

INDIA AND HYDERABAD OFFICE MARKET INDUSTRY OVERVIEW REPORT

INDIA AND HYDERABAD OFFICE MARKET OVERVIEW

CUSHMAN & WAKEFIELD

REPORT DATE: 16th July 2025

REPORT FOR:

K. Raheja Corp. Investment Managers Private Limited (acting as Manager to Mindspace Business Parks REIT) and Horizonview Properties Private Limited ("HPPL")

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Instructions

This report titled “India and Hyderabad Office Real Estate Overview” has been prepared for the client, K. Raheja Corp. Investment Managers Private Limited (acting as Manager to Mindspace Business Parks REIT) and Horizonview Properties Private Limited (“HPPL”). The report is governed by the terms & conditions mentioned in the signed engagement letter dated January 2, 2025.

Signed for and on Behalf of Cushman & Wakefield India Pvt. Ltd



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A photograph of a modern, multi-story apartment building with balconies, partially obscured by a large red diagonal graphic element. The building has a mix of dark and light-colored facades and some balconies with glass railings.

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INDIA & HYDERABAD OFFICE MARKET OVERVIEW



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A. India Office Market Overview

Overview

India's office real estate has witnessed significant growth over the years as the Indian economy recorded robust growth over the years. Grade A office stock in major 6 cities in India has increased from 373 msf as of 2016 to 687 msf as of H1 2025 (CAGR - ~7.4% over 2016 – H1 2025).

The office business in India is driven by access to cost-effective, English-speaking, skilled workforce at unmatched scale. This demographic trend is early stage and is not materially impacted by short-term fluctuations in GDP growth projections, the near-term outlook of the domestic banking sector, etc.

While majority of the tenancies in India during the pre-2000 era was majorly attributable to the Industrial Houses, Bank, Government Body office, corporate headquarters, growth in the Indian office real estate post 2000 can be majorly attributed to the robust growth in the Technology sector and the growing interests of foreign MNCs establishing their Global Capability Centers / Global Inhouse Centers in India. This has been majorly led by the structural shift of the Indian economy from agricultural to manufacturing and to services sectors.

Over the short to medium term, we expect the growth in the office real estate sector to be majorly driven by flight to quality, halted consolidation discussions, which were earlier put on hold and expansion requirements from major corporates.

Some organizations have been contemplating strategies with respect to the hybrid work models - flexible arrangement, allowing employees to combine onsite and offsite work as required. Over the long term, we expect the strong growth momentum in the Indian office real estate sector to continue and be majorly driven by

1. The evolution of work dynamics, including flexible work arrangements and hybrid models, will influence the demand for office spaces.
2. India's position as a key player in the global outsourcing and services industry is likely to persist. The outsourcing of business processes, IT services, and research and development activities will drive demand for office spaces in major business hubs.
3. The entrepreneurial ecosystem in India is thriving, with a significant number of startups emerging across various industries. The expansion of these startups and their demand for office spaces can contribute to the growth of the real estate sector.

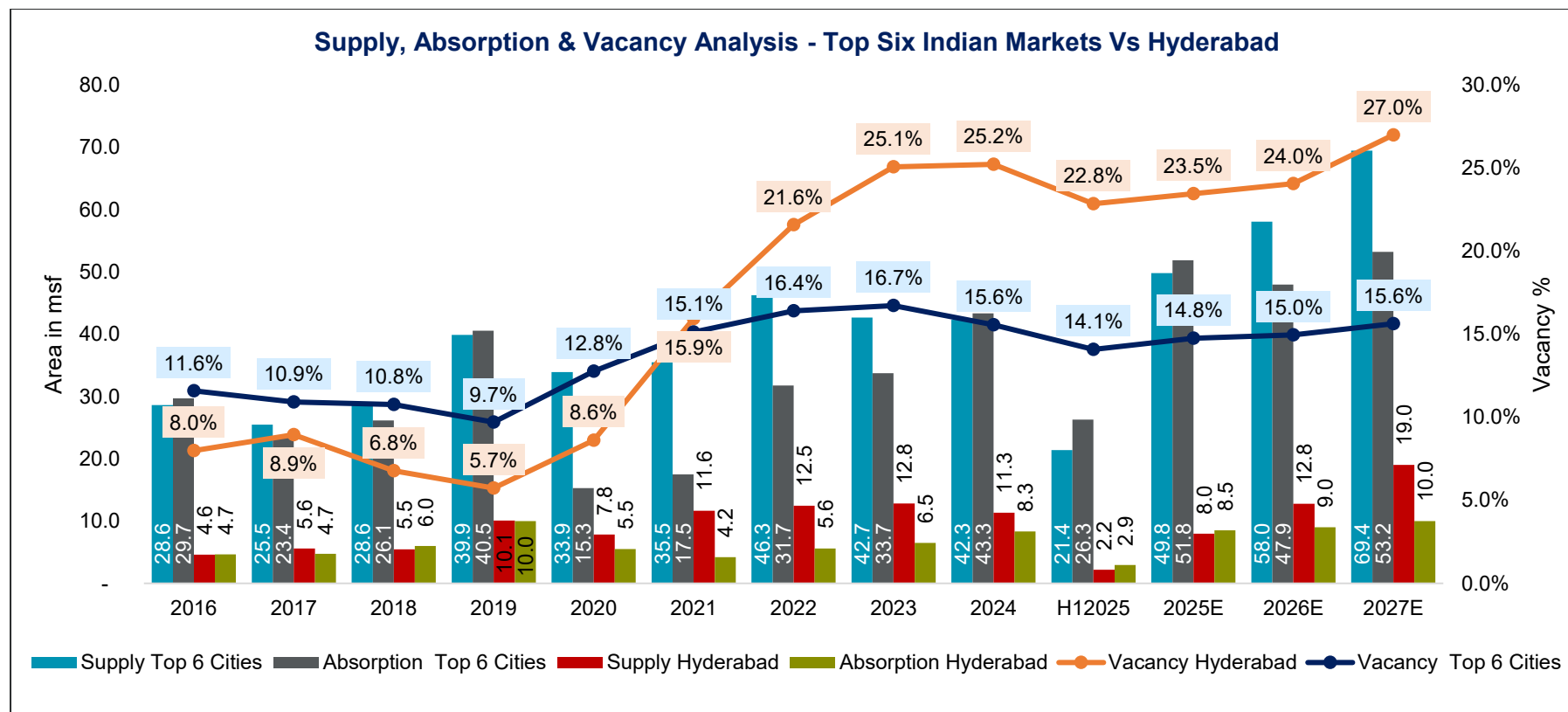
Supply, Net Absorption & Vacancy Analysis

Approximately 344.5 msf of new supply is delivered in the top six markets over the period 2016 – H1 2025 against the net absorption of approximately 287.6 msf during 2016 – H1 2025. The average annual absorption during 2016 – 2023 is ~27.2 msf.

The top 6 cities witnessed fresh supply during H1 2025 of ~21.38 msf against the net absorption of ~26.29 msf. Thereby, vacancy in the top six markets stood at 14.1% in H1 2025.

Top 6 cities are expected to witness fresh supply of ~ 155.9 msf until 2027F, of which Hyderabad and Bangalore contribute to ~ 24.1% and 21.9% respectively. We expect the vacancy levels to increase to 15.6% by 2027F, mainly driven by the infusion of fresh supply over the upcoming years.

Over a longer term, we opine that the demand for the office space would surpass the supply available in the markets.



Source: Cushman and Wakefield Research

*Please Note: Top 6 cities data comprises of the 6 major cities in India i.e. Bengaluru, Chennai, Delhi, Noida, Gurugram, Hyderabad, Mumbai and Pune.

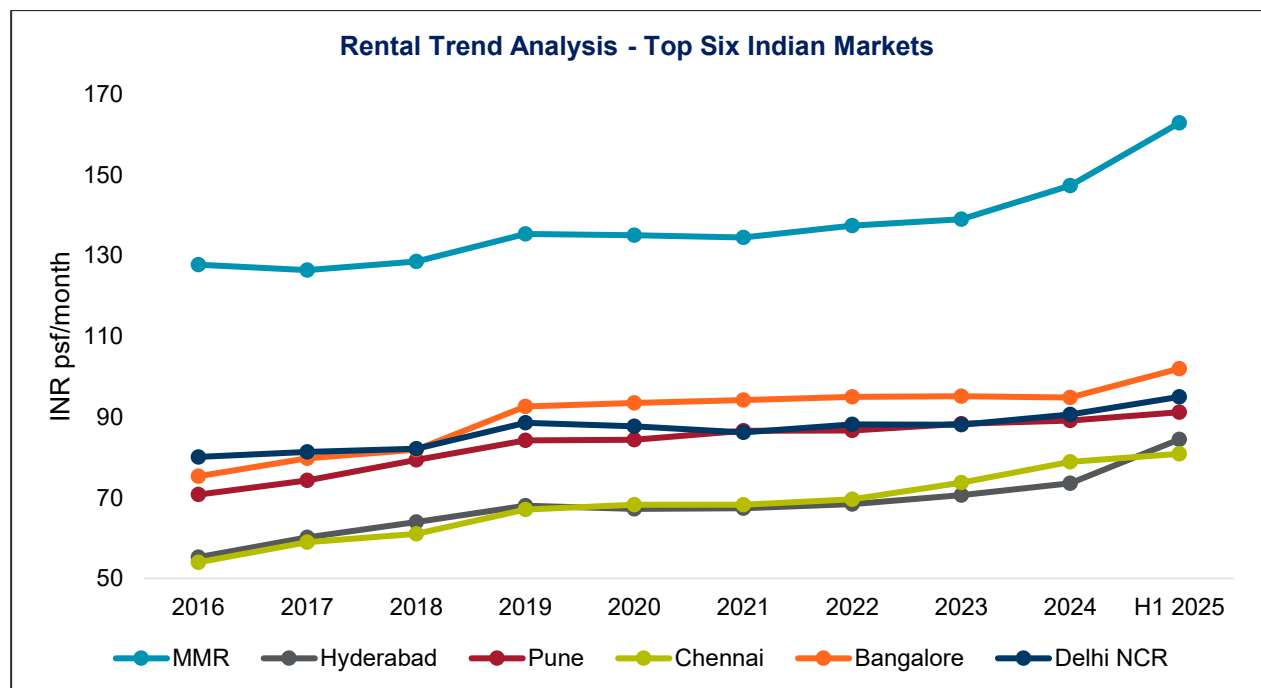
Note: 1. Future supply estimates are based on analysis of under construction projects considering their physical progress, available information on their approvals and interactions held with various stake holders, future absorption estimates are derived basis past trend, current vacancy an estimated supply. Vacancy estimates are based on supply and absorption trend.

2. Absorption refers to the Net absorption. The Net absorption value refers to the difference between the occupied stock for two subsequent periods.

Rental Trends in top 6 Markets

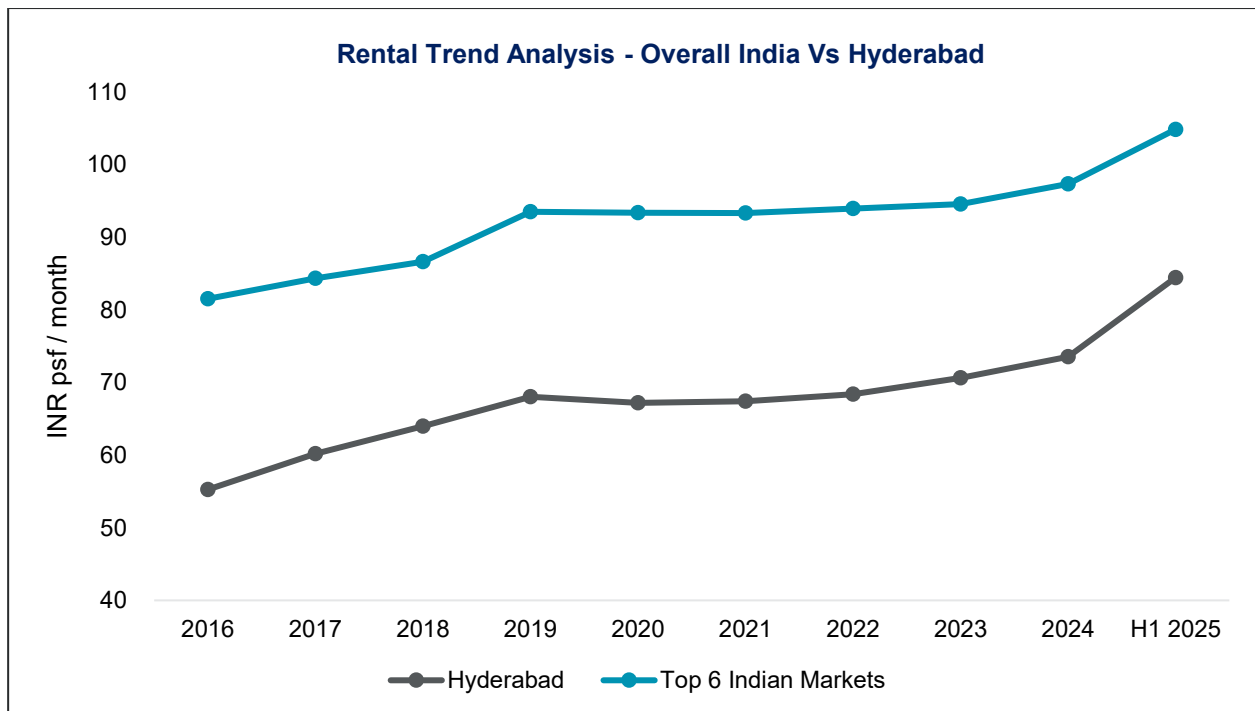
Rentals in top 6 markets of India have grown at a CAGR of ~5.51% in Hyderabad, ~4.87% in Chennai, ~3.63% in Bangalore, ~3.03% in Pune, ~2.90% in Mumbai, and ~2.02% in NCR.

The combined rentals in India have grown at a CAGR of ~3.0% over the period 2016 – H1 2025. Good quality grade A assets with quality landlord profile in key micro markets have witnessed rental growth over the last few quarters. As the markets continue to open, we expect strong tailwinds to the rentals over the upcoming years.



Source: Cushman and Wakefield Research

Note: The rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 5% depending upon negotiations, final structuring of the lease agreement and other parameters.



Source: Cushman and Wakefield Research

Note: The rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 5% depending upon negotiations, final structuring of the lease agreement and other parameters.

B. Hyderabad City Overview

Particulars	India*	Hyderabad - Overall	Madhapur	**Gachibowli	Peripheral East
Total completed stock H1 2025 (msf)	686.8	113.44	69.44	39.08	2.27
Current occupied stock H1 2025 (msf)	590.1	87.52	62.24	22.33	1.20
Current Vacancy H1 2025 (%)	14.1%	22.8%	10.4%	42.9%	47.2%
Avg. Annual Absorption – 2016 – H1 2025 (msf)	30.3	6.2	4.3	1.7	0.04
Future Supply – Q3 2025F – 2027F (msf)	155.9	37.57	10.50	27.07	-
Market Rent – H1 2025 (INR psf / month)	105	84	95	63	50

Source: Cushman & Wakefield Research

*India data comprises of the major cities in India i.e. Bengaluru, Chennai, Hyderabad, NCR, Mumbai and Pune

**Subject micro market

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stakeholders.

Approximately 2.65 msf is the stock which is not captured in the three major micro-markets of the city

Location Key:

Madhapur – Hitec – city, Kondapur, Madhapur, Raidurg.

Gachibowli – Kokapet, Nanakramguda, Gachibowli, Manikonda, Puppalguda.

Peripheral East – Uppal, Pocharam, L.B. Nagar.PBD West – Hinjewadi, Wakad, Pimpri, Bhosari, Chinchwad, Bavdhan, Mulshi, Talawade, Tathawade, Nanded, Pimple Saudagar, etc.

Hyderabad is the capital city of Telangana and India's fourth most populous city. Hyderabad Metropolitan Area (HMR) is spread over 7,229 sq.km. Affordable cost of living, rapid infrastructure development and a proactive government have driven the corporate activity and investments in the city. Hyderabad has emerged as 2nd largest IT exporter. The Telangana IT Minister stated in an August 2024 interview that the IT sector employed 9.46 lakh people as of FY24. Hyderabad is home to global captive centers of renowned technology companies such as Apple, Microsoft, Uber, Google, Facebook, Infosys and Cognizant, institutions (such as Centre for Cellular and Molecular Biology, Centre for Good Governance, Insurance and Regulatory Development Authority) as well as prominent educational institutions (such as Indian School of Business, Indian Institute of Technology, NALSAR University of Law and Agha Khan Academy). The physical infrastructure of the city is well developed with excellent road, rail and air transport networks. Madhapur and Gachibowli economic corridor houses most of the commercial office space establishments in Hyderabad. In Madhapur and Gachibowli economic corridor, Madhapur is an established micro market with presence of renowned technological, financial services and professional services companies.

The key drivers of demand for office space in Hyderabad are as follows:

- **Technology Sector:** Technology services are the primary demand driver for the office space demand in Hyderabad. Hyderabad houses most of the technology companies and provides direct employment to people. Major technology companies operating from Hyderabad include Apple, Accenture, Google, IBM, Cognizant, Qualcomm, Facebook and others. In addition to the tenanted commercial office spaces, Hyderabad also houses several large size campuses of companies like Infosys, Wipro, Amazon, Cognizant, Cyient, Capgemini, Virtusa and Hitachi Consulting to name a few.
- **Engineering & Manufacturing, Professional and Financial Services:** Engineering & Manufacturing, Professional and Financial services companies are among the key demand drivers for office space in Hyderabad. Major Engineering & Manufacturing companies include Qualcomm, Micron, Apple, Intel and others. Major professional services companies / knowledge centers in Hyderabad include Deloitte, Invesco, E&Y, KPMG, OMICS and others. Major financial services Companies in Hyderabad include JP Morgan, Wells Fargo, Bank of America, DBS, HSBC, Synchrony, Goldman Sachs and others.
- **Social Infrastructure:** Hyderabad has established educational institutions and colleges (International Institute of Information Technology, Indian School of Business, Tata Institute of Social Sciences), shopping malls (Inorbit, Nexus, GVK One, City Capital, Central, etc.), hospitals (Apollo, Yashoda, KIMS Sunshine, Care etc.), hotels (ITC, Westin, Park Hyatt, Novotel and Taj Krishna) and MICE centers (HITEX Exhibition Centre and HICC Convention Centre).

- **Physical Infrastructure:** Hyderabad is well connected to the rest of the country by National Highways – NH-7, NH-9 and NH-202. Outer Ring Road encircles the city and acts as nodal connecting point with the city and other town located within the state. The city has India's 4th busiest airport which connects Hyderabad to major international hubs and has current capacity to handle 25 million passengers. The city has a combination of light rail transportation system and metro.

Hyderabad enjoys relatively superior physical infrastructure facilities as compared to other metro cities in India. Integrated infrastructural facilities like outer ring road, metro rail, MMTS, radial roads and arterial roads provide faster and easier connectivity to Madhapur- Gachibowli economic corridor. To sustain the existing developments and grow the technology sector in Hyderabad, Government of Telangana has initiated several steps including the enhancement of physical infrastructure through strategic road development program and establishment of incubation center to promote value added technology initiatives and entrepreneurship. Several large-scale infrastructure developments like Regional Ring Road ("RRR"), Phase-2 of Metro Rail, Future Fourth City are at planning stage.

C. Hyderabad Office Overview

Hyderabad – Key Statistics

The table below highlights the key statistics of Hyderabad's Grade A office market:

Particulars	Details
Total completed stock (H1 2025)	Approximately 113.44 msf
Current occupied stock (H1 2025)	Approximately 87.52 msf
Current Vacancy (H1 2025)	Approximately 22.8%
Avg. Annual Net Absorption (2016 – H1 2025)	Approximately 6.2 msf
Future Supply (Q3 2025 – 2027)	Q3 2025: Approximately 5.8 msf 2026: Approximately 12.8 msf 2027: Approximately 19.0 msf

Source: Cushman & Wakefield Research

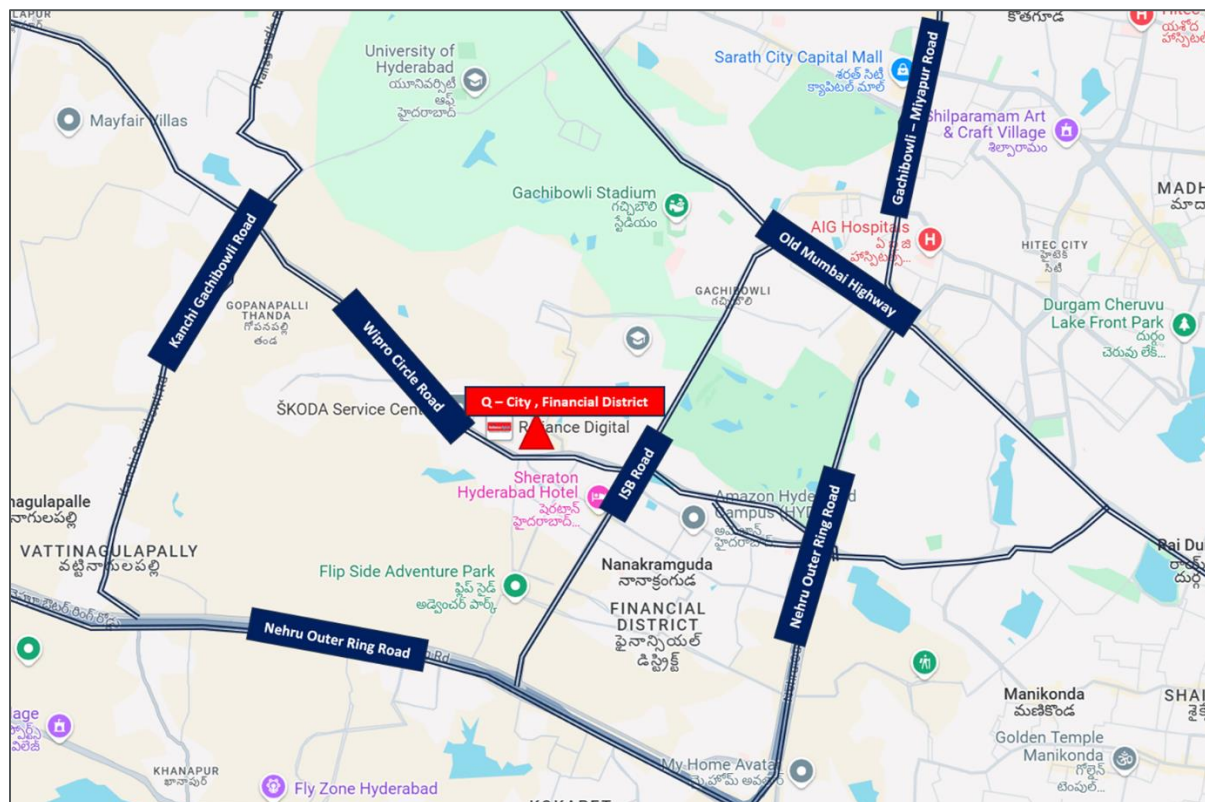
Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stakeholders

Key Office Clusters - Overview

The city has over the last few years started witnessing expansion both in terms of its area and population. The growth in Hyderabad city's economic base (primarily establishment of technology sector) has altered the real estate dynamics in the city. There has been development in all segments of real estate (office, residential, retail and hospitality) in the city. The entry of leading national and international developers like Ascendas and Tishman to the city has further accelerated real estate development in the city.

With the presence of IT/ ITeS majors like Apple, Accenture, Google, IBM, Cognizant, Qualcomm, Facebook, and others. Hyderabad has evolved into an established technology sector office space destination. In addition to the tenanted commercial office spaces, Hyderabad also houses several large size campuses of companies like Infosys, Wipro, Amazon, Cyient, Cap Gemini, Virtusa and Hitachi Consulting amongst others, etc and biotech and pharmaceutical leaders like Dr. Reddy Labs, Aurobindo Pharma, Matrix Labs, Larus Labs, Du Pont etc. Hyderabad has evolved into an established IT/ ITeS, biotech and pharmaceutical destination. Hyderabad is also home to several Financial Services companies like JP Morgan, Wells Fargo, Bank of America, DBS, HSBC, Synchrony, Goldman Sachs, and others. Major professional services companies like Deloitte, Invesco, E&Y, KPMG, OMICS, and others. The establishment of these industries has triggered the growth of the commercial office market in Hyderabad. Several reputed new tenants like Legato, Smart Works, Goldman Sachs, Cigna Healthcare, LTI Mindtree, Intel, Micron etc. are established in Hyderabad. Due to the quality of infrastructure, availability of skilled talent, tech innovation & thriving startup system, Hyderabad is a primary target for new GCC entrants. As per NASCOM, Hyderabad hosts approximately more than 355 GCC as of FY 2024 contributing ~20% of India's GCC. There is a GCC talent pool of approximately more than 200,000 in Hyderabad. The city has witnessed a GCC leasing of ~34% out of the total gross leasing of ~48 msf. in the last 5 years since 2019.

Expansion of existing tenants within the city and entry of new tenants during 2016 – 2019 has led to compression in vacancy levels. From 2016 onwards, Hyderabad had witnessed an average annual supply of 9.0 msf and an average annual net absorption of 6.2 msf. During 2016 – 2019, absorption either matched supply or exceeded, resulting in lower vacancy levels. Further, major portion of the planned supply during 2016 - 2019 was pre-committed showing strong interest/ commitment level of tenant towards the market. However, higher supply addition with constant net absorption increased vacancy levels to 8.6% in 2020, 15.9% in 2021 and further to 21.6% in 2022. The vacancy in H1 2025 was 22.8%.

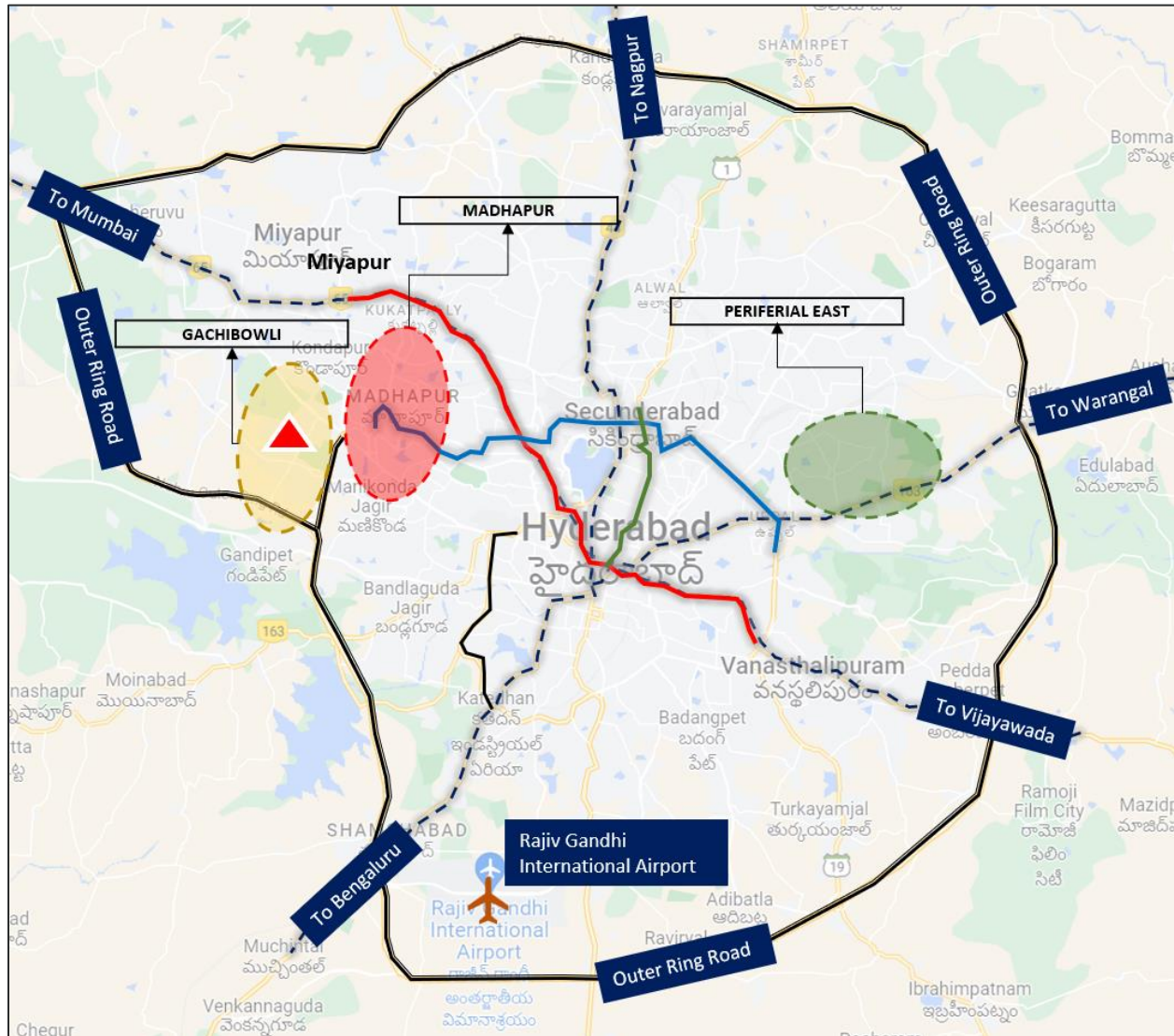


Hyderabad ranks second among top 6 cities in India after Bangalore in terms of the net absorption of office space during 2016 – H1 2025.

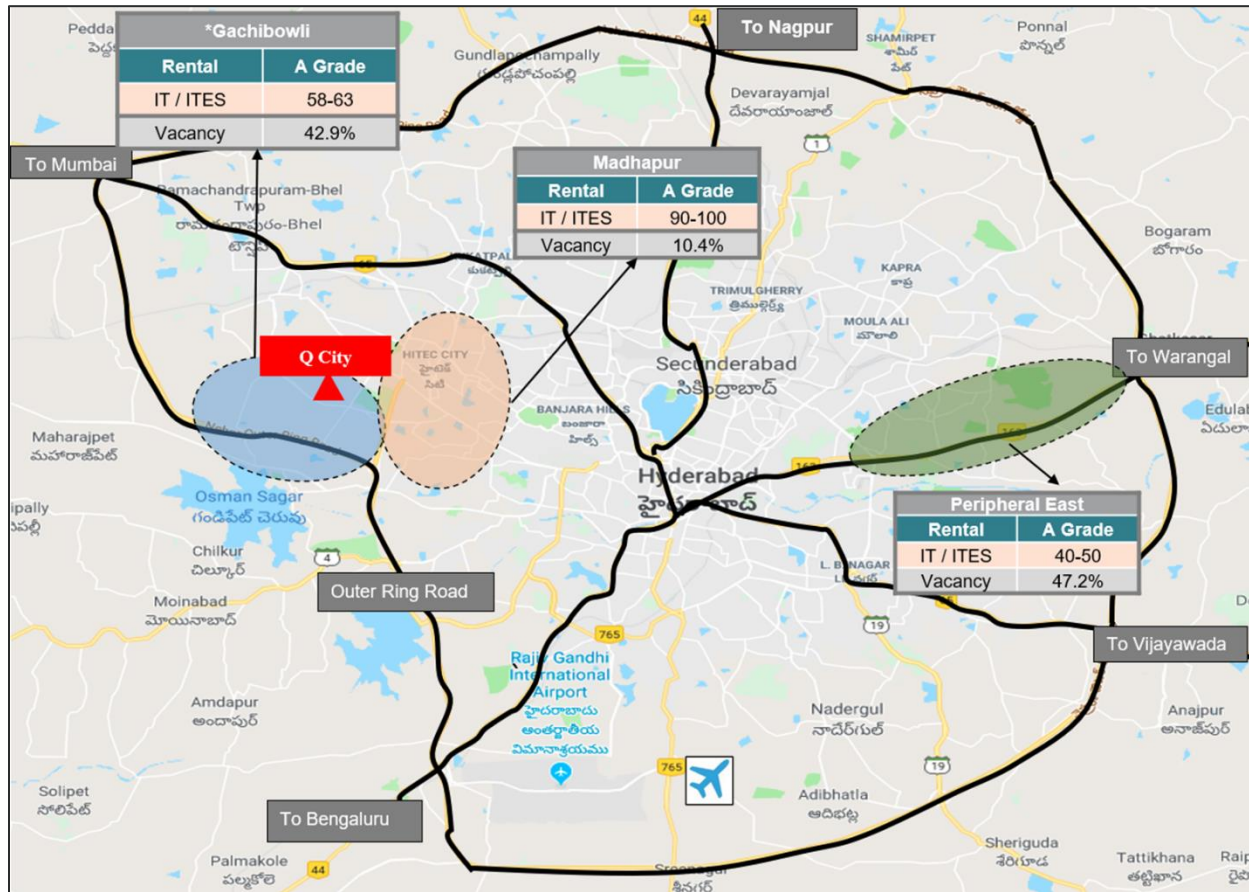
City	2016 – H1 2025	Share (%)
Bengaluru	90.4	31%
Hyderabad	58.5	20%
Mumbai	45.6	16%
NCR	36.7	13%
Pune	34.0	12%
Chennai	22.4	8%

Hyderabad City Commercial Market Overview

The map below shows various office hubs of Hyderabad, and the average quoted rental values for office space:



▲ : Subject Property



(Map not to Scale)

The rentals are basis prevailing quote in the micro market. Actual achievable rent may vary +/-5% depending upon negotiations, final structuring of the lease agreement and other parameters.

Source: Cushman and Wakefield Research

Micro-Market	Description
Madhapur	<ol style="list-style-type: none"> Development profile: Madhapur is located in the western quadrant of Hyderabad and is part of an established Madhapur- Gachibowli IT/ ITeS corridor. Madhapur is well connected with other parts of the city through road, MMTS and Metro rail connectivity. Occupier's profile: It is home for major IT/ITeS companies such as Accenture, TCS, IBM, Dell, Microsoft, JP Morgan etc. Key Developers: K Raheja Corp, Salarpuria Sattva, Meenakshi, Ascendas India Trust, My Home, RMZ, etc. Quoted Rentals: The current Grade A weighted average lease rentals are quoted in the range of INR 90 -100 psf / month. Supply/Absorption/Vacancy: The average annual supply and net absorption during 2016 – H1 2025 was ~ 5.0, 4.3 msf respectively. The current vacancy levels for the micro market stands at ~10.4%.
Gachibowli	<ol style="list-style-type: none"> Development profile: Gachibowli is located in the western quadrant of Hyderabad and is part of an established Madhapur- Gachibowli IT/ITeS corridor. Gachibowli is well connected with other parts of the city through good road network. Majority of the upcoming office space developments in Hyderabad are located in Gachibowli (due to large land bank held by the developers and also availability of larger land parcels on developments basis with landlord) leading to high vacancy levels. Occupier's profile: It is home to major campuses like Infosys, Wipro, Cognizant and TCS. Other Major IT/ITeS companies include Apple, Accenture, Google, Amazon, Cap Gemini, etc. Key Developers: Phoenix Group, Prestige, DLF, Salarpuria Sattva, Tishman Speyer, etc. Quoted Rentals: The current Grade A weighted average lease rentals are quoted in the range of INR 58-63 psf / month. Supply/Absorption/Vacancy: The average annual supply and net absorption during 2016 – H1 2025 was ~ 3.5, 1.7 msf respectively. The current vacancy levels for the micro market stands at ~42.9%.
Peripheral East	<ol style="list-style-type: none"> Development profile: Uppal and Pocharam are the sub- micro markets located in Peripheral East micro market. Uppal and Pocharam are located in the eastern quadrant of Hyderabad. The office space developments in the micro market are at nascent stage. Occupier's profile: Infosys and Genpact have campus developments in Pocharam and Uppal. Key IT/ITeS tenants in the micro market include Cyient, Crowdnetic, Sunera Tech, Lance Soft etc. Key Developers: K Raheja Corp and NSL Infratech. Quoted Rentals: The current Grade A weighted average lease rentals for Uppal are quoted in the range of INR 40 - 50 psf / month and for Pocharam are quoted in the range of INR 20 - 25 psf / month. Supply/Absorption/Vacancy: Due to the limited demand, subject micro market has witnessed limited supply in last 4-5 years. The current vacancy levels for the micro market stands at ~47.2%.

Existing & Upcoming Infrastructure – Hyderabad

1. Existing Infrastructure:

The city is well connected by all the modes of transport to the major cities of India via road, rail and air. The details of various modes of connectivity are highlighted in the table below:

Particulars	Details
Air Connectivity	Hyderabad's connectivity via air is primarily through the Rajiv Gandhi International Airport (RGIA), located at Shamshabad approx. 25 kms from Hyderabad. The new state-of-the-art Rajiv Gandhi International Airport is well equipped to handle high passenger and cargo traffic. It commenced operations in March 2008. The present capacity of the airport is approximately 25 million passenger per annum.
Rail Connectivity	<p>Hyderabad has a robust rail network both for commuting inside and outside the city.</p> <p>The city has a combination of light rail transportation system known as the Multimodal Transport System ("MMTS") which offers connectivity within the city. The Hyderabad Metro, another mode of rapid transport is with approximately 69 km stretch in 3 stretches. Secunderabad, Nampally and Kachiguda railway stations are the major railway junctions in the city. These junctions provide connectivity via rail both within the city and to other parts of the country.</p>
Road Connectivity	<p>Hyderabad is well connected to the rest of the country by National Highways – NH-44, NH-65, NH-163 and NH-765. It is well connected to other parts of the State also through Srisailem Highway, Karimnagar Highway, Nagarjuna Sagar Highway, etc. Inner Ring Road and ORR are the major road networks present in Hyderabad which provide easier and faster connectivity across the city. The city has several flyovers which facilitate easy and quick connectivity.</p> <p>The city is well connected by bus network and its Mahatma Gandhi Bus Station (Imlibun Bus Station) ranks third in the league of largest bus stations in Asia. The bus station consists of 72 platforms and has a capacity of housing about 89 buses at a time.</p> <p>The other most common means of commuting within the city are auto rickshaw and private cabs.</p>

The map illustrates the Outer Ring Road (ORR) and other major transportation routes in Hyderabad. The ORR is shown as a thick black line encircling the city. Other routes include Elevated Expressways (red lines), Highways (dashed black lines), and Railway Lines (red lines with train icons). Key locations marked include Miyapur, Madhapur, Secunderabad, and the Rajiv Gandhi International Airport. The map also shows various districts and landmarks, such as the Kukatpally, Kondapur, and Bandlaguda Jagir areas.

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2. Existing & Upcoming Road Infrastructure:

Hyderabad has good road connectivity through existing & upcoming road infrastructure such as:

Particulars	Status	Details
Outer Ring Road (ORR) – 158 Km	Operational since 2012	ORR developed under two phases cover as total distance of 158 km. ORR being operational led to relieve in traffic congestion in the city area, facilitates development of satellite townships, and provide linkage to the proposed MMTS, MRTS and bus networks.
Inner Ring Road	Operational since 2008	The project stretches from the following areas covering around 53 kms – Mettuguda to Uppal Junction to Katedan to Mettuguda, all the prominent areas around Hyderabad.
Elevated Expressway	Operational	12 km stretch from Shamshabad (International airport) to Mehdiapatnam for better connectivity of airport with the city.
Strategic Road Development Plan (SRDP)	Under-Development	<ul style="list-style-type: none"> Phase-1: 47 projects with construction of numerous flyovers, under passes across Hyderabad are planned as part of SRDP phase-1. All the projects in the Phase 1 are completed. Phase 2: The Government in June 23 has announced 36 Projects under Phase 2 of SRDP programme at a cost of Rs. 4305 crores. <p>These flyovers and underpasses are expected to relieve congestion in the micro markets like Madhapur, Biodiversity Junction, Kondapur RTO Junction, Aramghar Junction, Indira Park-VST Road, Gachibowli, LB Nagar & Nagole Junction, Chandrayangutta, Shaikpet, Punjagutta, Bahadurpura, Owaisi Hospital, Balanagar, Amberpet, RTC crossroads, Uppal – Narapally Junction and will aid to the faster connectivity across the city.</p>
Hyderabad City Innovative & Transformative Infrastructure (H-CITI)	Under-Planning	<ul style="list-style-type: none"> Phase-1: Construction of flyover and underpass at Jubilee Hills check post, KBR Park entrance, and Mugdha junction near KBR Park at Rs. 421 crores.

Particulars	Status	Details
		<ul style="list-style-type: none"> Phase 2: Construction of flyover and underpass at Road No. 45 junction, Film Nagar junction, Maharaja Agrasen junction and Cancer Hospital junction at Rs. 405 crores. <p>The government has announced the construction of underpasses & flyovers in October 2024 under H-CITI programme at a cost of Rs. 826 crores. These flyovers and underpasses will come up at the KBR Park entrance junction, Jubilee Hills check post junction, Road No. 45 junction, Film Nagar junction, Maharaja Agrasen junction and Cancer Hospital junction under Engineering Procurement Contract (EPC).</p>
Regional Ring Road	Under-Planning	<p>The Regional Ring Road (RRR) is proposed by the National Highways Authority of India (NHAI) of 50-60 km. It will connect the national highways on the northern part of Hyderabad and Ibrahimpatnam, Kandukur Chevella Shankarpally and Sangareddy on the southern part covering 340 km beyond the existing ORR.</p> <p>The RRR will be developed in 2 phases Phase 1 and Phase 2 as shown in the map. The land pooling for the phase 1 of the RRR is under progress. It is a long-term project hence, the completion timeline for this is not yet proposed by the authority.</p>

The map below highlights the regional ring road layout:



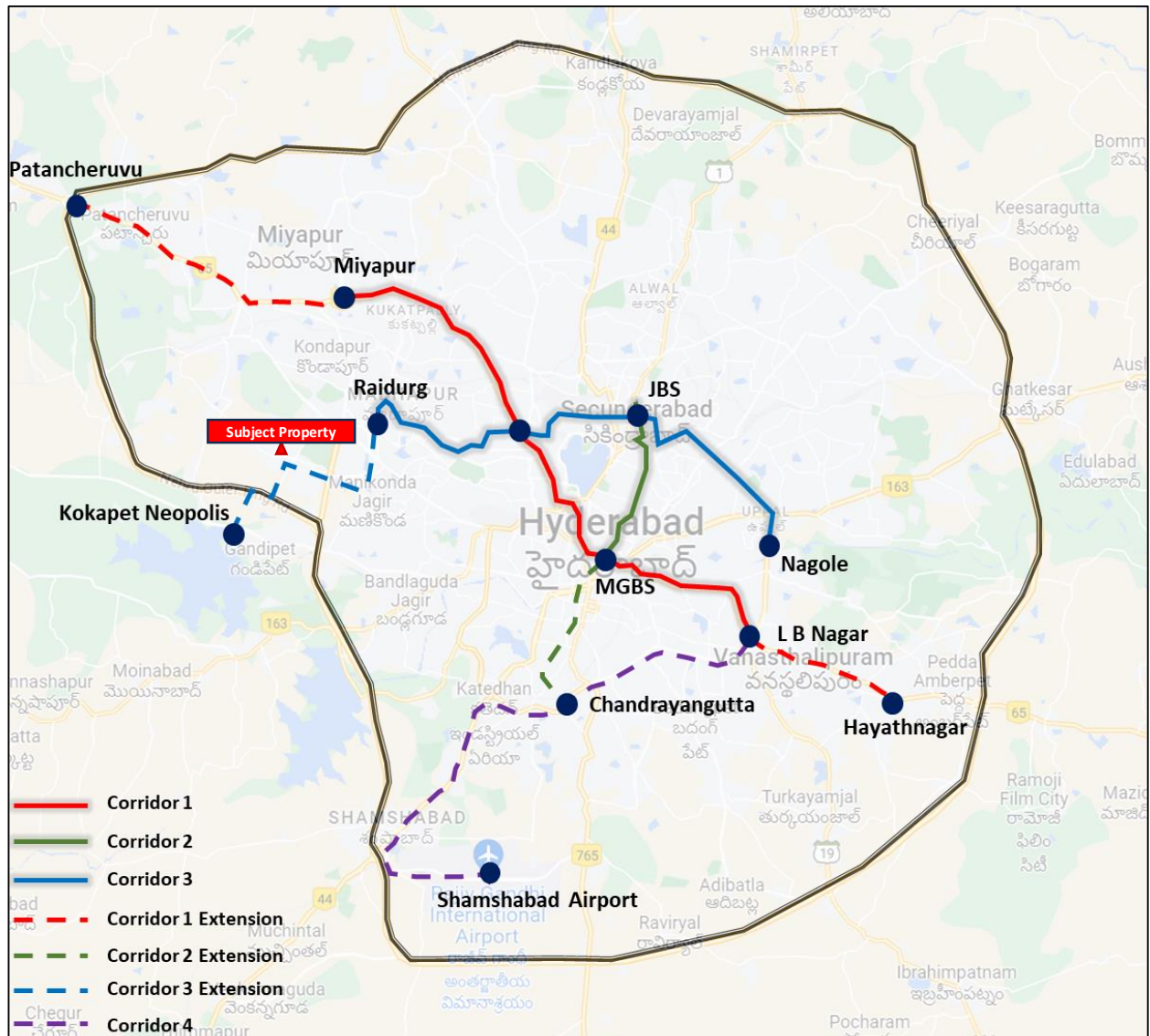
Map Not to Scale

3. Existing & Upcoming Metro Infrastructure:

Further, few of the infrastructure initiatives, in past and in current date which have been undertaken to improve the connectivity are as highlighted in the table below:

Particulars	Status	Details
Metro Line Phase 1	Operational since 2017	Hyderabad Metro Phase 1 is 73 kms long, of which approx. 69 kms is operational. There are 3 lines viz. Blue, Red and Green that are fully elevated and operational. The Red line is of 29 kms from LB Nagar to Miyapur, blue line is of 29 kms from Nagole to Raidurg and green line is of 11 kms from JBS to MGBS. The metro lines provide interchange facilities at Ameerpet junction of red and blue metro lines, MG Bus Station junction of red and green line and Parade Ground junction of blue and green line.
Metro Line Phase 2	Under Planning	The phase 2 of Metro line includes extension of blue line, red line, green line, Nagole Airport line (Corridor 4) & Airport – Skill University Corridor. The corridor 4 (36.6 km) will connect Nagole to Rajiv Gandhi International Airport via L.B Nagar, Karmanghat, Owaisi Hospital, DRDO, Chandrayangutta, Mailardevpally, Aramghar, New High Court and Shamshabad Jn on NH. The red line extension on Miyapur side will connect Patancheru (13.4 kms) and will pass through Miyapur – BHEL – Ramachandrapuram – Patancheru (located also on the Red Line) intersecting itself to form a small ring for the north-west quadrant of the city. The red line on L. B. Nagar side will connect to Hayathnagar via Vanasthalipuram (7.1 km). The blue line extension (11.6 kms) is going to connect Raidurg to Kokapet Neopolis through Biodiversity Junction, Khajaguda Road, Nanakramguda Junction, Wipro Circle, & Financial District which connects old to city to Gachibowli IT zone. The green line extension (7.5 kms) will connect to old city via Mandi Road in Old City over Darulshifa Junction, Shalibanda Junction, and Falaknuma. The metro connectivity is also being planned to Skill University (Fourth City) from Airport (40 kms).

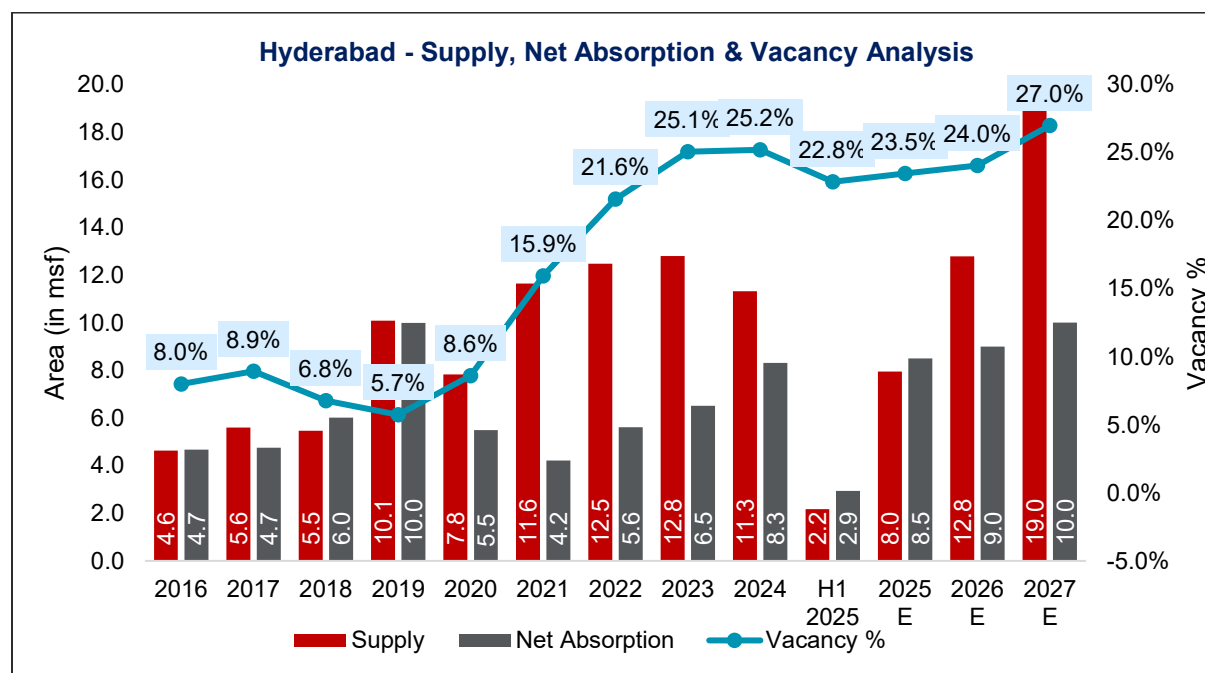
The map below highlights the above-mentioned metro initiatives:



Supply, Absorption and Vacancy Trends of the City

The commercial office space absorption in Hyderabad has been approximately 4.2 – 10.0 million sq. ft. per annum since 2016. Suburban areas of Madhapur, Gachibowli, Kondapur and Raidurg accounted for almost 90 - 95% of the total city's absorption in last six years.

As of H1 2025, approximately ~113.44 msf of Grade A inventory is present in Hyderabad. Approximately 2.2 msf of new Grade A supply came into the market in H1 2025 (viz. ~ 11.3 msf in 2024) .Net absorption was ~ 2.9 msf during H1 2025 (viz. 8.3 msf in 2024) and the overall vacancy rate across Hyderabad stood at 22.8% (viz. 25.2% in 2024). However, due to strong resilience showed by commercial real estate sector during Covid, national level real estate developers like K Raheja Corp, Salarpuria, Divyasree, Prestige and RMZ and Hyderabad based developers like Meenakshi, Phoenix and GAR Corp have planned several office projects in Hyderabad. During Q3 2025 to 2027, ~37.57 msf of new supply is expected in Hyderabad. ~28% of the upcoming supply in Hyderabad is expected in Madhapur and 72% in Gachibowli.



Source: Cushman & Wakefield Research

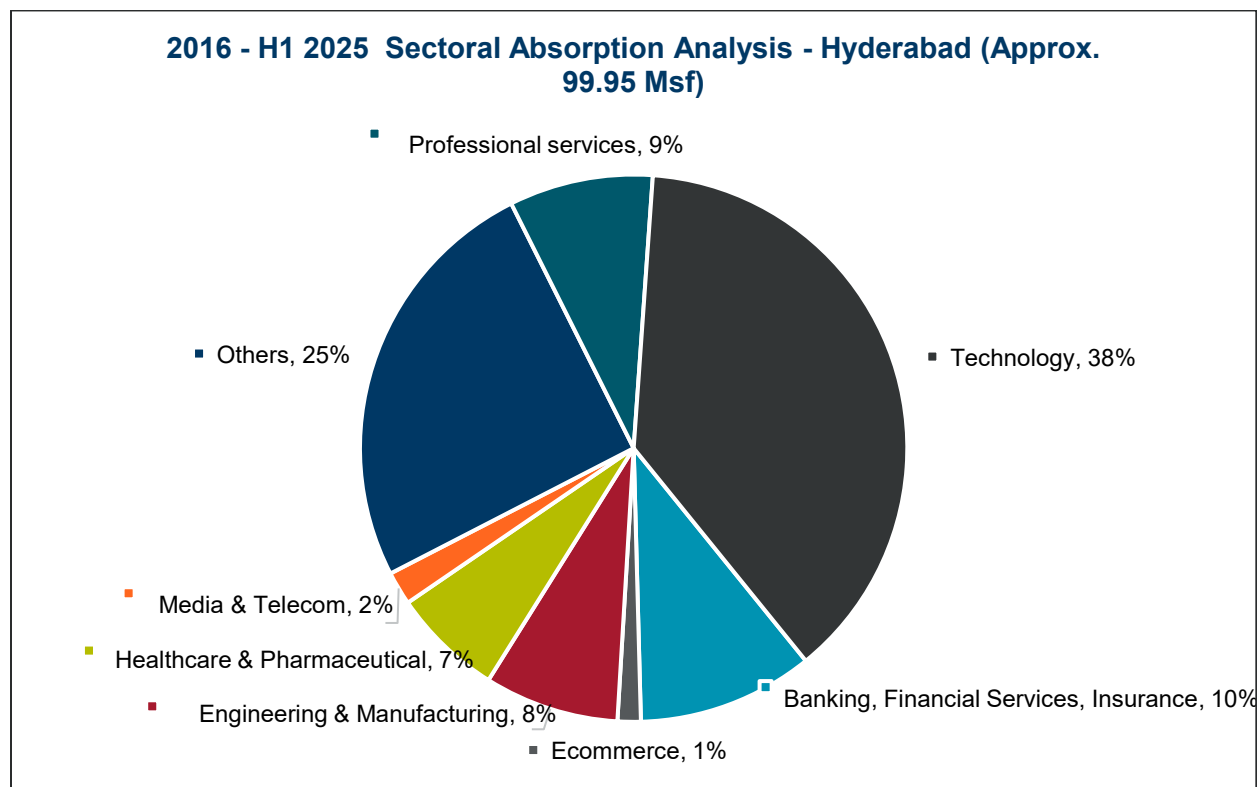
Note: Future supply estimates are based on analyses of under construction buildings, however future absorption estimates are derived basis past trend, current vacancy, and estimated supply. Vacancy estimates are based on supply and absorption trend.

Net Absorption: Refers to the difference between the occupied stock for two subsequent periods.

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stake holders

Sector Demand Analysis

Hyderabad has a diverse tenant base across India's key services sector industries. The following chart depicts sectoral absorption analysis of Hyderabad (2016 – H1 2025):

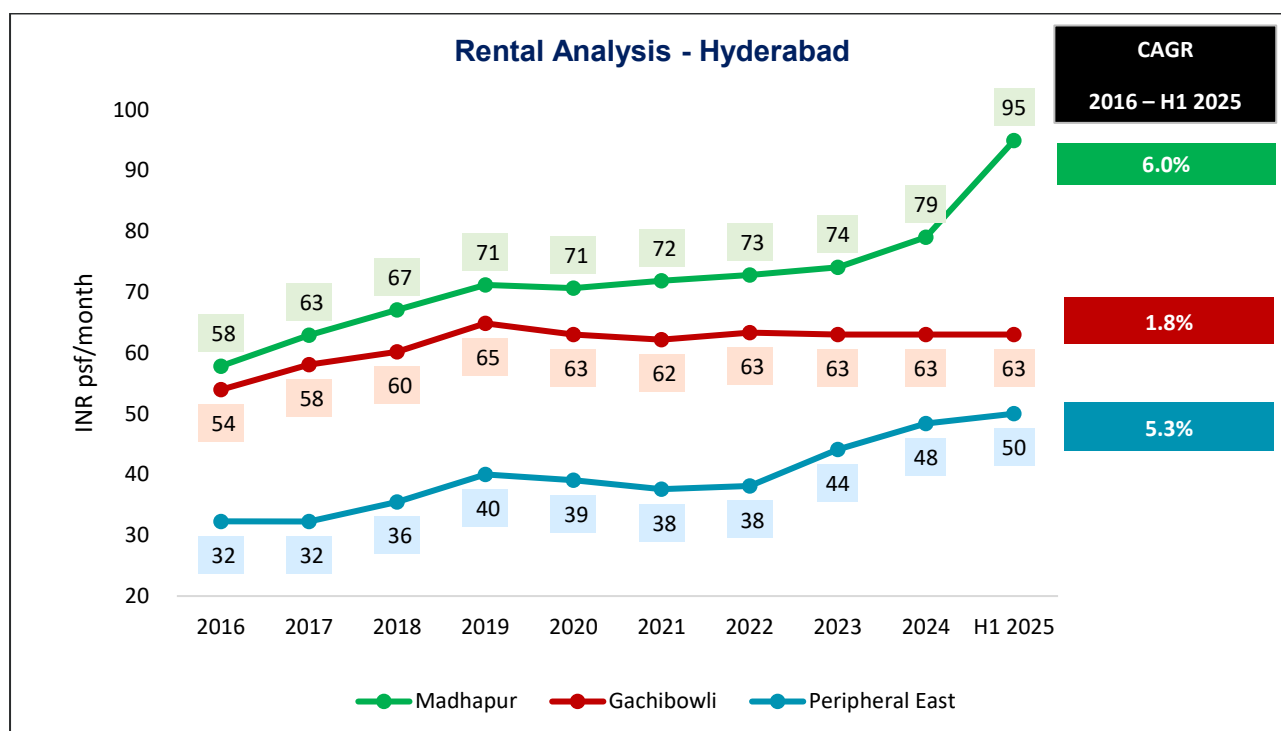


Source: Cushman & Wakefield Research

Note: Others include automobile, education, flexible workspaces, hospitality, logistics and shipping, oil and gas, research and analysis, food and beverage and real estate and related services. The sectoral absorption analysis is based on gross absorption activity of the city i.e., including any relocations and consolidations.

Technology is one of the largest sectors in Hyderabad which has generated a demand of ~38% since 2016. Hyderabad being a booming IT hub in India witnesses sustained demand from this sector. Due to favourable rentals for office spaces, larger floor plates, availability of talent pool at affordable cost, traction from the Technology sector has witnessed a growth in the recent years. It is followed by the Others, BFSI, Professional Services and Engineering & Manufacturing sectors contributing to ~25%, ~10%, 9% and 8% respectively. Demand from industries like flex workspaces, healthcare and pharmaceuticals sector has also witnessed increased traction in recent years.

Hyderabad: Key Office Clusters Rental Analysis



Source: Cushman & Wakefield Research

Note: The rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 5% depending upon negotiations, final structuring of the lease agreement and other parameters.

Rental trends in Madhapur commercial micro market command premium in the city. Madhapur includes such as HITEC – city, Kondapur, Madhapur, Raidurg. With limited supply during 2016 - 2019 and improved absorption due to the expansion of existing tenants and entry of new tenants to Hyderabad, there was improved rental growth in Hyderabad. However, post 2019, the rentals remained stable due to Covid led disruptions. The CAGR rental growth from 2016 – H1 2025 for Hyderabad is ~5.1%, while it is ~ 6.0% for Madhapur, ~ 1.8% for Gachibowli and ~5.3% for Peripheral East.

Hyderabad - Major Lease Transactions from last 5 years

Following table provides the list of major transactions witnessed in last 5 years in Hyderabad:

PROPERTY	MICRO MARKET	TRANSCATION YEAR	AREA LEASED (MILLION Sf)	MONTHLY RENTS (INR / SF)	LANDLORD / DEVELOPER	TENANT
KRC Commerzone	Madhapur	2021	1.80	60	K Raheja Corp.	Qualcomm
Knowledge Capital Block III	Gachibowli	2020	1.32	55	Salarpuria Sattva	Google
Phoenix Aquila Tower - A	Gachibowli	2019	1.18	65	Phoenix Group	Micron
DivyaSree Orion Block # 8	Madhapur	2020	1.10	72	Divyasree Developers	Wells Fargo
Rajapushpa Paradigm	Gachibowli	2024	1.02	43	Rajapushpa Paradigm	TCS
Laxmi Infobahn Tower 5	Gachibowli	2019	0.90	50	GAR Corp.	Cognizant
Avance H09	Madhapur	2021	0.54	65	Phoenix Group	Legato
Sattva Knowledge Park Tower 2	Madhapur	2024	0.53	76	Salarpuria Sattva	Cigna Healthcare
RMZ Nexity Tower 10	Madhapur	2023	0.45	79	K Raheja Corp.	HSBC
KRC Mindspace B# 3A & 3B	Madhapur	2021	0.44	65	K Raheja Corp.	Smartworks
RMZ Nexity Tower 10	Madhapur	2020	0.37	68	RMZ Corp.	Providence Health & Services
KRC Mindspace Building 12C	Madhapur	2023	0.35	67	K Raheja Corp.	High Radius Corporation
Laxmi Infobahn Tower - 9	Gachibowli	2019	0.33	52	GAR Corp.	Legato
The Spire Tower 110	Madhapur	Q1 2025	0.32	80	RMZ Corp.	Sanofi
The Nexity Tower 30	Madhapur	2022	0.32	74	RMZ Corp.	EA Sports
Salarpuria Sattva Parcel 4	Madhapur	2019	0.32	75	Salarpuria Sattva	Intel
KRC Commerzone	Madhapur	2024	0.32	71	K Raheja Corp.	HCL
ITPH Block A	Madhapur	2023	0.32	68	Ascendas	BMS India - Bristol Myers Squibb

Source: Cushman & Wakefield Resear

Hyderabad – Ongoing RFP's in H1 2025

Following table provides the list of RFPs witnessed in Hyderabad as of H1 2025:

TENANT INDUSTRY	MICRO MARKET	AREA REQUIREMENT (MILLION SQ.FT.)
Technology	Madhapur and Gachibowli	1.20
BFSI	Madhapur and Gachibowli	1.00
Technology	Madhapur and Gachibowli	0.60
BFSI	Madhapur and Gachibowli	0.30
BFSI	Madhapur and Gachibowli	0.24
Technology	Madhapur and Gachibowli	0.20
Others	Madhapur and Gachibowli	0.15
Technology	Madhapur and Gachibowli	0.08
Others	Madhapur and Gachibowli	0.05
BFSI	Madhapur and Gachibowli	0.05
Technology	Madhapur and Gachibowli	0.02
Total		3.89

D. Madhapur Micro Market

Madhapur is the preferred market for global IT/ITeS tenants

The Madhapur micro-market in Hyderabad has emerged as a dynamic hub for corporate activities, reflecting a distinctive shift in the city's commercial real estate landscape. Comprising prominent areas such as HITEC - City and Madhapur, this micro-market has become a focal point for major corporates, commanding premium rentals compared to other parts of Hyderabad.

