NOIDA

MARKET VIEW REPORT

Q2 2024

FirstLease
Achieving your dream

Powered by:
VSKOUT DATA INTELLIGENCE TEAM

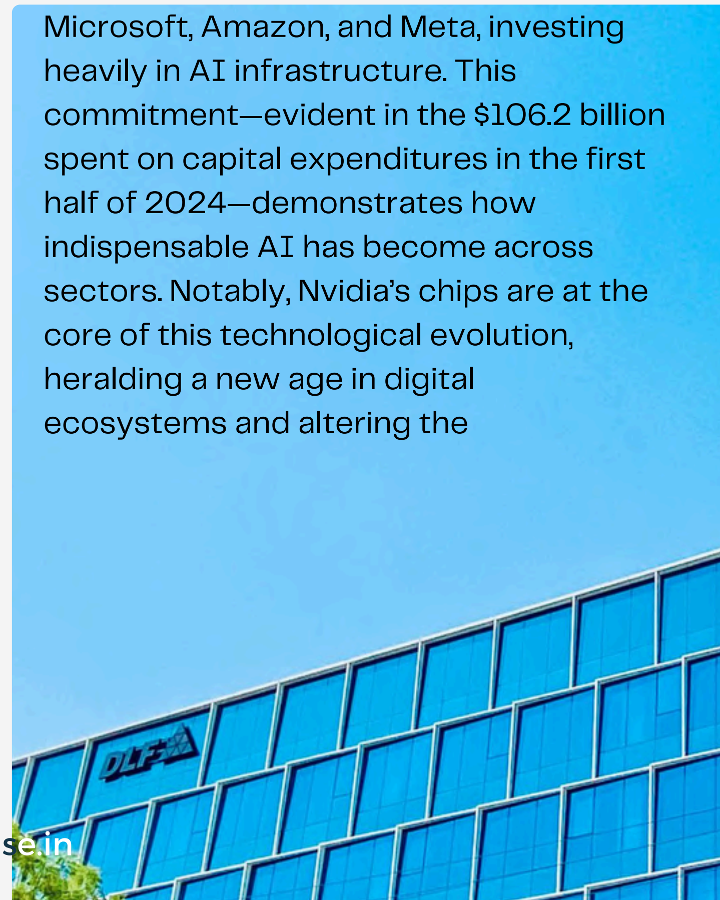
Balancing Growth: India's Financial Surge Amidst Global Shifts

As India's economic momentum accelerates, its financial sector is fast becoming a critical force in sustaining and expanding this growth.

Supported by government and investor confidence, India's market capitalization ranks fifth globally, while capital raised through primary markets has surged to INR 10.9 trillion for the fiscal year 2023-24, a significant rise from INR 9.3 trillion in the previous year. This growth is partly attributed to a robust IPO market, which saw 272 listings—a 66% increase—accompanied by a 26.8% rise in the Nifty-50 index. Such developments indicate a strong foundation, fueled in part by the tripling of retail investors, who now number over 92 million.

However, this rapid expansion also raises questions about long-term stability. India's household net worth stands at 157% of GDP, but household debt has climbed to an unprecedented 42%. The question is whether such growth in market participation is sustainable or whether it's a sign of "over-financialization" in an environment where investment options remain limited. In a world of low returns and limited alternatives, are Indian households staking their future on a potentially volatile financial sector?

The global economic landscape is shifting alongside India's domestic advancements. AI and automation are reshaping industries and economies, with some of the world's largest companies, including Microsoft, Amazon, and Meta, investing heavily in AI infrastructure. This commitment—evident in the $106.2 billion spent on capital expenditures in the first half of 2024—demonstrates how indispensable AI has become across sectors. Notably, Nvidia's chips are at the core of this technological evolution, heralding a new age in digital ecosystems and altering the



foundational structures of industries from pharmaceuticals to finance.

India, too, stands at a crossroads, where its commitment to growth through technology may define its trajectory. The increasing integration of AI-driven agents promises to transform how individuals and companies interact with technology, eliminating the need for multiple platforms. As global tech giants launch AI agents—Salesforce's Agentforce, Microsoft's Copilot, and OpenAI's partnership with T-Mobile—India has a unique opportunity to leapfrog in technology adoption. But, in navigating this path, India faces challenges, particularly in balancing the gains in efficiency with potential disruptions to labor markets.

The juxtaposition of these advancements in India with the economic developments in neighboring China offers further insights into the regional dynamics. China, wrestling with a historic real estate crisis, faces a glut of vacant properties—up to 90 million units.

