

What's going on in.. BANGALORE

MID-YEAR 2019

OVERVIEW

Bangalore is the largest office market in India and Asia-Pacific region. Amongst the largest cities in India, with a population of ~12.95 million, second largest semiconductor hub, and 4th largest IT / Tech cluster in the world. With strong academic and R&D base, leading startup ecosystem, over 27,00,000 IT professionals and the fastest growing market in Asia, Bangalore would become the largest Tech hub by 2020. Preferred by diverse industry sectors - IT, Aerospace, Automotive, BPO, Biotech, Electronics Healthcare, Telecom, Renewable Energy & many more.

FUNDAMENTALS

Forecast

YTD net absorption	~7.64 Million Sq.ft	↑
Under construction	~28.5 Million Sq.ft (for next 24 months)	→
Average asking rent (gross)	INR 81.53 (\$ 1.14)	↑
Concessions	Flat	→



Market Size
~180 Million Sft

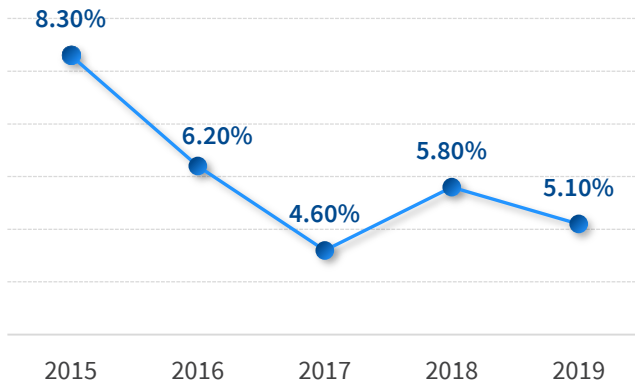


Largest Office Deal
680,000 Sft

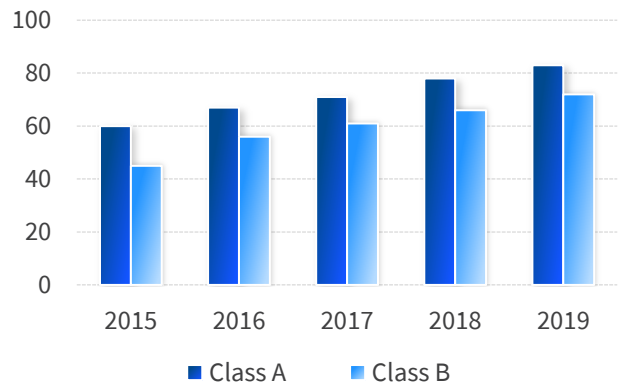


Total Vacancy
~7.16 Million Sft

TOTAL VACANCY



AVERAGE ASKING RENTS



OUTLOOK

Bangalore is witnessing the peak of leasing activity across India & H1 2019 had a high net leasing activity of ~7.64 million sq.ft. Outer Ring Road is the most sought after office space micro-market. It leads the leasing activity with companies like - HPE, Swiggy, HSBC, Deloitte, Paypal, Samsung, Cognizant, Google being the highest takers of space in this micro-market. The leasing market is dominated by demand from IT / ITeS, R&D, AI, IOT, Captive Centers, BPM & Co-working / Managed Office firms. Co-working / Managed office firms were the biggest disruptors in the segment with high competition amongst them leading to escalating rents. The high demand from corporates and the co-working / managed office firms would continue to keep low vacancy rates. Whitefield & North Bangalore also witnessed high leasing activity. The current & future supply in Outer Ring Road, Whitefield & North Bangalore will drive the leasing & preleasing of spaces. Demand from consolidation & Built-to-Suit requirements would give impetus to the future supply with pre-committed leases. Metro Connectivity would give a boost to metro locations (specially Whitefield) and supply and demand of these micro-markets.

For more information, please contact: