474 (44)	9%	7%
NCR	1,006 (94)	8%	7%
Bengaluru	1,021 (95)	7%	3%
Ahmedabad	474 (44)	5%	1%
Chennai	748 (70)	4%	0%
Pune	829 (77)	3%	0%

Source: Knight Frank Research

AHMEDABAD

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	22,043	-2%	10,734	5%	5,106	1%
Sales (housing units)	18,462	15%	9,370	0%	4,683	0%
Average price in INR/sq m (INR/sq ft)	INR 33,336 (INR 3,097)	2%	INR 33,476 (INR 3,110)	2%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

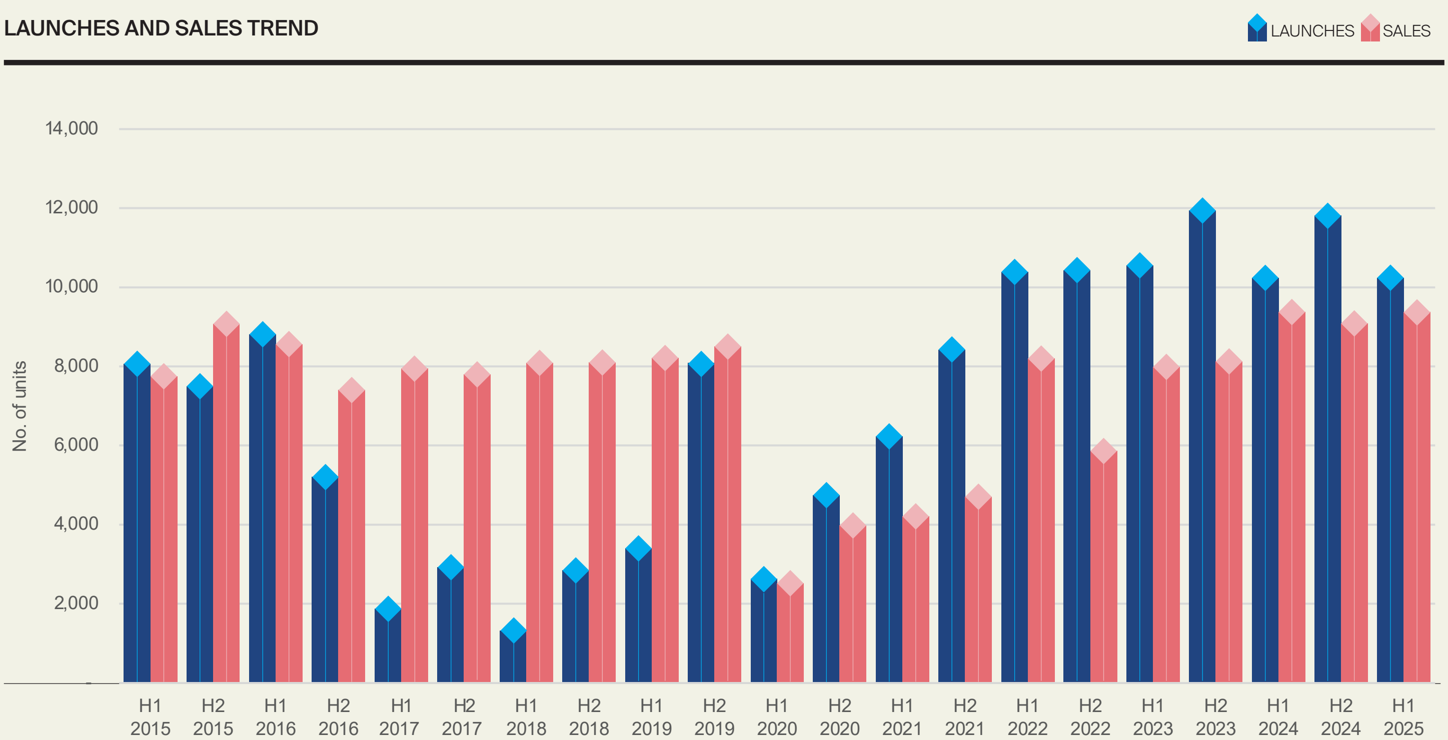
34,306
Unsold inventory (housing units)

14%
Change (YoY)

7.6
Quarters to sell (in quarters)

8.0
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

Ahmedabad is commonly regarded as the most affordable among the top eight cities, thanks to proactive urban planning. Since 2006, its municipal limits have expanded from 186 to 466 sq km, aligning infrastructure with population growth and easing central congestion typically found in city centres. The city's residential market has steadily recovered post the pandemic, with rising buyer confidence driving sales to a 10-year high in 2024. Developers have responded to the surge in demand with new launches offering larger homes, better amenities, and price revisions to match the sustained demand.

Sales volumes remained stable in H1 2025, almost identical to the volumes seen in H1 2024. With steady demand, developers have continued to focus on launching lifestyle-oriented projects featuring upgraded amenities and spacious designs to cater to evolving buyer needs. The number of units launched has consistently exceeded sales since the pandemic and H1 2025 was no different. 10,734 units were launched during the period, 5% higher in YoY terms.

The city's expanding municipal limits and rapidly improving infrastructure have fueled development along Ahmedabad's western fringes, especially between SG Highway and SP Ring Road. Growing demand for premium office spaces in these areas has also driven residential expansion in the western and northern outskirts. The expansion of the Ahmedabad Metro connecting Motera Stadium to Mahatma Mandir and the link to GIFT City, has significantly improved connectivity in the northern region. This, along with the increased commercial activity, has boosted residential development in Ahmedabad in recent periods.

The state's push for vertical growth by raising Floor Space Index (FSI) limits has led to a wave of high-rise developments, particularly along SG Highway. While these premium-priced skyscrapers reflect higher construction and land costs, they have been well-received by buyers, though their long-term traction remains to be seen.

Ahmedabad, with the lowest per square foot residential prices among the top eight cities, traditionally saw the bulk of its sales in units priced below INR 5 mn. However, the broader trend of homebuyers gravitating toward more experiential living available in the higher ticket-size categories, caught up with Ahmedabad in the latter half of 2023 and has continued since. The sub-INR 5 mn segment now accounts for 32% of sales in H1 2025, falling behind the INR 5-10 mn bracket which leads with 45% share. Sales of units priced above INR 10 mn have increased to 23% from 20% a year earlier.

Developers are increasingly focusing on higher-priced segments with units below INR 5 mn comprising just 29% of the total launches in H1 2025. Units in the INR 5-10 mn and above INR 10 mn brackets made up 47% and 24% of all new residential launches, respectively.

Despite a 14% YoY rise in unsold units, the market continues to hold under two years of inventory, a trend which has held steady since H2 2022. Recent launches have concentrated on higher-priced segments in anticipation of stronger demand, leading to a notable inventory build-up in these categories. Units above INR 10 mn represent 23% of sales and 24% of new launches in H1 2025. Inventory in this bracket has risen 31% YoY, with the INR 20-50 mn range seeing a sharp 42% increase. Given the growing momentum in higher ticket-size segments, a closer evaluation of these markets is warranted.

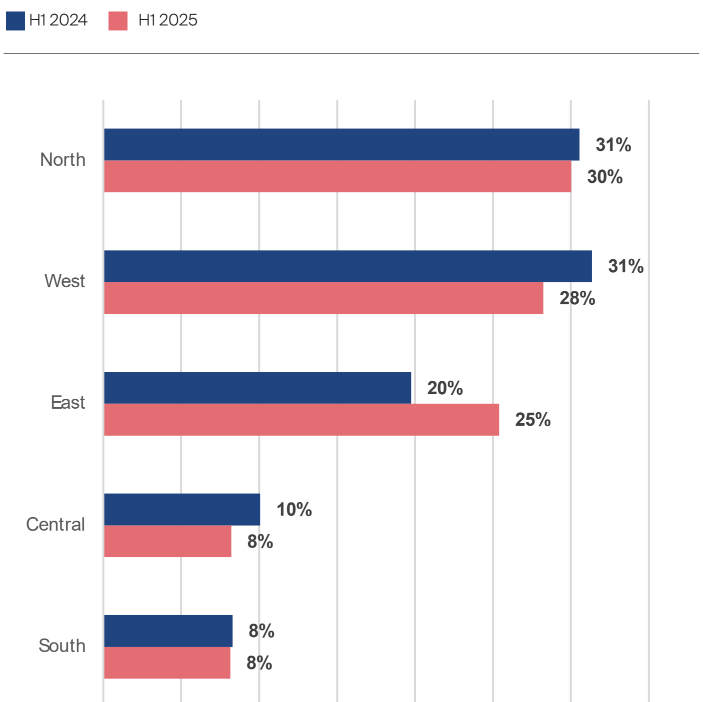
Though the rising inventory level may appear concerning seen in isolation, it must be assessed alongside sales velocity for a clearer view of market health. The Quarters to Sell (QTS) metric offers this perspective by estimating how long it would take to absorb current inventory based on the average sales velocity over the past eight quarters. A lower QTS generally reflects stronger demand and a healthier market. Overall, the market's QTS stands at 7.6 quarters, indicating just under two years of inventory, which is an acceptable level. For units priced above INR 10 mn, QTS is slightly higher at 7.8 quarters. The INR 20-50 mn segment has a QTS of 8.4 quarters, despite a 42% YoY inventory rise, still aligned with typical project completion timelines and not a cause for concern.

The shift in homebuyer preference toward larger apartments in modern high-rises marks a key milestone in Ahmedabad's residential market evolution. High affordability, relatively low per square foot pricing, and a strengthening local economy continue to underpin housing demand. Looking ahead, the recent 100 basis point cut in policy rates is expected to provide a further boost to market sentiment. Lower borrowing costs are likely to enhance homebuyer affordability, particularly in the affordable and mid-segments that still constitute the bulk of Ahmedabad's residential market. This monetary easing may not only accelerate decision-making among prospective buyers but also encourage fence-sitters to enter the market, supporting sustained sales momentum in the coming quarters.

MICRO-MARKET CLASSIFICATION

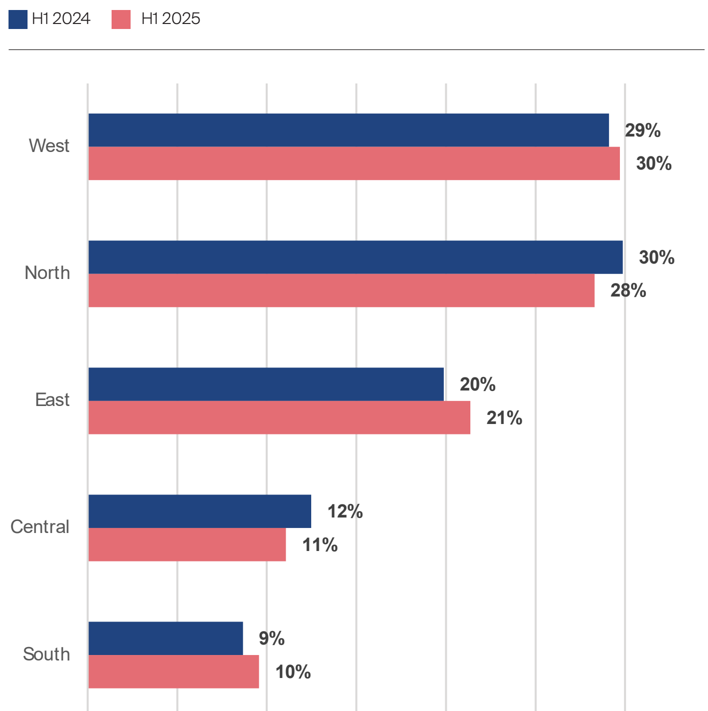
Micro market	Locations
Central	Paldi, Vasna, Navrangpura, Maninagar, Dudheshwar, Ambawadi
East	Naroda, Vastral, Nikol, Kathwada Road, Odhav
North	Gota, New Ranip, Tragad, Chandkheda, Motera
South	Narol, Vatva, Vinzol, Hathijan
West	SG Highway, Prahlad Nagar, Bopal, Thaltej, Science City Road

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



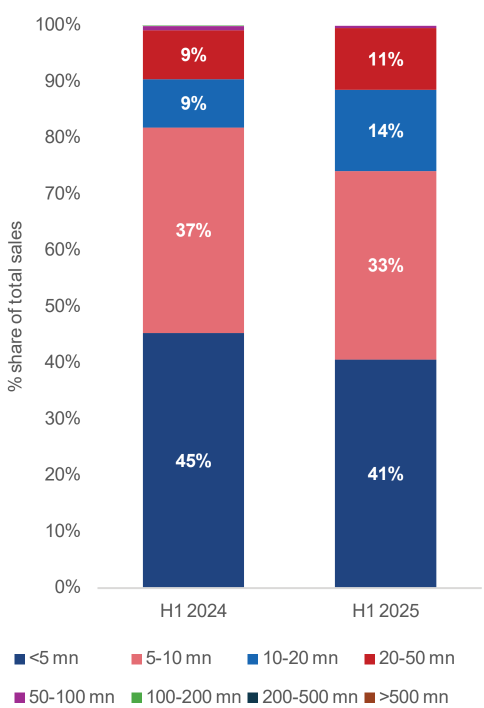
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	14,936 (4%)	8.8
5 – 10 mn	12,788 (18%)	6.8
10 - 20 mn	4,726 (32%)	7.4
20 – 50 mn	1,748 (42%)	7.2
50 – 100 mn	74 (-53%)	2.1
100 – 200 mn	33 (-15%)	12.4
200 – 500 mn	-	-

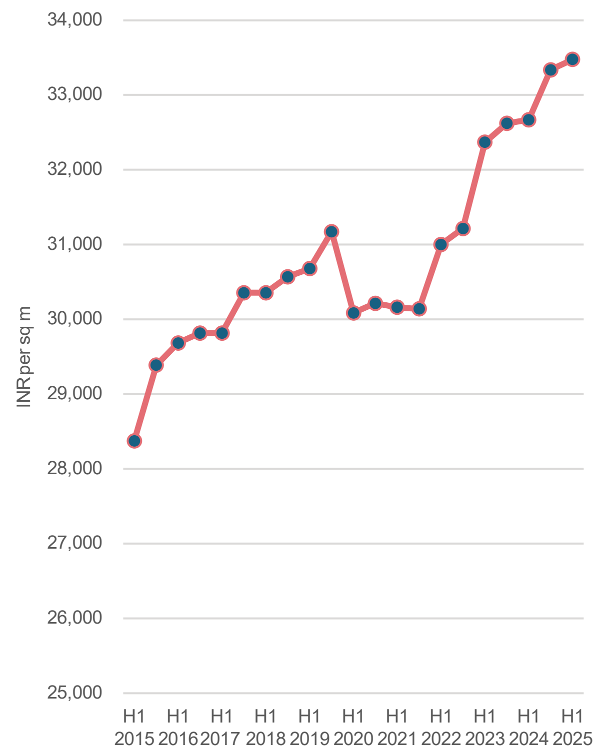
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Central	3,426 (2%)	6.4
East	5,683 (29%)	6.3
North	9,735 (15%)	7.3
South	4,015 (9%)	9.8
West	11,446 (11%)	8.7

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Central	Ambavadi	64,000-69,800 (5,950-6,490)	3%	1%
	Navrangpura	55,400-65,600 (5,150-6,100)	3%	2%
East	Nikol	28,000-35,500 (2,600-3,300)	1%	1%
	Vastral	25,800-31,200 (2,400-2,900)	2%	1%
North	Chandkheda	27,900-36,900 (2,600-3,430)	2%	1%
	Motera	37,600-45,200 (3,500-4,200)	2%	1%
South	Aslali Circle	18,300-21,530 (1,700-2,000)	3%	2%
	Vatwa	19,380-24,760 (1,800-2,300)	2%	1%
West	Bopal	35,500-44,100 (3,300-4,100)	2%	1%
	Prahlad Nagar	59,200-61,300 (5,500-5,700)	2%	1%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	0.26 (2.8)	45%	0.05 (0.5)	-71%	0.05 (0.5)	-56%
Transactions in mn sq m (mn sq ft)	0.28 (3.0)	64%	0.08 (0.8)	-51%	0.06 (0.6)	-51%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	470 (44)	5%	474 (44)	5%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

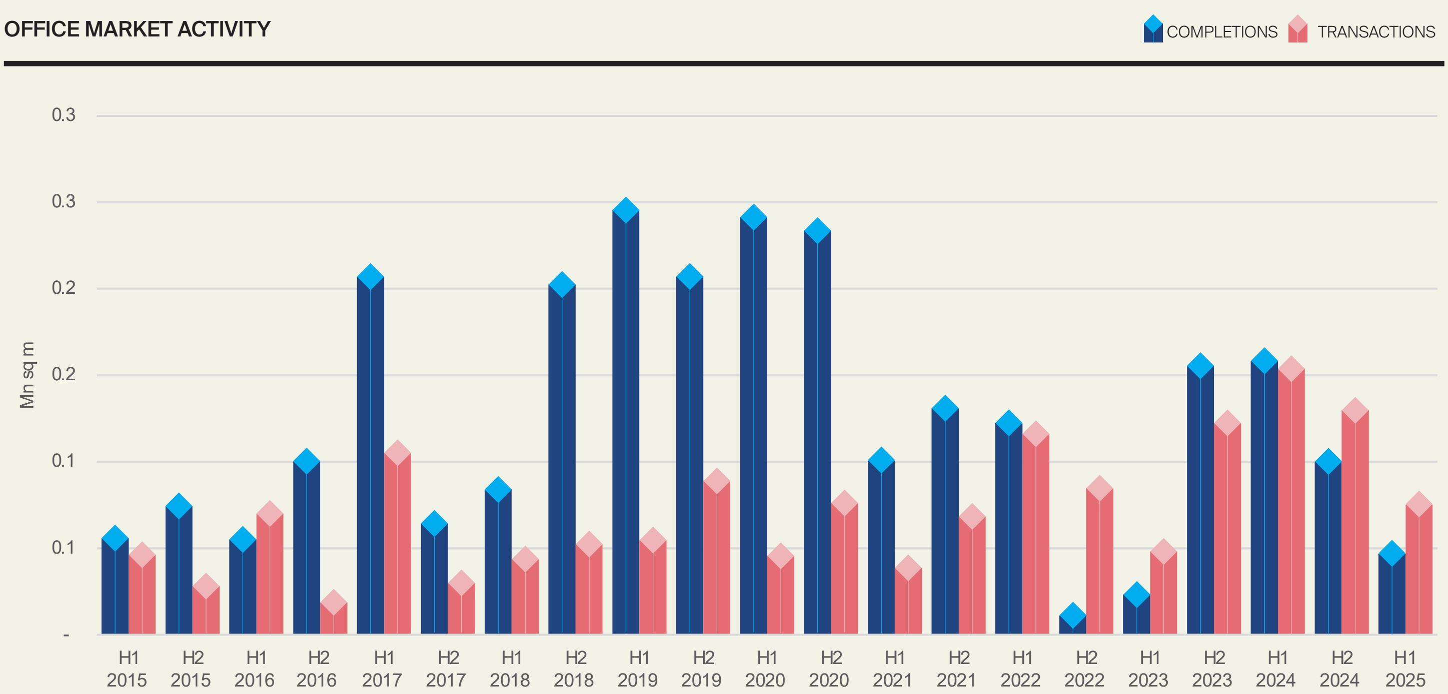
3.78 (40.7)
Stock mn sq m (mn sq ft) in H1 2025

7%
Change (YoY)

38.0%
Vacancy (%)

208
basis points decrease

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

Ahmedabad is the smallest office market after Kolkata and constitutes approximately 4% of the stock across the eight markets under our coverage. Prior to the pandemic, the city averaged close to 0.06 mn sq m (0.6 mn sq ft) in terms of half-yearly transaction volumes and has gained significant traction since H2 2021 with the half-yearly average till H2 2023, climbing to 0.08 mn sq m (0.9 mn sq ft). The year 2024 was an exceptional year for the market when H1 2024 set a record for the highest volume in a half-year period with transactions of 0.15 mn sq m (1.7 mn sq ft). This is quite noteworthy considering that the 0.08 mn sq m (0.8 mn sq ft) transacted in H1 2025 is 51% lower in YoY terms and could portray a much worse picture due to the pronounced base effect. This period's volume is much closer to the post-pandemic average with the exception of 2024 mentioned earlier.

Completion volumes have been similarly sedate at 0.05 mn sq m (0.5 mn sq ft) in H1 2025. This has also played a part in curtailing transaction volumes in the current period as occupiers await delivery of higher specification office spaces along the northern periphery of the SG Highway and SP Ring Road. The drop in volume of completions compared to transactions has caused the vacancy level to fall from 40% in H1 2024 to 38% in the current period.

CBD West continued to attract the bulk of occupier interest with well-established office locations along the SG Highway, Bopal-Ambli Road, Shivaranjani and Corporate Road constituting 61% of the transacted area in H1 2025.

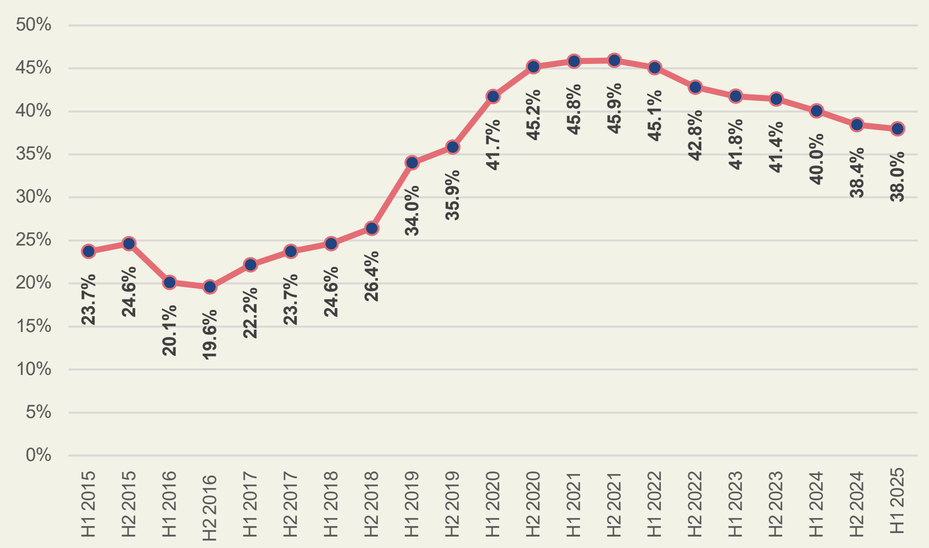
While the CBD West continues to lead the market in terms of occupier share, it is the newer office concentrations such as GIFT City and new developments along the northern end of the SG Highway and SP Ring Road that are seeing increasing occupier activity. The PBD accounted for 30% of the total volume transacted during the period with GIFT City constituting nearly 80% of the PBD volumes. The high grade environmentally compliant properties and business friendly policies position GIFT City as a unique office market, unique in its own right.

Third Party IT Services took the lead during H1 2025 with a 38% share, exceeding the 36% accounted for by India facing businesses. The 0.01 mn sq m (0.1 mn sq ft) lease taken up by Cognizant in Pragya II was the largest transaction in H1 2025. Flex operators such as Awfis, DevX and The Address accounted for 14% of the total volume during this period and are now a prominent occupier group playing an important part in the evolution of this market.

Rent growth has remained resilient despite the lower transaction volumes and reflects the changing occupier profile, especially the increase in transactions by GCC occupiers which accounted for a significant 12% of the total volume in H1 2025. The Ahmedabad office market has a large volume of non-contemporary, lower-grade properties in fringe areas that typically fail to attract occupier interest. A significant portion of office stock is strata-sold to investors, limiting upkeep and maintenance standards compared to more evolved markets like Bengaluru, Gurgaon, and Mumbai. The prevalence of speculative take-up keeps vacancy levels optically high. The actual leasable office market, however, is much smaller, with a shortage of high-quality spaces in prime locations. Recent deliveries closer to the SP Ring Road, besides the significant additions expected along the market's northern periphery, constitute the more contemporary and growing office market in the city.

Ahmedabad enjoys the patronage of the State and Central Governments which are focused on developing the city as an economic hub. Coupled with its relatively affordable real estate and extensive connectivity infrastructure, Ahmedabad presents a compelling choice for office occupiers. The market's underlying fundamentals continue to evolve with a more diversified occupier base and an increasing appetite for modern office spaces comparable to the norm in more developed Indian office markets. The significant deliveries expected in the northern locations should provide the impetus required for the market to regain momentum over the next few quarters.

OFFICE MARKET VACANCY



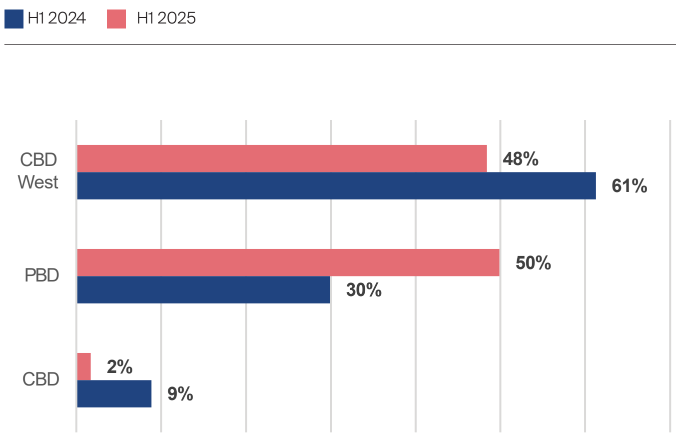
Source: Knight Frank Research

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
CBD West	Bodakdev, Keshav Baug, Prahladnagar, Satellite, SG Highway, Thaltej
PBD	Gandhinagar, GIFT City
CBD	Ashram Road, Ellisbridge, Paldi

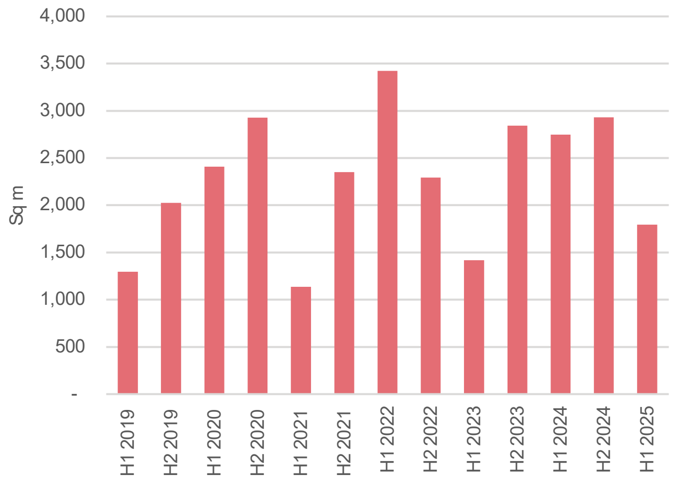
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



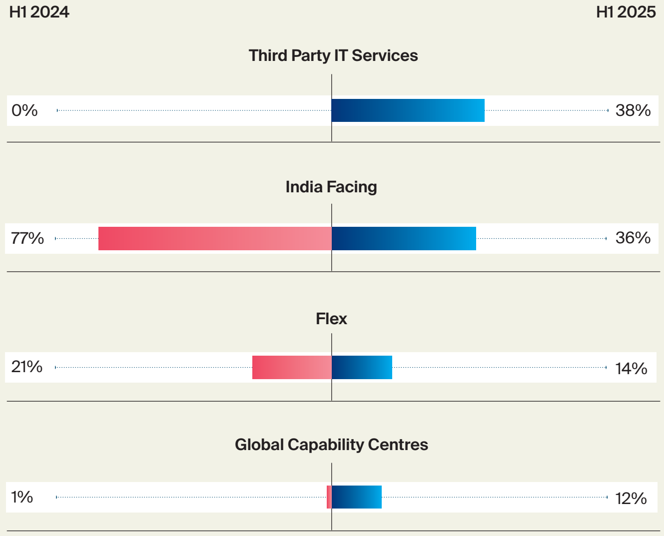
Source: Knight Frank Research

AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS



Source: Knight Frank Research

Notes:

1. India Facing: These refer to such transactions where the lessees/buyers are entities which have an India focused business, i.e., no export or import.
2. Third Party IT Services: These refer to transactions where the lessees/buyers are focused on providing IT and IT enabled services to offshore clients. They service multiple clients and are not necessarily owned by any of them.
3. Global Capability Centre (GCC): These refer to transactions where the lessees/buyers are focused on providing various services to a single offshore company. The offshore company has complete ownership of the entity that has transacted the space.
4. Flex Space: These refer to transactions by companies that specialise in providing comprehensive office space solutions for other businesses along with the benefits of flexibility of tenure, extent of services provided and the ability to scale higher or lower as required.

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
CBD	431-538 (40-51)	3%	1%
CBD West	484-592 (47-55)	5%	2%
PBD	538-646 (55-60)	5%	2%

Source: Knight Frank Research

BENGALURU

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	56,014	10%	33,498	31%	16,974	37%
Sales (housing units)	55,362	2%	26,599	-3%	14,095	-1%
Average price in INR/sq m (INR/sq ft)	INR 71,256 (INR 6,620)	12%	INR 75,912 (INR 7,052)	14%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

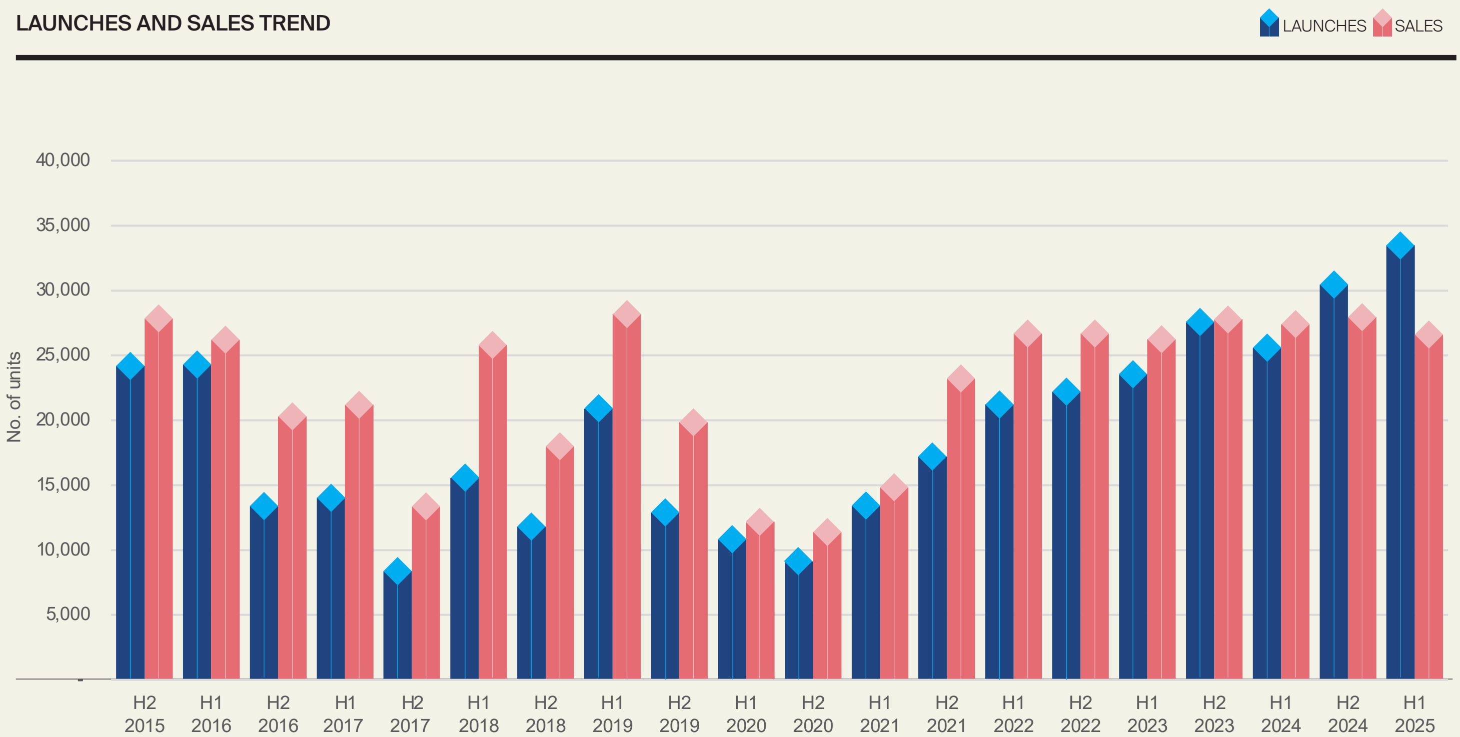
61,030
Unsold inventory (housing units)

18%
Change (YoY)

4.4
Quarters to sell (in quarters)

14.8
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

The Bengaluru residential transactions momentum continued in H1 2025 with developers ramping up supply in response to sustained demand. A total of 33,498 housing units were launched, registering a 31% YoY growth with one of the highest half-yearly launches in recent years. While sales dipped slightly by 3% to 26,599 units compared to H1 2024, it is largely seen as a market balancing out after several highs. Despite the minor decline, buyer interest remains intact especially in the mid to high ticket size segments which continue to dominate both launches and sales.

A major trend defining H1 2025 was the shift in project launches by price segment. The INR 10-20 mn category saw a substantial rise in new supply with 16,255 units launched, the highest among all ticket sizes registering a sharp increase of 44% compared to H1 2024. The INR 20-50 mn segment also recorded strong growth with 8,019 units launched, more than double the previous year. Together, these two categories comprised 72% of the total launches, underscoring the shift in developer focus towards higher ticket size segments. In contrast, launches in the sub-INR 5 mn and INR 5-10 mn segments dropped significantly to 2,005 and 6,749 units respectively, reflecting weakening demand in the affordable segment as well as land cost constraints.

Sales trends mirrored this shift. The INR 10-20 mn category led city-wide sales with 12,429 units, followed by the INR 20-50 mn segment with 5,870 units. These segments are increasingly favoured by buyers seeking larger homes and premium amenities. Meanwhile, the <INR 5 mn category contributed just 6% of total sales, continuing its decline amid rising prices and evolving buyer preferences. The INR 5-10 mn segment also saw a drop, reflecting shrinking demand in traditionally price-sensitive brackets.

By ticket size, strongest market health was observed in the INR 10-20 mn and INR 20-50 mn segments, with QTS values of 2.6 and 2.1 quarters respectively, indicating fast-moving inventory. Conversely, the <INR 5 mn category recorded a QTS of 16.6 quarters, the highest for the city, pointing to slow absorption and reduced viability of budget housing in Bengaluru's current market context.

The city's average residential price rose by 14% YoY, driven by high demand and a supply shift toward premium products. Locations such as Bannerghatta Road, Whitefield, Sarjapur Road, and Tumkur Road recorded some of the highest price appreciations, supported by metro connectivity and a high concentration of new launches.

Unsold inventory in the city stood at 61,030 units at the end of H1 2025, an 18% increase over the same period last year. However, the quarters-to-sell (QTS) ratio remained stable at 4.4, implying that the absorption rate remains healthy relative to supply additions. Importantly, the age of inventory declined to 14.8 quarters from 17.6 in H1 2024. This reduction suggests that ready and near-completion units are seeing stronger demand, with buyers increasingly favoring properties with shorter delivery timelines. South Bengaluru retained its position as the city's most active micro-market, accounting for 38% of total launches and leading in sales volume. The region's appeal remained anchored in key localities such as Electronic City and Sarjapur Road which benefit from proximity to major IT hubs, robust social infrastructure, and ongoing enhancements to metro connectivity. The Yellow Line metro under construction along Hosur Road has further enhanced the area's appeal, particularly for end-users. Developers are increasingly targeting the premium segment here as demand shifts from the traditional low ticket size segments to mid or high ticket size segments with more amenity-rich offerings.

East Bengaluru accounted for 32% of launches and 34% of sales in the first half of 2025, reaffirming its status as a major residential corridor. Areas like Whitefield continue to benefit from proximity to IT parks and the operational Purple Line metro, which has improved cross-city accessibility. Notably, launches have expanded to peripheral zones like Gunjur and Panathur, suggesting growing traction in emerging areas that offer relatively affordable options within a well-connected framework.

North Bengaluru continued to retain its growth momentum with a significant 27% share of new launches and 30% of sales. The region's rapid development is being propelled by infrastructure projects including the upcoming Blue Line metro and the expansion of the Kempegowda International Airport. The presence of commercial clusters and strong road connectivity has turned this region into a key growth corridor.

West Bengaluru contributed a modest share of the overall activity with 3% of launches and 4% of sales. Areas like Tumkur Road, Rajajinagar, and Malleswaram continue to attract demand due to their mature infrastructure, industrial presence, and access to civic amenities. Central Bengaluru, by contrast, remained limited in both new launches and sales due to land constraints and high entry barriers, accounting for only 0.2% of city-wide activity.

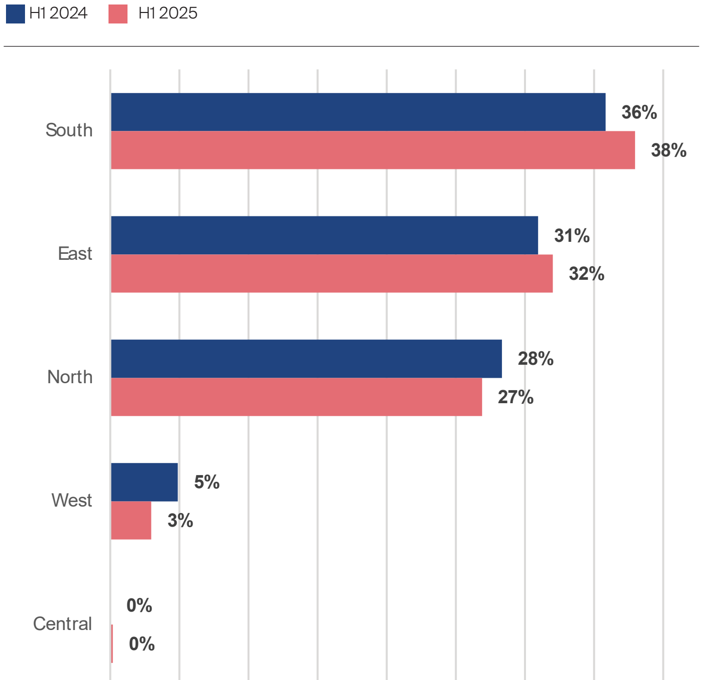
In summary, Bengaluru's residential market in H1 2025 demonstrated an ongoing evolution towards large ticket size segments. With rising prices, shifting demand patterns, and a strong pipeline of infrastructure development, the city continues to offer a balanced real estate ecosystem. The declining age of inventory and consistent QTS levels further underline the market's overall health and its capacity to absorb fresh supply in key segments. As developers align offerings to match buyer aspirations and infrastructure upgrades continue to unfold, Bengaluru's residential landscape is poised for sustained and structured growth.

MICRO-MARKET CLASSIFICATION

Micro market	Locations
Central	MG Road, Lavelle Road, Langford Town, Vittal Mallya Road, Richmond Road
East	Whitefield, Old Airport Road, Old Madras Road, KR Puram, Marathahalli
West	Malleswaram, Rajajinagar, Yeshwanthpur, Tumkur Road, Vijayanagar
North	Hebbal, Bellary Road, Hennur, Jakkur, Yelahanka, Banaswadi
South	Koramangala, Sarjapur Road, Jayanagar, JP Nagar, HSR Layout, Kanakapura Road, Bannerghatta Road

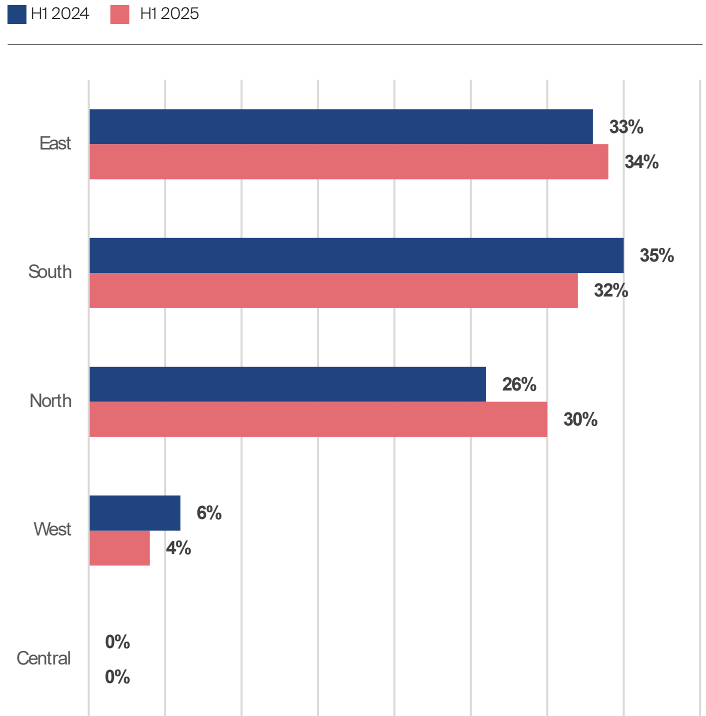
Source: Knight Frank Research

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



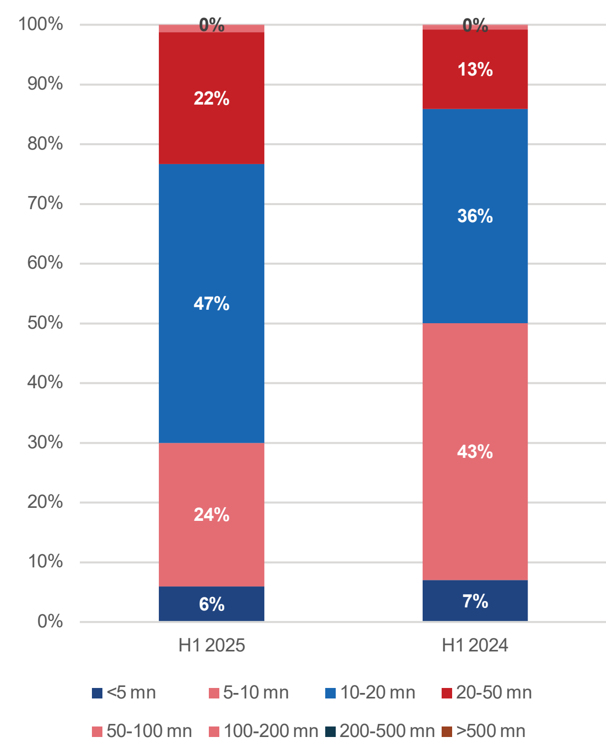
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	18,478 (12%)	16.6
5 – 10 mn	23,563 (2%)	4.6
10 - 20 mn	12,918 (60%)	2.6
20 – 50 mn	4,962 (43%)	2.1
50 – 100 mn	844 (190%)	6.3
100 – 200 mn	181 (95%)	11.3
200 – 500 mn	84 (-3%)	100.3
>500 mn	-	-

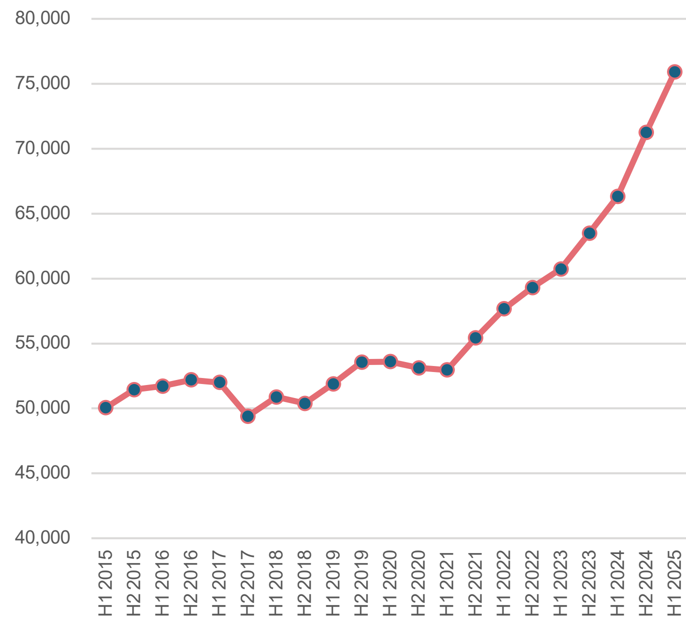
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Central	227 (2%)	13.0
East	19,252 (23%)	3.8
North	11,483 (22%)	3.4
South	27,948 (6%)	6.1
West	2,120 (-26%)	2.9

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Central	Langford Town	1,61,459-2,36,806 (15,000-22,000)	0%	0%
	Lavelle Road	2,26,042-3,22,917 (21,000-30,000)	0%	0%
East	KR Puram	58,125-1,07,639 (5,400-10,000)	6%	-3%
	Whitefield	64,583-1,18,403 (6,000-11,000)	18%	5%
	Marathahalli	64,583-1,50,695 (6,000-14,000)	15%	1%
North	Hebbal	69,965-1,39,931 (6,500-13,000)	4%	3%
	Yelahanka	49,514-96,875 (4,600-9,000)	8%	3%
	Thanisandra	59,201-1,29,167 (5,500-12,000)	14%	7%
	Hennur	62,431-1,11,945 (5,800-10,400)	1%	0%
South	Sarjapur Road	53,820-1,18,403 (5,000-11,000)	16%	10%
	Kanakpura Road	45,208-94,722 (4,200-8,800)	0%	0%
	Electronic City	53,820-83,958 (5,000-7,800)	9%	3%
	Bannerghatta Road	64,583-1,21,632 (6,000-11,300)	18%	13%
West	Yeshwanthpur	78,576-1,33,472 (7,300-12,400)	0%	0%
	Malleswaram	91,493-1,77,604 (8,500-16,500)	9%	0%
	Rajajinagar	1,18,403-2,16,893 (11,000-20,150)	13%	8%
	Tumkur Road	48,438-80,729 (4,500-7,500)	15%	15%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	1.2 (12.4)	-7%	0.2 (2.1)	-73%	0.1 (1)	-62%
Transactions in mn sq m (mn sq ft)	1.7 (18.1)	45%	1.7 (18.2)	116%	0.5 (5.5)	13%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	988.6 (91.8)	6%	1021 (94.8)	7%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

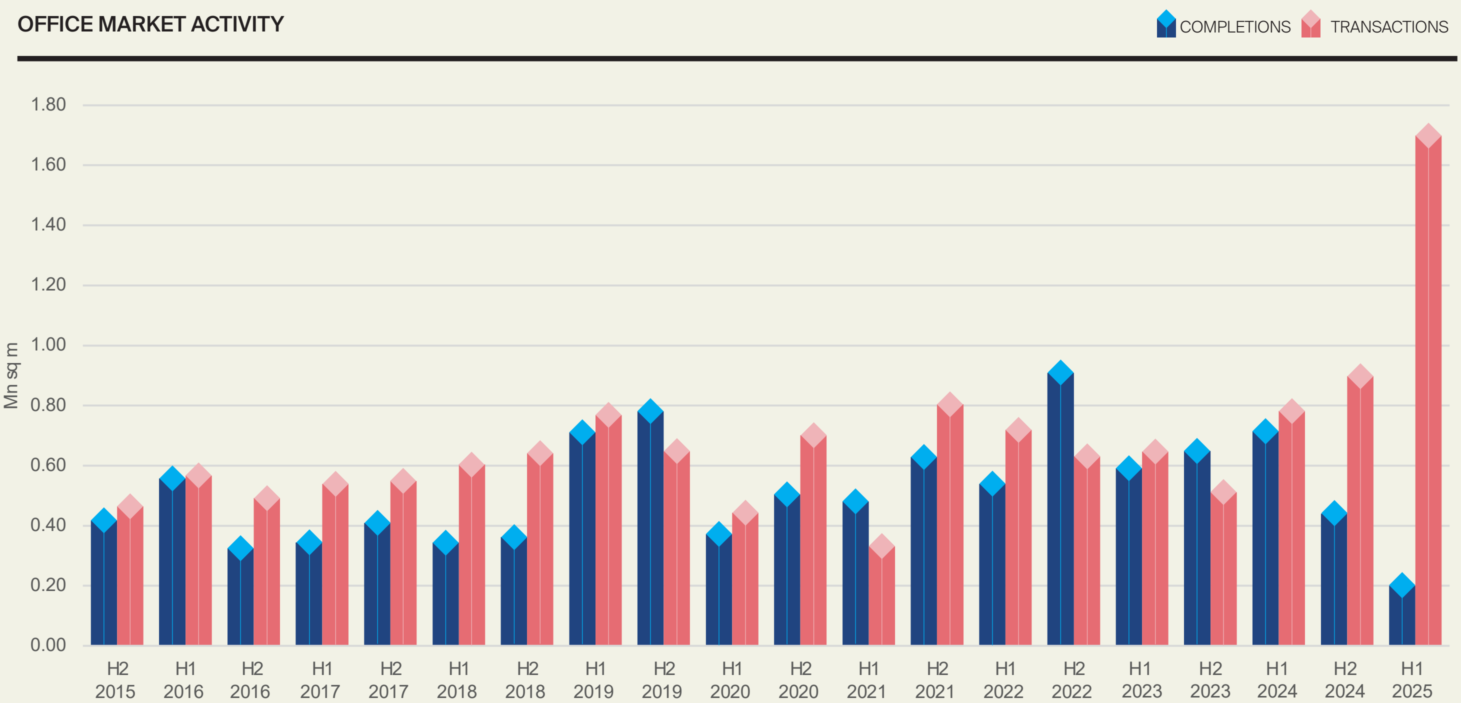
21.3(229.5)
Stock mn sq m (mn sq ft) in H1 2025

3%
Change (YoY)

10.5%
Vacancy (%)

381
basis points decrease

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

Bengaluru's office market demonstrated remarkable transaction momentum in the first half of 2025, registering a historic high in transaction volumes. The city recorded 18.2 mn sq ft of office leasing activity in H1 2025, surpassing the transaction volume of the entire year of 2024 in just six months. This sharp uptick cements Bengaluru's position as the country's leading commercial real estate hub, backed by strong occupier interest, evolving demand preferences, and strategic infrastructure developments. This surge in leasing was largely driven by an extraordinary rise in large-ticket deals and pre-commitments.

Pre-commitments were a key driver of the leasing activity, contributing 8.3 mn sq ft, nearly half of the total transactions in H1 2025. This reflects a pronounced shift by occupiers toward long-term planning amidst a constricted supply pipeline. With only 2.1 mn sq ft of new supply entering the market in H1 2025 marking a 73% decline compared to the same period last year, occupiers chose to secure upcoming space in under-construction developments. The low supply was primarily a result of developers pivoting towards residential projects, given the robust performance of the housing market in the past quarters. However, with demand from office occupiers remaining strong, an uptick in new office completions is expected in the second half of the year.

One of the defining characteristics of the Bengaluru office market in H1 2025 was the significant increase in the average transaction size. While the number of transactions declined marginally, the overall area transacted rose sharply due to a surge in large ticket size transactions. The top 10 transactions alone accounted for nearly 50% of the total leasing volume compared to 33% in the same period last year. This clearly indicates a strategic shift in occupier behavior with fewer deals that are substantially larger in size. This pattern was particularly evident among GCCs and large third-party IT service firms, which are increasingly consolidating their operations in larger, future-ready campuses.

Global Capability Centers or GCCs remained the dominant occupier category in H1 2025, accounting for 10 mn sq ft of the total leasing activity. Companies like IBM, Schneider, LinkedIn, and Intuit drove large-scale pre-commitments and expansions. These GCCs continue to be attracted by Bengaluru's deep talent pool, mature IT ecosystem, and strong infrastructure pipeline. Third-party IT services also showed a sharp rebound in H1 2025, leasing 3.9 mn sq ft, up significantly from previous periods, suggesting renewed optimism in core technology and outsourcing sectors. Notably, Tata Consultancy Services alone accounted for 3.15 mn sq ft of transaction out of the 3.9 mn sq ft within Third Party IT Services. Flex space occupiers contributed 2.7 mn sq ft, reflecting continued demand for operational agility. India-facing businesses, while accounting for a smaller share, leased a healthy 1.7 mn sq ft, underlining the rising prominence of domestic demand drivers in Bengaluru's real estate market.

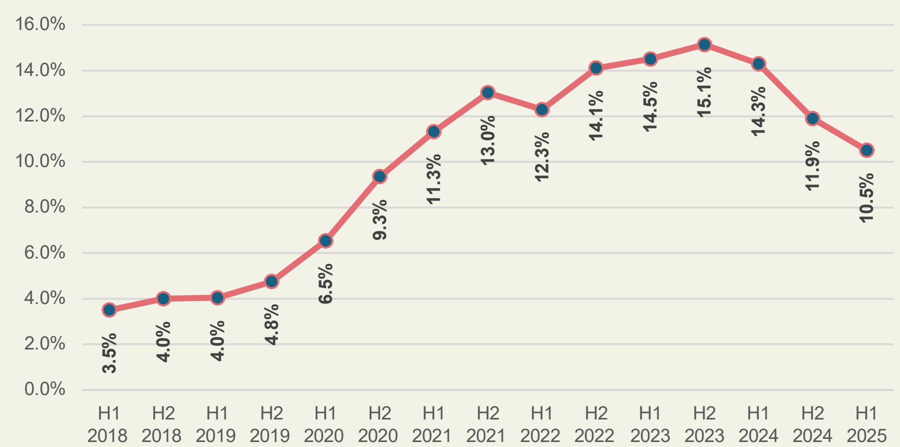
PBD East (Whitefield) emerged as the top-performing micro-market with 5.6 mn sq ft of leasing, driven by enhanced metro connectivity via the operational Purple Line and increased activity by large occupiers. The Outer Ring Road micro-market also retained its leadership position, recording 4.2 mn sq ft of leasing. ORR continues to benefit from its well-established tech parks, excellent social infrastructure, and ongoing infrastructure upgrades. PBD South and PBD West recorded 2.4 mn sq ft and 2.1 mn sq ft, respectively, indicating that peripheral locations are increasingly absorbing demand overflow from core business districts. SBD also witnessed strong traction with 2.2 mn sq ft transacted, driven by flex players and smaller occupiers seeking proximity to residential clusters. The CBD and Off-CBD areas remained relatively subdued, with 0.6 mn sq ft of leasing, as demand continues to shift towards more modern campuses in suburban and peripheral locations.

The strength of Bengaluru's office market is also being reinforced by ongoing and planned infrastructure improvements. The metro expansion projects, including the proposed Hebbal-Sarjapura route under Phase 3A and the upcoming Yellow Line, are set to significantly enhance inter-city connectivity. These upgrades are particularly boosting the attractiveness of micro-markets like PBD North and PBD East, where the upcoming office supply is expected to be absorbed quickly due to improved transit access.

Rental values in Bengaluru continued their upward trajectory in H1 2025 with notable growth recorded in high-demand areas like ORR, PBD East, and select SBD locations. The limited supply of office space which is mostly Grade A space, with heightened demand from GCCs and tech occupiers, are putting upward pressure on rents, particularly for Grade A assets. As large occupiers continue to plan long-term and lock in space through pre-commitments, future rent escalations are likely to be reflected more prominently in upcoming pre-leases and renegotiations. Despite the absence of significant new completions, vacancy levels went down due to the strong absorption of existing inventory and the volume of space secured under pre-commitments - to be occupied only in subsequent periods.

Looking ahead, Bengaluru's office market is expected to maintain its momentum in H2 2025, supported by the delivery of deferred supply and sustained demand from GCCs and Third-party IT services. The strategic shift of developers back to commercial asset launches, as residential activity moderates, will also help rebalance the supply pipeline. Occupier sentiment remains bullish, as evidenced by the surge in large-ticket transactions and the proactive securing of space for future use. Infrastructure improvements will further expand the scope of the market, supporting the development of new commercial clusters, enhancing the overall business environment.

OFFICE MARKET VACANCY



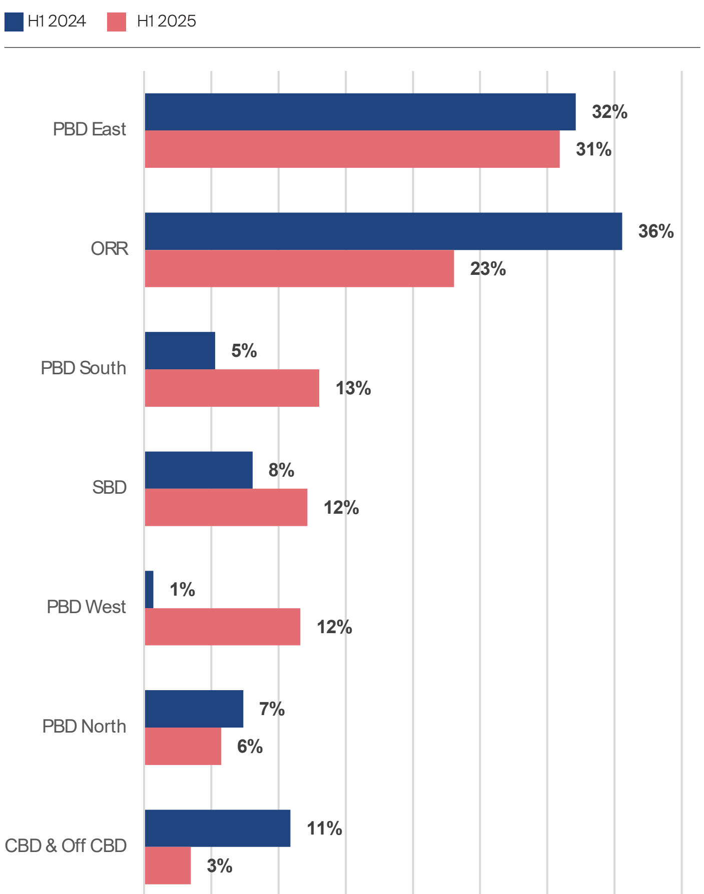
Source: Knight Frank Research

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
Central Business District (CBD) and Off CBD	MG Road, Residency Road, Cunningham Road, Lavelle Road, Richmond Road, Infantry Road
Secondary Business District (SBD)	Indiranagar, Koramangala, Airport Road, Old Madras Road
Peripheral Business District (PBD) East	Whitefield
Peripheral Business District (PBD) South	Electronic City, Bannerghatta Road
Peripheral Business District (PBD) North	Thanisandra, Yelahanka, Devanahalli
Peripheral Business District (PBD) West	Vijaynagar, Tumkur Road, Mysore Road
Outer Ring Road (ORR)	Hebbal ORR, Marathahalli ORR, Sarjapur Road ORR

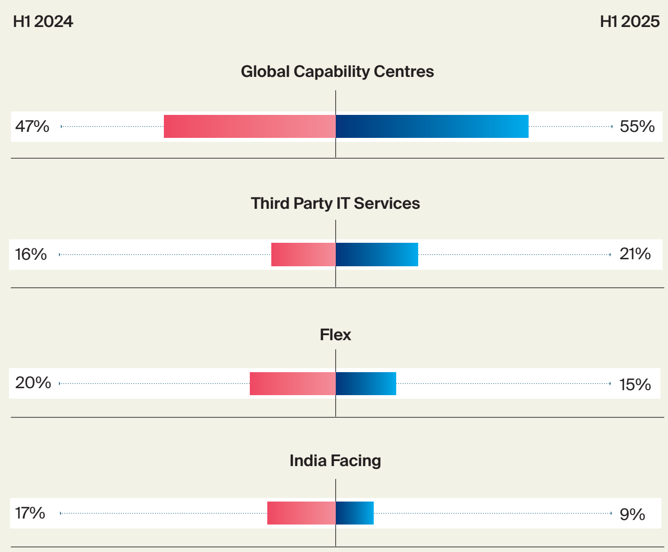
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS



Source: Knight Frank Research

Notes:

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3. Global Capability Centre (GCC): These refer to transactions where the lessees/buyers are focused on providing various services to a single offshore company. The offshore company has complete ownership of the entity that has transacted the space.
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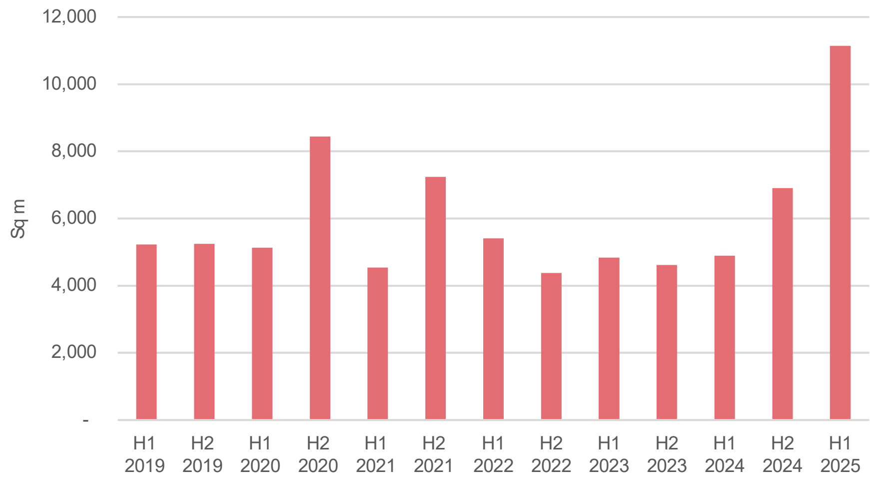
AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
CBD & Off-CBD	1,399 - 2,368 (130 - 220)	9%	3%
SBD	1,076 - 1,938 (100 - 180)	8%	0%
PBD East	700 - 915 (65 - 85)	3%	0%
PBD South	700 - 969 (65 - 90)	7%	7%
PBD North	646 - 1,023 (60 - 95)	7%	3%
ORR	1,076 - 1,345 (100 - 125)	2%	0%

Source: Knight Frank Research

CHENNAI

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	17,431	7%	9,621	9%	5,045	12%
Sales (housing units)	16,238	9%	8,935	12%	4,578	14%
Average price in INR/sq m (INR/sq ft)	INR 51,726 (INR 4,806)	7%	INR 53,637 (INR 4,983)	9%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

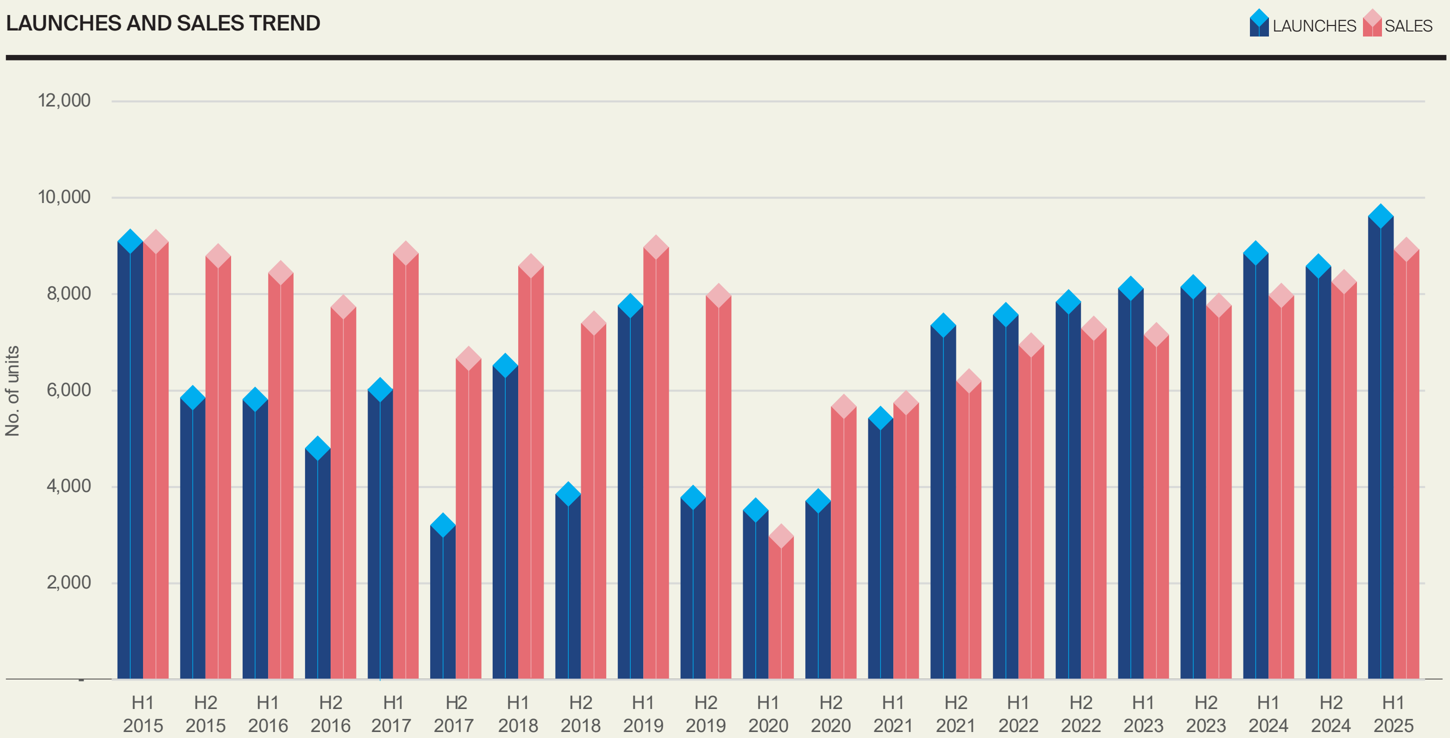
17,415
Unsold inventory (housing units)

6%
Change (YoY)

4.2
Quarters to sell (in quarters)

6.7
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

The Chennai residential market recorded a healthy 12% YoY increase in sales, reaching 8,935 housing units during H1 2025. This marks the highest level of residential sales in the post-COVID era, since H1 2020.