Madhapur boasts a unique mix of IT parks and non-IT office developments, creating a diverse tenant profile. This micro-market has seen consistent Grade A supply, offering quality assets to occupiers. The current vacancy rate in the overall Grade A front office market is around 10.4%.

Looking ahead, there is a limited upcoming supply in Madhapur micro market with approximately 10.50 msf of Grade A supply expected to be delivered by 2027. Noteworthy projects by leading developers, such as K. Raheja Corp, Phoenix Group, Salarpuria Sattva, etc. are set to contribute to the micro-market's expansion, solidifying its position as a premier destination for corporate offices in Hyderabad.

Madhapur Office Micro Market Overview.

Madhapur is an established office space micro market in Hyderabad and is home to large scale commercial developments such as Mindspace Madhapur, ITPH, Cyber Pearl, I-Labs, Divyasree Orion, Salarpuria Sattva Knowledge City as well as TCS and TCL campuses.

In addition to office space, Madhapur also consists of several retail, hospitality, and entertainment developments such as HITEC Exhibition Centre, HICC Convention Centre, Inorbit mall, L&T Next Galleria Mall and Shilpa Kala Vedika. Prominent hospitality developments in the micro-market include ITC Kohenur, Westin and Novotel.

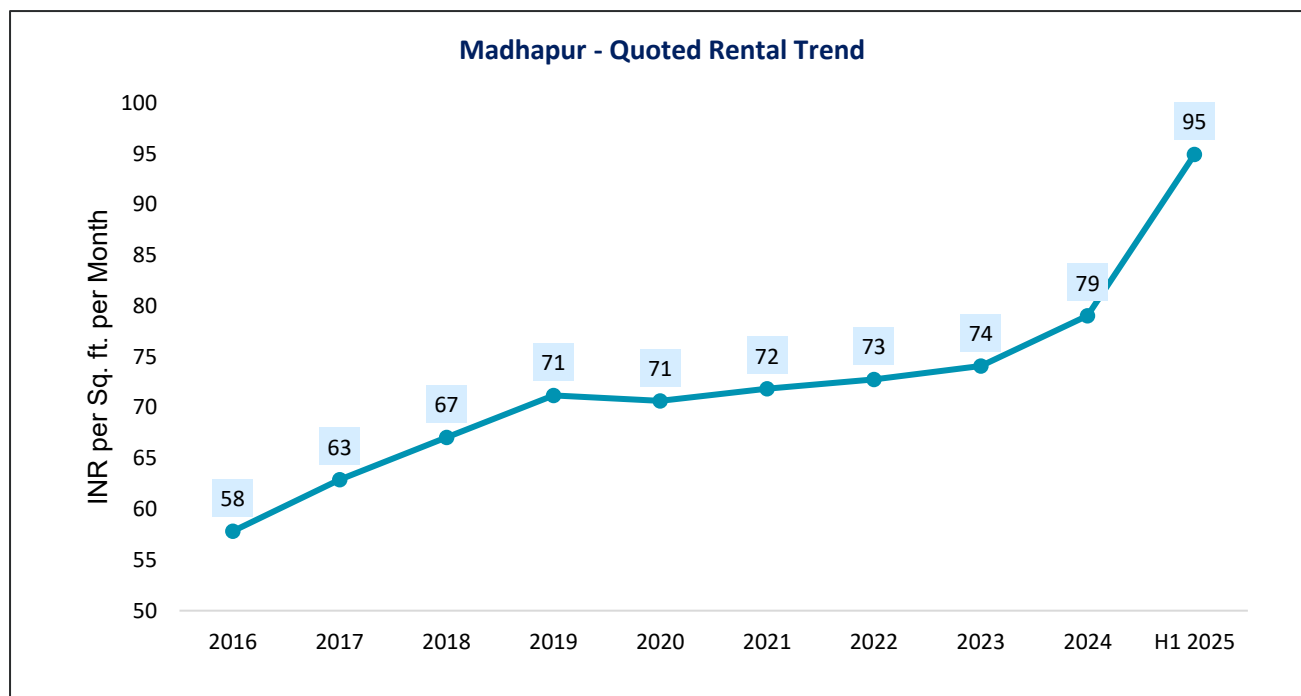
Madhapur enjoys excellent physical infrastructure with direct connectivity to the airport and connectivity with other parts of the city via the metro rail, MMTS rail network and road networks. Infrastructure projects in Madhapur include flyover at Kondapur to ease traffic congestion, thereby providing easier and faster access to other parts of the city.

Madhapur is the most preferred office space micro market in Hyderabad due to the presence of existing office space infrastructure, superior physical infrastructure and social infrastructure. In the last decade, Madhapur dominated the other office space micro markets in Hyderabad doubling its office space to 69.4 msf in H1 2025 from 25.4 msf in 2016 and represents 69% of total office absorption in Hyderabad since 2016. The vacancy levels have been at sub 5% during 2016 to 2019, however delay in timelines of construction projects & consolidation of spaces by existing tenants due to Covid pushed vacancy levels to a peak of 14.9% in 2023 and further decreased to 10.4% in H1 2025. CAGR rental growth during 2016 – H1 2025 stood at 6.0%.

Micro Market – Rental Trend Analysis

With positive commercial outlook and limited supply, continued expansion of existing tenants and entry of new tenants there has been a continued growth in the rentals in Madhapur in during 2016-2019. The current ongoing rentals are in the range of INR 90 psf / month to 100 psf / month. Due to robust fundamentals and superior infrastructure, Madhapur rentals outperformed the other micro markets in Hyderabad and grew at a CAGR of 6.0% during 2016 to H1 2025. Madhapur witnessed pre-Covid rental growth of 7.2 % from 2016 – 2019 and remained stable during the 2020 – 2022 (during Covid).

Madhapur office space dominated by IT/ ITeS tenants have shown growth in their business in last 2-3 years. Several Tier-1 IT/ITeS companies have increased their head count substantially in last 12-24 months which resulted in organic growth in space expansion of these tenants. Due to the limited upcoming supply and robust demand, rentals touched triple digits in some of the buildings.



Source: Cushman Wakefield Research

Note: The rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 5% depending upon negotiations, final structuring of the lease agreement and other parameters. The above rentals represent the average for the micro market. Individual building rentals might vary basis the age, location, accessibility and other factors.

Some of the prominent transactions in Madhapur are in last 6 months are tabulated below-

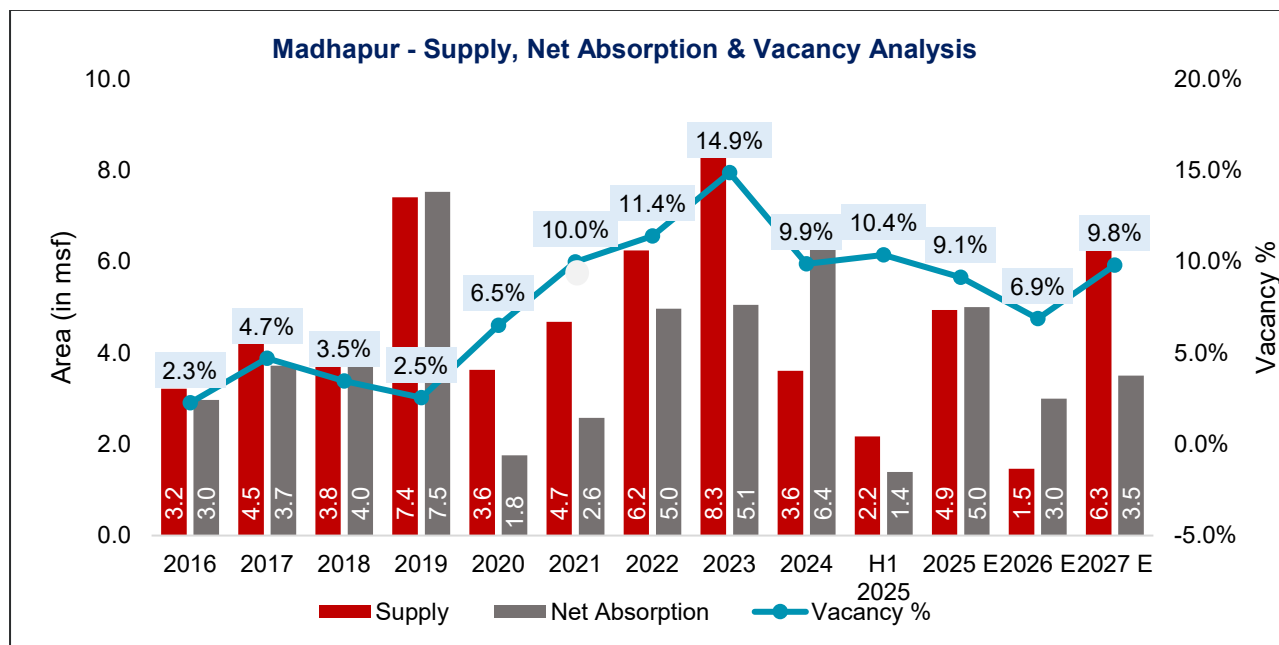
Tenant	Development	Location	Area Leased (Mn sq. ft.)	Date of Transaction	Rent (INR per sq. ft. per month)	Type of facility
Sanofi	The Spire Tower 110	Madhapur	0.32	Q1 2025	80	Warm Shell
Amgen	RMZ Nexity Tower 20	Madhapur	0.21	Q1 2025	87	Warm Shell
McDonald's	RMZ Nexity Tower 20	Madhapur	0.16	Q1 2025	92	Warm Shell
Fanatics	Phoenix Equinox Tower 1	Madhapur	0.16	Q1 2025	100	Warm Shell
PNC Financial Services (PNC Bank)	RMZ Nexity Tower 20	Madhapur	0.13	Q1 2025	94	Warm Shell
Clean Harbours	The RMZ Skyview Tower 20	Madhapur	0.11	Q1 2025	91	Warm Shell
The Executive Centre (TEC)	Phoenix Equinox Tower 2	Madhapur	0.07	Q2 2025	98	Warm Shell
Allegis Services India (Allegis Group)	Gowra Palladium	Madhapur	0.07	Q1 2025	85	Warm Shell
EPAM Systems India	Gowra Palladium	Madhapur	0.07	Q2 2025	80	Warm Shell
Indiqube	KRC Mindspace Building No. 12A	Madhapur	0.06	Q2 2025	85	Warm Shell
Verizon	KRC MindSpace Building # 10	Madhapur	0.05	Q2 2025	90	Warm Shell
AWFIS	Aurobindo Orbit	Madhapur	0.05	Q2 2025	90	Warm Shell
Buzzworks	KRC MindSpace Maximus 2A	Madhapur	0.05	Q2 2025	95	Warm Shell
Redbricks	KRC MindSpace Maximus 2B	Madhapur	0.05	Q2 2025	90	Warm Shell
Redbricks	KRC MindSpace Maximus 2B	Madhapur	0.05	Q1 2025	81	Warm Shell
ANSR - Flex	The Spire Tower 110	Madhapur	0.05	Q1 2025	89	Warm Shell

Note: The table above does not include lease transactions for an area less than 47,000 sq.ft.

Source: Cushman and Wakefield Research

Micro Market – Supply, Absorption & Vacancy

A snapshot of the supply, absorption and vacancy trend for Madhapur is as below-



Source: Cushman Wakefield Research

Note: Future supply estimates are based on analyses of under construction buildings, however future absorption estimates are derived basis past trend, current vacancy and estimated supply. Vacancy estimates are based on supply and absorption trend.

Net Absorption: Refers to the difference between the occupied stock for two subsequent periods.

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stake holders

Approximately 4.2 - 10.0 million sq. ft per annum of grade A office space that Hyderabad has absorbed historically from 2016 to H1 2025 (~ 2.9 million sq. ft. in H1 2025), Madhapur has accounted for approximately 3.0 - 7.5 million sq. ft of absorption per year for the same period accounting for 69% of the city's absorption. Madhapur net absorption was ~ 1.4 million sq. ft. in H1 2025 compared to ~6.4 million sq. ft. in 2024 and vacancy levels stood at 10.4% as of H1 2025. This vacancy accounts to 7.20 million sq. ft in Madhapur. The buildings developed by institutional developers have witnessed a lower vacancy in recent years.

The following table indicates the overall stock and vacancy in last two years for institutional developers:

Criterion	2023	2024	H1 2025
Institutional Developers (Overall Stock)	36.88	37.27	37.27
Institutional Developers (Vacancy)	5.63	2.63	1.98
Vacancy %	15.3%	7.1%	5.3%

Some of the prominent under construction commercial developments in Madhapur are:

Building Name	Developer	Location	Year of Completion	Leasable Area (Million sq. ft.)	Construction Status
Phoenix H10 - Tower 2	Phoenix Avance Business Hub	Madhapur	2025	1.14	Under Construction
Aparna Technopolis-Block A	Aparna	Madhapur	2025	0.82	Under Construction
Aparna Technopolis-Block B	Aparna	Madhapur	2025	0.82	Under Construction
Mindspace Block 1	K. Raheja Corp.	Madhapur	2026	1.46	Under Construction
The Image Towers	Salarpuria Sattva	Madhapur	2027	2.30	Under Construction
Mindspace Block 8	K. Raheja Corp.	Madhapur	2027	1.60	Under Construction
Phoenix 14 - Tower 1A	Phoenix Group	Madhapur	2027	1.43	Under Construction
Phoenix 14 - Tower 1	Phoenix Group	Madhapur	2027	0.94	Under Construction

Source: Cushman and Wakefield Research

Relevant Office Space Analysis – Madhapur

We have analyzed the overall stock in the Madhapur micro market to analyze the competing space for the subject property. We have also analyzed the existing vacancy in Madhapur micro market to arrive at competition set for the subject property in terms of leasing to arrive at the relevant vacancy for the subject property. Majority of the vacancies are observed in old buildings and new buildings which are completed in recent years. Also, we have analyzed the upcoming supply from Q3 2025 - 2027 across Madhapur micro market and further analyzed the comparability with subject property to arrive at the relevant supply for the subject property. Hence, we have segregated each of the buildings in terms of developer profile and ownership Category.

Below is the Developer Profile & Ownership Category:

1. Institutional Developers: Ascendas, Ascendas Singbridge, CapitaLand, Divyasree Developers, K. Raheja Corp. & Salarpuria Sattva.

2. Non-Institutional Developers: Aurobindo, Phoenix Group, GAR Corp., Meenakshi Group, RMZ Corp., etc

➤ **Ownership Category:** The categorization of the stock is carried out basis the Single & Strata ownership.

Overall Stock			
Criterion	Single (msf)	Strata (msf)	Total (msf)
Institutional Developers	37.27	-	37.27
Non-Institutional Developers	24.10	8.31	32.41
Total	61.37	8.31	69.68

Vacancy			
Criterion	Single (msf)	Strata (msf)	Total (msf)
Institutional Developers	1.98	-	1.98
Non-Institutional Developers	4.51	0.71	5.22
Total	6.50	0.71	7.20

Supply			
Criterion	Single (msf)	Strata (msf)	Total (msf)
Institutional Developers	5.36	-	5.36
Non-Institutional Developers	5.14	-	5.14
Total	8.90	-	8.90

Competing Space - (msf)	
Relevant Vacancy	1.98
Relevant Supply	5.36
Total Competing space during Q3 2025 to 2027	7.34

As of H1 2025, the vacancy in Madhapur is 7.20 msf (10.4%) out of which 1.98 msf is of institutional developers & the upcoming supply is 10.50 msf out of which 5.36 msf is of institutional developers.

