

# What's going on in.. HYDERABAD

MID-YEAR 2019



## OVERVIEW

Hyderabad is the Capital city of the South Indian state of Telangana. The development of Hitec City in 1998 was beginning of the boom of IT / ITeS industry here. Manpower resources, Infrastructure, Government initiatives and working environment led to the success of being the premiere IT City. It is home to many small and large Indian and Multinational companies like – IBM, Dell, Oracle, Intel, GE, Google, Cognizant, Accenture, Amazon, Microsoft, Tech Mahindra, Tata Consultancy Services, Capgemini, Infosys, Deloitte, Qualcomm, Wipro.

## FUNDAMENTALS

Forecast

YTD net absorption	~7.9 Million Sq.ft	↑
Under construction	~24.5 Million Sq.ft (for next 24 months)	↑
Average asking rent (gross)	INR 64.00 (\$ 0.90)	↑
Concessions	Flat	→



**Market Size**  
~68.5 Million Sft

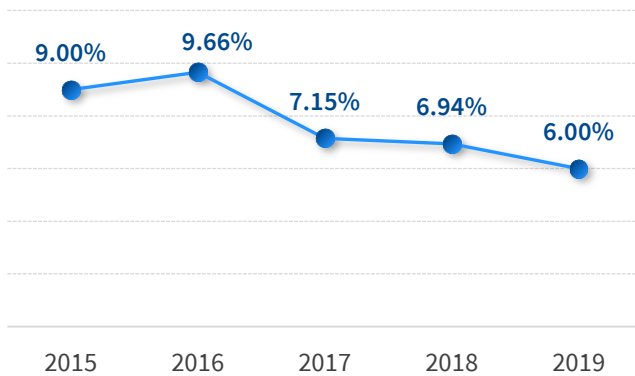
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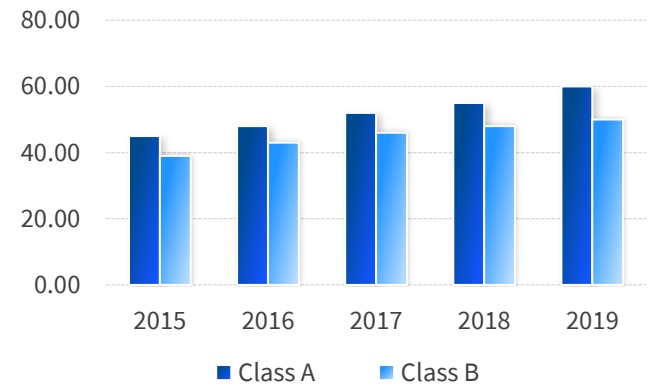
**Largest Office Deal**  
612,000 Sft

**Total Vacancy**  
~3.85 Million Sft

## TOTAL VACANCY



## AVERAGE ASKING RENTS



## OUTLOOK

Hyderabad Office Market is carving its own growth story with the leasing activity. H1 2019 witnessed 40% increase in leasing activity compared to H1 2018. Flexible / Coworking operators like WeWork, Innov8, Simpliworks, Qhub, Workafella and Tech firms like Google, Intel, TCS, Oracle, Qualcomm, Xilinx were the largest space takers during H1 2019. Many of the preleased & BTS projects got completed during H1 2019 which were taken by large captive centers and tech firms. City witnessed high SEZ supply and demand towards north west periphery as we reach close to the sunset clause. SEZ developers and occupiers are expediting to complete construction and start operations before the sunset clause to avail tax benefits. Office market saw significant new supply in landmark campuses and tech parks with high specifications quality buildings which also added to the upward rental trend of almost 15% from H1 2019. Upcoming supply, Co-working / flexible office spaces, Captive centers & Pre-committed leases would drive the market in the next 2 quarters. The overall vacancy dipped from 6.9% to 5.6% from H1 2018 to H1 2019.

For more information, please contact:



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