Sales in Chennai's residential market during H1 2025 remained concentrated in the South and West micro-markets, which together accounted for 82% of the total transactions. South Chennai led the way with a 56% share, reinforcing its status as a vibrant IT and knowledge hub, home to major tech parks like TIDEL Park and SP Infocity. Sales volumes in this zone grew by 8% YoY, supported by robust infrastructure, thriving healthcare and engineering sectors, and a rich cultural backdrop. West Chennai contributed 26% of the total sales and continues to evolve from its industrial base into a prominent IT corridor. The area is steadily attracting technology investments and developing into a skilled talent ecosystem. Central Chennai's share rose from 7% in H1 2024 to 12% in H1 2025, backed by a sharp 92% YoY increase in sales volumes. North Chennai also saw a 12% YoY rise in sales, and its growth prospects are buoyed by ongoing infrastructure improvements, including the expansion of the Chennai Metro and the development of the new TIDEL Park, both of which are set to enhance connectivity and market appeal.

In H1 2025, homes priced between INR 5-10 mn continued to dominate Chennai's residential market comprising 45% of the total sales, up from 44% in H1 2024. This price bracket aligns with the city's core housing market and remains the preferred choice for value-conscious buyers. However, the share of relatively more affordable homes priced below INR 5 mn, declined significantly to 22% from 28% in H1 2024, reflecting a 14% YoY drop in sales. This shift is indicative of affordability pressures, rising construction costs, and evolving consumer aspirations. Meanwhile, demand for high-value homes, those priced between INR 10-20 mn, strengthened further, accounting for 23% of sales in H1 2025, up from 20% in the previous year, representing a 33% YoY jump in volume. Sales in the INR 20-50 mn bracket also rose 21% YoY, maintaining an 8% share. These trends suggest a growing appetite for premium residences offering better space, location, and amenities. Interestingly, homes priced above INR 50 mn, though still niche, showed notable movement. The INR 50-100 mn segment doubled its share from 1% to 2%, with a 103% YoY surge in volume. While ultra-luxury segments above INR 100 mn remained marginal in terms of volume, they recorded significant percentage growth albeit from a very low base. Overall, the data signals a maturing market in Chennai, with a clear shift from budget housing (under INR 5 mn) to mid-to-premium and high-value segments, reaffirming the city's growing affluence and rising aspirations among homebuyers.

In H1 2025, Chennai witnessed the launch of 9,621 residential units, marking a 9% YoY increase from the 8,855 units launched in H1 2024. The southern and western micro-markets remained the primary contributors, together accounting for 83% of total launches. Specifically, South Chennai maintained its lead with a 54% share (up from 52%), reflecting its continued dominance as a residential hotspot. West Chennai followed with a 29% share, showing a marginal decline from 32%. Central Chennai held steady with a 10% share, while North Chennai witnessed a notable rise, increasing its share from 6% to 7% and a strong 29% YoY growth in launch volumes. In terms of pricing, homes priced between INR 5-10 mn remained the largest segment, constituting 49% of total launches, although slightly down from 53% in H1 2024. The INR 10-20 mn segment saw increased activity, rising to 21%, reflecting an upswing in demand for high-value homes. Launches in the <INR 5 mn affordable segment declined to 17%, down from 22%, continuing a trend of shrinking affordable supply. Homes in the INR 20-50 mn range also grew significantly, accounting for 12% of new launches, more than doubling their previous share. The luxury and ultra-luxury segments (above INR 50 mn) remained limited, collectively contributing just 1% of the launches. Prominent developers active during H1 2025 included Casagrand Builder, Brigade Group, Alliance Group, Natwest Constructions, Navin Housing, Shivas Constructions and Kaizen Homes, launching projects across key growth corridors such as Pudupakkam, Perumbakkam, Pallavaram, T. Nagar, Kattupakkam, and Kelambakkam.

As of H1 2025, unsold inventory in Chennai rose by 8% YoY to 16,729 units. Despite this increase, the city's average quarters-to-sell (QTS) ratio remains healthy at 4.2, one of the lowest among major Indian cities, indicating strong sales momentum. The INR 5-10 mn category, which continues to dominate sales in Chennai, recorded the sharpest 27% YoY rise in inventory, reaching 6,330 units, yet maintained a strong QTS of 3.6, underscoring its high absorption rate. Premium homes priced between INR 20-50 mn saw a 71% increase in inventory but still held a favourable QTS of 3.7, reflecting rising demand for quality housing. The INR 10-20 mn segment posted a marginal 3% rise in inventory with a QTS of 4.9, suggesting stable sales. Meanwhile, the relatively affordable segment (below INR 5 mn) saw a 14% decline in unsold stock to 5,624 units, though QTS remained moderate at 4.9, hinting at affordability-driven demand challenges.
In the higher-value segments, homes priced between INR 50-100 mn witnessed a 35% rise in inventory and recorded the lowest QTS of 1.4, indicating rapid absorption in the aspirational luxury bracket. Homes priced between INR 100-200 mn also saw a 27% inventory increase, though with a slower QTS of 4.9. Inventory in the INR 200-500 mn range rose by 78% but remained limited to just 8 units. At a micro-market level, South Chennai held 6,243 unsold units with a low QTS of 2.6, while North Chennai had 712 units with a QTS of 2.8, reflecting strong buyer activity in both zones. Central Chennai had the lowest inventory at 508 units and recorded the fastest-moving market with a QTS of 1.4. In contrast, West Chennai held the highest inventory at 9,952 units and showed a sluggish QTS of 9.1, indicating potential oversupply.

Residential prices have increased by 9% YoY during H1 2025, underscoring the resilience and stability of Chennai's property market. This trend highlights sustained demand for real estate, with notable rises observed in neighborhoods like Perambur, Perumbakkam, Kelambakkam, Porur and Mogappair.

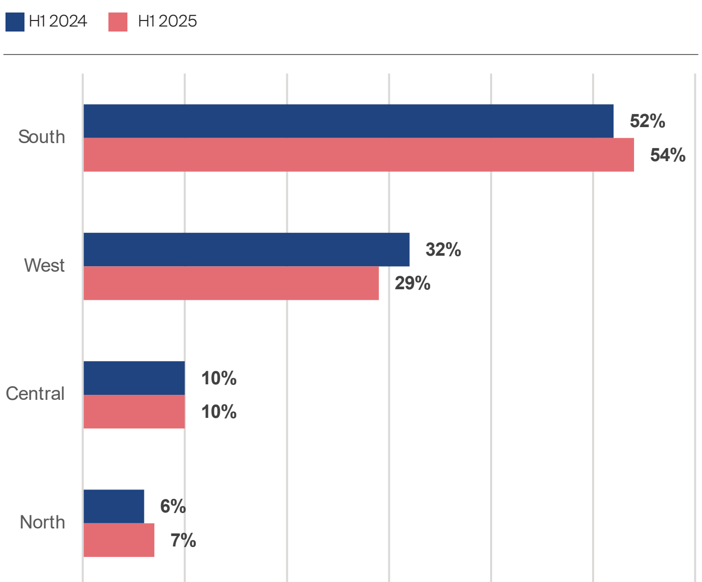
Chennai has emerged as a vibrant housing market, propelled by its diverse industrial base and expanding IT sector. The city's robust infrastructure and the presence of numerous industries, ranging from automobiles and engineering to manufacturing, have created a wealth of job opportunities, attracting professionals from across the country. This strong employment landscape, combined with Chennai's modern amenities and well-developed transport networks, continues to fuel demand for residential properties and drive healthy sales volumes, making the city an attractive destination for homebuyers seeking both career growth and quality living.

MICRO-MARKET CLASSIFICATION

Micro market	Locations
Central Chennai	T. Nagar, Alandur, Nungambakkam, Kodambakkam, Kilpauk
West Chennai	Porur, Ambattur, Mogappair, Iyyappanthangal, Sriperumbudur
South Chennai	Perumbakkam, Chrompet, Sholinganallur, Guduvancheri, Kelambakkam
North Chennai	Tondiarpet, Kolathur, Madhavaram, Perambur

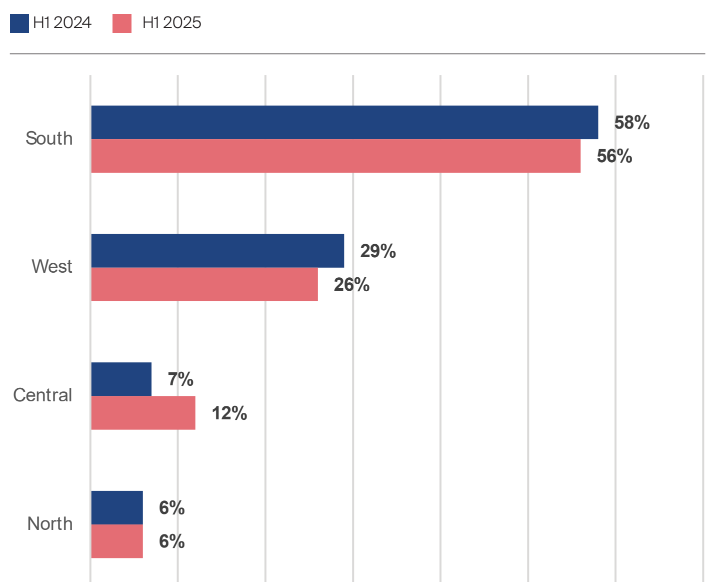
Source: Knight Frank Research

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



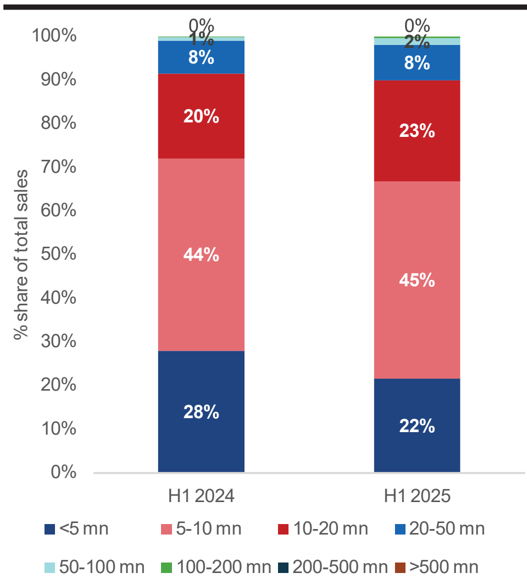
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	5,624 (-14%)	4.9
5 – 10 mn	6,330 (27%)	3.6
10 - 20 mn	4,270 (3%)	4.9
20 – 50 mn	1,086 (71%)	3.7
50 – 100 mn	56 (35%)	1.4
100 – 200 mn	42 (27%)	4.9
200 – 500 mn	8 (78%)	-
>500 mn	-	-

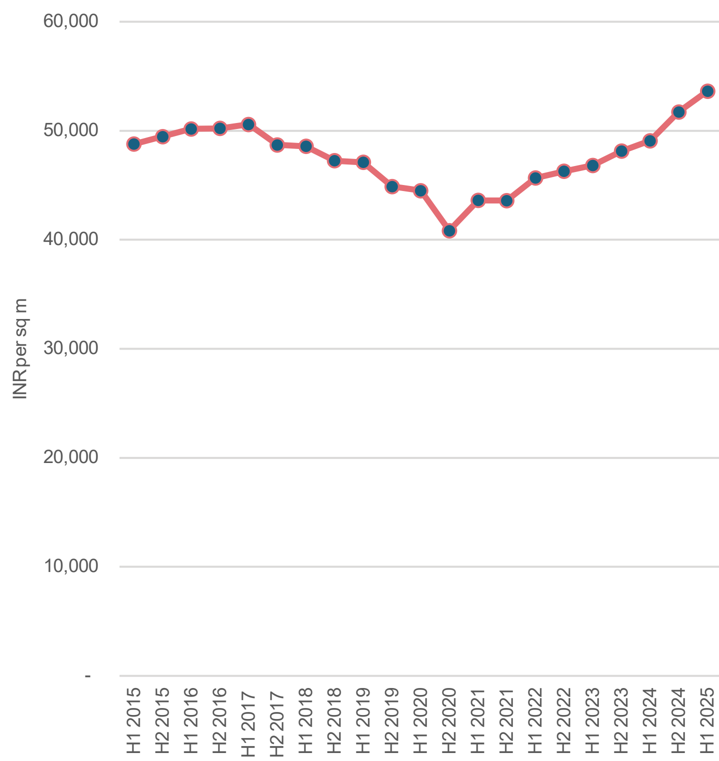
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Central	508 (12%)	1.4
North	712 (-3%)	2.8
South	6,243 (4%)	2.6
West	9,952 (8%)	9.1

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Central	Anna Nagar	1,41,310-1,50,158 (13,128-13,950)	0%	-1%
	Kilpauk	1,72,536-2,01,599 (16,029-18,729)	7%	-7%
North	Kolathur	59,310-56,511 (5,510-5,250)	0%	0%
	Perambur	77,684-87,005 (7,217-8,083)	15%	3%
South	Perumbakkam	62,001-69,966 (5,760-6,500)	16%	5%
	Kelambakkam	63,540-67,092 (5,903-6,233)	12%	1%
West	Porur	71,538-75,929 (6,646-7,054)	14%	6%
	Mogappair	85,897-95,757 (7,980-8,896)	13%	2%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	0.19 (2.1)	-69%	0.10 (1.0)	30%	0.08 (0.8)	5%
Transactions in mn sq m (mn sq ft)	0.76 (8.1)	-25%	0.47 (5.1)	68%	0.30 (3.2)	74%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	745 (69.2)	6%	748 (69.5)	4%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

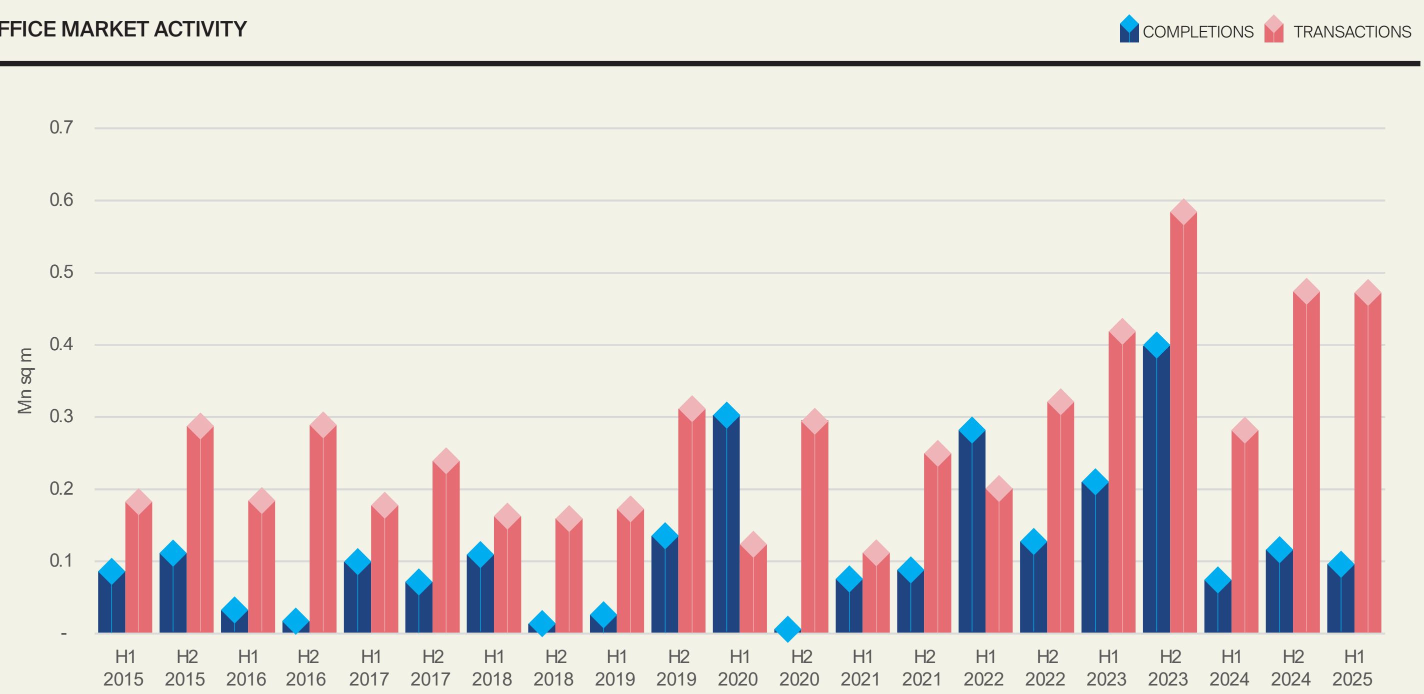
8.55 (92.1)
Stock mn sq m (mn sq ft) in H1 2025

3%
Change (YoY)

8.9%
Vacancy (%)

38
basis points decrease

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

Chennai's office absorption surged by 68% YoY in H1 2025, reaching 0.47 mn sq m (5.1 mn sq ft), the highest-ever H1 transaction volume and the third-highest half-yearly total on record. This milestone reflects the city's sustained leasing strength in recent years, driven by heightened occupier interest and growing demand across sectors.

Global Capability Centres (GCCs) dominated Chennai's office leasing in H1 2025, accounting for 49% of the total activity, reinforcing the city's status as a top GCC destination after Bengaluru. Leasing volumes by GCCs rose 75% YoY, driven by strong demand and state-led efforts to attract skilled talent. Within GCC leasing, BFSI led with a 55% share, followed by Other Services including engineering, healthcare, and logistics at 31%. Key occupiers included Standard Chartered, American Express, Vestas, and Walmart.

Third-party IT services made a strong comeback in H1 2025, recording 0.12 mn sq m (1.2 mn sq ft) of leasing. This was remarkable, given that there were no such transactions in H1 2024. The segment now holds the second-largest share of leasing at 24%. As one of India's key IT hubs, Chennai is expected to see continued traction in this category. TCS was the notable occupier during the period.

Flex operators accounted for 20% of the total transaction volumes in H1 2025, marking a sharp 87% YoY increase in space take-up. Of this, managed office players contributed 80% of the flex transactions while coworking operators made up the remaining 20%. Key players like Indiqube, WeWork, The Executive Centre (TEC), and Tablespace were among the most active. The segment continues to gain prominence as its flexibility, cost efficiency, and adaptability appeal to a broad range of occupiers.

The remaining 6% of absorption in H1 2025 came from India-focused businesses. Within this category, companies from Other Services such as PR, healthcare, and education led the way, contributing 56% of the segment's share, followed by manufacturing firms at 23%. Notable occupiers included AdFactors PR, Swiggy Instamart, and Tamilnad Mercantile Bank.

During H1 2025, Chennai's leasing activity was heavily driven by the SBD-OMR region, which captured 41% of the total office space absorption, up from 29% in H1 2024. This surge was led by active leasing in key micro-markets like Kandanchavadi, Kottivakkam, Taramani, and Perungudi, owing to their strong infrastructure, IT corridor access, and proximity to residential hubs, factors especially appealing to IT, BFSI, and GCC occupiers. Following closely, the PBD OMR and GST corridors accounted for 38% of leasing, with large GCC deals concentrated in PTR Road, Perungulathur, Navalur, and Sholinganallur. The SBD region contributed 17%, while CBD and PBD Ambattur made up the remaining 3% and 2%, respectively.

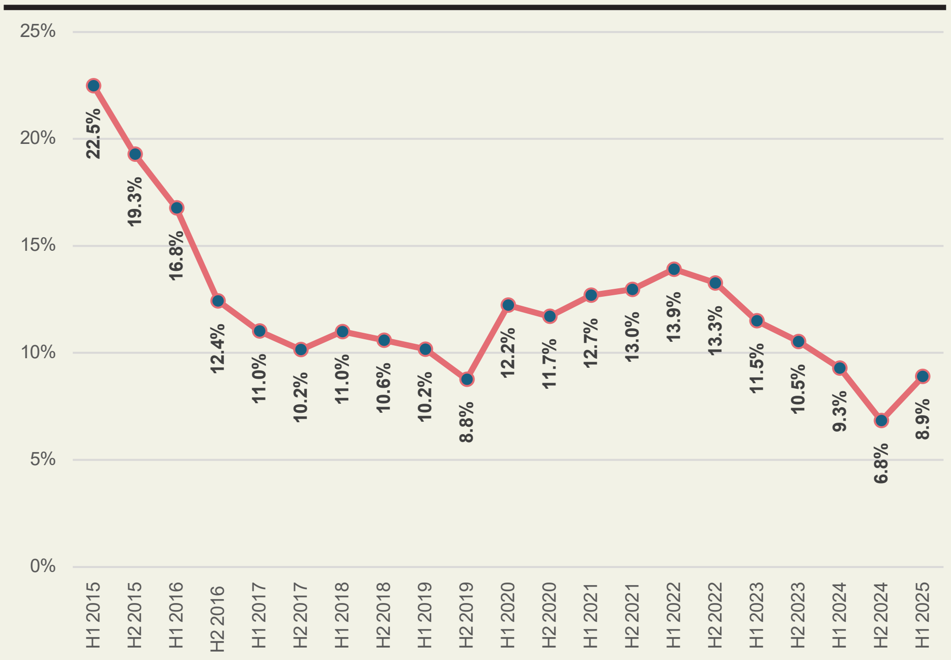
New office completions in Chennai rose by 30% YoY in H1 2025 to 0.09 mn sq m (1.04 mn sq ft). 85% of this was concentrated in the SBD OMR, particularly in Perungudi and Taramani, while the remaining 15% was delivered in the SBD region, mainly in Guindy.

Limited office supply, coupled with relatively higher occupier leasing activity, has led to a continuous decline in vacancy rates. Vacancies during H1 2025 was 8.9%, down by 38 basis points as compared with H1 2024.

During H1 2025, Chennai's office rentals rose by 4% YoY, led by a 5% increase in the SBD OMR region. This growth was driven by strong leasing momentum, particularly from GCCs and third-party IT outsourcing firms. Limited availability of quality space further supported the upward pressure on rent.

Chennai's office market is underpinned by Tamil Nadu's broad-based economic strength which span manufacturing, services, and technology. With over 25 IT parks, strong BFSI presence, and thriving sectors like education and healthcare, the city benefits from a skilled talent pool, solid infrastructure, and proactive state policies. Coupled with relatively lower occupancy costs, these fundamentals make Chennai a competitive and dependable destination for occupiers seeking long-term value in India's commercial real estate landscape.

OFFICE MARKET VACANCY



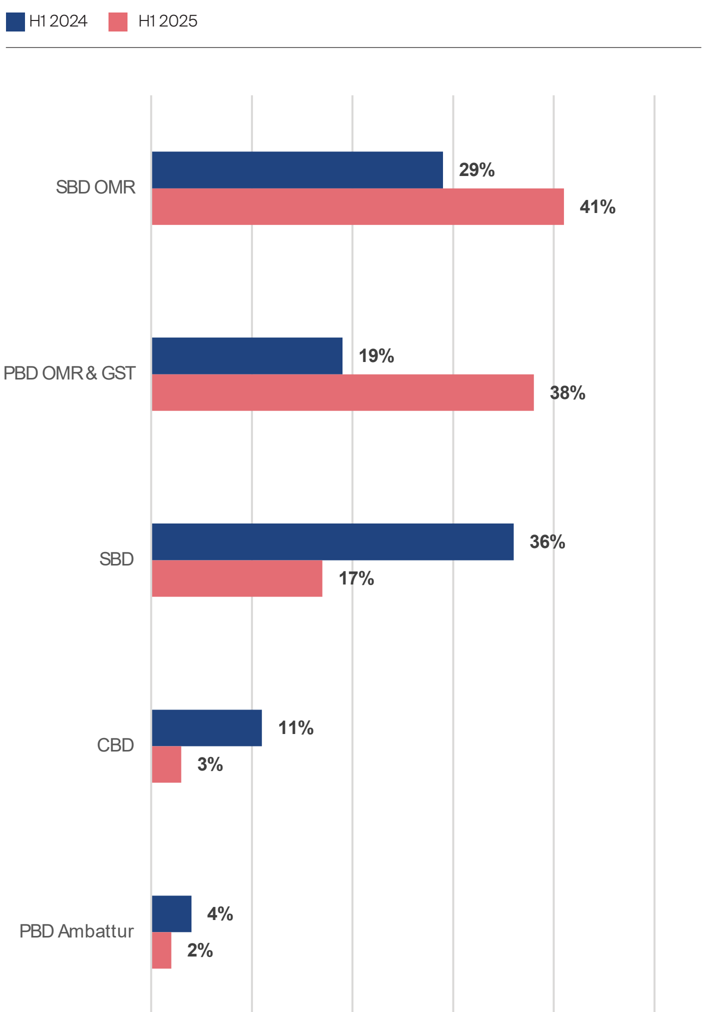
Source: Knight Frank Research

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
Central Business District (CBD and off CBD)	Anna Salai, RK Salai, Nungambakkam, Greams Road, Egmore, T Nagar
Suburban Business District (SBD)	Mount – Poonamallee Road, Porur, Guindy, Nandambakkam
SBD – Old Mahabalipuram Road (OMR)	Perungudi, Taramani
Peripheral Business District (PBD) – OMR and Grand Southern Trunk Road (GST)	OMR beyond Perungudi Toll Plaza, GST Road
PBD – Ambattur	Ambattur

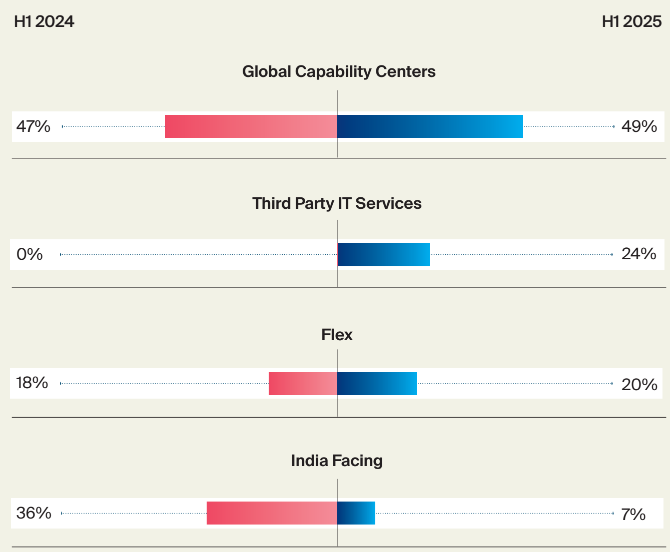
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS



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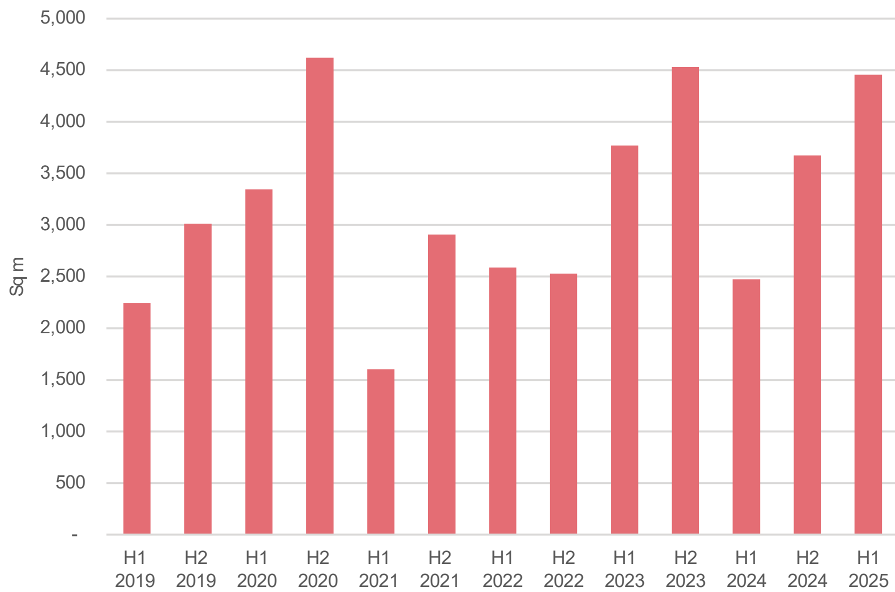
AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
CBD	753 – 1,023 (70-95)	2%	1%
SBD	807 – 1,076 (75-100)	4%	0%
SBD OMR	861 – 1,130 (80-105)	5%	2%
PBD OMR and GST Road	592- 753 (55-70)	2%	0%
PBD Ambattur	409- 538 (38-50)	2%	1%

Source: Knight Frank Research

HYDERABAD

RESIDENTIAL MARKET

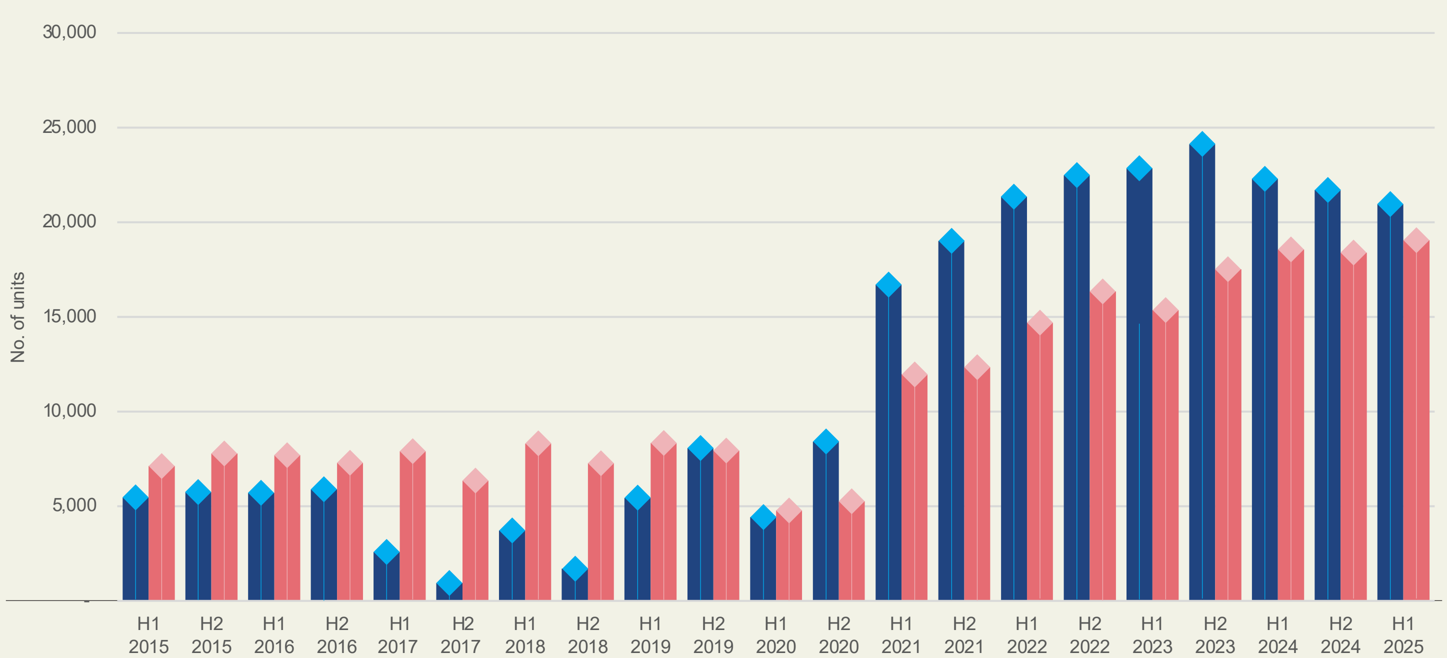
MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	44,013	-6%	20,962	-6%	10,301	-8%
Sales (housing units)	36,974	12%	19,048	3%	9,589	6%
Average price in INR/sq m (INR/sq ft)	INR 64,301 (INR 5,974)	8%	INR 68,093 (INR 6,326)	11%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

54,458	11%	5.9	8.5
Unsold inventory (housing units)	Change (YoY)	Quarters to sell (in quarters)	Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

The Hyderabad residential market maintained its upward trajectory in H1 2025, recording sales of 19,048 units, a modest 3% increase over H1 2024. This growth reflects the city's evolving urban landscape, where continued infrastructure development, improving connectivity, and a growing inclination toward quality housing options are influencing purchase decisions. The rise in home sales underscores Hyderabad's position as a preferred destination for buyers prioritizing better lifestyle offerings and long-term value.