The total competing space for the subject property for the next 3 years is 7.34 msf in Madhapur micro market.

Institutional Supply in Financial District is Expected to Benefit from Demand Spillover of Madhapur:

Due to the limited relevant upcoming supply, limited availability of land for future expansion, rentals in some of the buildings in Madhapur have touched triple digits while the market average is in the range of INR 90-100 /Sq.ft/month. We expect further growth in the rentals over next three years and average rentals are expected to cross triple digits over next 2-3 years.

Due to the expected higher rentals & limited inventory in Madhapur, the price sensitive tenants would prefer the office spaces developed by institutional developers in Gachibowli market.

E. Gachibowli Micro Market

Gachibowli is the next choice of the commercial office space leasing

Gachibowli micro market is located in the Western quadrant of Hyderabad. It is one of the most preferred office space micro-market in Hyderabad due to the presence of existing office space infrastructure, excellent physical infrastructure and social infrastructure. This micro market along with surrounding location of Madhapur constitutes the IT and commercial hub of Hyderabad. Gachibowli is a major commercial micro market after Madhapur, is home to several multinational company campuses such as Microsoft, Wipro, Infosys, Polaris, Kanbay, Computer Associates, Info Tech, ICICI towers, UBS etc. The real estate profile of the micro market is largely commercial office space. The micro market has large scale commercial office space developments/parks.

In addition to office space, Gachibowli has major residential projects in the micro market include Mantra Celestia, Ramky towers, Phoenix Golf Edge, Golf view, Lanco Hills, Trident towers, Aparna Shangrilla, S&S Green Grace, Meenakshi Bamboos, Orange County, Whistling Court, Babukhan Solitaire, Four Seasons, My Home Vihanga and Patel Smodo amongst others.

Gachibowli Office Micro Market Overview

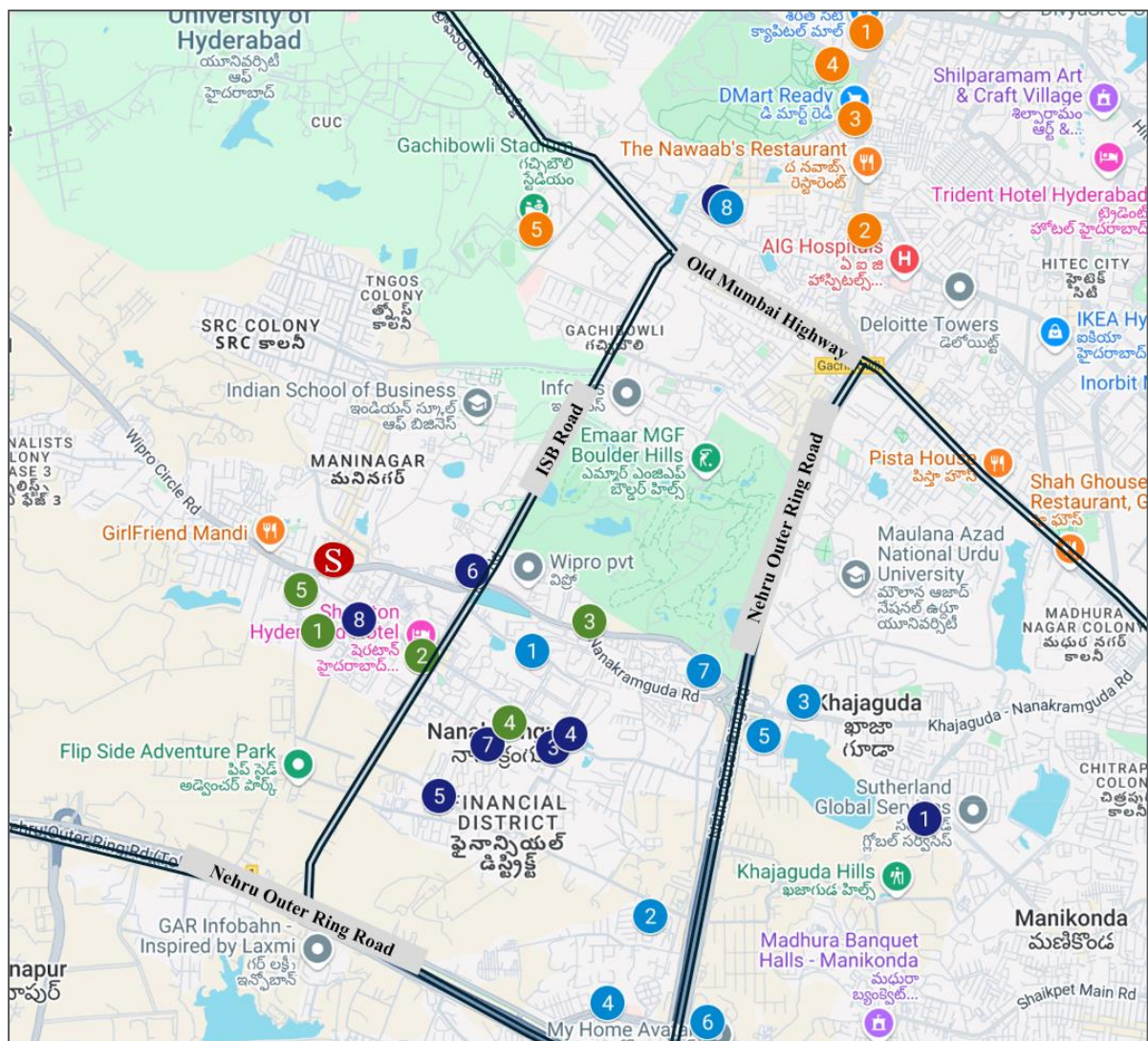
Gachibowli Micro market has mix of self-use campus developments and leased office developments, creating a diverse tenant profile. Comprising prominent areas such as Financial District, Kokapet and Manikonda micro markets.

- **Financial District** is the core area of Gachibowli. It was developed by TSIC, and the land allotment was done for multiple IT/ITeS companies for setting up of office space/campus development. Major IT parks include Waverock, Salarpuria Knowledge Capital, Phoenix Centaurus, Phoenix Business Hub and others and home to several multinational company campuses such as Microsoft, Wipro, Infosys, Polaris, Kanbay, Computer Associates, Info Tech, ICICI towers, UBS etc.
- **Kokapet** is an extension of financial district has presence of several IT/ITeS large developments like GAR Infobahn (Multiple towers).
- **Manikonda** is primarily a residential submarket with presence of few IT/ITeS office park (Existing: Divyasree Tech Ridge & Upcoming: Eco Park & Triton).

Gachibowli is an established office space micro market in Hyderabad and is home to large scale commercial developments such as Divyasree Tech Ridge, DLF Cyber City, Laxmi infobahn Tower, Meenakshi Technova and Phoenix Centaurus. It enjoys excellent physical infrastructure with direct connectivity to the airport and connectivity with other parts of the city via the metro rail, MMTS rail network and road networks. Infrastructure projects in Gachibowli include, upcoming metro rail from Raidurg – Kokapet-Neopolis to enhance the connectivity, thereby providing easier and faster access to other parts of the city.

Looking ahead, the Gachibowli micro-market has a further growth, with approximately 27.07 msf of Grade A supply expected to be delivered by 2027. The projects by leading developers, such as Phoenix Group, Divyasree Developers, DLF Limited, Meenakshi Group, GAR Corp., etc. are set to contribute to the micro-market's expansion, solidifying its position as a major destination for corporate offices in Hyderabad.

During 2016 - 2019 Gachibowli absorption has matched the supply resulting in lower vacancy levels. Due to the lower vacancy several local developers constructed the office space leading to higher levels of vacancy from 2021 onwards. In 2021, vacancy increased to 25.3% due to sudden influx of 6.76 msf fresh office space supply with stable absorption. With further increase in supply in subsequent years resulted vacancy to reach 42.9% as on H1 2025.



S Subject Property

Map Not to Scale

● Key Commercial Developments ● Social Infrastructure ● Hospitality Developments ● Proposed Commercial Developments

Key Commercial Developments	Social Infrastructure	Hospitality Developments	Proposed Commercial Developments
1. Divyasree Tech Ridge	1. Sarath City Capital Mall	1. Leamon Tree	1. Phoenix Business Hub
2. DLF Cyber City (SEZ)	2. Atrium Mall	2. Sheraton Hotel	2. EON
3. Knowledge Capital	3. SLN Terminus	3. Fairfield by Marriott	3. SAS iTowers
4. TSI Waverock	4. Botanical Garden	4. Hyatt	4. Phoenix IT Park - 285
5. Prestige Sky Tech	5. Gachibowli Stadium	5. Hotel Consulate	5. ECO Park
6. Phoenix Centaurus			6. Triton (P25)
7. Phoenix Aquila			7. Elegance Emperia - II
8. Phoenix Primea			8. DLF Cyber City - Phase - II

Source: Cushman and Wakefield Research

Existing and Upcoming Infrastructure - Gachibowli

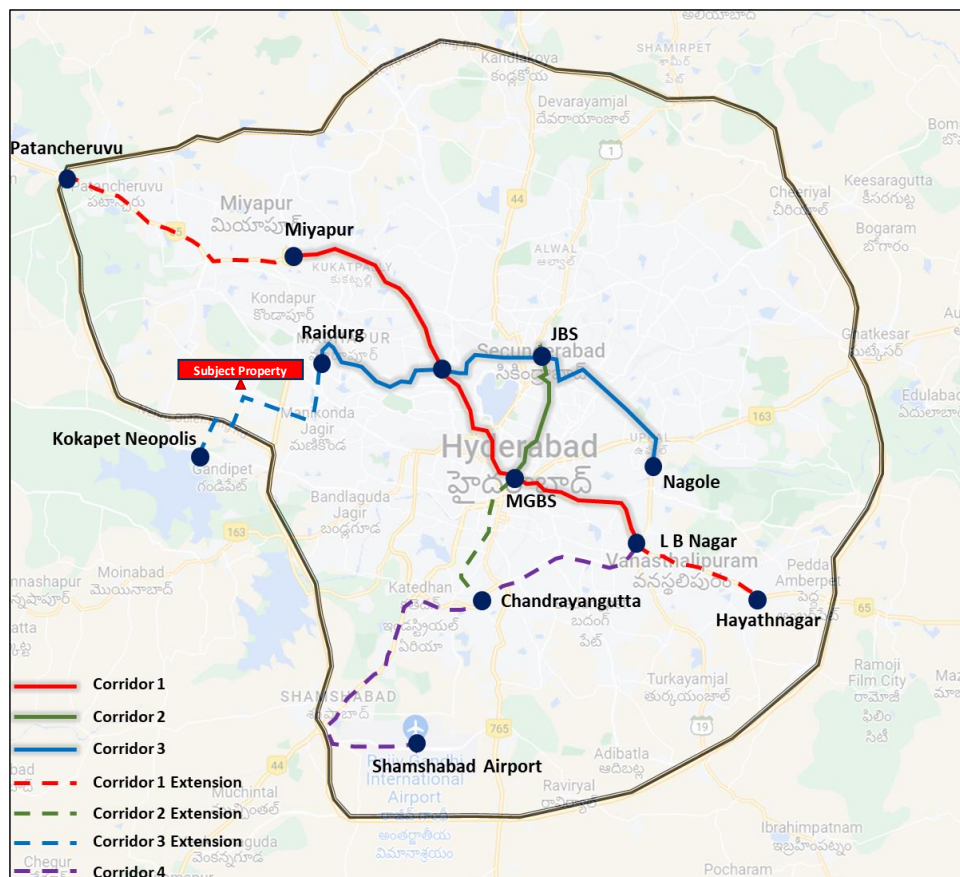
The micro market is well connected to other regions through road network. There are several 100-120 ft roads in the subject micro market thereby providing easy accessibility. Nanakramguda road and old Mumbai Highway Road are the major roads in this micro market which provide good connectivity with established locations in the city like Hitech City. The Expressway leading to Outer Ring Road (ORR) connecting Gachibowli to Shamshabad also passes through the micro market, which makes accessibility to the international airport at Shamshabad and the other parts of the city easy and quick.

Gachibowli is connected with Metro Rail from Raidurg metro station. Raidurg metro station is located approximately 9 - 10 km from Gachibowli.

Several educational institutions/schools like IIIT, International School of Business (ISB), Hyderabad Central University, Chirec School, Delhi Public School, Oakridge School, are located in the micro market. Apart from several star hotels like Ista, Novotel, Ella Suite and service apartments, the micro market also has golf course. The micro market also has GMC Balayogi stadium and sports facility

There is only one mall/ entertainment facility in the vicinity of the micro market viz., Inorbit Mall at Madhapur. However, a couple of malls have also been proposed in Gachibowli and Kondapur.

Below map represents metro infrastructure:



Operational —————
Upcoming - - - - -

Map Not to Scale

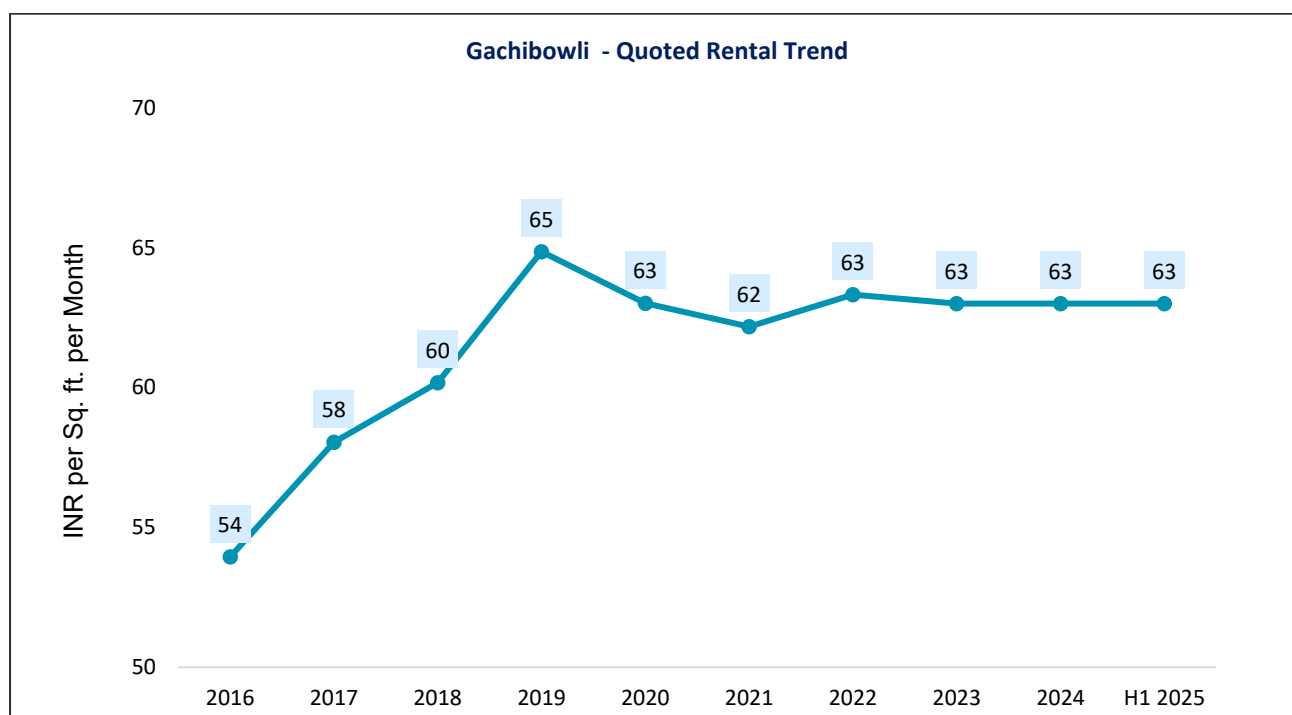
Hyderabad Metro Rail Project – Gachibowli

Particulars	Existing	Upcoming
Blue Line	Operational Since 2019 Raidurg – Nagole (27 Kms)- 9 - 10 Kms from subject property	Raidurg – Kokapet Neopolis (11.6 Kms)

Micro Market – Rental Trend Analysis

With positive commercial outlook and limited supply, continued expansion of existing tenants and entry of new tenants there has been a continued growth in the rentals in Gachibowli in during 2015-2019. The current ongoing rentals are in the range of INR 58 psf / month to 63 psf / month. Hyderabad office space dominated by IT/ITES tenants have shown steady growth in their business in last 2 years. Several Tier-1 IT/ITeS companies have increased their head count substantially in last 12-24 months. However as mentioned earlier sections supply is also expected to increase as compared to the absorption leading to increase in vacancy in new buildings.