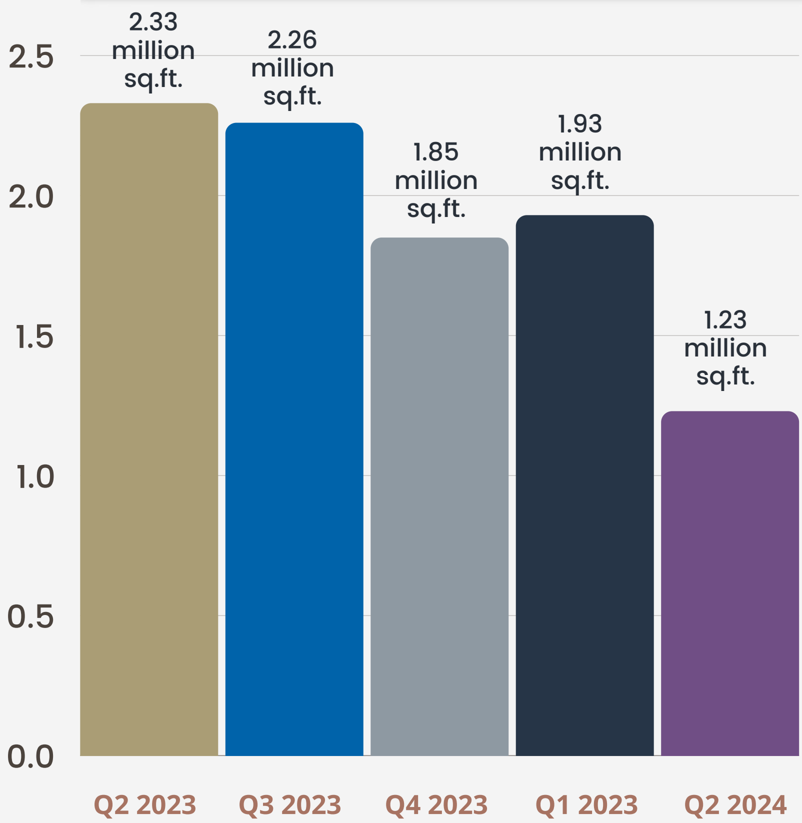
The Chinese government's attempt to address this through a $42 billion package to turn these units into affordable housing has had limited success, underscoring the challenges inherent in managing overbuilt real estate markets amidst population shifts. The broader impact is significant: with China contributing 34% to global growth, its economic stability is paramount. Stimulus measures, including interest rate cuts and liquidity injections, are expected to boost China's stock markets, which could provide a counterbalance to India's rise and maintain regional economic stability.

As we move forward, India's economic growth is poised to remain robust, propelled by its expanding financial markets and proactive adoption of advanced technologies. Yet, the path ahead requires careful management of both opportunities and risks. India's journey is not merely about growth; it's about crafting a resilient economy that can adapt to and thrive amidst global transformations.

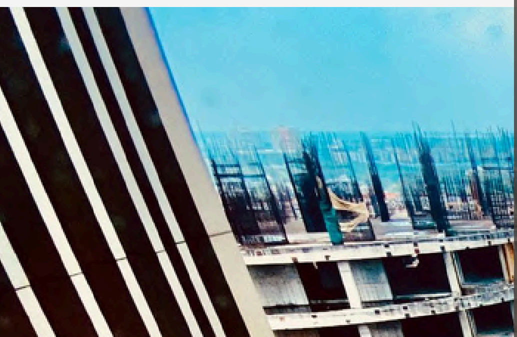
Decoding Gross Leasing Activity

The Gross leasing volume figures (encompassing office, retail & industrial stock) stands at 1.23 million sq.ft. for Noida in Q2 2024.

In comparison to Q1 2024, the gross leasing volume has decreased by ~ 36%.



Leasing activity in Noida has seen a downturn across all areas. Nevertheless, the Greater Noida Expressway micro-market continues to stand out as a leader in this scenario. The demand for new spaces over 25,000 sq. ft. has been rare, with exceptions such as Kronos at Okaya Centre and Deloitte's commitment at Galaxy Park in Sector 62. Overall, the Greater Noida Expressway has witnessed minimal activity, with new space transactions considerably lower than in previous quarters, particularly regarding large transactions, which have been noticeably missing.

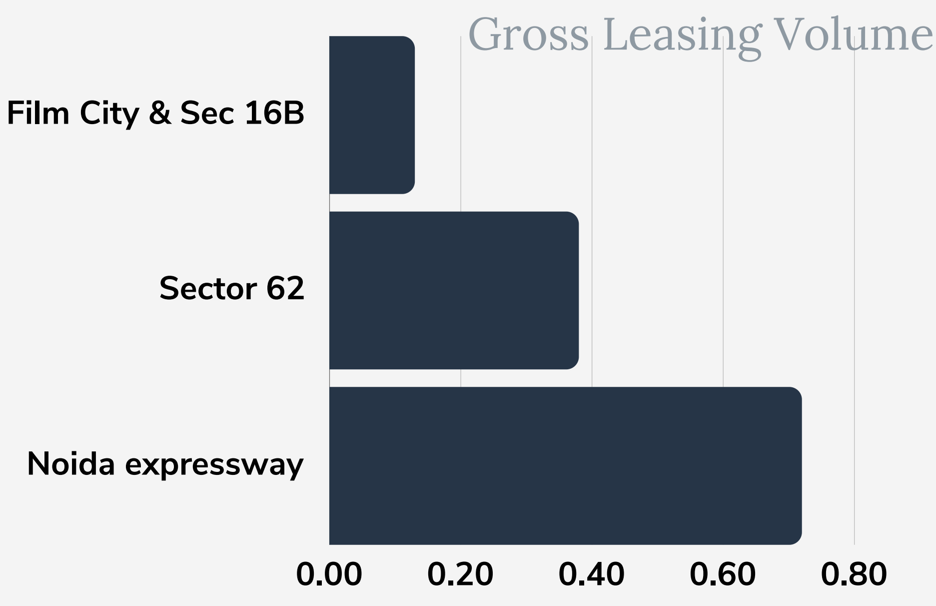


01

NOIDA Q2-2024 FIGURES

Drilldown - Total Leasing Volume - 1.23 million sq.ft.