West Hyderabad continued to dominate homebuyer interest in H1 2025, accounting for 64% of total residential sales. Its sustained popularity is underpinned by strategic proximity to major employment hubs such as HITEC City and the Financial District, along with mature social and physical infrastructure. The region also benefits from superior access to quality schools, healthcare, and retail, making it a holistic residential choice for end-users and investors. North Hyderabad is the second-most active zone, contributing 18% of total sales. The region's rising traction stems from comparatively lower property prices as compared to the West and its improving connectivity to major business districts.

The Hyderabad residential market in H1 2025 has cemented its shift toward premiumization, with higher-value homes gaining increased traction among homebuyers. Properties priced above INR 10 mn now account for 67% of total sales, up from 62% in H1 2024, reflecting a sustained appetite for spacious, well-equipped/luxuriously appointed homes. The INR 10-20 mn category continues to dominate the premium bracket, contributing 45% of total sales and registering an 8% YoY increase. The INR 20-50 mn segment also showed impressive growth, with its share rising from 15% to 18%, marking a robust 23% YoY increase. Notably, the higher-end segments of INR 50-100 mn and INR 100-200 mn, while still accounting for a smaller share of total sales, witnessed healthy growth of 16% and 2% YoY respectively. This uptick underscores a rising appetite among ultra-high-net-worth individuals for bespoke residences that offer exclusivity, privacy, and a premium lifestyle. These homes are typically larger in size, located in gated communities or prime neighborhoods, and come equipped with top-of-the-line amenities, high-quality finishes, and advanced smart-home features. The growth in this segment reflects Hyderabad's evolution into a preferred residential destination for affluent buyers seeking both long-term value and lifestyle elevation.

On the other hand, the lower priced segments witnessed notable contraction. Homes priced below INR 5 mn saw their share drop from 9% in H1 2024 to just 5% in H1 2025, reflecting a steep 45% YoY decline. Similarly, the INR 5-10 mn segment experienced a marginal dip, slipping from 29% to 28%. These shifts underline a clear bifurcation in buyer preferences and while entry-level demand remains tepid, the upper-mid and luxury segments are thriving. This trend is being shaped by a combination of factors: rising disposable incomes, growing aspirations for upgraded lifestyles, and greater demand for future-ready homes in well-connected, amenity-rich neighbourhoods.

Hyderabad's new residential launches declined by approximately 6% YoY in H1 2025, primarily due to heightened regulatory oversight and growing caution among developers. Hyderabad Disaster Response and Asset Protection Agency (HYDRAA), a city-level disaster response agency formed in late 2024 along with local authorities, intensified enforcement of lake protection and land-use norms especially in ecologically sensitive areas. Such crackdowns, though aimed at curbing illegal schemes, created widespread uncertainty in the market. Builders and buyers adopted a 'wait-and-watch' approach amid concerns that even approved projects might be halted or penalized. Combined with elevated mid-segment inventory and a shifting preference toward premium housing, these factors collectively contributed to the slowdown in new project launches. Launches of projects in the below INR 5 mn and INR 5-10 mn range fell sharply by 70% and 36% YoY during H1 2025.

Unsold inventory in Hyderabad's residential market stood at 54,458 units in H1 2025, marking an 11% increase from H1 2024 and also revealing clear shifts in absorption patterns across price segments. Homes priced below INR 10 mn continued to account for a substantial 49% of the unsold stock, reflecting the slower pace of sales in this category.

The Quarters-to-Sell (QTS) for homes priced below INR 5 mn rose to 9.4, and for the INR 5-10 mn range stood at 7.1, indicating longer sales cycles in the mid and affordable segments despite a 9-10% reduction in unsold stock YoY. In contrast, premium housing segments witnessed strong buyer traction. Homes priced in the INR 10-20 mn and INR 20-50 mn ranges recorded QTS figures of 4.8 and 5.3, respectively, underscoring robust demand even as inventory levels surged by 30% and 113% YoY. The INR 50-100 mn segment also remained stable with a QTS of 5.7, while luxury homes in the INR 100-200 mn bracket demonstrated the fastest turnover, with QTS dropping to just 2.2 amid a 30% drop in inventory. However, ultra-luxury homes priced between INR 200-500 mn saw their QTS spike to 24.3 following a sharp 236% increase in available inventory, reflecting limited but selective demand.

Residential prices in Hyderabad rose by 11% YoY in H1 2025, underscoring the city's continued appeal among investors and end-users. While Hyderabad remains a sought-after housing destination, the steady price growth is beginning to raise affordability concerns, especially for mid-income homebuyers. However, the recent repo rate cut to 5.5% is expected to ease some of this pressure by lowering home loan interest rates, making property purchases more accessible and offering timely relief to cost-sensitive segments of the market.

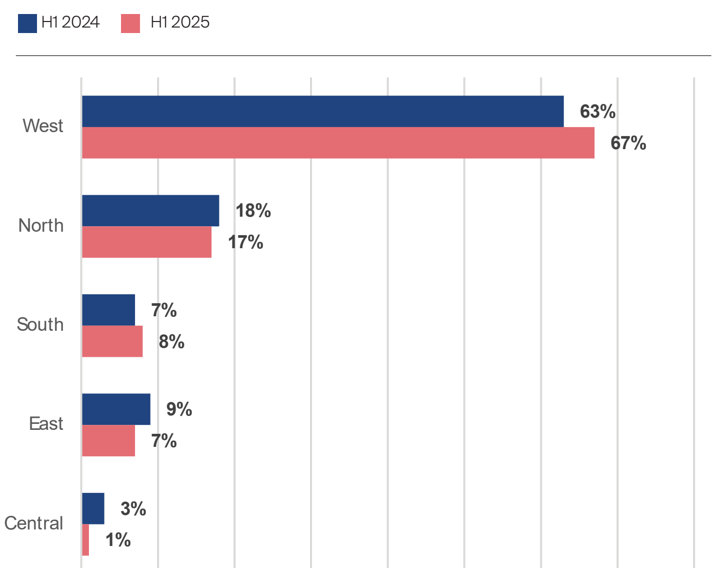
Hyderabad continues to attract homebuyers with its unique blend of affordability, spacious living, and strong lifestyle appeal. The city offers larger, well-designed homes at competitive prices, supported by robust infrastructure and ongoing government investments like the metro and ring road projects. A thriving job market further fuels housing demand coupled with excellent educational and healthcare facilities. Hyderabad remains the top choice for homebuyers seeking comfort, convenience, and long-term value.

MICRO-MARKET CLASSIFICATION

Micro market	Locations
HMR – Central	Begumpet, Banjara Hills, Jubilee Hills, Panjagutta, Somajiguda
HMR – West	Kukatpally, Madhapur, Kondapur, Gachibowli, Raidurgam, Kokapet
HMR – East	Uppal, Malkajgiri, LB Nagar
HMR – North	Kompally, Medchal, Alwal, Quthbullanpur
HMR – South	Rajendra Nagar, Shamshabad

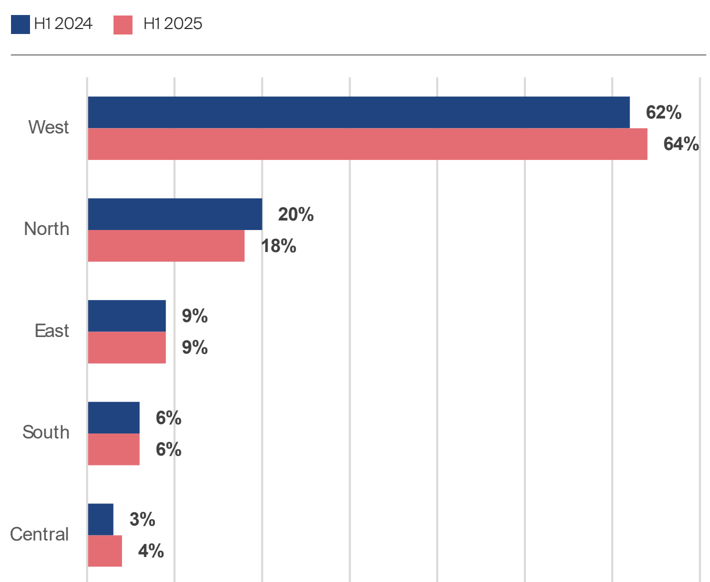
Source: Knight Frank Research

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



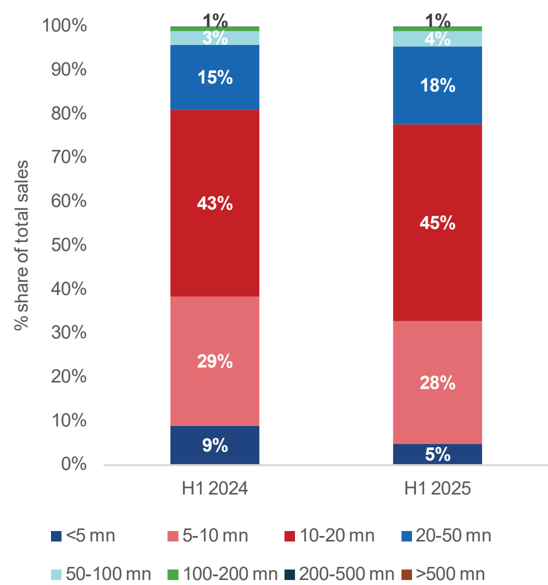
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	6,125 (-9%)	9.4
5 – 10 mn	20,650 (-10%)	7.1
10 - 20 mn	18,809 (30%)	4.8
20 – 50 mn	6,952 (113%)	5.3
50 – 100 mn	1,581 (-2%)	5.7
100 – 200 mn	177 (-30%)	2.2
200 – 500 mn	164 (236%)	24.3
>500 mn	-	-

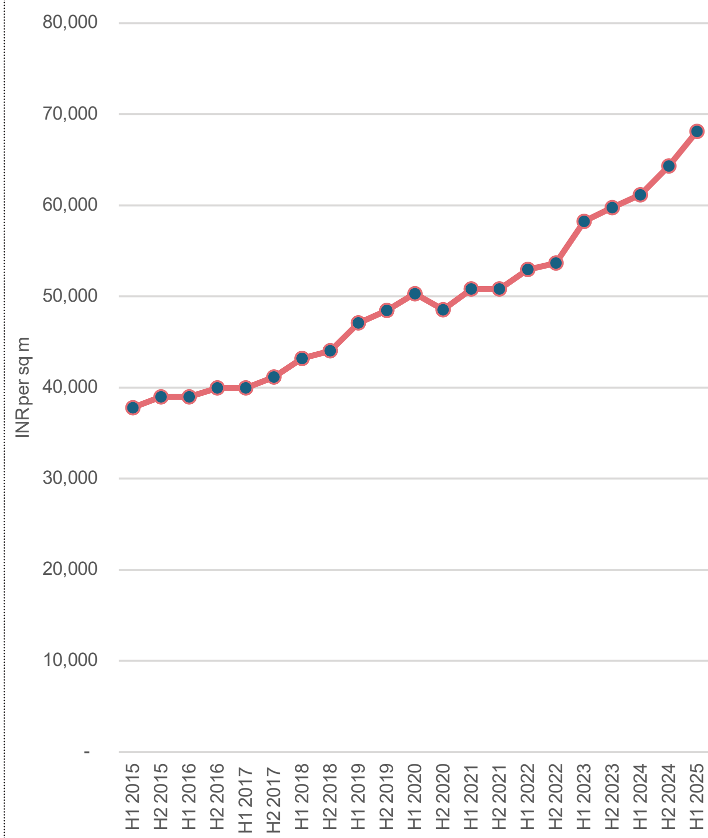
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Central	799 (-47%)	2.5
East	4,582 (-9%)	5.4
North	8,590 (13%)	4.9
South	5,056 (14%)	9.5
West	35,430 (16%)	6.2

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Central	Banjara Hills	1,55,002-1,72,439 (14,400-16,020)	2%	1%
	Jubilee Hills	1,44,238-1,51,062 (13,400-14,034)	0%	0%
East	LB Nagar	74,810-78,653 (6,950-7,307)	11%	2%
	Nacharam	65,660-69,966 (6,100-6,500)	5%	2%
North	Kompally	63,056-66,952 (5,858-6,220)	5%	2%
	Sainikpuri	55,381-56,511 (5,145-5,250)	4%	4%
South	Rajendra Nagar	74,810-85,132 (6,950-7,909)	-6%	3%
	Bandlaguda	87,167-1,03,593 (8,098-9,624)	12%	5%
West	Kokapet	1,08,124-1,34,550 (10,045-12,500)	2%	0%
	Manikonda	99,244-1,02,107 (9,220-9,486)	6%	5%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	1.45 (15.6)	139%	0.13 (1.4)	-72%	0.13 (1.4)	6%
Transactions in mn sq m (mn sq ft)	0.96 (10.3)	17%	0.54 (5.9)	16%	0.18 (1.9)	-6%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	753 (70)	7%	807 (75)	10%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

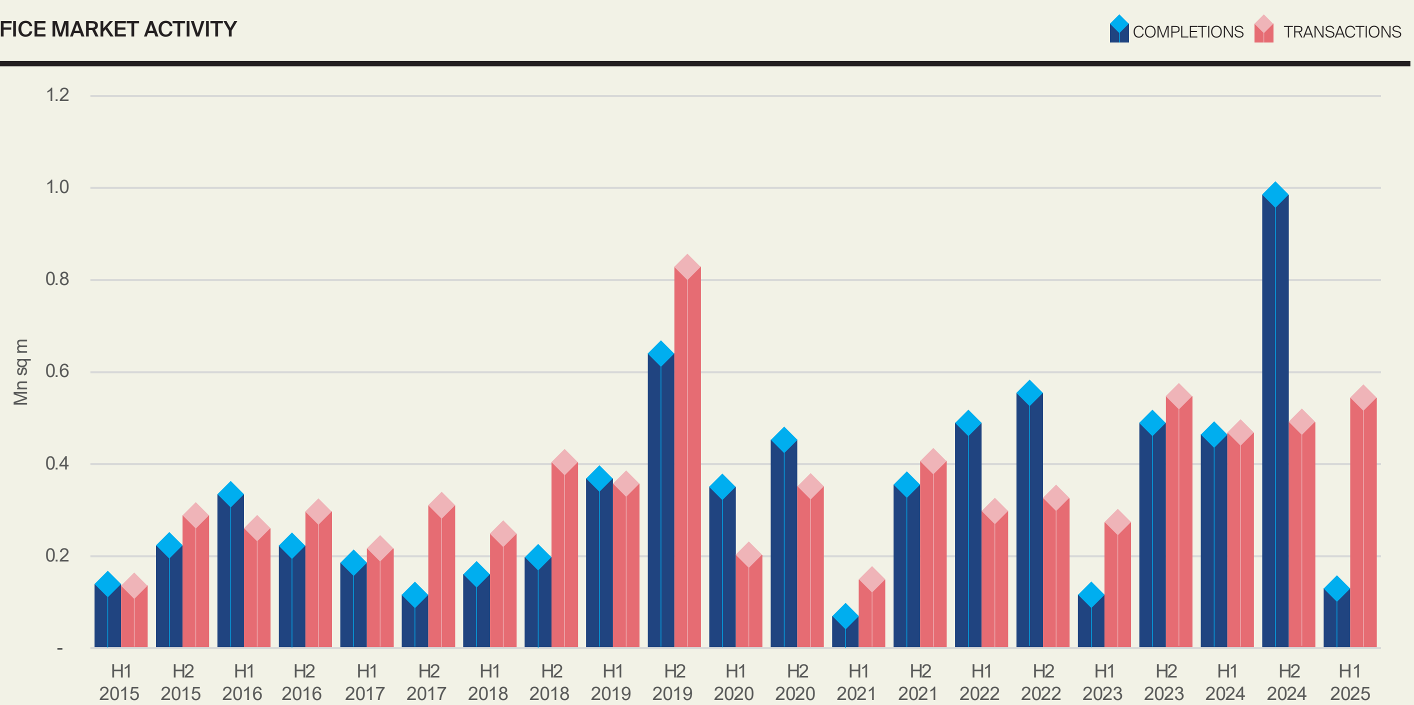
11.45 (123.3)
Stock mn sq m (mn sq ft) in H1 2025

11%
Change (YoY)

14.4%
Vacancy (%)

66
basis points decrease

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

Hyderabad's office market began 2025 on a strong note, with transaction volumes rising by 16% YoY to 0.54 mn sq m (5.9 mn sq ft) driven by robust occupier demand, particularly from third-party IT services firms. Office completions, However, witnessed a sharp decline of 72% YoY with just 0.13 mn sq m (1.4 mn sq ft) of new supply recorded during H1 2025.
Hyderabad's occupier demand landscape underwent a significant shift in H1 2025 with third-party IT firms emerging as the dominant segment accounting for 45% of total office space absorption, up sharply from 11% in H1 2024. These firms staged a strong comeback, leasing 0.2 mn sq m (2.6 mn sq ft), reflecting a staggering 396% YoY growth. Primarily engaged in providing outsourcing services to international and domestic clients, these occupiers are leveraging Hyderabad's robust infrastructure and rich tech talent pool to cater to global demand. Notable players include TCS, this period's largest occupier with 0.1 mn sq m (1.05 mn sq ft) along with HCL, Wipro, and Infosys, reaffirming the city's position as a hub for global technology operations.

Global Capability Centers (GCCs) of multinational corporations continue to favor Hyderabad, driven by its deep pool of skilled talent and supportive infrastructure. In H1 2025, GCCs accounted for 40% of the total office space transacted in the city, leasing approximately 0.22 mn sq m (2.4 mn sq ft), ranking Hyderabad third after Bengaluru and Chennai in GCC leasing activity. Industry-wise, the majority of these centers belonged to the electronics and pharmaceutical sectors (46%), followed by healthcare services (28%) and BFSI (18%). Prominent occupiers in this category include Apple, Lloyds Bank, McDonald's, Johnson & Johnson, Amazon, and Salesforce, underscoring Hyderabad's growing appeal as a strategic destination for high-value global operations.

Flex space operators accounted for 9% of total leasing activity in Hyderabad during H1 2025, with most transactions driven by players in the managed office segment. Notable operators such as IndiQube, Awfis, iKeva, and Redbricks expanded or established new centers in the city.

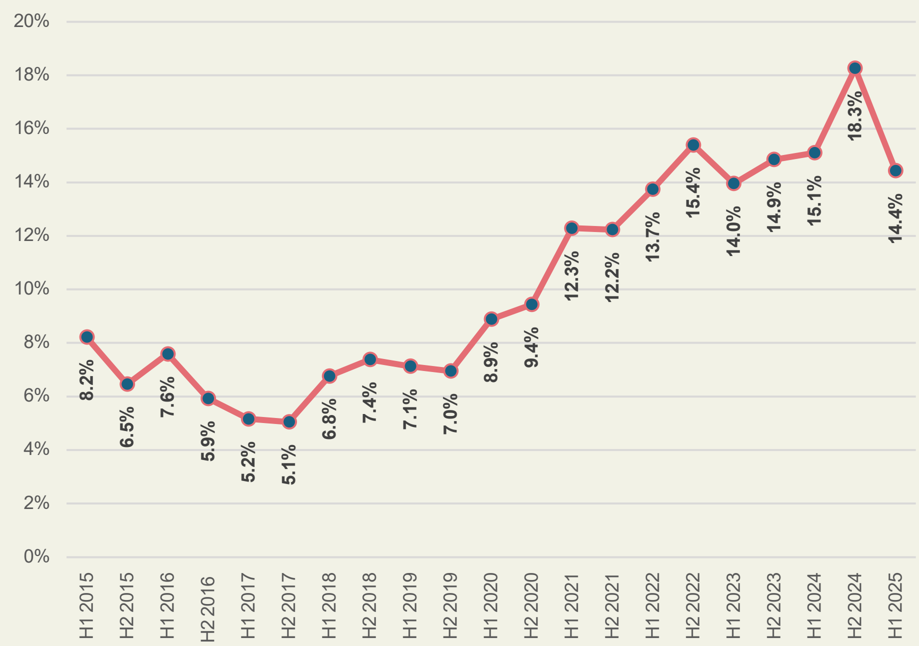
Businesses focused primarily on the Indian market, accounted for 6% of total office space leased in Hyderabad during H1 2025. Within this India-facing segment, IT outsourcing firms led the way contributing 34% of the transactions, followed by companies in the manufacturing (28%) and BFSI (20%) sectors. Notable occupiers in this category include Axis Bank, Bharat Financial Inclusion, and CDSL.

In H1 2025, new office supply in Hyderabad declined sharply by 72% YoY, with fresh additions limited exclusively to the Financial District (SBD). This limited infusion of supply, alongside strong leasing momentum, drove down the city's overall vacancy rate to 14.4% from 15.1% in H1 2024. SBD locations accounted for a dominant 97% of the total leasing, with HITEC City alone contributing 61%, highlighting its continued appeal among occupiers. Notably, vacancies in HITEC City remain the lowest across the city, and Grade A buildings in this micro-market report exceptionally low vacancy levels, underscoring the high demand for quality office spaces.

Rental rates in Hyderabad rose by 10% YoY in H1 2025, with the Secondary Business District (SBD) experiencing a sharper increase of 11% YoY. This upward trend is fueled by robust leasing activity and sustained demand for high-quality office spaces across a diverse occupier base.

Hyderabad is emerging as one of India's most promising office markets, backed by ample availability of high-quality office space, competitive costs, and a strong talent ecosystem. The city's modern infrastructure, expanding business districts, and robust connectivity create an enabling environment for businesses to establish and grow. With an established foundation in IT and outsourcing, Hyderabad continues to attract both global and domestic companies seeking scalable, efficient office solutions. Its combination of affordability, infrastructure readiness, and access to skilled professionals makes it a compelling destination for long-term business expansion.

OFFICE MARKET VACANCY



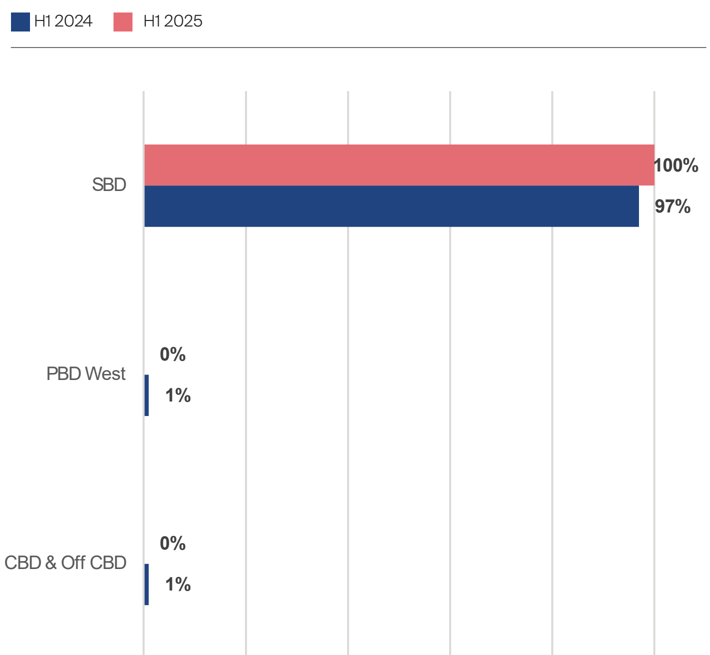
Source: Knight Frank Research

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
Central Business District (CBD and off CBD)	Banjara Hills, Jubilee Hills, Begumpet, Ameerpet, Somajiguda, Himayat Nagar, Raj Bhavan Road, Punjagutta
Suburban Business District (SBD)	HITEC City, Kondapur, Manikonda, Kukatpally, Raidurg
Peripheral Business District (PBD) West	Gachibowli, Kokapet, Madinaguda, Nanakramguda, Serilingampally
Peripheral Business District (PBD) East	Uppal, Pocharam

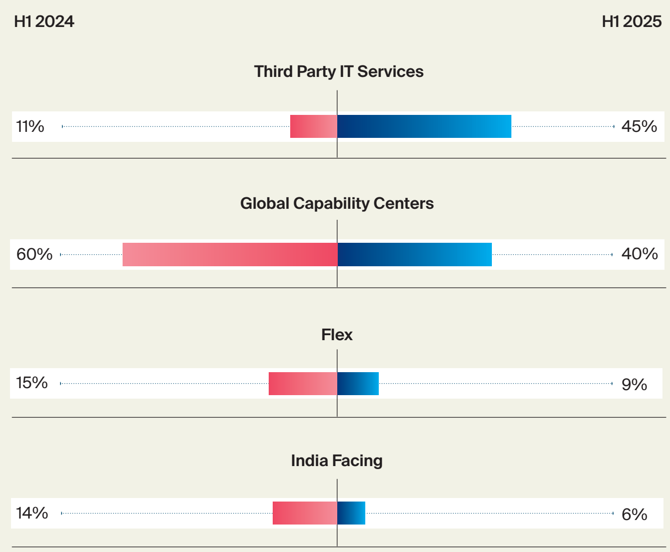
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS

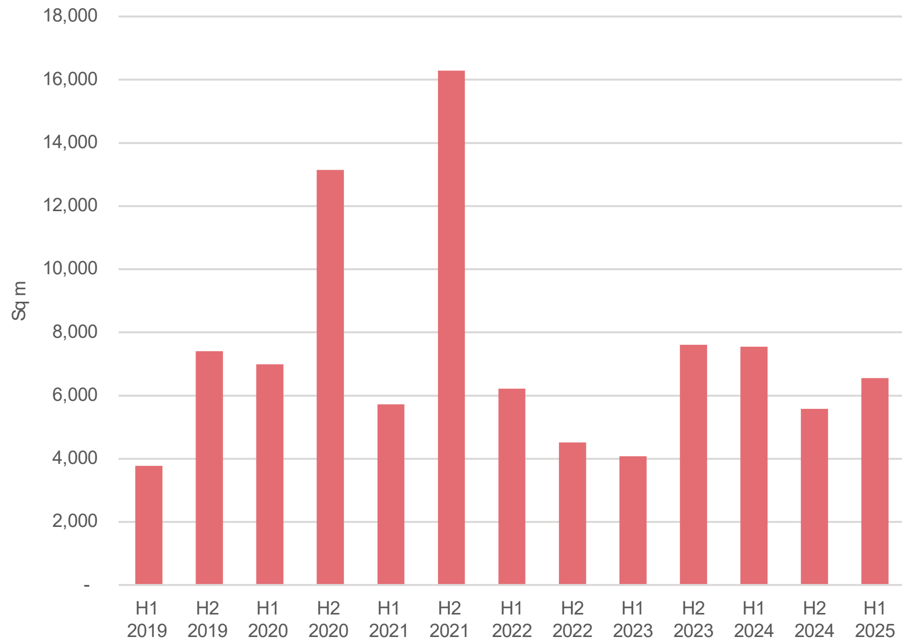


Source: Knight Frank Research

Notes:

1. India Facing: These refer to such transactions where the lessees/buyers are entities which have an India focused business, i.e., no export or import.
2. Third Party IT Services: These refer to transactions where the lessees/buyers are focused on providing IT and IT enabled services to offshore clients. They service multiple clients and are not necessarily owned by any of them.
3. Global Capability Centre (GCC): These refer to transactions where the lessees/buyers are focused on providing various services to a single offshore company. The offshore company has complete ownership of the entity that has transacted the space.
4. Flex Space: These refer to transactions by companies that specialise in providing comprehensive office space solutions for other businesses along with the benefits of flexibility of tenure, extent of services provided and the ability to scale higher or lower as required.

AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
CBD and Off-CBD	592- 700 (55-65)	3%	0%
SBD	753- 1,023 (70 -95)	11%	3%
PBD West	592- 700 (55-65)	1%	0%
PBD East	323- 377 (30-35)	1%	0%

Source: Knight Frank Research

KOLKATA

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	16,718	6%	7,682	-29%	3,975	-17%
Sales (housing units)	17,389	16%	8,090	-11%	4,232	-19%
Average price in INR/sq m (INR/sq ft)	INR 41,065 (INR 3,815)	6%	INR 41,883 (INR 3,891)	7%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

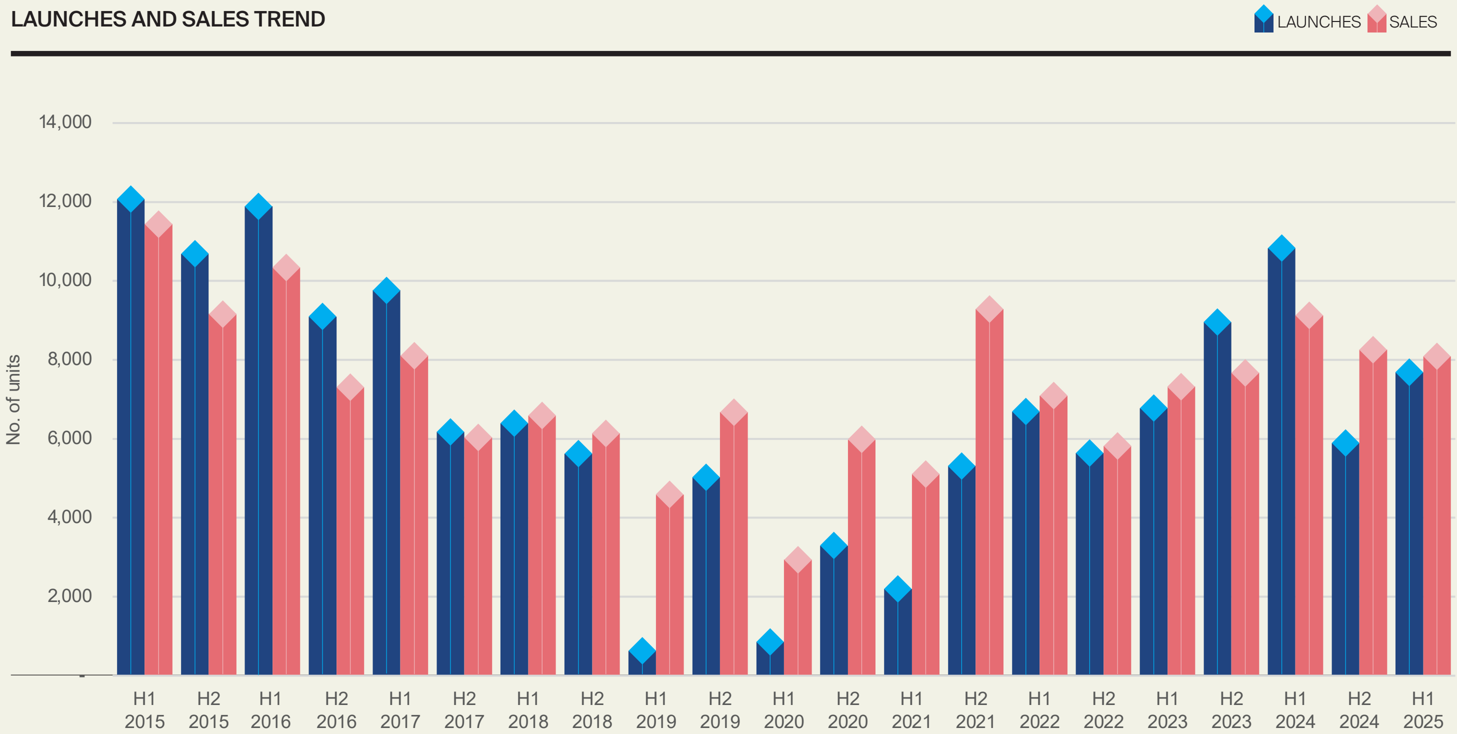
20,338
Unsold inventory (housing units)

-12%
Change (YoY)

4.9
Quarters to sell (in quarters)

10.9
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

The primary residential market in Kolkata experienced a deceleration in sales performance during H1 2025, contrasting with prevailing strong homebuying interest. A total of 8,090 residential units were sold in this half-yearly period, indicating an 11% YoY reduction in the sales volume. This market contraction was primarily driven by the withdrawal of the stamp duty rebate during H2 2024 and a concurrent decline in new project launches across all price points. The budget (< INR 5 mn) and mid-segment (INR 5-10 mn) categories were particularly affected, experiencing sales volume declines of approximately 21% and 19% respectively, in the first half of the year. However, the aggressive repo rate cuts by the Reserve Bank of India (RBI) in the same period are expected to support demand in these segments.

During the first half of 2025, new residential property launches of 7,682 units witnessed a sharp YoY contraction of 29%. This reflects a cautious approach among developers, likely driven by signs of saturation in specific market segments and micro-markets.

Regarding the micro-market distribution of homebuying activity, the South (37%), Rajarhat (25%), and North (22%) regions maintained their prominence. The Rajarhat micro-market outperformed others, increasing its share from 21% in H1 2024 to 25% by the end of the reporting period achieving a modest YoY growth of 3%.

The market share of residential units with ticket sizes exceeding INR 10 mn notably increased from 18% to 26% in H1 2025. The persistent movement towards premiumization highlights a clear evolution in buyer preferences, attributed to rising disposable incomes, enhanced lifestyle aspirations, and an increasing influx of professionals desiring upscale living options.

During H1 2025, the weighted average price increased by 7% YoY, primarily driven by sustained demand observed in the INR 5 mn to INR 20 mn ticket sizes, which collectively accounted for approximately 50% of the total sales. This upward trend was further supported by new project launches at elevated price points across the city.

The first half of 2025 recorded a 12% YoY decline in unsold inventory to 20,338 units — the second lowest level since 2018. This reduction was primarily attributed to new launches trailing sales volumes.

The decline in Kolkata's unsold inventory has led to a decrease in the city's Quarters-to-Sell (QTS) from 6.2 in H1 2024 to 4.9 in H1 2025. QTS is the number of quarters required to exhaust the existing unsold inventory in the market. The existing unsold inventory is divided by the average sales velocity of the preceding eight quarters to arrive at the QTS number for the current quarter.

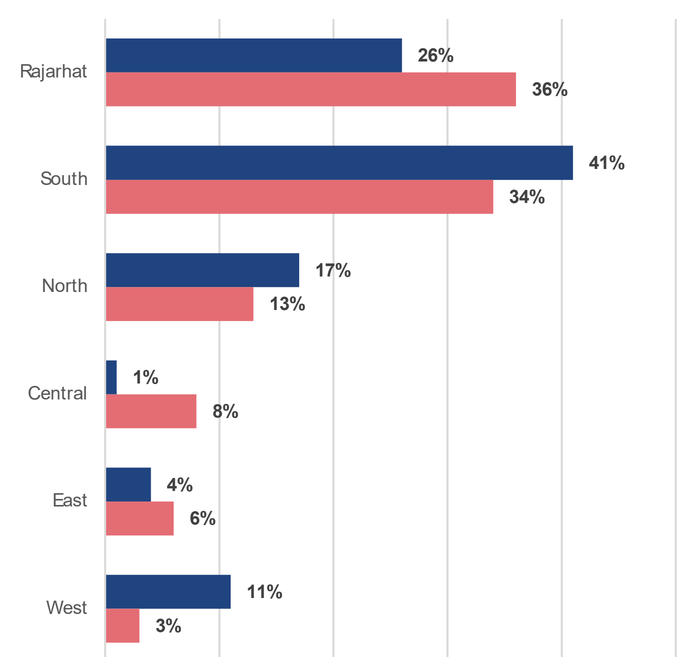
The Kolkata homebuyer predominantly favours products in the < INR 5 mn and INR 5-10 mn categories and the QTS for these segments registered 5.2 and 4.2 quarters respectively. These figures indicate a favourable market state relative to the overall market QTS of 4.9. This positive status is largely attributable to a reduction in unsold inventory within these ticket-size segments, driven by a lower volume of new launches in recent quarters. In contrast, while the >INR 10 mn ticket-size segment experienced a 29% YoY growth in unsold inventory, its sales velocity was high enough to offset this increase and improve its QTS level from 5.7 quarters in H1 2024 to the 5.6 level currently.

Kolkata's residential real estate market is still heavily weighed toward the lower ticket-sizes under INR 10 mn even as the core of the market gradually shifts upwards. The RBI's aggressive reduction in interest rates during this period is expected to support affordability levels for homebuyers in the lower segments and buffer market sentiments for the rest of the year. The market remains relatively affordable, attracting both first-time buyers and long-term investors. Ongoing urban development projects and enhanced connectivity are likely to further strengthen buyer confidence.

MICRO-MARKET CLASSIFICATION

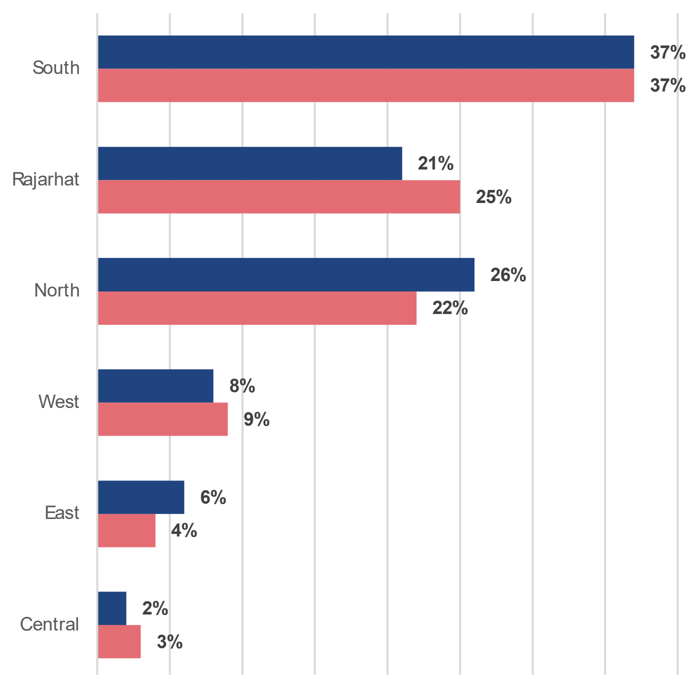
Micro market	Locations
Central	Park Street, Rawdon Street, AJC Bose Road, Minto Park, Elgin Road, Dharamtala, Short Street
East	Kankurgachi, Beliaghata, Salt Lake, Narkeldanga, Keshtopur, EM Bypass (eastern parts), Chandakanthal Beria, Bishnupur
North	Baguiati, Ultadanga, Jessore Road, Shyambazar, Lake Town, BT Road, VIP Road, Jahajbari, Arjunpur
Rajarhat	Rajarhat New Town
West	Howrah, Rishra, Hooghly, Uttarpara, Chandan Nagar, Rajpur, Kona Expressway, Mourigram
South	Ballygunge, Alipore, Tollygunge, Narendrapur, Behala, Garia, Maheshtala, EM Bypass (southern parts), Hazra Rd, Barisha, Naoabad, Uttar Kazirhat, Manoharpukur, Rifle Range Road

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



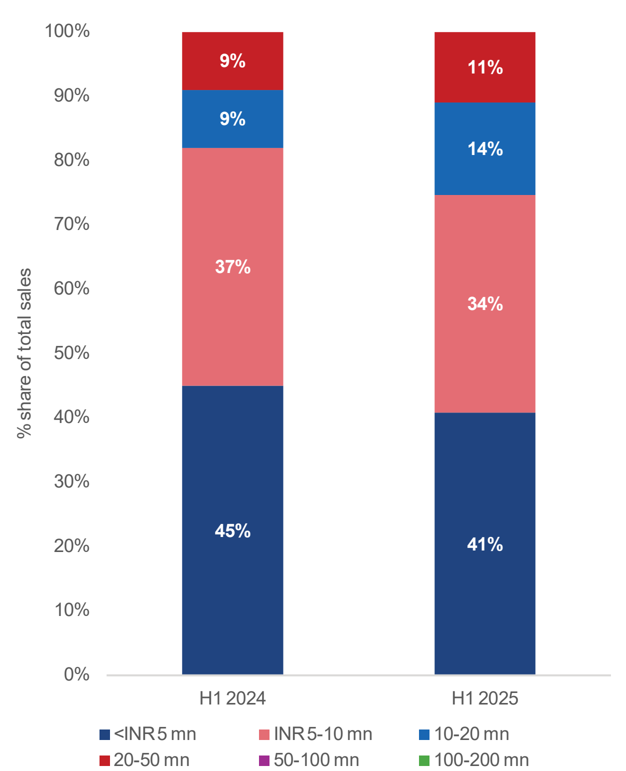
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	9,392 (-16%)	5.2
5 – 10 mn	6,392 (-23%)	4.2
10 - 20 mn	3,173 (-0.4%)	7.1
20 – 50 mn	1,250 (409%)	3.7
50 – 100 mn	55 (-14%)	2.4
100 – 200 mn	25 (108%)	7.3
200 – 500 mn	50 (207%)	40.1
>500 mn	-	-

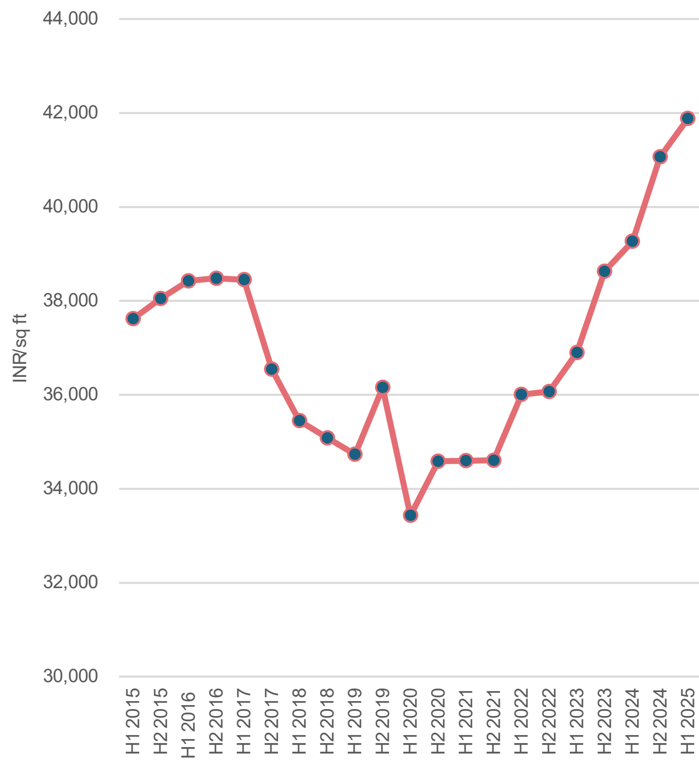
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Central	644 (164%)	7.0
East	215 (-31%)	1.0
North	5,192 (-19%)	5.4
Rajarhat	8,849 (-3%)	9.0
South	4,512 (-20%)	2.9
West	926 (-34%)	2.6

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Central	Park Street	1,46,389-2,37,882 (13,600-22,100)	2%	1%
	Rawdon Street	1,18,403-2,32,500 (11,000-21,600)	9%	3%
East	Kankurgachi	62,431-95,799 (5,800-8,900)	5%	1%
	Salt Lake	58,125-1,03,333 (5,400-9,600)	7%	1%
North	Madhyamgram	27,986-44,132 (2,600-4,100)	7%	2%
	BT Road	32,292-46,285 (3,000-4,300)	3%	1%
	Jessore Road	37,674-65,660 (3,500-6,100)	7%	1%
Rajarhat	Rajarhat New Town	37,674-86,111 (3,500-8,000)	6%	2%
South	Ballygunge	87,726-2,33,577 (8,150-21,700)	8%	3%
	Tollygunge	57,049-1,66,840 (5,300-15,500)	4%	3%
	Behala	37,135-52,743 (3,450-4,900)	7%	2%
	Narendrapur	28,524-49,514 (2,650-4,600)	1%	1%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	0.03 (0.3)	-64%	-	-	-	-
Transactions in mn sq m (mn sq ft)	0.10 (1.4)	-1%	0.10 (1.1)	60%	0.09 (1.0)	90%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	442 (41)	5%	478 (44)	10%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

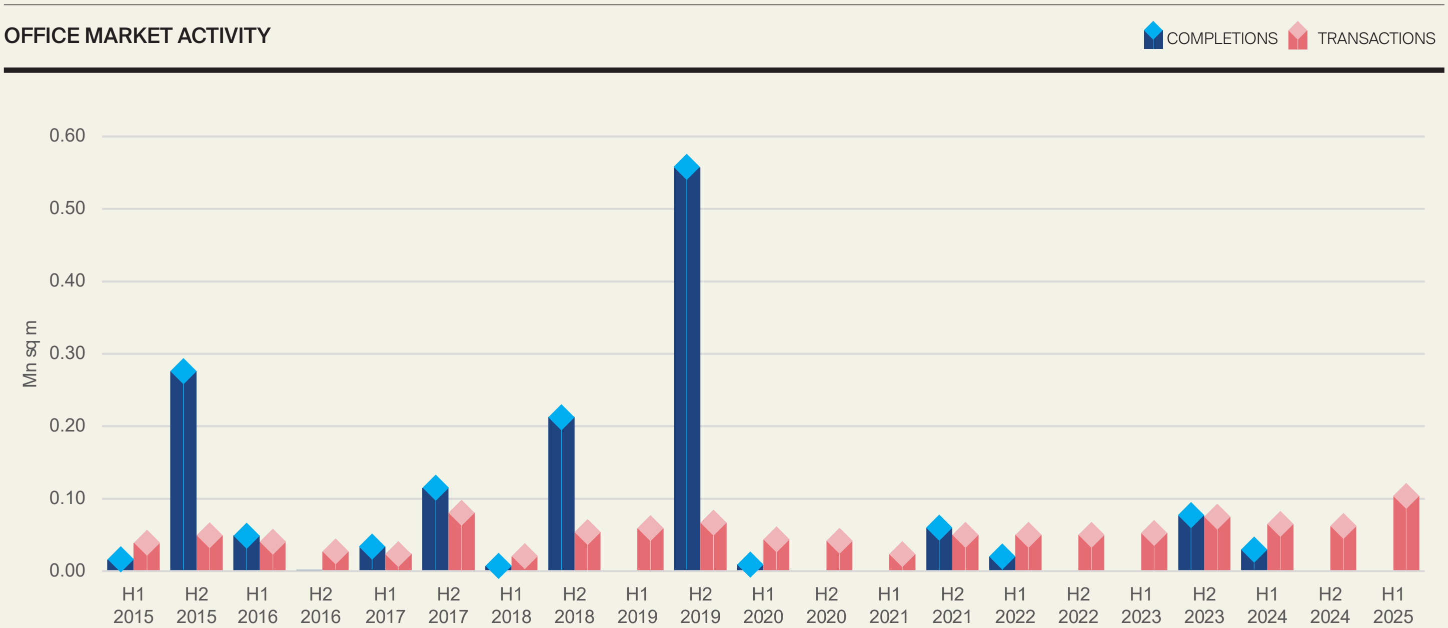
3.1 (33.6)
Stock mn sq m (mn sq ft) in H1 2025

-
Change (YoY)

33.5%
Vacancy (%)

504
basis points decrease

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

Kolkata's office market demonstrated robust performance in the first half of 2025 with a substantial 60% YoY increase in office leasing volume compared to H1 2024. The total leasing volume reached 0.10 mn sq m (1.1 mn sq ft), indicating strong occupier interest across various sectors. Notably, the IT/ITeS sector significantly expanded its real estate footprint within Kolkata's prime business districts. This marks the highest half-yearly transaction volume and average deal size recorded in the last decade for the city.

The noteworthy surge in transaction volumes was primarily driven by a few large-scale deals within the third-party IT outsourcing and flexible workspace segments. Remarkably, a single transaction in the third-party IT outsourcing sector, spanning 0.03 mn sq m (0.3 mn sq ft), accounted for 31% of the total transaction volume, highlighting the increasing traction of the IT/ITeS sector in the Kolkata market. Similarly, two major flex space deals, totalling 0.01 mn sq m (0.1 mn sq ft), contributed 14% to the overall volumes, underscoring the growing demand for agile workspace solutions.

Consistent with trends observed in 2024, the peripheral business districts (PBDs) have maintained their dominance in office leasing activity. PBD-1 Salt Lake City accounted for 50% of office transactions during this period, with PBD-2 Rajarhat (New Town) closely following at 43%. This continued prominence is primarily attributed to several large-scale office space deals secured by IT sector occupiers within these districts.

Suburban Business District (SBD-2 Rashbehari Connector) and the Central Business District (CBD) and Off-CBD business districts collectively accounted for just a minor share of the city's total leasing, representing 2% and 5% respectively. This limited contribution is primarily due to higher rental values and the restricted availability of modern office stock in these areas.

In terms of the end-use split of office spaces transacted, third party IT service businesses accounted for a substantial share of 45% in H1 2025. A strengthening domestic economic environment, along with rising prevalence of technology has led to this shift in Kolkata's office transactions.

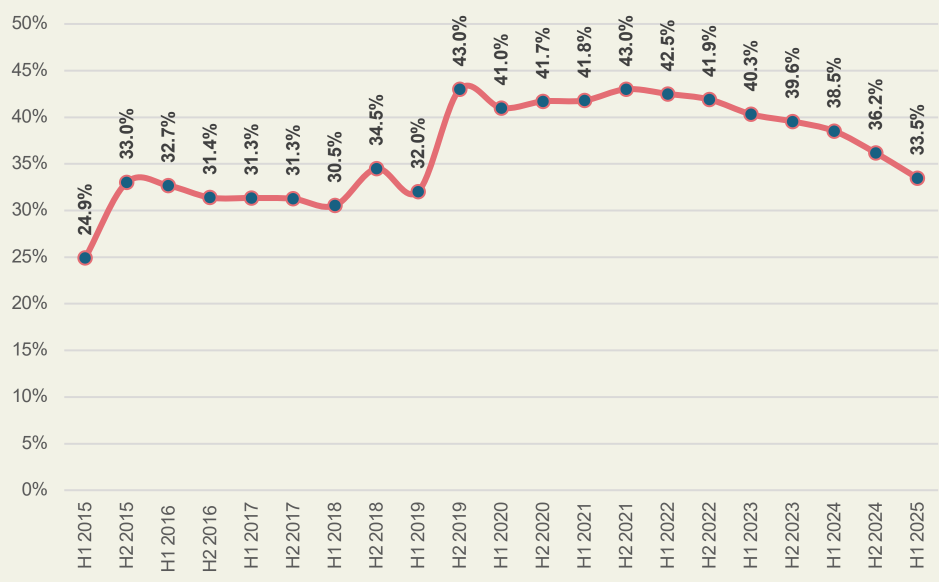
Consistent with the trends observed in recent years, Kolkata's office market saw no new supply additions in the first half of 2025. Nevertheless, a substantial pipeline of approximately 0.02 mn sq m (0.2 mn sq ft) is scheduled for completion in 2025 and approximately 0.05 mn sq m (0.5 mn sq ft) in early 2026. Most of this upcoming inventory is likely to be located in PBD-1 Salt Lake City and PBD-2 Rajarhat New Town, reinforcing their status as primary business districts. Developers remain cautious about initiating speculative projects due to the city's consistently elevated vacancy rates.

Kolkata's office market experienced a significant decline in vacancy rates, dropping by 504 basis points (bps) compared to the previous year. Office space vacancy decreased from 38.5% in H1 2024 to 33.5% at the end of H1 2025. This marks the lowest vacancy threshold recorded in Kolkata's office market since H2 2019. The sustained upward momentum in office leasing, particularly over the past two years, has been crucial in reducing the previously high vacancy levels, which had surpassed 40% at one time.

The average office space rents have increased by 10% YoY in H1 2025 largely due to high demand for office spaces in Rajarhat (New Town) and Salt Lake City. In both these peripheral business districts, average rents have grown by approximately 9% and 13% YoY respectively. The appreciation is largely attributed to the limited availability of quality office spaces and the presence of preferred tenant profiles, making prime properties increasingly expensive and competitive in these districts.

The growing traction in peripheral business districts such as Salt Lake City and Rajarhat New Town reflects a discernible shift in occupier preferences toward locations that offer modern infrastructure and cost efficiencies. This increased demand, supported by record transaction volumes, has driven rental growth during the year. Looking ahead, these evolving trends, along with a cautiously optimistic sentiment among developers, are expected to continue influencing the market dynamics through the second half of 2025.

OFFICE MARKET VACANCY



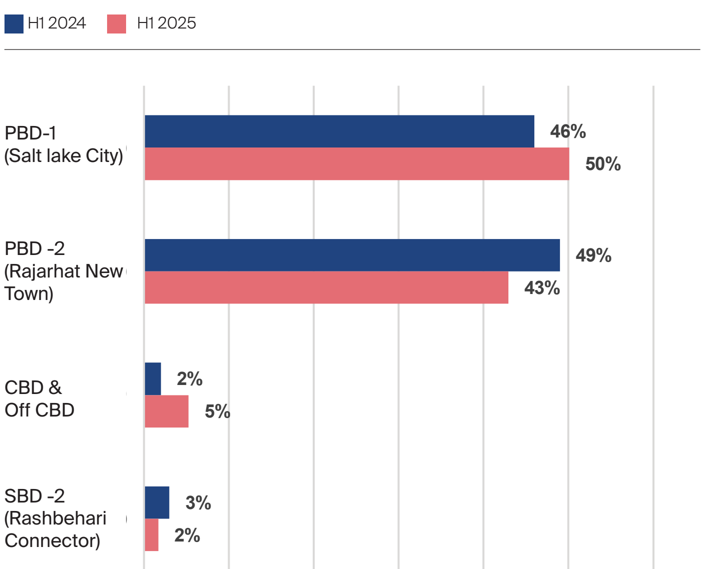
Source: Knight Frank Research

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
Central Business District (CBD) and Off CBD	Park Street, Camac Street, Theatre Road, AJC Bose Road, Elgin Road, Rabindra Sadan, Esplanade, Lenin Sarani, S N Banerjee Road, Central Avenue, Dalhousie Square, Mangoe Lane, Brabourne Road, Chandni Chowk, Rawdon Street, Loudon Street, Lee Road, Lord Sinha Road, Hastings, Hare Street, Kiran Shankar Ray Road, Upper Wood Street, Hungerford Street, Circus Avenue, Syed Amir Ali Avenue, Chowringhee
Suburban Business District (SBD-1) Park Circus Connector	Topsia, JBS Haldane Avenue, EM Bypass-Park Circus Connector
Suburban Business District (SBD-2) Rashbehari Connector	EM Bypass-Rashbehari Connector, Anandapur Main Road, Rajdanga, South Ballygunge, Ashutosh Mukherjee Road, Gariahat, Hazra, Chetla, Jessore Road, Nagerbazar
Peripheral Business District (PBD-1) Salt Lake City	Salt Lake Sector V
Peripheral Business District (PBD-2) Rajarhat New Town	Rajarhat New Town, BT Road, Bantala

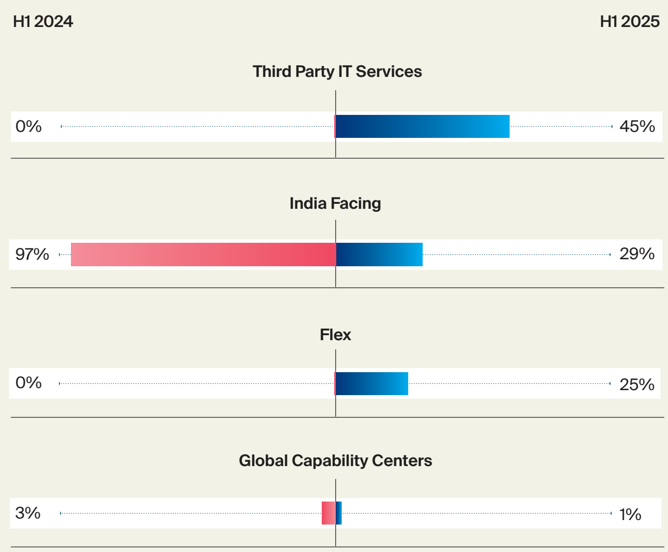
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS



Source: Knight Frank Research

Notes:

1. India Facing: These refer to such transactions where the lessees/buyers are entities which have an India focused business, i.e., no export or import.
2. Third Party IT Services: These refer to transactions where the lessees/buyers are focused on providing IT and IT enabled services to offshore clients. They service multiple clients and are not necessarily owned by any of them.
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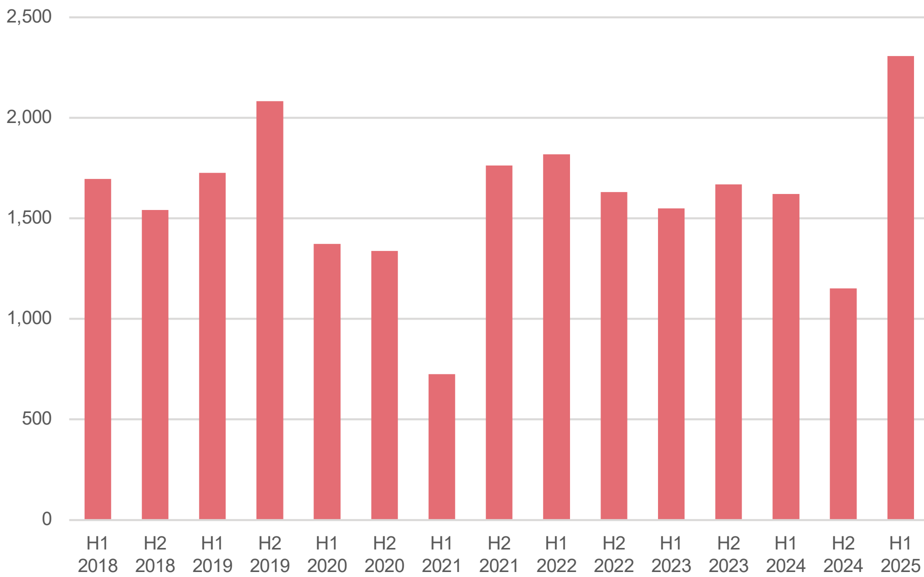
4. Flex Space: These refer to transactions by companies that specialise in providing comprehensive office space solutions for other businesses along with the benefits of flexibility of tenure, extent of services provided and the ability to scale higher or lower as required.

AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
CBD & Off CBD	753-1,130 (70-105)	9%	6%
SBD-I (Park Circus Connector)	592-807 (55-75)	8%	8%
SBD-II (Rashbehari Connector)	592-1,023 (55-95)	11%	7%
PBD-I (Salt Lake City)	398-700 (37-65)	13%	2%
PBD-II (Rajarhat New Town)	291-592 (27-55)	9%	2%

Source: Knight Frank Research

MUMBAI

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	96,470	4%	45,451	-3%	19,745	-9%
Sales (housing units)	96,187	11%	47,035	-0.5%	22,105	-6%
Average price in INR/sq m (INR/sq ft)	INR 89,091 (INR 8,277)	5%	INR 91,838 (INR 8,532)	8%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

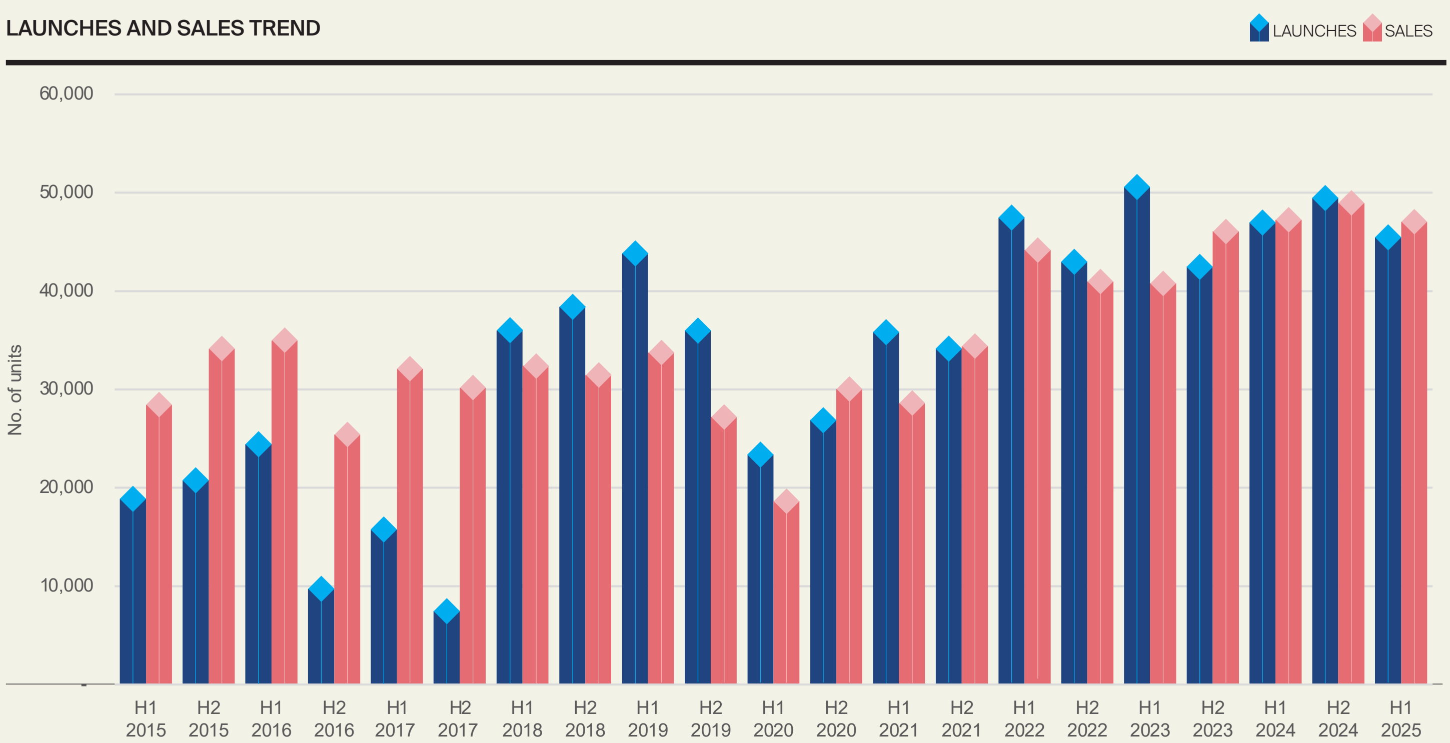
164,094
Unsold inventory (housing units)

-1%
Change (YoY)

6.9
Quarters to sell (in quarters)

18.8
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

Mumbai's residential market demonstrated a period of measured activity in H1 2025, following the strong growth phase seen across 2023 and 2024. With 47,035 units sold in H1 2025, it was near identical to the levels seen during H1 2024. While this marked a pause in the upward sales trend, it also reflected a more stable, sustained level of demand in a market that has been absorbing significant supply over the past two years.

