MARKET IN MINUTES
Savills Research

India | April 2023

Bengaluru Market Snapshot Q1 2023

savills

OFFICE MARKET STATISTICS Q1 2023

Stock	New Supply			Gross Absorption			Rental Range	Vacancy
207.5 mn sq. ft.	2.8 mn sq. ft.	43% YOY decrease	N.A.* QOQ increase	3.9 mn sq. ft.	29% YOY decrease	34% QOQ increase	45-250 INR/sq.ft./month	15.9%

*Negligible supply addition in Q4 2022

ABSORPTION

(mn sq. ft.)

2023F
13.5
YOY decrease
22%

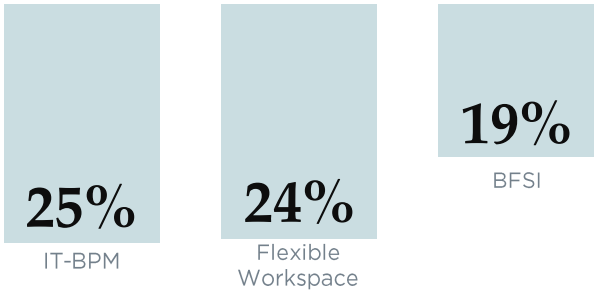
Gross absorption represents fresh leases and occupier sale, excludes renewals and pre-commitments

Top Leasing Markets

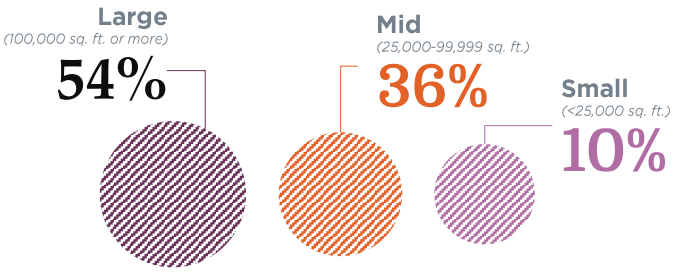
Q1 2023

ORR
39%
Peripheral East
32%
Peripheral North
12%

Drivers of Absorption Q1 2023



Size of Deals Dominating Q1 2023



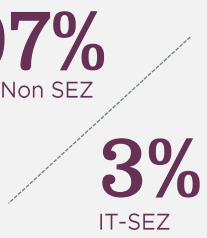
SUPPLY

(mn sq. ft.)

2023F
15.0
YOY increase
18%

Category of Supply

2023F



IT-SEZ: IT buildings in SEZs
IT-Non SEZ/IT: IT buildings outside SEZs
Non-IT: Commercial buildings

KEY TRANSACTIONS

Q1 2023

Tablespace
Peripheral East
Primeco Union City
542,000

HDFC Bank
Peripheral North
Umiya Vellociti
406,000

Deloitte
ORR
Prestige Tech Park
385,000

Deloitte
ORR
Sattva Eminence
155,000

Tenant	Micromarket	Building	Transacted Area* (sq. ft.)

Approximate and indicative areas only | All statistics for Grade A

MICROMARKET STATISTICS Q1 2023

Micromarket	Stock (mn sq. ft.)	Vacancy	Rental Range (INR/ sq. ft./month)	Rental Outlook 2023F
Central Business District (CBD)	11.6	10.0%	90-250	↑
Secondary Business District (SBD)	34.5	8.0%	75-175	↔
Outer Ring Road (ORR)	89.9	10.5%	75-120	↑
Peripheral East (PBD East)	46.8	24.5%	48-85	↔
Peripheral North (PBD North)	11.3	38.5%	45-89	↔
Peripheral South (PBD South)	13.4	28.0%	45-85	↔
Overall	**207.5**	**15.9%**	**45-250**	↔

OUTLOOK INDICATORS

↑ Growth
↓ Under pressure
↔ Stable

BENGALURU MICROMARKETS

Central Business District (CBD) - MG Road, Millers Road, Vittal Mallya Road, Residency Road
Outer Ring Road (ORR) – Zone 1: Sarjapur to Marathahalli, Zone 2: Marathahalli to KR Puram, Zone 3: KR Puram to Hebbal
Secondary Business District (SBD) - Indira Nagar, Old Airport Road, CV Raman Nagar, Koramangala, Jayanagar, Domlur, Bannerghatta Road, Rajaji Nagar, Malleshwaram
Peripheral East - Whitefield, Brookefield
Peripheral South - Electronic City, Hosur Road, Mysore Road
Peripheral North - Bellary Road, Thanissandra Road, Tumkur Road, Hebbal to Yelahanka

Savills Property Services (India) Private Limited,
15th Floor, SKAV SEETHALAKSHMI Corporation No.21, Kasturba Road
Bengaluru 560 001
Karnataka, India

Please contact us for further information

Sarita Hunt
Managing Director
Bengaluru
sarita.hunt@savills.in

Authors

Suryaneel Das
Assistant General Manager
Research & Consulting
suryaneel.das@savills.in

Aloka Majumder
Assistant Manager
Research & Consulting
aloka.majumder@savills.in

Savills
Savills PLC is a global real estate services provider listed on the London Stock Exchange. We have an international network of more than 700 offices and 40,000 associates throughout the Americas, the UK, continental Europe, Asia Pacific, Africa and the Middle East, offering a broad range of specialist advisory, management and transactional services to clients all over the world.

Savills India
Savills India is a group company of Savills PLC and is a premier professional international property consulting firm. With full-service offices in Bengaluru, Mumbai, Delhi NCR, Chennai, Pune, Ahmedabad and Hyderabad, the firm serves occupiers, investors, and developers of Real Estate. Savills India provides services across office leasing, project management, capital markets, valuations, research, consulting, industrial and logistics, and residential services. Started in India in 2016, the company employs over 600 professionals.

savills.in

This document is prepared by Savills for information only. Whilst the information shared above has been shared in good faith and with due care with an endeavour to keep the information up to date and correct, no representations or warranties are made (express or implied) as to the accuracy, completeness, suitability or otherwise of the whole or any part of the deliverables. It does not constitute any offer or part of any contract for sale.

This publication may not be reproduced in any form or in any manner, in part or as a whole without written permission of the publisher, Savills. © Savills India 2023.