However, we expect rentals to be steady in stabilised assets in the medium term of 6 months due to the overall leasing activity take up by IT/ITeS companies coupled with positive economic sentiment.



Source: Cushman Wakefield Research

Note: The rentals are basis the prevailing quotes in the micro market. Actual achievable rent may vary +/- 5% depending upon negotiations, final structuring of the lease agreement and other parameters.

Note: The above-mentioned rental are ongoing average quoted rentals in the micro market. Rentals for individual buildings might vary depending on the age, location, accessibility and other factors.

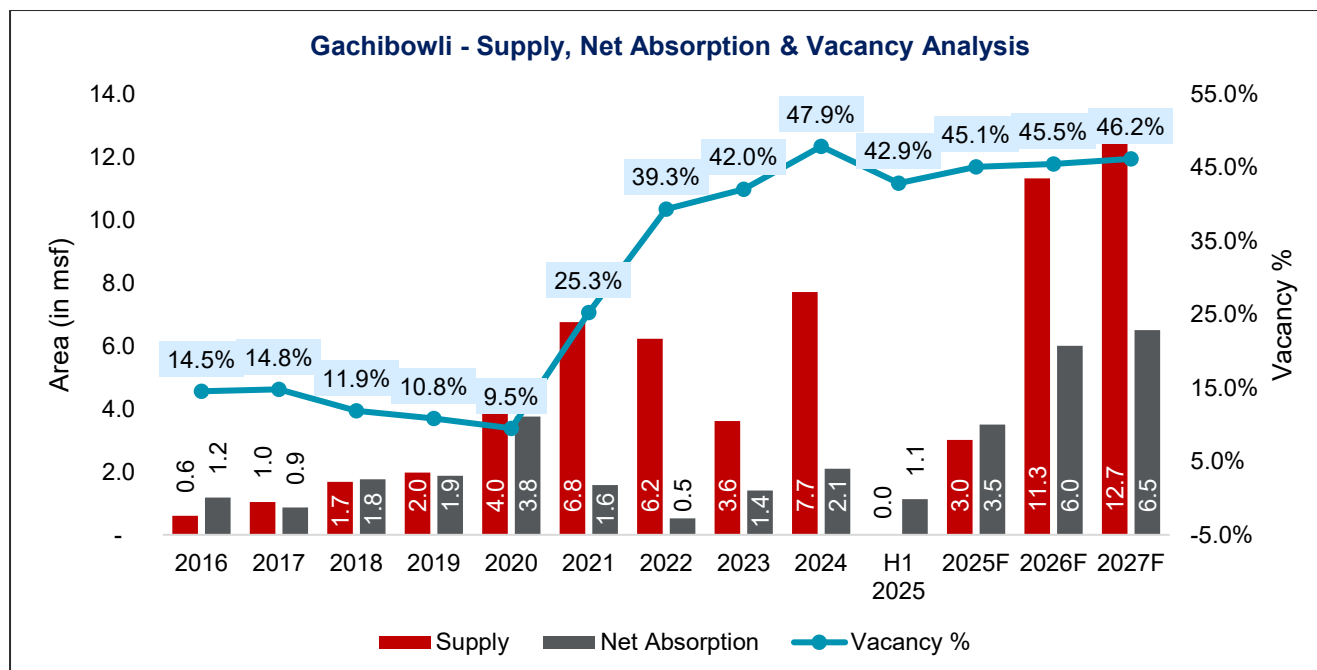
Some of the prominent transactions in the Gachibowli in last 9 months are tabulated below-

Tenant	Development	Location	Area Leased (Mn sq. ft.)	Date of Transaction	Rent (INR per sq. ft. per month)	Type of facility
Capgemini	GAR Laxmi Infobahn	Gachibowli	0.12	Q1 2025	53	Warm Shell
IFF	Prestige Sky Tech	Gachibowli	0.09	Q1 2025	52	Warm Shell
Arrise Solutions India Pvt. Ltd.	DLF Cyber City (SEZ) (Block - 1)	Gachibowli	0.04	Q2 2025	57	Warm Shell
Photon Interactive Private Limited	DLF Cyber City (SEZ) (Block - 2)	Gachibowli	0.04	Q2 2025	56	Warm Shell
IVY Comptech	Prestige Sky Tech - Sky 2	Gachibowli	0.06	Q4 2024	53	Warm Shell
Head Digital Works	Prestige Sky Tech - Sky 1	Gachibowli	0.06	Q4 2024	52	Warm Shell
Sutherland Global Services	Divyasree Techridge	Gachibowli	0.04	Q4 2024	58	Warm Shell
WinIT	Prestige Sky Tech - Sky 1	Gachibowli	0.02	Q4 2024	53	Warm Shell
BDNT Labs	Prestige Sky Tech - Sky 1	Gachibowli	0.02	Q4 2024	53	Warm Shell
Volta Green	One West	Gachibowli	0.01	Q4 2024	56	Warm Shell
Atlantic Media	One West	Gachibowli	0.01	Q4 2024	56	Warm Shell
CK Birla Group - Innovative Infra & Mining Solutions (IIMS)	One West	Gachibowli	0.005	Q4 2024	55	Warm Shell
Blisscape International Estates & Resorts Pvt. Ltd.	One West	Gachibowli	0.004	Q4 2024	54	Warm Shell
Marvel Business Solutions Private Limited	One West	Gachibowli	0.003	Q4 2024	56	Warm Shell

Source: Cushman Wakefield Research

Micro Market – Supply, Absorption & Vacancy

A snapshot of the supply, absorption and vacancy trend for Gachibowli is as below-



Source: Cushman & Wakefield Research

Note: 1. Future supply estimates are based on analysis of under construction projects considering their physical progress, available information on their approvals and interactions held with various stake holders, future absorption estimates are derived basis past trend, current vacancy an estimated supply. Vacancy estimates are based on supply and absorption trend.

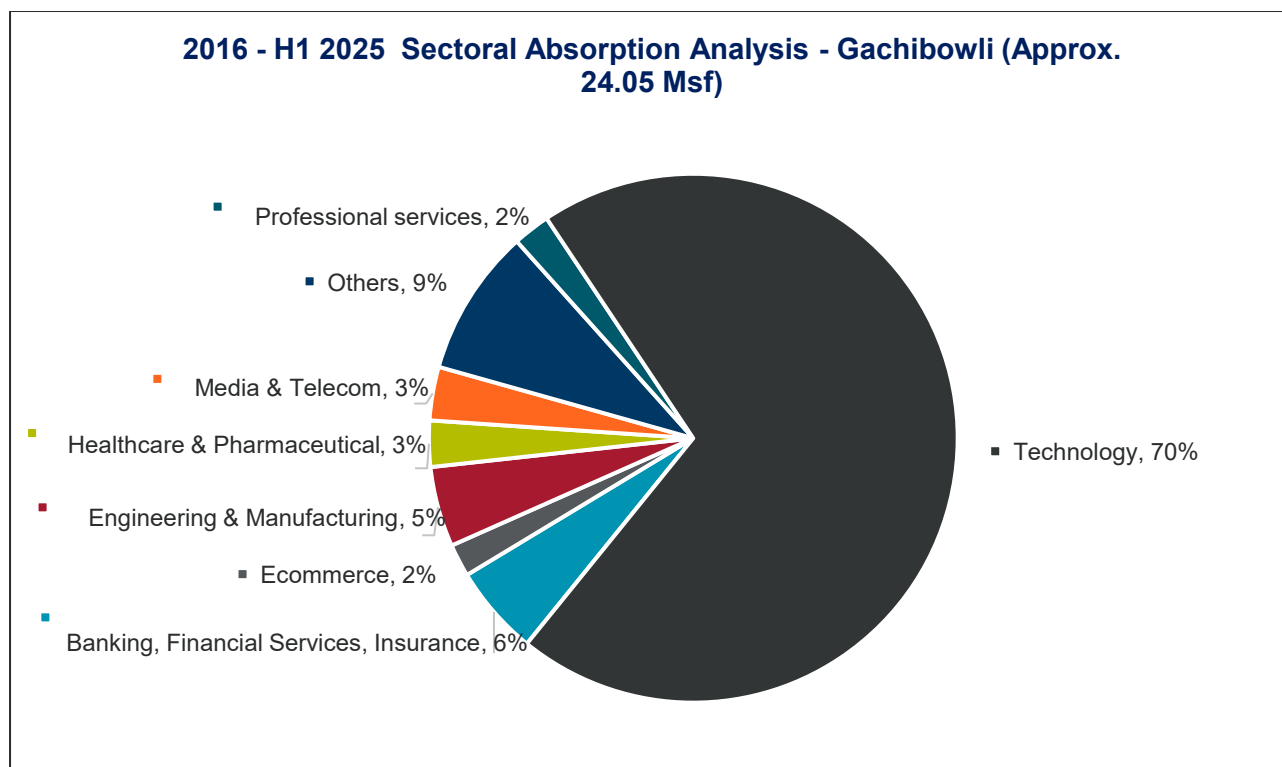
2. Net Absorption: Refers to the difference between the occupied stock for two subsequent periods

Approximately 4.2 -10.0 million sq. ft per annum of grade A office space that Hyderabad has absorbed historically from 2016 to H1 2025, Gachibowli has accounted for approximately 0.5 - 4.0 million sq. ft of absorption per year for the same period accounting for 25-32% of the city's absorption. Gachibowli net absorption was ~ 1.13 million sq. ft. in H1 2025 compared to ~2.10 million sq. ft. in 2024 and vacancy levels stood at 42.9% as of H1 2025. This vacancy accounts to 16.75 million sq. ft in Gachibowli.

The following table indicates the overall stock and vacancy in last two years for institutional developers:

Criterion	2023	2024	H1 2025
Institutional Developers (Overall Stock)	7.92	10.27	10.27
Institutional Developers (Vacancy)	1.05	2.17	1.98
Vacancy %	13.3%	21.1%	19.3%

Sectoral Demand Analysis (CY 2016 – H1 CY 2025)



Source: Cushman and Wakefield Research

Notes:

1. Others include Automobile, Education, FMCG, Logistics & Shipping, Aviation, Diversified, Real Estate & Related Services, etc.
2. The sectoral absorption analysis is based on gross absorption activity of Gachibowli relevant stock i.e., including any relocations, consolidations etc. All pre-commitments & sale/ purchase transactions are excluded from this analysis.

Gachibowli being one of the established office space micro markets in Hyderabad has attracted large concentration of major IT and BFSI tenants. This is primarily due to availability of premium grade A developments, enhanced connectivity through different modes of transportation, proximity to other office nodes etc.

Technology sector is the major contributor to the demand for ~70% of leasing activity in Gachibowli from 2016 – H1 CY 2025. The technology occupiers in this micro market are involved in the activities of software development, research and development etc. Gachibowli stock represents ~34% of the total stock amongst the Commercial Office Markets in Hyderabad and accounts for ~28% of total office absorption in Hyderabad since 2016. Other sectors like Banking & Financial Services, Professional Services, Engineering & Manufacturing etc., also contributed significantly to the demand.

Some of the prominent operational commercial developments in Gachibowli include:

Building Name	Developer	Location	Year of Completion	Completed Leasable area (Million sq. ft.)	Vacancy as on H1 2025 (Mn sq. ft.)	Warm shell Quoted Rentals (INR per sq. ft. per month)	Main Occupiers
Divyasree Tech Ridge	Divyasree Developers	Gachibowli	2021 & 2022	0.83	0.32	60 - 65	Accenture, Netcracker, Sutherland Global Services
DLF Cyber City (SEZ)	DLF Limited	Gachibowli	2009 - 2011	3.09	0.50	60 - 65	Smartworks,L TIMindtree, Cognizant, Pragmatic Play , High Radius
Knowledge Capital	Salarpuria Sattva	Gachibowli	2018 - 2020	1.74	-	65 - 70	Google
TSI Waverock	Tishman Speyer	Gachibowli	2009 - 2019	2.26	0.09	65 - 70	DBS, Apple, Astreya Consultancy India private Limited, Dupont
Sky Tech	Prestige Group	Gachibowli	2024	2.35	1.02	55 - 60	MetLife, IVY comptech, Head Digital Works, AWFIS, WNS Global Service, ZENworks, Skootr (P&G)

Source: Cushman and Wakefield Research

Some of the prominent under construction commercial developments in Gachibowli are:

Building Name	Developer	Location	Year of Completion	Leasable Area (Million sq. ft.)	Construction Status
Phoenix Business Hub	Phoenix Group	Gachibowli	2025	1.36	Under Construction
Elegance Emperia	Elegance Developers	Gachibowli	2025	0.65	Under Construction
SAS iTowers	SAS Constructions	Gachibowli	2026	4.40	Under Construction
EON	Navanaami & Panchshil	Gachibowli	2026	2.45	Under Construction
ECO Park	Meenakshi Group	Gachibowli	2026	1.52	Under Construction
Divyasree Tech Ridge	Divyasree Developers	Gachibowli	2026	1.40	Under Construction
Poulomi IT Towers	Poulomi Estates	Gachibowli	2026	1.10	Under Construction
Phoenix IT Park - 285	Phoenix Group	Gachibowli	2025 & 2026	1.45	Under Construction
Grava Business Park	My Home Group	Gachibowli	2027	4.74	Under Construction
Rajapushpa West Avenue	Rajapushpa Group	Gachibowli	2027	3.50	Under Construction
Triton (P25)	Phoenix Group	Gachibowli	2027	2.70	Under Construction
GAR Infobhan	GAR Corp	Gachibowli	2027	1.80	Under Construction

Source: Cushman and Wakefield Research

Gachibowli – Key Statistics

The table below highlights the key statistics of Hyderabad's Grade A office market:

Particulars	Details
Total completed stock (H1 2025)	Approximately 39.08 msf
Current occupied stock (H1 2025)	Approximately 22.33 msf
Current Vacancy (H1 2025)	Approximately 42.9%
Avg. Annual Net Absorption (2016 – H1 2025)	Approximately 1.7 msf
Future Supply (Q3 2025 – 2027)	Q3 2025: Approximately 3.0 msf 2026: Approximately 11.3 msf 2027: Approximately 12.7 msf

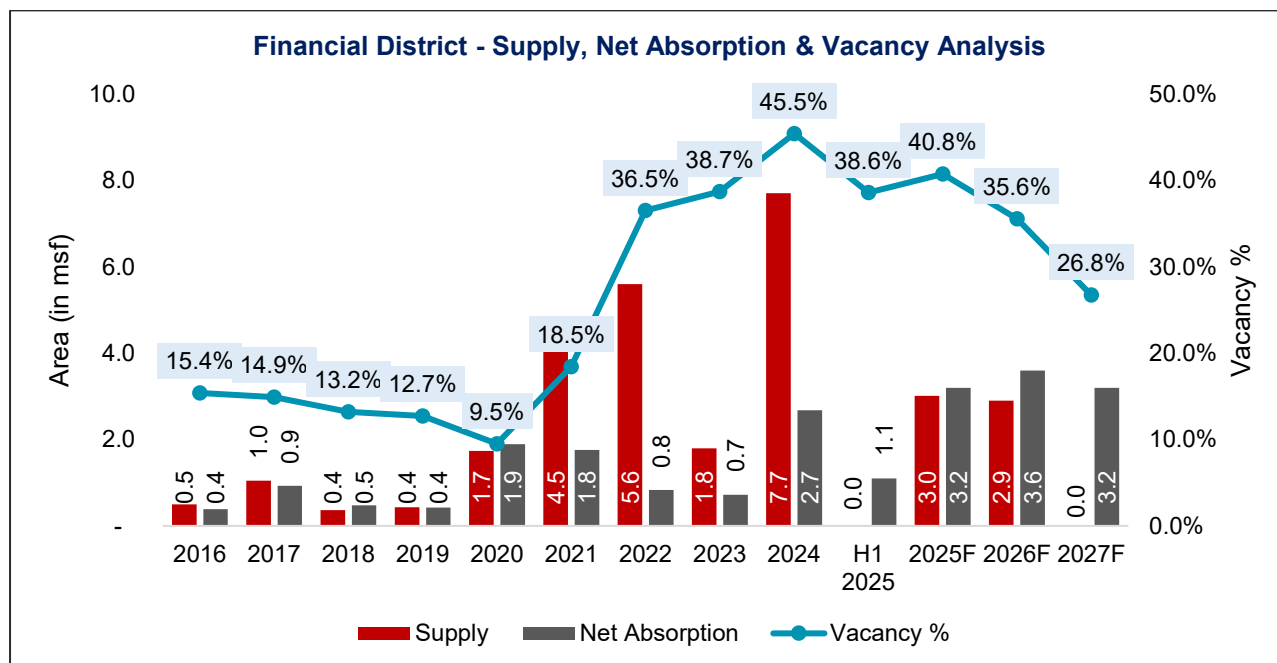
Source: Cushman & Wakefield Research

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stake holders

Sub Micro Market – Supply, Absorption & Vacancy : Financial District

Subject property is part of Financial District, which is a sub micro market within Gachibowli. Financial district is a core area within Gachibowli known for some of the larger captive campus developments like Infosys, Wipro, Cap Gemini, Amazon, Hitachi Consulting, Cognizant, Cyient, ICICI Bank amongst others.