New launches moderated to 45,451 units in H1 2025, down 3% YoY. After a multi-year high in 2024, developers are now focusing on aligning launches with specific demand pockets, especially in the mid-to-premium segments and in emerging corridors supported by new infrastructure.

Prices continued to rise at a healthy pace, with the city's average residential rate increasing by 8% YoY to INR 91,838/sq m (INR 8,532/sq ft). This growth was led in part by rising land and construction costs, but more notably due to the shifting product mix. Larger units, branded developments, and higher specification assets in premium localities contributed to the city's steady price appreciation, even as headline sales remained flat.

The INR 5-10 mn and INR 10-20 mn segments remained the most active, together accounting for nearly half of all sales. Homes priced INR 20-50 mn saw an increase in share to 12%, up from 9% in H1 2024, indicating stronger traction in the upper mid-income category. The share of sub-INR 5 mn homes declined marginally to 40%, as supply in this segment continued to shrink due to rising costs and limited land availability in affordable zones.

Mumbai's unsold inventory stood at 164,094 units, marginally lower than last year, with the overall Quarters-to-Sell (QTS) ratio at a manageable 6.9 quarters. This suggests that while the city is carrying a large base of inventory, sales have kept pace with new additions. However, there remains a variation across ticket sizes and locations.

QTS in segments priced above INR 100 mn continue to see longer sales cycles, with QTS extending beyond 16.1 quarters in some cases, particularly in Central and South Mumbai.

Peripheral areas remained key contributors to market activity. Peripheral Central Suburbs and Peripheral Western Suburbs demonstrated strong demand momentum, supported by connectivity upgrades and relatively more affordable pricing. Western Suburbs retained a consistent 14% share of city-wide sales, while Navi Mumbai saw a significant increase in both launches and sales at 24% and 18% share respectively. This was driven by enhanced buyer interest in well-planned nodes and upcoming infrastructure such as the Navi Mumbai Airport and the enhanced connectivity led by Atal Setu (MTHL).

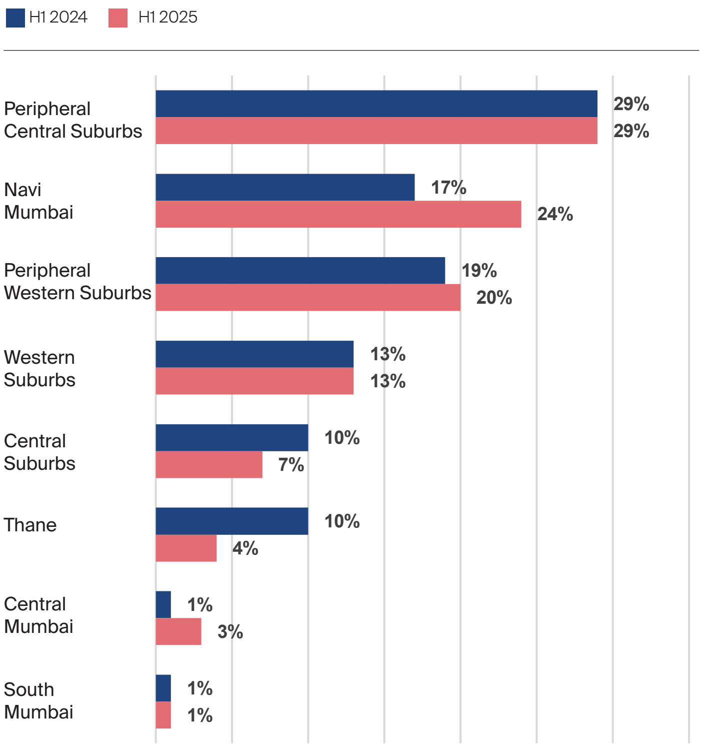
In contrast, Thane saw a visible slowdown in fresh launches, with its share falling from 10% in H1 2024 to just 4% in H1 2025. Inventory in the region is rising, and QTS has increased to 17.5 quarters. This reflects a need for greater price-value alignment in the region, though its long-term prospects remain anchored in connectivity and population growth.

Overall, Mumbai's residential market in H1 2025 reflected a recalibration rather than a slowdown. Price growth remained steady, inventory levels were stable, and demand continued to lean toward well-located, higher-spec homes. Importantly, the recent rate cuts by RBI have offered some relief, helping sustain end-user momentum. As developers refine their product offerings and infrastructure gains translate into livability benefits, the market appears poised for steady, end-user-led growth in the near term, even as headline numbers moderate from previous peaks.

MICRO-MARKET CLASSIFICATION

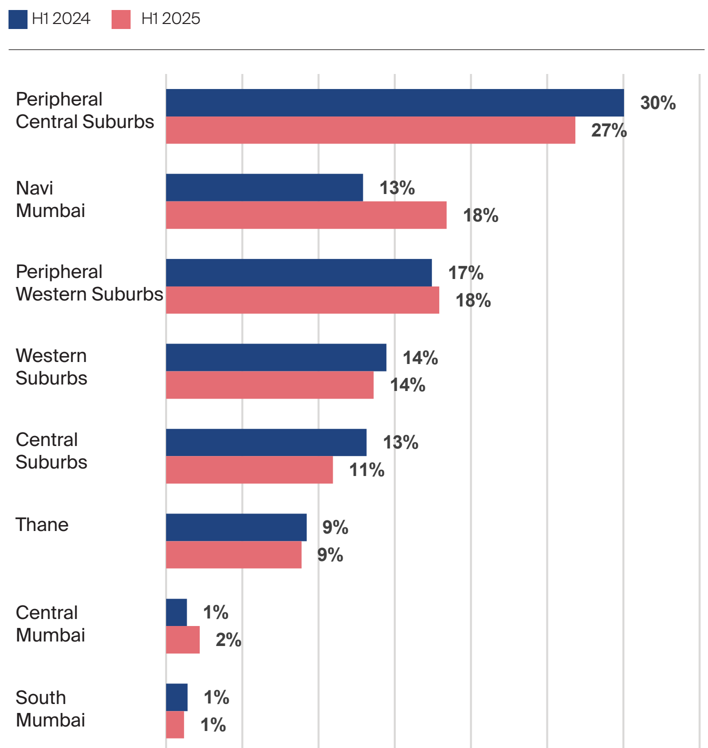
Micro market	Locations
Central Mumbai	Dadar, Lower Parel, Mahalaxmi, Worli, Prabhadevi
Central Suburbs	Sion, Chembur, Wadala, Kurla, Ghatkopar, Vikhroli, Bhandup, Mulund
Navi Mumbai	Vashi, Nerul, Belapur, Kharghar, Airoli, Panvel, Ulwe, Sanpada
Peripheral Central Suburbs	Kalyan, Kalwa, Dombivli, Ambernath, Bhiwandi, Mumbra, Karjat
Peripheral Western Suburbs	Vasai, Virar, Boisar, Palghar, Bhayandar, Nalasopara
South Mumbai	Malabar Hill, Napean Sea Road, Walkeshwar, Altamount Road, Colaba
Thane	Naupada, Ghodbunder Road, Pokhran Road, Majiwada, Khopat, Panchpakhadi
Western Suburbs	Bandra, Andheri, Goregaon, Kandivali, Borivali, Santacruz, Vile Parle

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



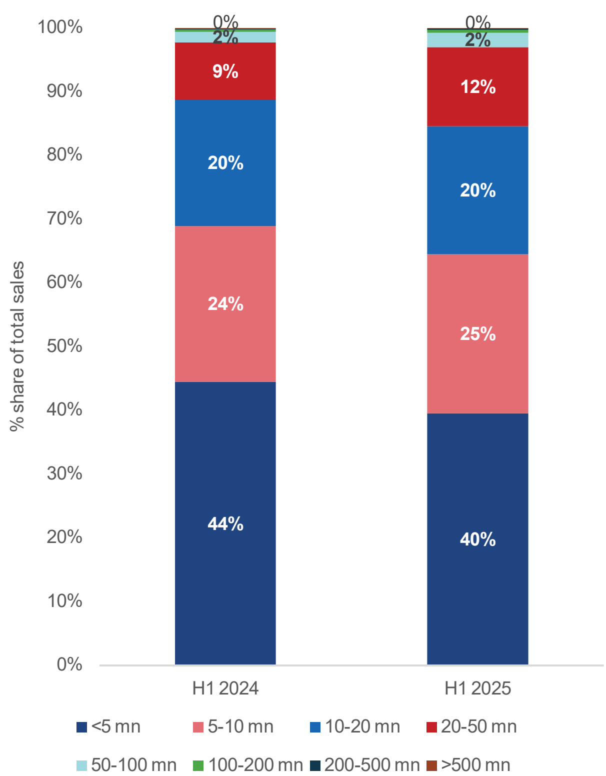
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	74,447 (-6%)	7.4
5 – 10 mn	36,255 (-3%)	6.2
10 - 20 mn	37,693 (4%)	8.1
20 – 50 mn	10,835 (39%)	4.4
50 – 100 mn	2,647 (-3%)	5.8
100 – 200 mn	1,198 (-9%)	13.2
200 – 500 mn	760 (28%)	16.1
>500 mn	258 (-6%)	7.4

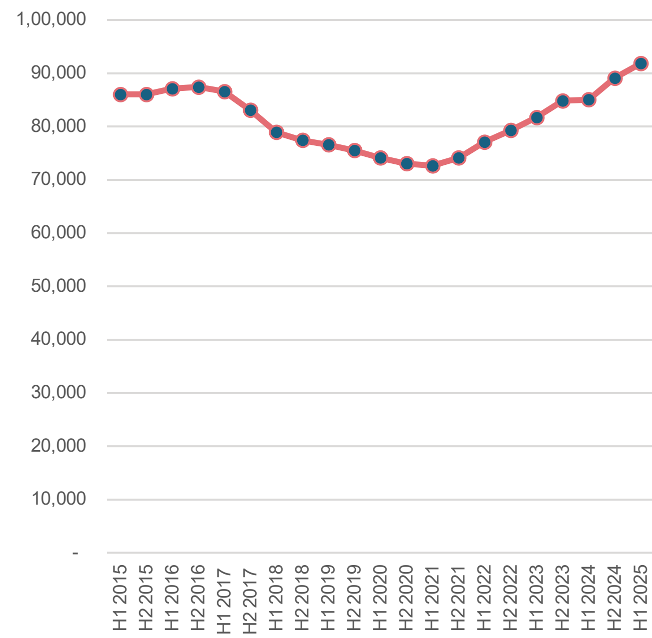
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Central Mumbai	7,394 (3%)	19.2
Central Suburbs	2,7617 (-8%)	9.5
Navi Mumbai	36,196 (12%)	10.6
Peripheral Central Suburbs	4,636 (-20%)	0.7
Peripheral Western Suburbs	9,454 (20%)	2.3
South Mumbai	5,252 (-10%)	16.1
Thane	36,927 (-5%)	17.5
Western Suburbs	36,617 (-2%)	10.8

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Central Mumbai	Lower Parel	351,671-384,598 (32,671-35,730)	4%	1%
	Worli	955,133-1,026,390 (88,734-95,354)	6%	3%
Central Suburbs	Ghatkopar	282,695-294,794 (26,263-27,387)	3%	1%
	Mulund	242,125-265,580 (22,494-24,673)	7%	3%
	Powai	262,082-334,168 (24,348-31,045)	3%	1%
Navi Mumbai	Panvel	91,010-94,336 (8,455-8,764)	1%	1%
	Kharghar	113,022-113,022 (10,500-10,500)	0%	0%
	Vashi	201,115-218,832 (18,684-20,330)	9%	3%
Peripheral Central Suburbs	Badlapur	54,121-55,230 (5,028-5,131)	2%	0%
	Dombivali	92,549-106,521 (8,598-9,896)	6%	1%
Peripheral Western Suburbs	Mira Road	117,123-120,589 (10,881-11,203)	0%	1%
	Virar	86,941-90,633 (8,077-8,420)	6%	0%
South Mumbai	Tardeo	829,711-837,967 (77,082-77,849)	1%	0%
Thane	Ghodbunder Road	129,997-130,858 (12,077-12,157)	0%	1%
	Naupada	238,606-241,673 (22,167-22,452)	1%	1%
Western Suburbs	Andheri	272,168-285,138 (25,285-26,490)	6%	3%
	Bandra (W)	809,001-860,280 (75,158-79,922)	2%	1%
	Borivali	296,645-305,482 (27,559-28,380)	1%	1%
	Dahisar	167,854-180,900 (15,594-16,806)	4%	2%
	Goregaon	273,126-294,869 (25,374-27,394)	6%	8%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	0.54 (5.8)	89%	0.21 (2.2)	-48%	0.16 (1.7)	-57%
Transactions in mn sq m (mn sq ft)	0.96 (10.4)	40%	0.51 (5.5)	-5%	0.19 (2.0)	-33%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	1,270 (118)	4%	1,392 (129.4)	12%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

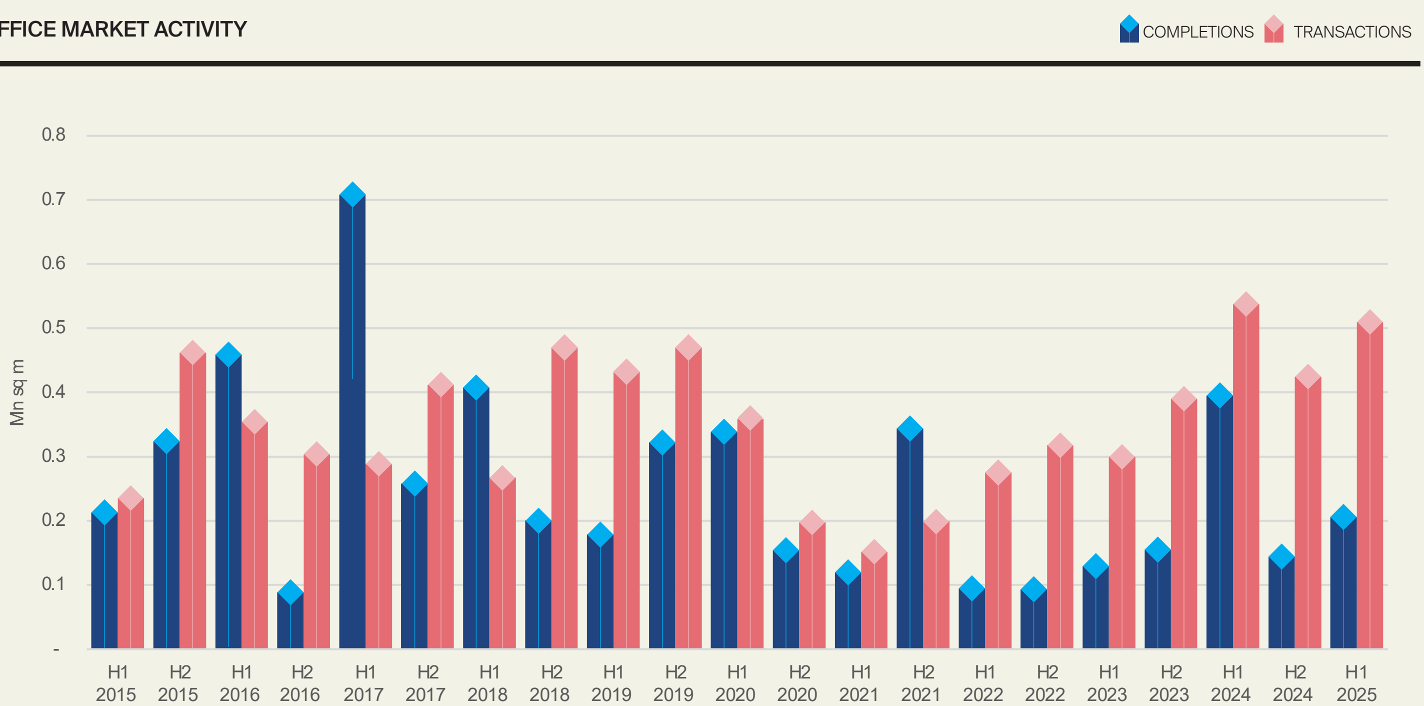
15.74 (169.4)
Stock mn sq m (mn sq ft) in H1 2025

2.3%
Change (YoY)

17.4%
Vacancy (%)

230
basis points decrease

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

In H1 2025, gross office space transactions in Mumbai stood at 0.51 mn sq m (5.5 mn sq ft), recording a 5% YoY decline. While this moderated from the sharp growth seen in 2024, it still marked the second best half-yearly volume in the past decade. The period was largely driven by coworking operators and GCCs, both of which expanded aggressively across Mumbai's core and business districts.

Flex space providers emerged as the largest demand driver, accounting for 39% of the total volume transacted, up from just 10% in H1 2024. A significant portion of this was concentrated in BKC, Andheri, Goregaon, and Navi Mumbai, where operators secured large blocks to pre-empt future enterprise demand. Meanwhile, India-facing businesses, which contributed 80% of leasing in H1 2024, saw their share drop to 48%, reflecting a more balanced demand structure. The share of GCCs more than doubled to 11%, indicating growing back-end and analytics operations by global corporations in Powai and Goregaon.

On the completions front, H1 2025 saw 0.21 mn sq m (2.2 mn sq ft) of new office completions, a sharp 48% decline YoY. Despite fewer additions, the average transacted rents rose sharply by 12% YoY to INR 1,392/sq m/month (INR 118/ sq ft/month), supported by quality-driven demand and sustained interest in premium buildings.

Vacancy levels saw meaningful improvement, declining by 230 basis points YoY to 17.4%, lowest since 2014. However, this reduction was influenced more by a significant drop in new supply rather than a surge in demand. The decline was broad-based across business districts, indicating steady off-take even as leasing volumes remained largely stable.

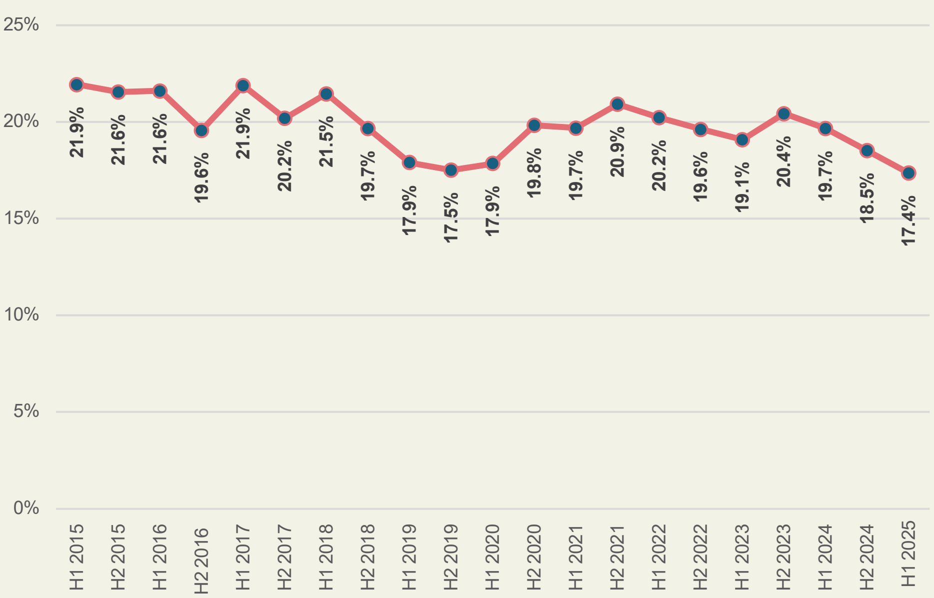
The demand was led by SBD West and PBD, which together contributed over 60% of gross leasing, while the BKC & Off-BKC share rose sharply from 6% to 16% YoY, reflecting revived interest from BFSI and consulting occupiers for centrally located spaces.

In terms of business districts, SBD West (Andheri, Goregaon, Malad) retained its lead with a 35% share of leasing activity, followed by PBD (Thane, Navi Mumbai) at 26%. Central Mumbai and SBD Central saw improved traction, supported by metro linkages and competitive rentals. Flexibility, access, and cost efficiency were the primary filters for most occupiers during the period.

The operationalization of newer metro lines, particularly Line 3 (Colaba-Bandra-SEEPZ) up to Worli Naka, is also expected to shift demand further inward, connecting established micro-markets with new completions. Developers, in turn, are expected to re-align additional supply to match this infrastructure-led demand redistribution.

Looking ahead, the market is expected to maintain stable momentum through H2 2025, aided by steady occupier demand, ongoing infrastructure upgrades, and a cautious-yet-optimistic developer stance. Occupier focus will likely remain on well-connected, ESG-compliant buildings that enable hybrid operations while optimizing space and cost.

OFFICE MARKET VACANCY



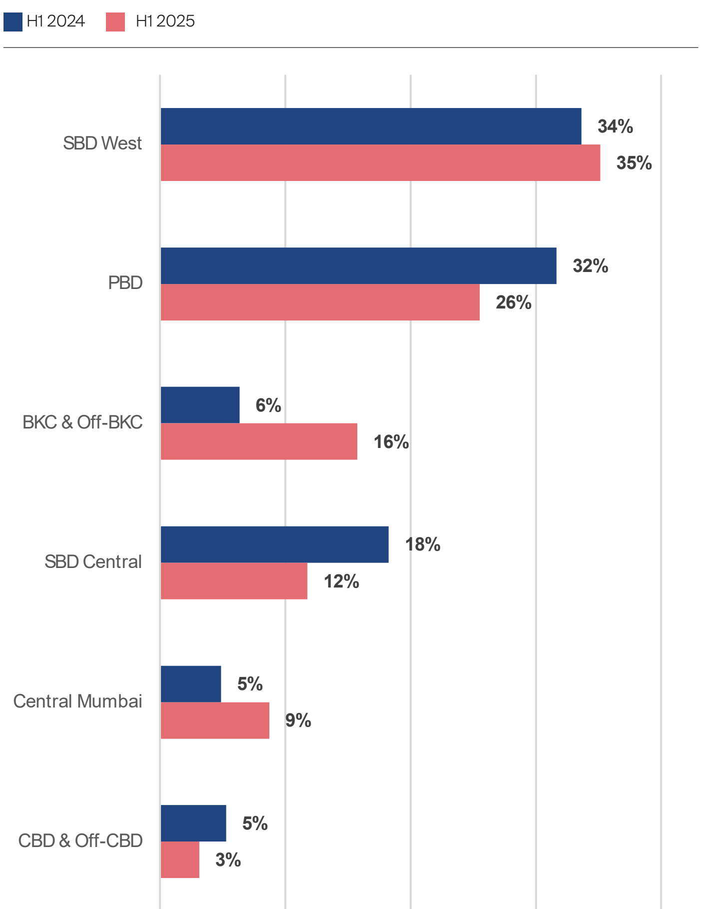
Source: Knight Frank Research

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
Central Business District (CBD and Off CBD)	Nariman Point, Cuffe Parade, Ballard Estate, Fort, Mahalaxmi, Worli
Bandra Kurla Complex & Off Bandra Kurla Complex (BKC & Off BKC)	BKC, Bandra (E), Kalina and Kalanagar
Central Mumbai	Parel, Lower Parel, Dadar, Prabhadevi
Secondary Business District (SBD) West	Andheri, Jogeshwari, Goregaon, Malad
Secondary Business District (SBD) Central	Kurla, Ghatkopar, Vikhroli, Kanjurmarg, Powai, Bhandup, Chembur
Peripheral Business District (PBD)	Thane, Airoli, Vashi, Ghansoli, Rabale, Belapur

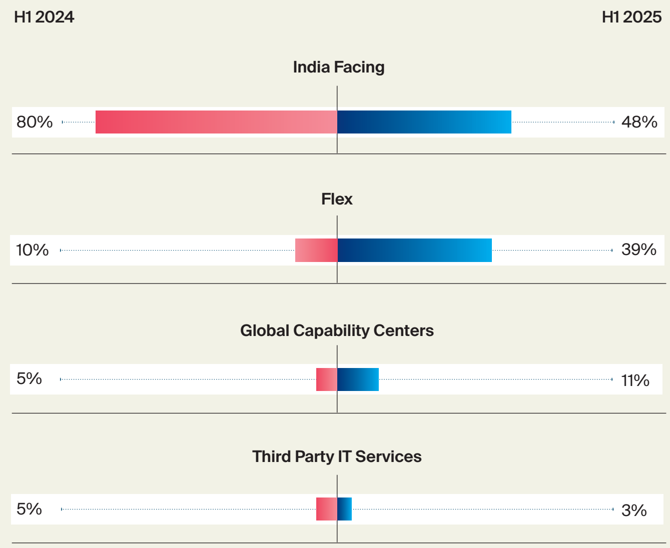
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS



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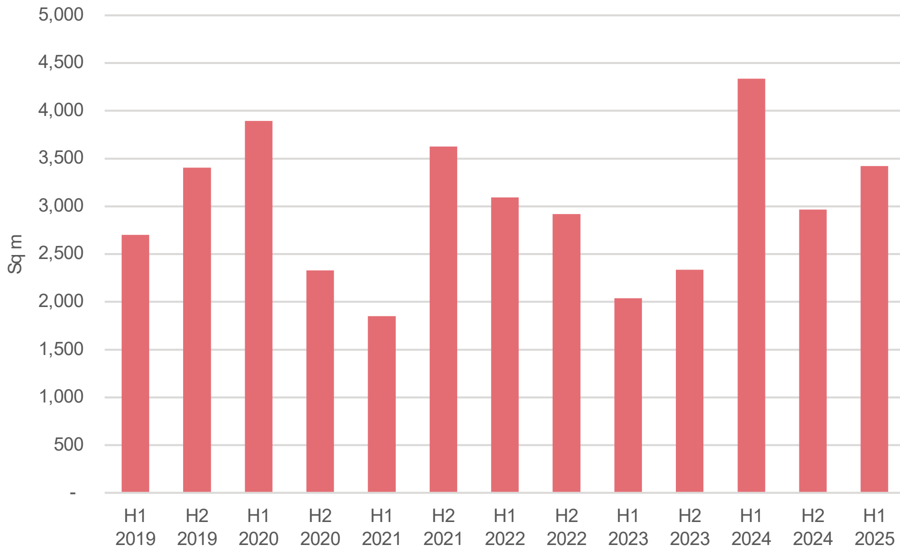
AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
BKC & Off-BKC	2,460 – 4,590 (229–427)	15%	6%
CBD & Off-CBD	2,175 – 2,985 (202–277)	9%	3%
Central Mumbai	2,050 – 2,920 (190–271)	14%	5%
PBD	582 – 1,056 (54–98)	8%	2%
SBD Central	1,350 – 2,410 (125–224)	12%	4%
SBD West	1,055 – 2,050 (98–190)	11%	4%

Source: Knight Frank Research

NCR

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	60,699	-3%	25,233	-17%	11,957	-24%
Sales (housing units)	57,654	-4%	26,795	-8%	12,547	-7%
Average price in INR/sq m (INR/sq ft)	INR 54,530 (INR 5066)	6%	INR 59,578 (INR 5,535)	14%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

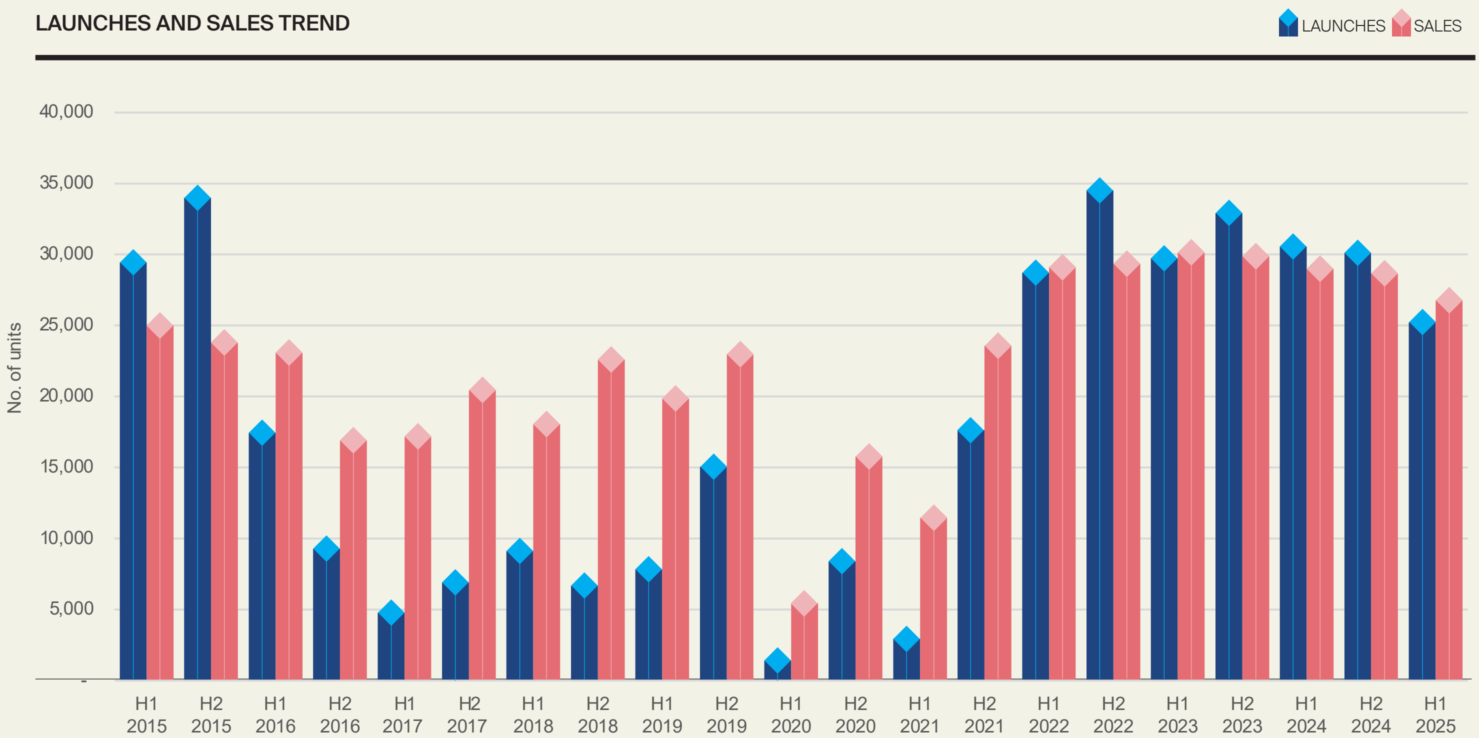
1,05,090
Unsold inventory (housing units)

0%
Change (YoY)

7.4
Quarters to sell (in quarters)

14.8
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

After a period of sustained growth from 2021 to 2024, the residential market in the National Capital Region (NCR) experienced a pause in H1 2025. Developers launched approximately 25,233 units during the period, falling 17% YoY. This reflects a stance of measured optimism in response to a largely unaffordable housing market in NCR especially for the mid-income groups, evolving buyer preferences with HNIs and NRIs leaning towards premium and luxury housing, and ongoing infrastructure developments across the region. Sales volumes declined by 8% YoY to 26,795 units in H1 2025, suggesting a shift in the housing market dynamic. The region is increasingly moving towards higher-value inventory and transitioning from a speculative investment-driven environment to a more end-user-oriented market. Despite the moderation in activity, demand remains strong for premium living options, including spacious units, upscale developments, and integrated communities with comprehensive amenities. These factors continue to reinforce NCR's attractiveness for homebuyers seeking lifestyle upgrades.

