MARKET IN MINUTES
Savills Research

India | April 2024

Hyderabad Market Snapshot

Q1 2024

savills

OFFICE MARKET STATISTICS Q1 2024

Stock	New Supply			Gross Absorption			City Rental Range	Vacancy
115.6 mn sq. ft.	0.4 mn sq. ft.	89.3% YOY decrease	85.6% QOQ decrease	3.4 mn sq. ft.	100.3% YOY increase	62.1% QOQ increase	35-78 INR/sq.ft./month	18%

ABSORPTION

(mn sq. ft.)

2024F
10.0

YOY
16%

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

Top Leasing Markets

Q1 2024

SBD I
86.1%

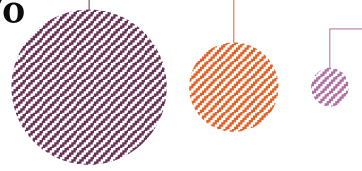
SBD II
13.9%

Drivers of Absorption Q1 2024

- **32%** Healthcare & Pharma
- **30%** IT-BPM
- **16%** Flexible Workspaces

Size of Deals Dominating Q1 2024

- **Large** *(100,000 sq. ft. or more)* **71%**
- **Mid** *(25,000-99,999 sq. ft.)* **24%**
- **Small** *(<25,000 sq. ft.)* **5%**



SUPPLY

(mn sq. ft.)

2024F
24.6

YOY increase
59%

Category of Supply

2024F

85% IT-Non SEZ

15% IT-SEZ

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

MICROMARKET STATISTICS Q1 2024

Micromarket	Stock (mn sq. ft.)	Vacancy	Rental Range (INR/ sq. ft./month)	Rental Outlook 2024F
SBD I	67.2	10.4%	60-78	⇐⇒
SBD II	45.2	28.2%	50-65	⇐⇒
PBD East	2.5	35.6%	35-45	⇐⇒
PBD South	0.7	29.9%	35-40	⇐⇒
Overall	**115.6**	**18.0%**	**35-78**	⇐⇒

OUTLOOK INDICATORS

- ↑ Growth
- ↓ Under pressure
- ⇐⇒ Stable

HYDERABAD MICROMARKETS

Secondary Business District I (SBD I) - HITEC City, Madhapur, Kondapur, Raidurg
Secondary Business District II (SBD II) - Gachibowli, Nanakramguda, Kokapet
Peripheral East (PBD East) - Pocharam, Uppal
Peripheral South (PBD South) - Shamshabad, Adibatla

Note:
#Central Business District areas like Jubilee Hills, Banjara Hills, and Begumpet are not considered on account of historically low absorption volumes.

KEY TRANSACTIONS

Q1 2024

Cigna Healthcare
SBD-I
Sattva Knowledge Park
400,000

HCA Healthcare
SBD-I
Sattva Knowledge Park
400,000

HCL
SBD-I
KRC Commerzone
320,000

Lloyds Bank
SBD-I
Sattva Knowledge Park
300,000

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

Approximate and indicative areas only | All statistics for Grade A

Savills Property Services (India) Private Limited
5th Floor, DivyaSree Solitaire
Plot No. 14 & 15, Software Units Layout, Vittal Rao Nagar,
Madhapur, Hyderabad 500 081
Telangana, India

Please contact us for further information

Sesha Sai
Managing Director
Hyderabad
sesha.sai@savills.in

Authors

Raghudeep Ganugu
Senior Manager
Research & Consulting
raghudeep.ganugu@savills.in

Megha Maan
Director
Research & Consulting
megha.maan@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, Hyderabad and Kolkata, 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 700 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 2024.