A snapshot of the supply, absorption and vacancy trend for Financial District is as below-



Note: Future supply estimates are based on analyses of under construction buildings, however future absorption estimates are derived basis past trend, current vacancy and estimated supply. Vacancy estimates are based on supply and absorption trend.

Net Absorption: Refers to the difference between the occupied stock for two subsequent periods.

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stake holders.

The market has witnessed 0.4 – 7.7 million sq. ft per annum of fresh office space in the last during 2016 to H1 2025. Financial District net absorption was ~1.1 million sq. ft. in H1 2025 with vacancy levels at 38.6%. The absorption is expected to be higher from 2025 in the Financial District due to the expected higher rentals & limited stock & supply in Madhapur micro market. The price sensitive tenants would prefer the office spaces developed by institutional & prominent developers in Gachibowli micro market predominantly Financial District.

Some of the prominent operational commercial developments in Financial District include:

Building Name	Developer	Location	Year of Completion	Completed Leasable area (Million sq. ft.)	Vacancy as on H1 2025 (Mn sq. ft.)	Warm shell Quoted Rentals (INR per sq. ft. per month)	Main Occupiers
DLF Cyber City (SEZ)	DLF Limited	Gachibowli	2009 - 2011	3.09	0.50	60 - 65	Smartworks,L TIMindtree, Cognizant, Pragmatic Play , High Radius
BSR Tech Park	Vamsi Ram Builders and TRR Infra	Gachibowli	2020 - 2024	2.80	1.57	60 - 65	Medtronics, Mass Mutal , Firstsource , FCA/Sandoz
Sky Tech	Prestige Group	Gachibowli	2024	2.35	1.02	55 - 60	MetLife, IVY comptech, Head Digital Works, AWFIS, ZENworks, Skootr (P&G)
TSI Waverock	Tishman Speyer	Gachibowli	2009 - 2019	2.26	0.09	65 - 70	DBS, Apple, Astreya Consultancy India private Limited, Dupont
Phoenix Centaurus	Phoenix Group	Gachibowli	2022	2.22	1.04	65 - 70	ZF passive ,Quantum,Fedex, UBS,ZF India
Phoenix Aquila	Phoenix Group	Gachibowli	2020 & 2021	1.95	0.05	65 - 70	Micron Technology Operations India, Mobis India, USB , Open Text, Compass
Knowledge Capital	Salarpuria Sattva	Gachibowli	2018 - 2020	1.74	0.0	65 - 70	Google
Jyothi's Tech Park	Vamsi Ram Builders and TRR Infra	Gachibowli	2022	1.60	1.60	60 - 65	-
Kalyani IT Tower	Kalyani Developers	Gachibowli	2024	1.47	1.47	60 - 65	-

Phoenix IT Park - 285	Phoenix Group	Gachibowli	2023	1.27	1.21	60 - 65	-
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Source: Cushman and Wakefield Research

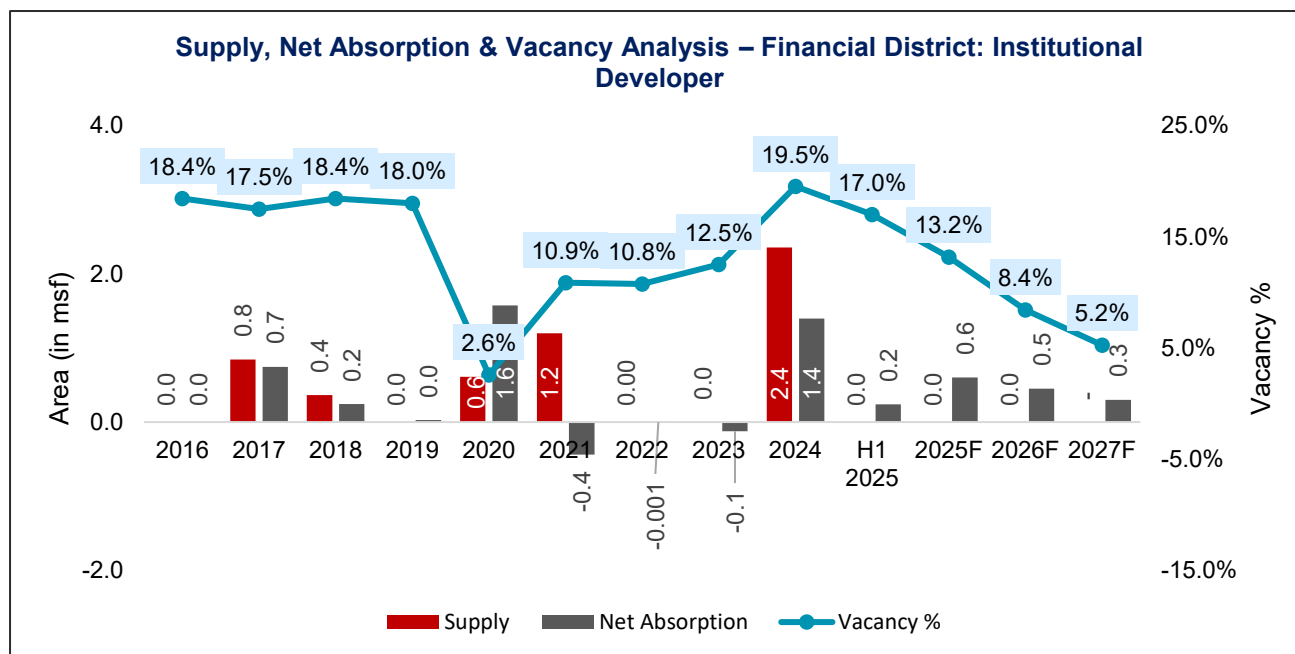
Some of the prominent under construction commercial developments in Financial District are:

Building Name	Developer	Location	Year of Completion	Leasable Area (Million sq. ft.)	Construction Status
Elegance Emperia	Elegance Developers	Gachibowli	2025	0.65	Under Construction
Phoenix Business Hub	Phoenix Group	Gachibowli	2025	1.36	Under Construction
EON	Navanaami & Panchshil	Gachibowli	2026	2.45	Under Construction
Phoenix IT Park - 285	Phoenix Group	Gachibowli	2025 & 2026	1.45	Under Construction

Source: Cushman and Wakefield Research

Sub Micro Market – Supply, Absorption & Vacancy: Financial District – Institutional Ownership

A snapshot of the supply, absorption and vacancy trend for Financial District-Institutional Ownership is as below-



Source: Cushman Wakefield Research

Note: Future supply estimates are based on analyses of under construction buildings, however future absorption estimates are derived basis past trend, current vacancy and estimated supply. Vacancy estimates are based on supply and absorption trend.

Net Absorption: Refers to the difference between the occupied stock for two subsequent periods.

Note: Cushman & Wakefield has considered the future supply after analyzing each of the project based on the physical progress of the project, available information on approvals and interactions held with various stake holders

Relevant Office Space Analysis – Financial District

As the subject property is located in the Financial District, we have analyzed the overall stock in the market to analyze the competing space for the subject property. We have also analyzed the existing vacancy in Financial District micro market to arrive at competition set for the subject property in terms of leasing to arrive at the relevant vacancy for the subject property. Majority of the vacancies are observed in the buildings which have been completed in recent years. Also, we have analyzed the upcoming supply from Q3 2025 - 2027 across the Financial District and further analyzed the comparability with subject property to arrive at the relevant supply for the subject property. Hence, we have segregated each of the buildings in terms of developer profile and ownership category.

Below is the Developer Profile & Ownership Category:

1. Institutional & Prominent Developers: DLF Group, Tishman Speyer, Salarpuria Sattva & Prestige Group.

2. Other Developers: Vamsiram & TRR Infra & One Time Developers like Rajapushpa Group, Navanaami & Panchshil, Elegance Developers, Jayabheri & Trendset Developers, Phoenix Group etc.

➤ **Ownership Category:** The categorization of the stock is carried out basis the Single & Strata ownership.

Overall Stock			
Criterion	Single (msf)	Strata (msf)	Total (msf)
Institutional Developers	9.44	-	9.44
Non - Institutional Developers	15.25	4.05	19.30
Total	24.69	4.05	28.75

Vacancy			
Criterion	Single (msf)	Strata (msf)	Total (msf)
Institutional Developers	1.61	-	1.61
Non - Institutional Developers	7.13	2.37	9.50
Total	8.74	2.37	11.10

Supply			
Criterion	Single (msf)	Strata (msf)	Total (msf)
Institutional Developers	-	-	-
Non - Institutional Developers	5.91	-	5.91
Total	5.91	-	5.91

Competing Space - (msf)	
Relevant Vacancy	1.61
Relevant Supply	-
Total Competing space during Q3 2025 to 2027	1.61

The competing office space for the subject property during Q3 2025 to 2027 is 1.61 million sft. which is from Institutional developers with Single Ownership category.

Office Market Outlook

Hyderabad commercial market has seen an average net absorption of 6.2 msf between 2016 – H1 2025 and ~8.5 msf of office space expected in 2025. Madhapur has the current inventory of 69.4 msf & vacancy of 10.4% (7.20 msf). There is an expected supply of 10.50 msf in next 3 years in Madhapur accounting to ~25% of the total Hyderabad supply. As covered in Madhapur section, The total competing space for the subject property for the next 3 years is 7.34 msf in Madhapur micro market.

Madhapur has absorbed 80% of Hyderabad demand in last 3 years from 2022-24 (16.5 msf out of 20.4 msf net absorption). Between Q3 2025-27, Hyderabad net absorption estimated at 24.6 msf leading to approximately 20 msf potential opportunity for Madhapur based on historical trend. Considering the competing space supply is only ~11 msf in Madhapur (existing relevant vacancy and supply), demand expected to spillover to institutional players in Financial District. Over next 1-2 years average market rent in Madhapur is expected to cross INR 100/Sq.ft/Month. Due to higher rentals and limited space availability for large space take-up, demand is expected to spill over to Gachibowli. Building owned by institutional developers is expected to benefit from this spillover effect. The price sensitive tenants would prefer the office spaces developed by institutional developers in Gachibowli micro market predominantly Financial District. While Gachibowli and the Financial District have higher vacancy rates at 42.9% and 38.6%, respectively, office spaces developed by institutional developers show significantly lower vacancy rate of 5.2%.

Also, we expect that the factors including growth in the IT-BPM sector, increased interests into Indian offshore centres by several IT/ITeS corporates, Pharma and GCCs will drive significant demand in the office real estate sector.

The Subject Property is Q-city admeasuring ~0.81 msf of leasable area and the achievable rent in this park is in the range of INR 55 - 60 per sq. ft. per month. Looking ahead to the future, Gachibowli is anticipated to experience an increase in new supply of approximately 27.07 million sq. ft. between Q3 2025 to 2027. The annual net absorption projected in the upcoming 2 – 3 years is in the range of 3.5 msf to 6.5 msf. Considering the well-maintained infrastructure, location advantage, improved connectivity (through the upcoming Hyderabad Metro Corridor), residential developments, historical rental growth rate, current vacancy & upcoming supply in the market, we have considered the annual growth rate of 3% from FY 2028 and 5% from FY 2031 onwards considering the stability in the market. If the subject property is acquired and operated by an institutional developer, it is expected to lease faster compared to other properties in the financial district micro market.

Annexure 1: Instructions (Caveats & Limitations)

1. The Market Study Report (hereafter referred to as the “Report”) will not be based on comprehensive market research of the overall market for all possible situations. Cushman & Wakefield India (hereafter referred to as “C&WI”) will cover specific markets and situations, which will be highlighted in the Report. C&WI will not be carrying out comprehensive field research-based analysis of the market and the industry given the limited nature of the scope of the assignment. In this connection, C&WI will rely solely on the information supplied to C&WI and update it by reworking the crucial assumptions underlying such information as well as incorporating published or otherwise available information.
2. In conducting this assignment, C&WI carried out analysis and assessments of the level of interest envisaged for the property(ies) under consideration and the demand-supply for the office / retail sector in general. C&WI will also obtain other available information and documents that are additionally considered relevant for carrying out the exercise. The opinions expressed in the Report will be subject to the limitations expressed below.
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 - c. In the absence of a detailed field survey of the market and industry (as and where applicable), C&WI will rely upon secondary sources of information for a macro-level analysis. Hence, no direct link is sought to be established between the macro-level understandings on the market with the assumptions estimated for the analysis.
 - d. The services provided will be limited to Valuation and will not constitute an audit, a due diligence, tax related services or an independent validation of the projections. Accordingly, C&WI will not express any opinion on the financial information of the business of any party, including Client and its affiliates and subsidiaries. The Report will be prepared solely for the purpose stated and should not be used for any other purpose.
 - e. While the information included in the Report will be believed to be accurate and reliable, no

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- f.** In the preparation of the Report, C&WI has relied on the following information:
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 - ii.** Recent data on the industry segments and market projections;
 - iii.** Other relevant information provided to us by the Client and its affiliates and subsidiaries at C&WI's request.
 - iv.** Other relevant information available to C&WI; and
 - v.** Other publicly available information and reports.

3. The Report reflects matters as they currently exist. Changes may materially affect the information contained in the Report.

4. All assumptions made in the market study will be based on information or opinions as current. In the course of the analysis, C&WI would be relying on information or opinions, both written and verbal, as current obtained from the clients as well as from third parties provided with, including limited information on the market, financial and operating data, which would be accepted as accurate in bona-fide belief. No responsibility is assumed for technical information furnished by the third party organizations and this is bona-fidely believed to be reliable.

5. No investigation of the title of the assets has been made and owners' claims to the assets is assumed to be valid. No consideration has been given to liens or encumbrances, which may be against the assets. Therefore, no responsibility is assumed for matters of a legal nature.

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