Gurugram maintained its pole position as the most preferred micro-market within NCR during H1 2025, accounting for 51% of total residential sales and 55% of new launches. The city's continued dominance is supported by ongoing infrastructure upgrades along key corridors such as Dwarka Expressway, Sohna Road, and Southern Peripheral Road, which have notably enhanced overall connectivity and livability. A significant portion of the newly launched projects in Gurugram fall within the premium, luxury, and ultra-luxury segments, reflecting a clear focus on high-end offerings targeted at high-net-worth individuals, non-resident Indians, and discerning homebuyers seeking lifestyle enhancements.

Noida and Greater Noida together accounted for 30% of NCR's total residential sales and 29% of new launches in H1 2025. The Uttar Pradesh government's sustained efforts to strengthen dispute resolution mechanisms have played a key role in maintaining buyer confidence across both markets. Within the combined share, Greater Noida contributed a larger proportion of both sales (23%) and launches (25%), driven by greater land availability for new developments, particularly along the extended stretches of the Noida-Greater Noida Expressway. Additionally, infrastructure catalysts such as the upcoming Noida International Airport in Jewar and the anticipated expansion of metro connectivity have further boosted market traction in Greater Noida, reinforcing its appeal among both end-users and investors.

Ghaziabad continued to hold its ground in the NCR residential market, contributing 14% to the total of new launches and 16% to overall sales during H1 2025. The city remains attractive to mid-income homebuyers, supported by its affordability and enhanced connectivity through NH-24, as well as its strategic location along the Delhi-Meerut RRTS corridor. In contrast, Faridabad and Delhi witnessed limited residential activity, together accounting for less than 5% of total launches and sales during the period. This muted performance is primarily due to restricted land availability in Delhi and limited infrastructure development and employment opportunities in Faridabad. It is important to note that the analysis does not include the Q1 2025 launch of approximately 8,000 residential units by the Delhi Development Authority (DDA). This substantial supply represents a significant injection of housing stock in an otherwise land-constrained and mature market like Delhi.

The shift toward premium and luxury housing or premiumization continues to define the trajectory of the residential market in NCR. Over the past few years, most leading developers in the region have realigned their strategies to cater to the growing demand for high-value homes. This trend has accelerated, particularly in the INR 20 mn and above price segment. In H1 2025, homes priced above INR 20 mn accounted for 57% of the total residential sales, compared to 43% in H1 2024, reflecting a YoY increase of 14%. This surge underscores the sustained appetite for spacious, high-end residences equipped with modern amenities, as affluent homebuyers increasingly prioritize quality, lifestyle, and exclusivity in their housing choices. The momentum is further supported by the launch of several high-ticket residential projects in prominent locations such as Golf Course Road, Sector 65, Sector 69, and Southern Peripheral Road in Gurugram, where unit prices in some developments exceed INR 500 mn. These ultra-luxury offerings have been well-received, with many achieving 60-70% sales immediately post-launch. The target clientele includes high-net-worth individuals, non-resident Indians, expatriates, celebrities, and senior executives from multinational corporations and startups. From a price-segment perspective, the INR 500 mn and above category registered a remarkable 2550% YoY growth in sales between H1 2024 and H1 2025. This was followed by the INR 200 to 500 mn bracket, which saw a 1233% increase during the same period . While the absolute number of units sold in these higher-ticket price segments was insignificant compared to the overall sales quantum, they have massive impact in terms of their value.

In contrast, the affordable housing segments witnessed a decline with the INR 2.5 to 5 mn range falling by 37% and the INR 5 to 7.5 mn category decreasing by 21% YoY. This decline can be attributed to several macroeconomic and market-specific factors. Borrowing costs , stagnant income levels, inflationary pressures, and uncertainties in the job market have collectively impacted the purchasing power of budget-conscious buyers. Additionally, substantial equated monthly installment (EMI) burdens and a limited supply of new launches in the affordable segment have contributed to reduced buyer activity, resulting in slower absorption rates across this price category.

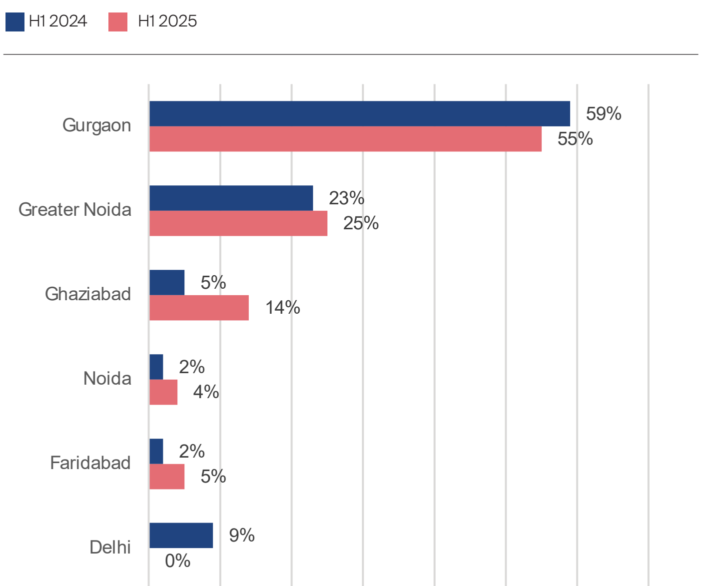
The unsold inventory in NCR declined marginally by 1% YoY, reaching a total of 105,089 units in H1 2025. This reflects a balanced market dynamic, where both new launches and sales have recorded slight reductions, indicating a cautious but stable demand environment. The quarters-to-sell (QTS) ratio, which measures the time required to exhaust existing inventory at the current sales pace, stood at 7.4 in H1 2025, compared to 7.1 in the same period last year. This moderate increase points to a slightly more conservative buyer sentiment, though it is still within a healthy range. For residential units priced at INR 10 mn and above, the QTS values remain robust, ranging from 2 to 8.6 quarters, equivalent to just over two years. This underscores strong traction in the premium and luxury segments. In contrast, the affordable housing category, particularly units priced below INR 5 mn, recorded a significantly high QTS of 27.3, indicating extended inventory holding periods. This is likely due to the limited supply of well-located, high-quality projects, and a lack of developer credibility and modern amenities in this segment, which continues to deter potential buyers.

Residential prices in the National Capital Region rose by 14% YoY in H1 2025, reaching an average of INR 59,578 per sq m (INR 5,535 per sq ft). The increase was driven by strong demand for premium homes and new high-end project launches at elevated price points. Key micro-markets such as South Delhi, Golf Course Road, Golf Course Extension Road, Sohna Road, and Southern Peripheral Road in Gurugram recorded the sharpest price gains due to strategic connectivity and premium positioning. However, affordability remains a concern for mid-income buyers, potentially impacting absorption in the lower price segments.

The NCR residential market's growth is further supported by accelerated infrastructure development in the post-COVID period. Major projects such as the Delhi-Mumbai Expressway, Regional Rapid Transit System, Dwarka Expressway, and metro network expansions have significantly improved connectivity driving interest toward emerging corridors and peripheral locations. Additionally, initiatives like the Noida International Airport in Jewar and the planned Gurgaon Metro expansion are expected to unlock future demand, reinforcing long-term growth prospects across newly developing micro-markets.

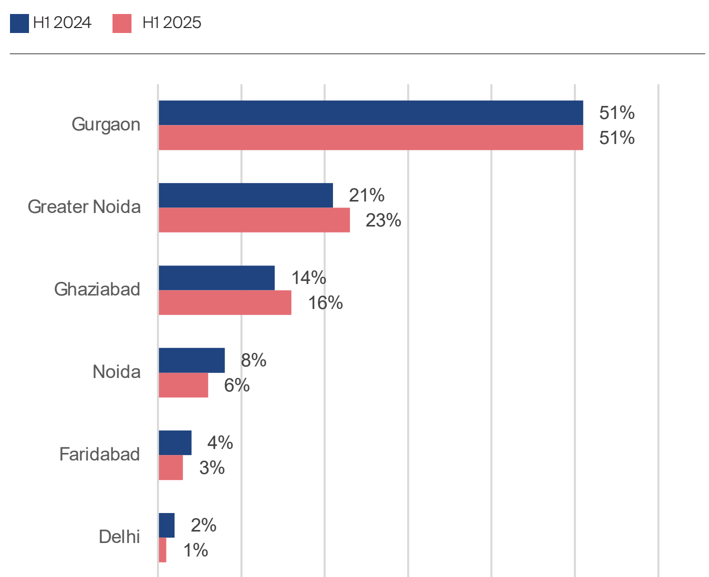
NCR has historically been one of the more investment-driven residential markets in the country, shaped largely by speculative activity. However, the sentiment is gradually shifting toward an end-user-focused market, particularly as both launch volumes and sales begin to stabilize. While growth in the affordable housing segment appears to be plateauing, the premium and luxury segments continue to demonstrate resilience and drive overall market momentum. Developers are likely to maintain a strategic focus on high-end launches in line with evolving buyer preferences. Despite affordability challenges for first-time buyers, the region's solid economic fundamentals and ongoing infrastructure improvements are expected to preserve its attractiveness for both end-users and investors.

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



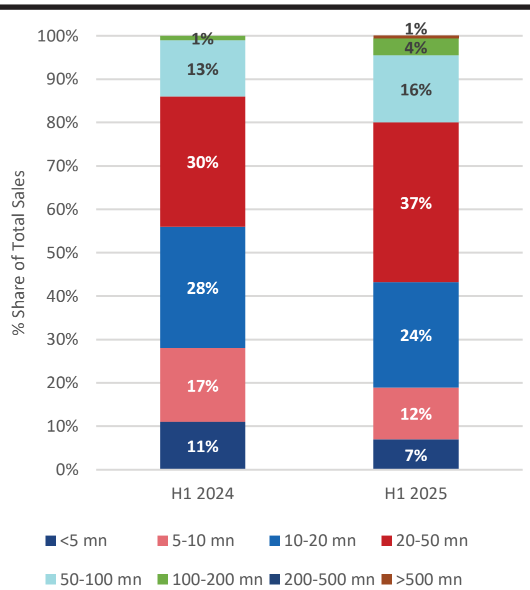
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0-5 mn	32,792 (-8%)	27.3
5-10 mn	23,293 (-14%)	10.5
10-20 mn	27,882 (10%)	6.2
20-50 mn	16,354 (35%)	3.8
50-100 mn	3,544 (-20%)	2.0
100-200 mn	968 (78%)	4.8
200 – 500 mn	29 (-38%)	3.7
>500 mn	228 (3700%)	8.6

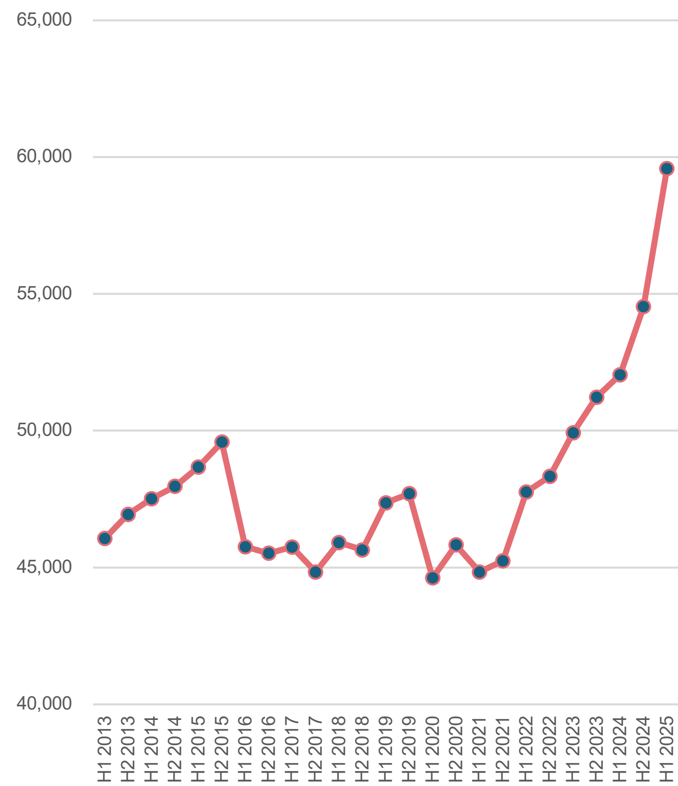
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Delhi	3,571	8.7
Faridabad	2,643	11.1
Ghaziabad	10,176	5.0
Greater Noida	24,941	7.4
Gurugram	56,608	8.1
Noida	7,150	5.8

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Delhi	Dwarka	86,111-1,29,167 (8,000-12,000)	11%	8%
	Greater Kailash -II	2,69,098-4,30,556 (25,000-40,000)	8%	8%
Faridabad	Sector 82	35,521-50,590 (3,300-4,700)	14%	14%
	Sector 88	35,521-45,208 (3,300-4,200)	14%	14%
Ghaziabad	NH-24 Bypass	37,674-48,438 (3,500-4,500)	30%	25%
	Raj Nagar Extension	37,674-46,285 (3,500-4,300)	21%	18%
Greater Noida	Sector 1	43,056-59,201 (4,000-5,500)	23%	23%
	Omicron 1	38,750-45,208 (3,600-4,200)	15%	15%
Gurugram	Sector 77	64,583-96,875 (6,000-9,000)	15%	13%
	Sector 81	64,583-91,493 (6,000-8,500)	12%	10%
Noida	Sector 78	64,583-77,500 (6,000-7,200)	20%	18%
	Sector 143	59,201-64,583 (5,500-6,000)	20%	19%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	0.5 (5.6)	-20%	0.4 (4.1)	39%	0.4 (3.9)	192%
Transactions in mn sq m (mn sq ft)	1.2 (12.7)	25%	0.7 (7.2)	27%	0.5 (5.2)	98%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	945.1 (87.8)	3%	1,006 (93.5)	8%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)

Source: Knight Frank Research

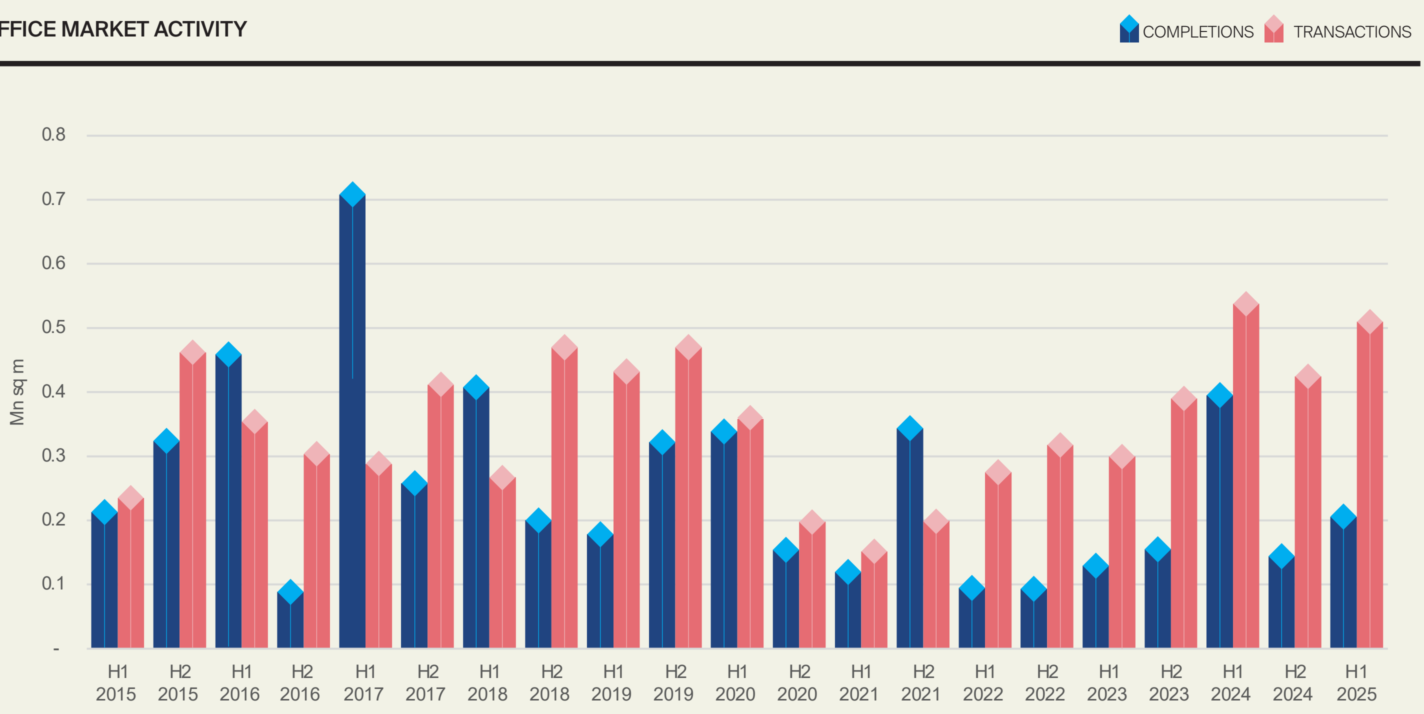
18.4 (198.5)
Stock mn sq m (mn sq ft) in H1 2025

4%
Change (YoY)

12%
Vacancy (%)

130
basis points increase

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

In H1 2025, Delhi NCR ranked as the second-largest office market in India by gross leasing activity, following Bengaluru. The region recorded approximately 0.7 mn sq m (7.2 mn sq ft) of leasing volume, its highest-ever on record, firmly positioning NCR among the top three most dynamic and strategic office markets in the country. This represents a notable 27% YoY growth, driven equally by Global Capability Centers (GCCs) and India facing businesses. India continues to attract global tenants due to its cost-effective rentals with premium office spaces still priced below one US dollar per sq ft alongside a robust and scalable talent pool. In parallel, India-facing businesses have accounted for an equally strong share of office space absorption supported by the sustained growth of domestic enterprises and startups. This strong leasing performance underlines NCR's growing appeal as a commercial real estate hub, with southern peripheral markets such as Gurugram and Noida experiencing continued expansion and development.

Among the key business districts of NCR, Gurugram accounted for a dominant 65% share of the total leasing activity in H1 2025, an increase of 900 basis points compared to H1 2024. This continued leadership underscores Gurugram's position as the region's most active office business district, a trend sustained over the past decade. The city's diverse micro-markets and well-established infrastructure have consistently attracted strong interest from occupiers across sectors. In contrast, Noida's share declined significantly, falling from 41% in H1 2024 to 24% in H1 2025, primarily due to limited new supply in that business district. Meanwhile, SBD Delhi witnessed a notable uptick, with its leasing share increasing by 6% YoY. CBD Delhi also saw modest growth, with a 1% rise over the same period.

In terms of specific micro-markets, Gurugram saw the highest occupier interest in locations such as NH-48, Udyog Vihar, Golf Course Extension Road, Golf Course Road, and DLF Cyber City, with multiple leasing transactions recorded across these corridors. In Noida, sectors such as 16B, 129, 144, and 62 also witnessed a notable volume of deals, reflecting sustained demand in these established commercial clusters.

In H1 2025, the average deal size in the NCR office market reached a historic high of approximately 5,000 sq m, reflecting a significant YoY increase of 43%. This growth indicates a clear shift in occupier preference toward larger office footprints. If this trend continues, it is likely to influence building design strategies, with increased demand for larger floorplates offering higher space efficiency. As Global Capability Centers continue to account for a substantial share of office space demand in the region, the average deal sizes are expected to grow further in the coming years.

The business orientation of occupiers in H1 2025 in NCR was led equally by Global Capability Centers (GCCs) and India-facing companies, each accounting for 31% of the total leasing activity. This was followed by third-party IT service providers with a 21% share, and flexible space operators contributing 17%. The share of GCCs rose sharply from 11% in H1 2024 to 31% in H1 2025, reflecting a growing preference among global enterprises to leverage NCR's skilled talent pool for specialized functions. In contrast, the share of India-facing businesses declined from 55% to 31% YoY, signaling a shift in demand dynamics. Despite ongoing global tariff tensions, the service sector in India has remained largely unaffected, supporting continued momentum in GCC-led leasing activity across the NCR office market.

Flexible space operators were most active in Gurugram, which accounted for 67% of their total leasing activity. This was followed by SBD Delhi with 21% and Noida with 10%. The total area leased by flex operators during the period stood at approximately 0.12 mn sq m, reflecting sustained growth in this segment. The continued expansion of flexible space operators is being driven by the growing demand for managed office solutions and the wider acceptance of hub-and-spoke model among corporate occupiers. In Gurugram, prime locations such as Golf Course Road, Golf Course Extension Road, DLF Cyber City, and Sohna Road emerged as preferred destinations, witnessing a significant share of the leasing transactions by flex operators.

New office space completions in NCR reached a historic high of approximately 0.4 mn sq m (4.1 mn sq ft) in H1 2025 marking a 39% YoY increase. This surge was primarily driven by the delivery of projects that were in the development pipeline. Gurugram accounted for the majority of new completions, contributing 77% of the total supply, followed by Noida with 18% and Faridabad with 5%. In Gurugram, new office spaces became operational in key locations such as NH-8, Udyog Vihar, and Sector 59. In Noida, Sectors 63, 127, 132, and 135 witnessed the addition of several new office assets during the review period. Overall, the NCR office market continues to hold its position as the second largest office market in India, after Bengaluru.

H1 2025 marked a record half-yearly performance for the NCR office market; however, it also recorded a YoY increase in vacancy levels. The vacancy rate rose by 130 basis points, from 10.7% in H1 2024 to 12% by the end of H1 2025. This uptick was primarily driven by the completion of approximately eight new office projects during the period, which added fresh supply to the market. Despite the nominal increase in vacancy, the overall health of the NCR office market remains strong, supported by robust absorption levels and sustained pre-commitments in upcoming developments.

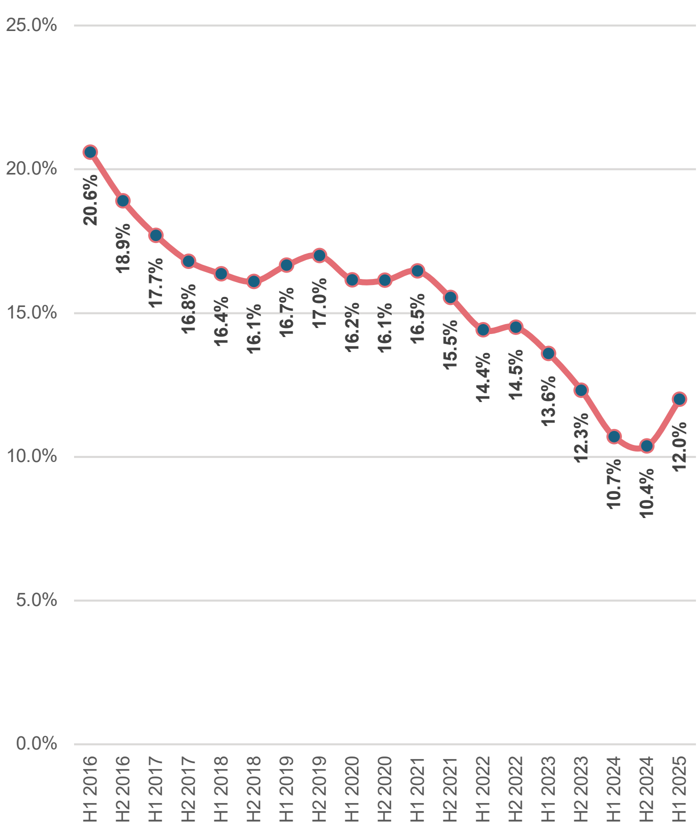
In H1 2025, the average transacted office rents in NCR recorded an 8% YoY increase compared to H1 2024. This upward movement in rents was supported by record-high leasing volumes, besides sustained demand, and the limited availability of premium grade spaces. Although new supply was introduced during the period, demand for high-quality office spaces continued to outpace completions, keeping upward pressure on rents. Looking ahead, a rise in new completions is anticipated in the second half of 2025, as several developers have accelerated construction timelines in response to strong occupier interest. While this could lead to a slight uptick in vacancy levels, they are expected to remain well within a healthy range, supported by the market's strong fundamentals.

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
CBD Delhi	Connaught Place, Barakhamba Road, Kasturba Gandhi Marg, Minto Road, ITO, Bahadur Shah Zafar Marg, Pusa Road, Jhandewalan
SBD Delhi	Nehru Place, Saket, Malviya Nagar, Shivaji Marg, Sukhdev Vihar, Jasola, Bhikaji Cama Place, Mohan Cooperative Area, Okhla (all phases), Aerocity, Iswar Nagar, Punjabi Bagh
Gurugram Zone A	DLF Cyber City, DLF Qutub Enclave, MG Road, NH-8, Golf Course Road, Sector 16, Sector 18, Sector 27
Gurugram Zone B	Golf Course Extension Road, Udyog Vihar (all phases), Gwal Pahari, Southern Peripheral Road, Sohna Road, Sectors: 21, 22, 30, 32, 33, 39, 44, 45
Gurugram Zone C	Manesar, Beyond Hero Honda Chowk
Noida	Sectors: 1-10, 16, 16A, 16B, 18, 43, 48, 58, 59,60, 62, 63, 64, 65, Noida-Greater Noida Expressway (till Pari Chowk), Film City
Greater Noida	Sector Alpha, Sector Beta, Sector Gamma, Knowledge Park 3, Tech Zone, Noida-Greater Noida Expressway (beyond Pari Chowk)
Faridabad	Mathura Road

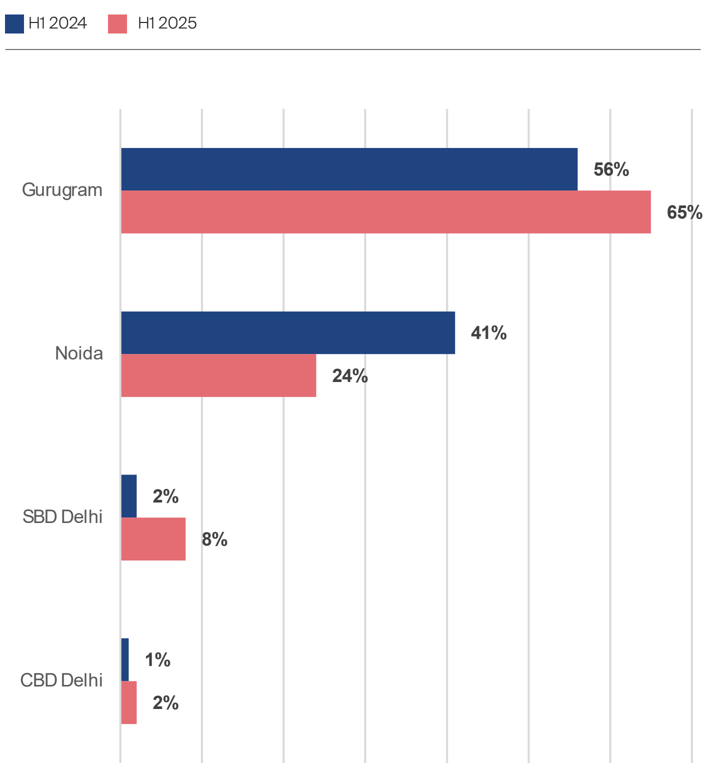
Source: Knight Frank Research

OFFICE MARKET VACANCY



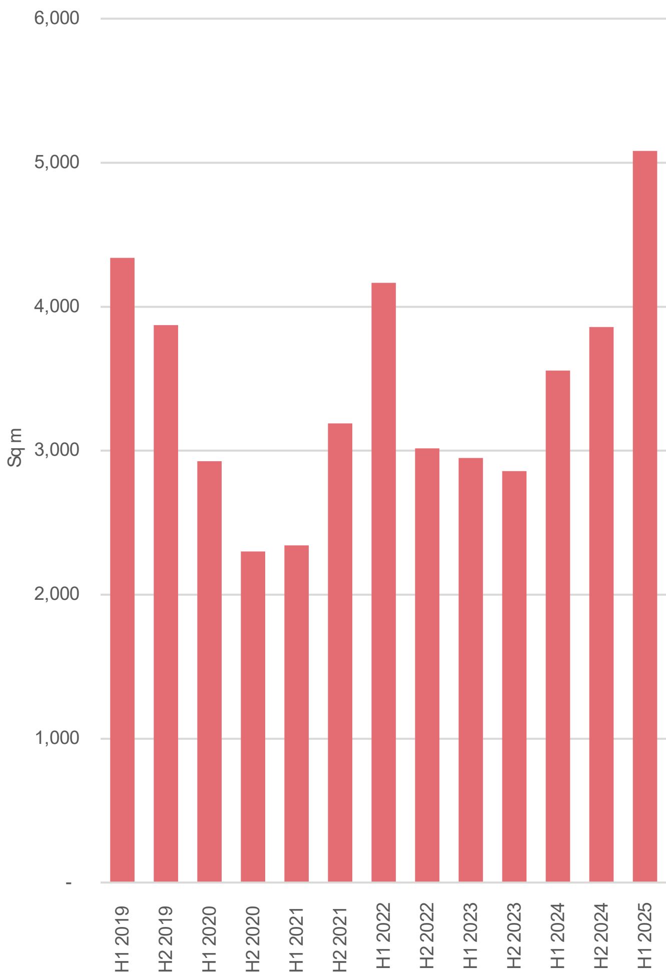
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



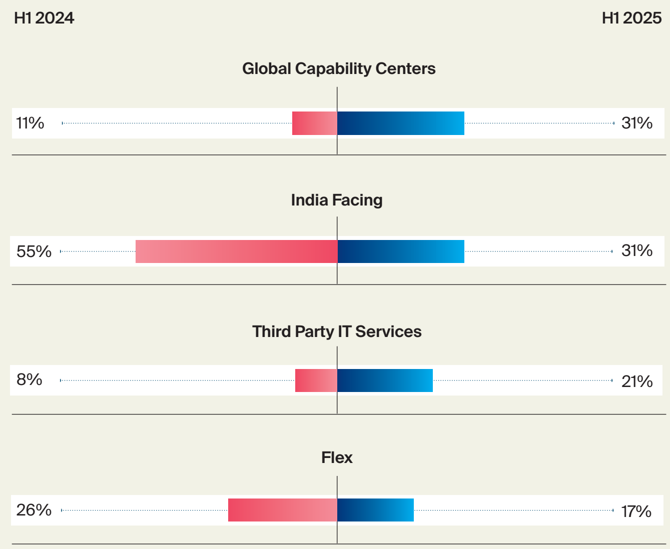
Source: Knight Frank Research

AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS



Source: Knight Frank Research

Notes:

1. India Facing: These refer to such transactions where the lessees/buyers are entities which have an India focused business, i.e., no export or import.
2. Third Party IT Services: These refer to transactions where the lessees/buyers are focused on providing IT and IT enabled services to offshore clients. They service multiple clients and are not necessarily owned by any of them.
3. Global Capability Centre (GCC): These refer to transactions where the lessees/buyers are focused on providing various services to a single offshore company. The offshore company has complete ownership of the entity that has transacted the space.
4. Flex Space: These refer to transactions by companies that specialise in providing comprehensive office space solutions for other businesses along with the benefits of flexibility of tenure, extent of services provided and the ability to scale higher or lower as required.

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
CBD Delhi	2,368-4,198 (220-390)	7%	6%
SBD Delhi	969-2,476 (90-230)	12%	5%
Gurugram Zone A	1,292-2,067 (120-192)	8%	4%
Gurugram Zone B	915-1,507 (85-140)	0%	0%
Gurugram Zone C	301-463 (28-43)	18%	13%
Noida	538-1,055 (50-98)	6%	2%
Greater Noida	484-592 (45-55)	0%	0%
Faridabad	538-646 (50-60)	10%	10%

Source: Knight Frank Research

PUNE

RESIDENTIAL MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Launches (housing units)	59,548	40%	26,559	-5%	10,328	-30%
Sales (housing units)	52,346	6%	24,329	-1%	10,098	-20%
Average price in INR/sq m (INR/sq ft)	INR 51,426 (INR 4,778)	6%	INR 52,399 (INR 4,868)	6%	-	-

Note – 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

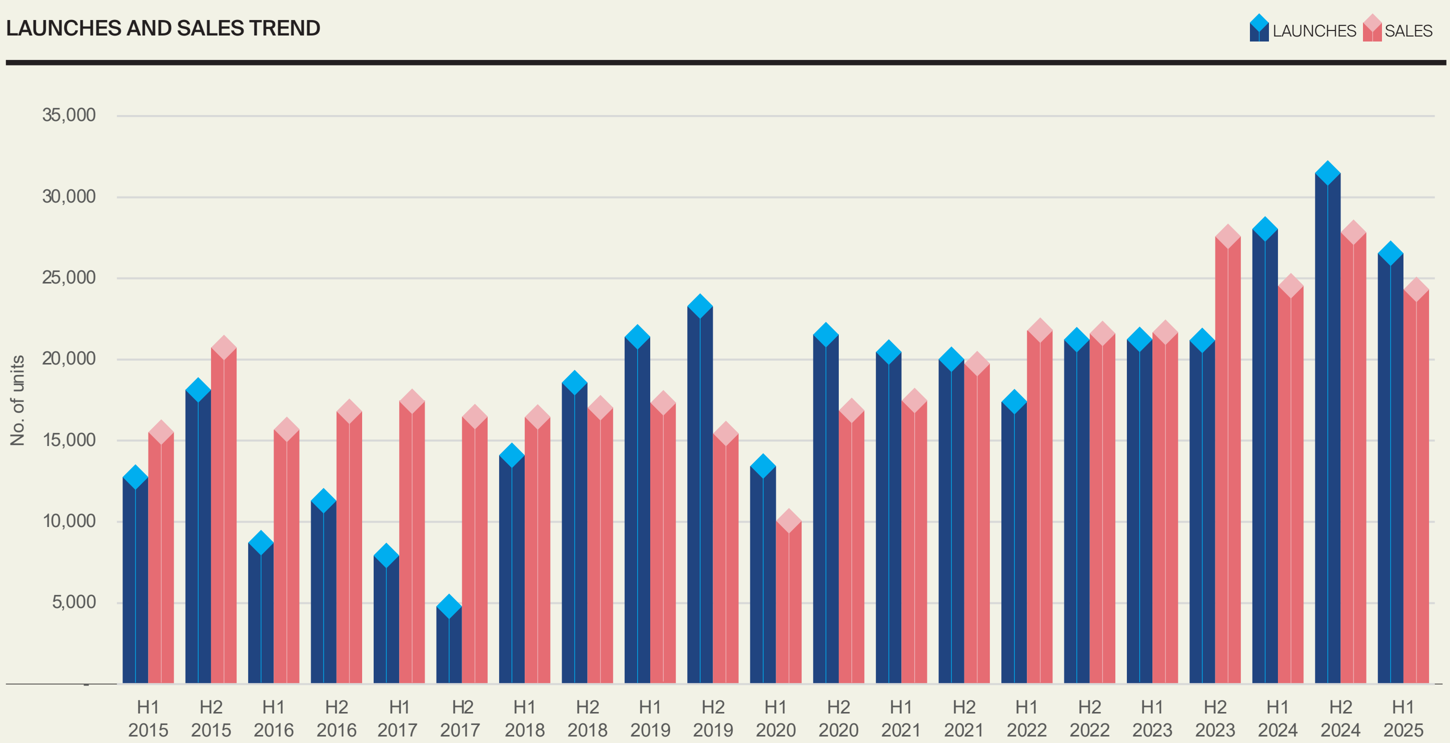
48,646
Unsold inventory (housing units)

14%
Change (YoY)

3.7
Quarters to sell (in quarters)

12.0
Age of unsold inventory (in quarters)

LAUNCHES AND SALES TREND



Source: Knight Frank Research

After peaking in both launches and sales during H2 2024, Pune's residential market saw a mild recalibration in H1 2025. Launches declined by 5% YoY to 26,559 units, while sales remained broadly stable, marginally dipping by 1% YoY to 24,329 units. The market has experienced consistent growth since H1 2023 and this plateauing of sales volumes in H1 2025 is to be viewed as a pause rather than a cause for significant concern. The sales momentum continues to be strong at the upper end of the market.

One of the defining characteristics of the current cycle has been the West zone's dominance in both supply and demand. Localities such as Baner, Hinjewadi, and Bavdhan continue to anchor development activity, accounting for 43% of the city's launches and 40% of sales in H1 2025. East Pune, led by Kharadi and Hadapsar, maintained a steady 25% share of launches and 22% in sales, supported by its proximity to IT corridors. Meanwhile Central Pune, despite its limited land availability, witnessed a marginal rise in market share, achieving 5% of city-wide sales.

The overall market witnessed a 6% YoY appreciation in average residential prices, rising to INR 52,399/sq m (INR 4,868/sq ft). This marks the seventh consecutive half-yearly increase in prices, largely driven by resilient demand in well-connected micro-markets. While affordability remains a hallmark of Pune's residential market, the growing demand for lifestyle-led homes with better amenities is gradually pushing the market into a higher-value bracket.

The ticket-size composition of sales reflects this gradual shift. Homes priced above INR 10 mn now account for 25% of overall demand, up from 20% last year, while the share of sales in the sub-INR 5 mn category fell from 34% to 28% YoY.

Despite a 14% increase in total unsold inventory during the period, now standing at 48,646 units, the market's absorption metrics remain robust. The Quarters to Sell (QTS) metric for the city stands at 3.7, a healthy benchmark by most standards. This is underpinned by a particularly strong off-take in the INR 5-10 mn price band, where the inventory grew 46% YoY, but was absorbed rapidly with a QTS of just 1.6. In contrast, some signs of overhang are emerging at the top end of the market, particularly in the 200-500 mn category, where inventory increased 47% and the QTS climbed to 21.8, suggesting limited buyer traction in the luxury segment.

From a micro-market perspective, West Pune continued to drive volume but saw inventory levels increase by 17% with a QTS of 3.8. East Pune saw a sharper 30% rise in unsold inventory, pushing QTS to 5. In contrast, the North and South zones remained supply-constrained and registered significantly lower QTS levels of 1.4 and 0.2 respectively. Central Pune, despite seeing limited new supply, recorded the highest QTS at nearly 20, reflective of slow-moving high-ticket stock in constrained geographies.

The residential market in Pune appears to be moving into a more measured phase of growth after a long period of outperformance. Demand is still being supported by end-user activity and rising aspirations for quality living, particularly among mid-income professionals. At the same time, the expanding premium supply base, especially in a price-sensitive market, may warrant cautious planning by developers in the upcoming quarters.

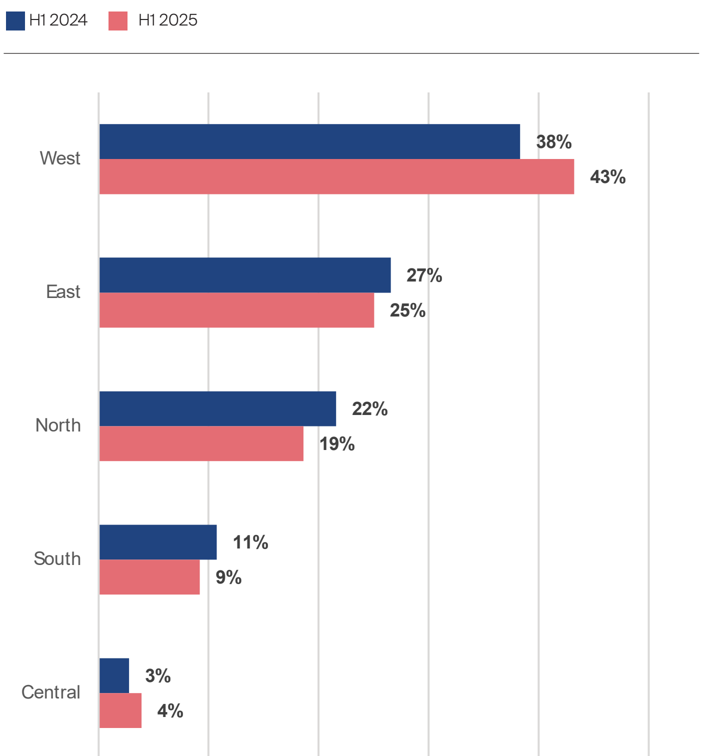
With broader macroeconomic tailwinds from job creation in the tech and BFSI sectors, and continued support through infrastructure upgrades like the Pune Metro, the market's next phase may be marked by sharper segmentation. The recent softening in home loan interest rates has also aided affordability, helping sustain homebuyer sentiment amid rising prices. Success in H2 2025 and beyond is likely to hinge on product-market fit, location-driven pricing power, and execution certainty, especially in a city that now balances affordability with aspiration, and competition in equal measure.

MICRO-MARKET CLASSIFICATION

Micro market	Locations
Central	Koregaon Park, Boat Club Road, Erandwane, Deccan, Kothrud, Model Colony
East	Viman Nagar, Kharadi, Wagholi, Hadapsar, Dhanori
West	Aundh, Baner, Wakad, Hinjewadi, Bavdhan, Pashan
North	Pimpri, Chinchwad, Moshi, Chikhali, Chakan, Talegaon
South	Kondhwa, Ambegaon, Undri, Dhayari, Warje, Sinhgad Road

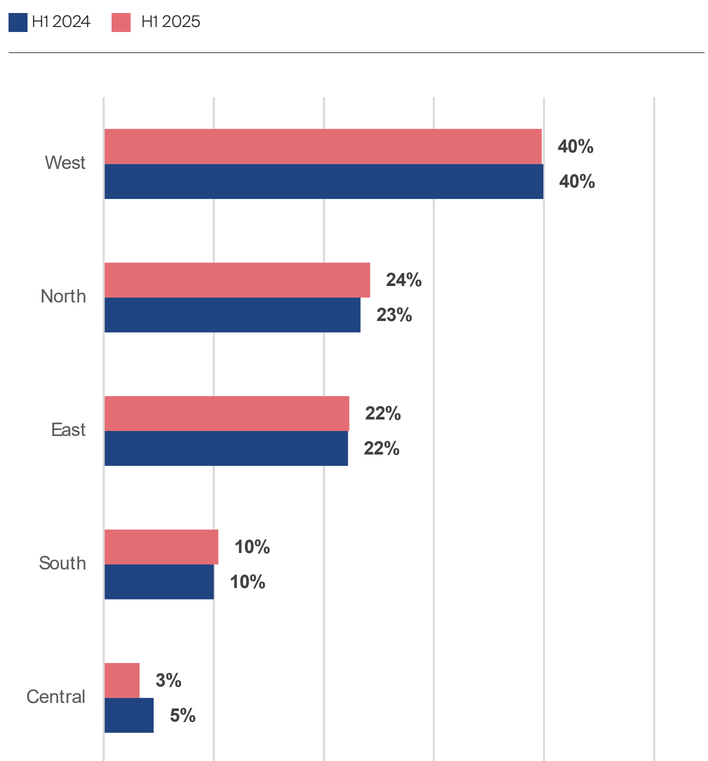
Source: Knight Frank Research

MICRO-MARKET SPLIT OF LAUNCHES IN H1 2024 AND H1 2025



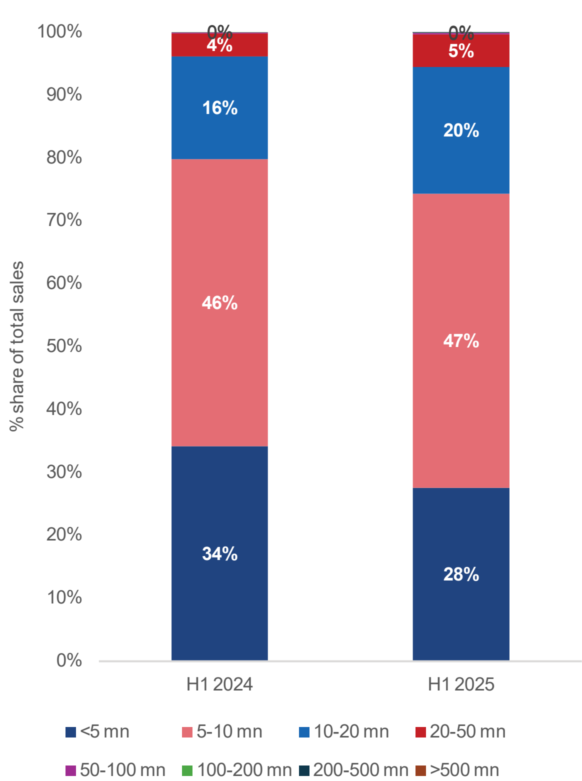
Source: Knight Frank Research

MICRO-MARKET SPLIT OF SALES IN H1 2024 AND H1 2025



Source: Knight Frank Research

TICKET SIZE SPLIT COMPARISON OF SALES



Source: Knight Frank Research

TICKET-SIZE SEGMENT HEALTH IN H1 2025

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	22,320 (-12%)	5.3
5 – 10 mn	9,733 (46%)	1.6
10 - 20 mn	13,886 (48%)	6.2
20 – 50 mn	2,658 (97%)	5.0
50 – 100 mn	33 (363%)	1.6
100 – 200 mn	14 (-52%)	2.8
200 – 500 mn	3 (47%)	21.8
>500 mn	-	-

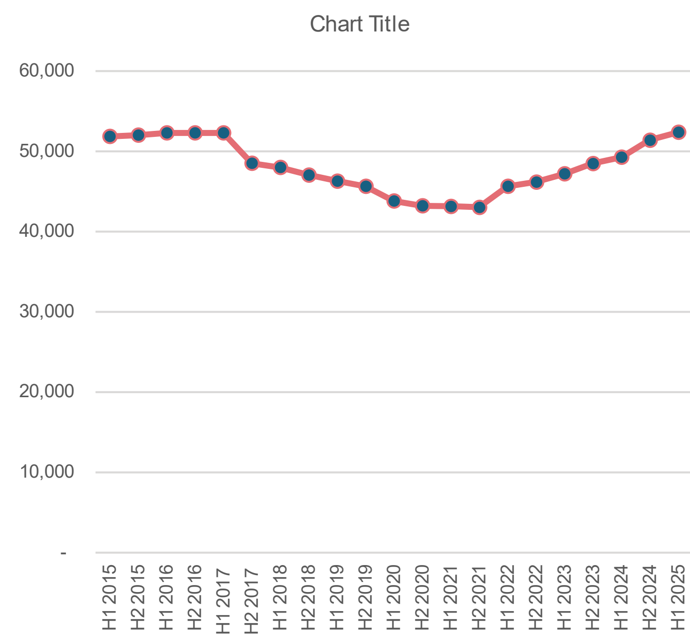
Source: Knight Frank Research

MICRO-MARKET HEALTH IN H1 2025

Micro-market	Unsold Inventory (housing units) (YoY Change)	Quarters-to-sell (QTS)
Central	8,710 (0.3%)	19.6
East	14,430 (29.6%)	5.0
West	20,976 (17%)	3.8
North	4,291 (-5%)	1.4
South	239 (-50%)	0.2

Source: Knight Frank Research

AVERAGE RESIDENTIAL PRICE MOVEMENT



Source: Knight Frank Research

RESIDENTIAL PRICE MOVEMENT IN SELECT LOCATIONS

Micro Market	Location	Price range in H1 2025 in INR/sq m (INR/sq ft)	12 month Change	6 month Change
Central	Koregaon Park	174,441-209,909 (16,206-19,501)	7%	1%
	Kothrud	178,747-192,611 (16,606-17,894)	8%	5%
	Erandwane	170,060-193,634 (15,799-17,989)	3%	1%
	Boat Club Road	216,615-228,003 (20,124-21,182)	5%	0%
East	Kharadi	114,744-118,447 (10,660-11,004)	1%	1%
	Wagholi	95,175-108,663 (8,842-10,095)	1%	1%
	Dhanori	87,221-93,571 (8,103-8,693)	6%	4%
	Hadapsar	99,072-104,949 (9,204-9,750)	4%	2%
West	Aundh	157,660-172,073 (14,647-15,986)	2%	1%
	Baner	155,066-175,991 (14,406-16,350)	7%	4%
	Hinjewadi	107,995-115,799 (10,033-10,758)	7%	3%
	Wakad	108,146-141,923 (10,047-13,185)	18%	15%
North	Moshi	71,462-73,830 (6,639-6,859)	2%	1%
	Chikhali	67,985-70,429 (6,316-6,543)	1%	1%
	Chakan	40,849-41,517 (3,795-3,857)	2%	2%
South	Ambegaon	78,879-83,033 (7,328-7,714)	4%	1%
	Undri	60,461-67,641 (5,617-6,284)	2%	1%
	Kondhwa	86,553-95,466 (8,041-8,869)	8%	4%

Source: Knight Frank Research

OFFICE MARKET

MARKET SUMMARY

Parameter	2024	2024 Change (YoY)	H1 2025	H1 2025 Change (YoY)	Q2 2025	Q2 2025 Change (YoY)
Completions in mn sq m (mn sq ft)	0.53 (5.7)	58%	0.82 (8.8)	264%	0.49 (5.3)	711%
Transactions in mn sq m (mn sq ft)	0.74 (8.0)	19%	0.47 (5.1)	17%	0.13 (1.4)	-43%
Average transacted rent in INR/sq m/month (INR/sq ft/month)	829 (77)	5%	829 (77)	3%	-	-

Note: 1. 1 square metre (sq m) = 10.764 square feet (sq ft)
Source: Knight Frank Research

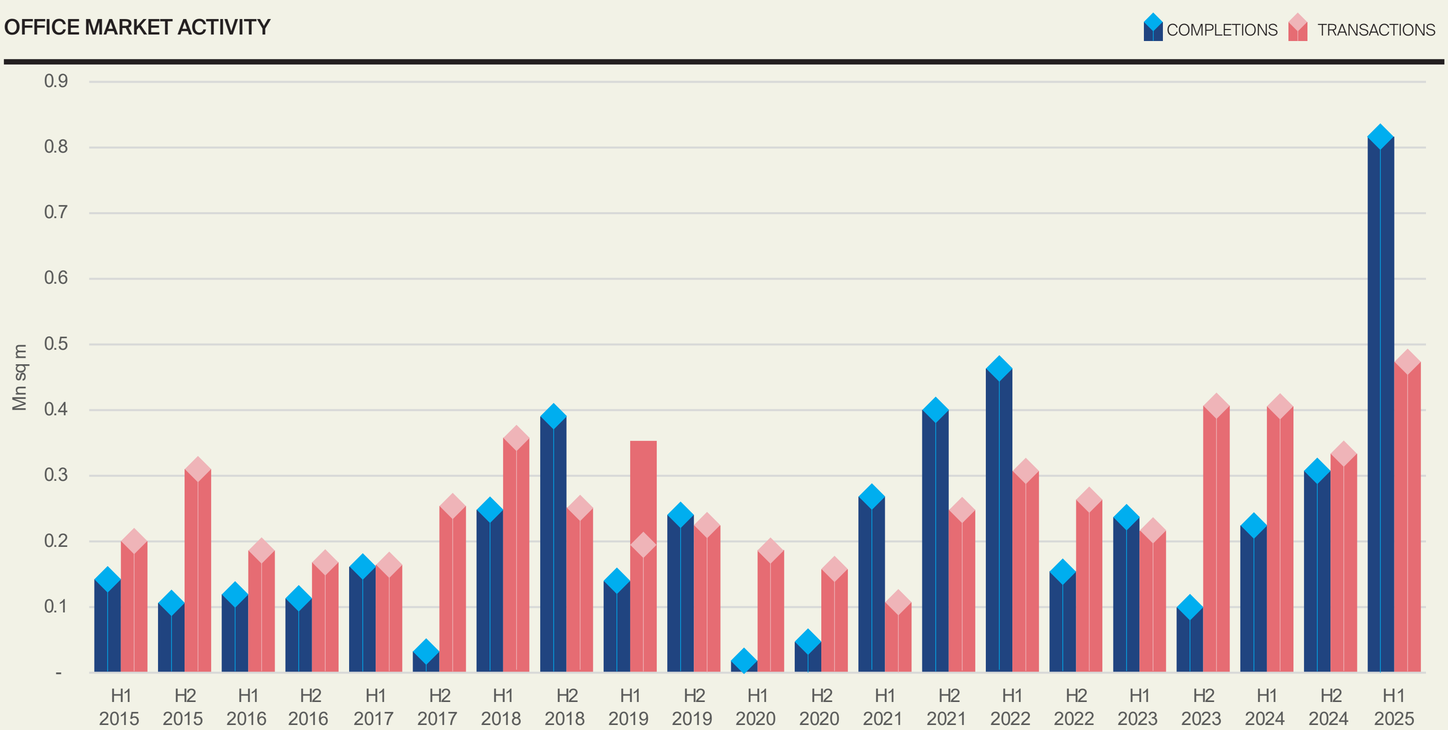
9.82 (105.7)
Stock mn sq m (mn sq ft) in H1 2025

12.9%
Change (YoY)

14.9%
Vacancy (%)

410
basis points Increase

OFFICE MARKET ACTIVITY



Source: Knight Frank Research

Pune's office market witnessed a dramatic completions-led surge in H1 2025, with a record-high influx of new completions and a robust performance in leasing activity. The market continues to reshape itself on the back of rising flex space penetration, GCC expansion, and a notable redistribution of demand across its peripheral corridors.

Gross office space transactions in H1 2025 totalled 0.47 mn sq m (5.1 mn sq ft), reflecting a 17% YoY growth and extending the positive momentum from 2024. This was the strongest H1 leasing performance in over a decade. Notably, the top ten transactions contributed nearly 50% of the total volume with nine of them occurring in Q1 2025. Although leasing activity moderated in Q2 2025 registering a 43% YoY decline, the overall half-year performance remained strong, underpinned by large-scale enterprise deals concluded in the first quarter.

Office completions in H1 2025 touched 0.82 mn sq m (8.8 mn sq ft), a 264% YoY rise. It represents the highest volume of office space completions in the Pune market in a half-year period. This was driven by long-planned project completions in PBD East, Kharadi, and parts of SBD East. Q2 alone contributed more than 0.49 mn sq m (5.3 mn sq ft), pushing vacancy up by 410 basis points YoY to 14.9%, the highest since 2017.

The occupier mix underwent a notable shift in H1 2025. Flex operators maintained their dominance contributing 44% of leasing, led by large block deals across Kharadi, Mundhwa, Balewadi, and Wakad.

The most significant trend in H1 2025 was the rise in GCC leasing, which jumped from 3% to 25% of transaction share. This surge reflects Pune's growing stature as a preferred cost-efficient and talent-rich hub for complex global operations. Notable GCC transactions were concentrated in SBD East, with occupiers favoring high specification assets.

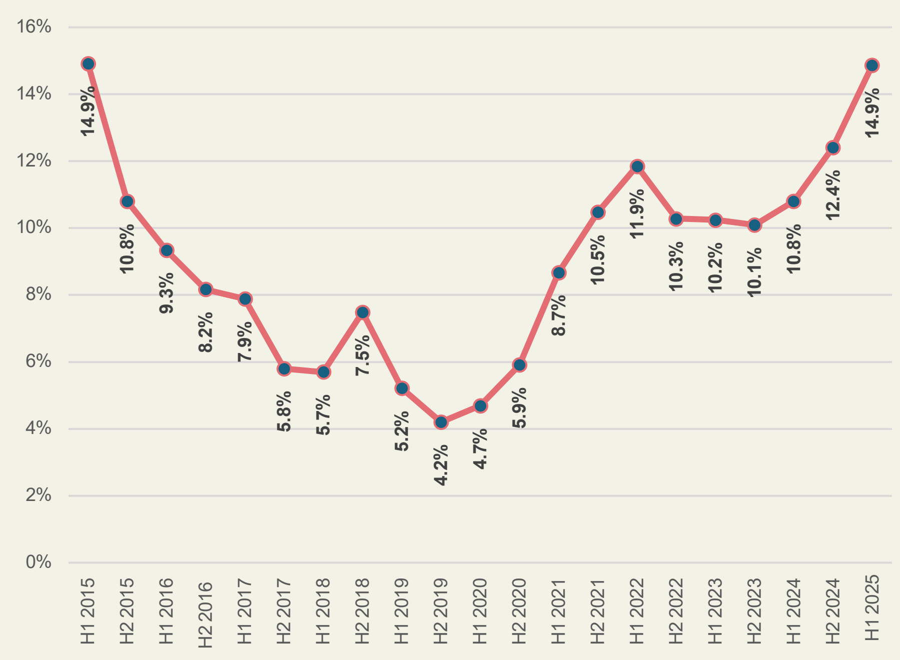
Geographically, PBD East emerged as the dominant district accounting for 44% of total leasing, up from 17% in H1 2024. The shift was driven by infrastructure upgrades and an expanding inventory of high-quality developments. SBD West, previously the most active business district, saw its share fall to 14%. SBD North, a previously quiet zone, accounted for 6% of leasing, suggesting a potential expansion frontier as more supply comes online.

Rents remained stable with a modest 3% YoY increase, averaging INR 829/sq m/month (INR 77/sq ft/month), indicating that occupiers remain willing to pay for quality and flexibility.

While the surge in completions has temporarily inflated vacancy, Pune's underlying demand drivers remain strong. Its edge in cost, connectivity, and talent, along with occupier confidence in its long-term ecosystem, continues to attract sustained interest across sectors.

Looking ahead, Pune's office market is poised to grow, especially as hybrid models mature and global firms expand operational footprints. Continued demand from GCCs and the flex segment will be critical to balancing vacancy and supporting rental growth, reinforcing Pune's place as one of India's most dynamic and resilient office markets.

OFFICE MARKET VACANCY



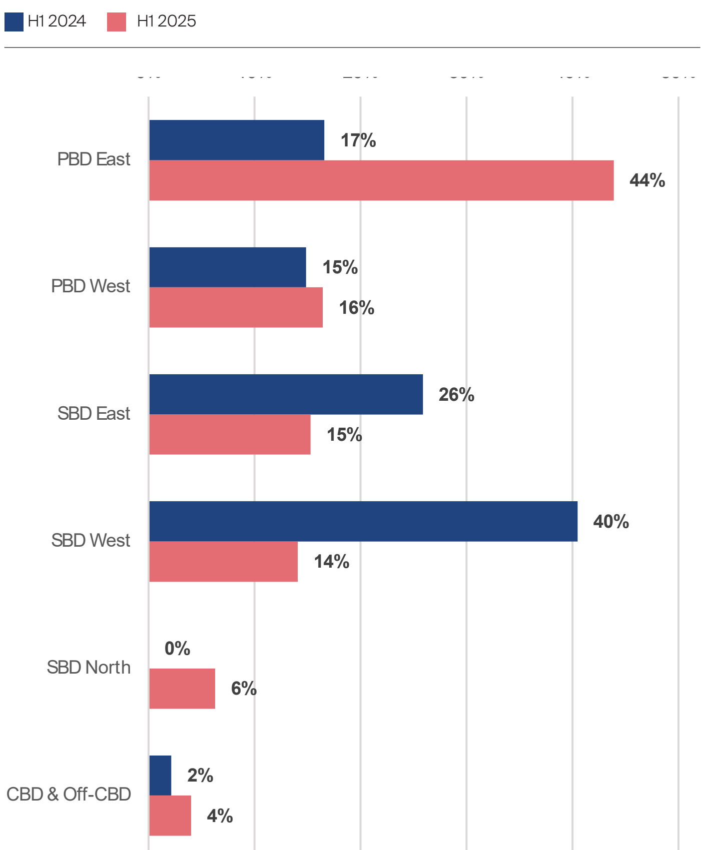
Source: Knight Frank Research

BUSINESS DISTRICT CLASSIFICATION

Business district	Micro markets
Central Business District (CBD and Off-CBD)	Bund Garden Road, S B Road, Camp, Deccan, University Road, Shankar Sheth Road
Secondary Business District (SBD) East	Kalyani Nagar, Yerwada, Nagar Road, Hadapsar
Peripheral Business District (PBD) East	Kharadi, Phursungi
Secondary Business District (SBD) West	Wakdewadi, Aundh, Baner, Kothrud, Balewadi
Peripheral Business District (PBD) West	Hinjewadi, Bavdhan, Wakad
Secondary Business District (SBD) North	Pimpri, Chinchwad, Khadki, Moshi and Bhosari

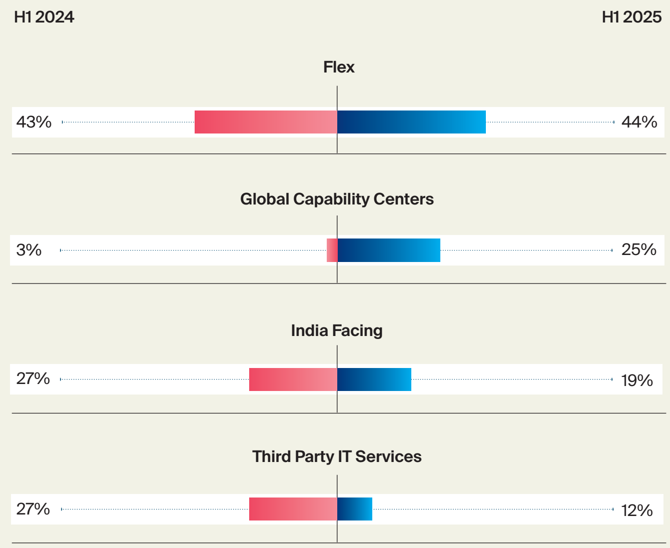
Source: Knight Frank Research

BUSINESS DISTRICT WISE TRANSACTIONS SPLIT



Source: Knight Frank Research

END-USE SPLIT OF TRANSACTIONS

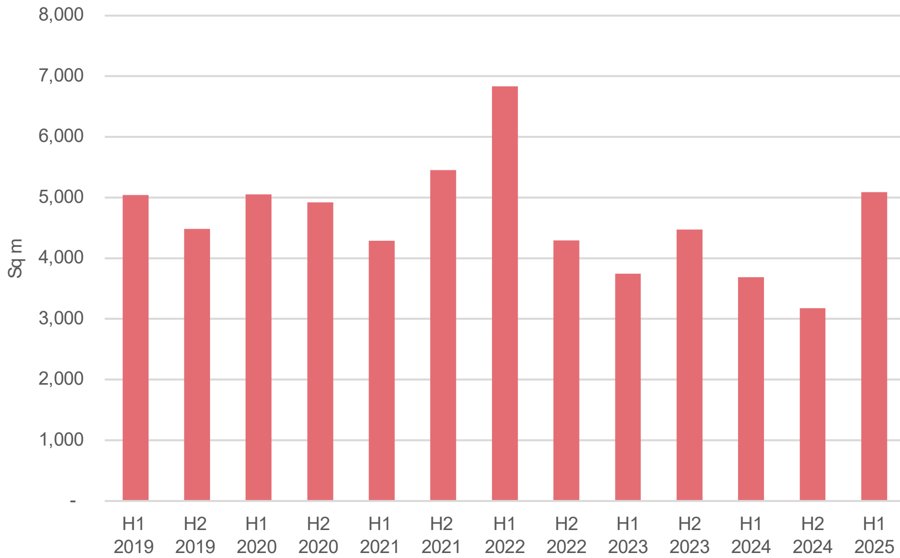


Source: Knight Frank Research

Notes:

1. India Facing: These refer to such transactions where the lessees/buyers are entities which have an India focused business, i.e., no export or import.
2. Third Party IT Services: These refer to transactions where the lessees/buyers are focused on providing IT and IT enabled services to offshore clients. They service multiple clients and are not necessarily owned by any of them.
3. Global Capability Centre (GCC): These refer to transactions where the lessees/buyers are focused on providing various services to a single offshore company. The offshore company has complete ownership of the entity that has transacted the space.
4. Flex Space: These refer to transactions by companies that specialise in providing comprehensive office space solutions for other businesses along with the benefits of flexibility of tenure, extent of services provided and the ability to scale higher or lower as required.

AVERAGE DEAL SIZE TREND



Source: Knight Frank Research

BUSINESS DISTRICT-WISE RENTAL MOVEMENT

Business district	Rental value range in H1 2025 in INR/sq m/month (INR/sq ft/month)	12-month change	6-month change
CBD & off CBD	886-1,535 (82-143)	3%	1%
SBD East	719-1,382 (67-128)	3%	1%
SBD West	688-1,103 (64-102)	2%	1%
PBD East	726-1,183 (67-110)	5%	2%
PBD West	516-880 (48-82)	3%	1%

Source: Knight Frank Research

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We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.

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