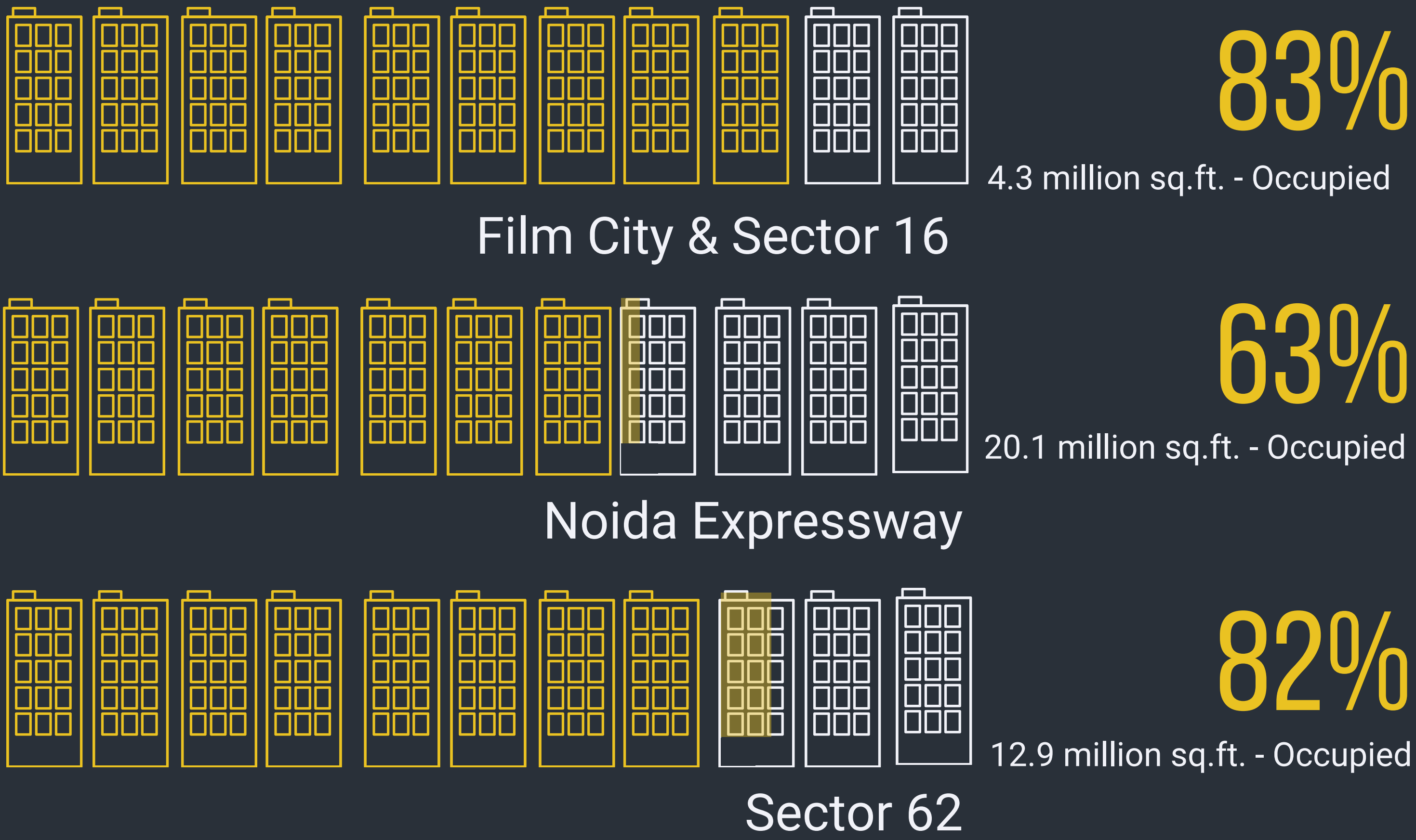
3%	0.04 million sq.ft.	Retail
97%	1.18 million sq.ft.	Office



Zone of focus for this study of Noida is limited to Sector 16A (Film City), Sector 16B, Sector 62 & Noida Expressway (Sectors 98, 125, 126, 127, 129, 132, 135, 136, 142, 144A)

Occupancy & Vacancy View

KEY MICROMARKETS | NOIDA



This quarter experienced a significant lack of large space take-ups, mainly due to the restricted availability of new supply in the market. As a result, activity was predominantly limited to the existing inventory. Furthermore, a segment that has traditionally played a major role in leasing volume—flex operators—was notably inactive. The reduced space take-up from these operators has led to a marked decrease in overall gross leasing volume.

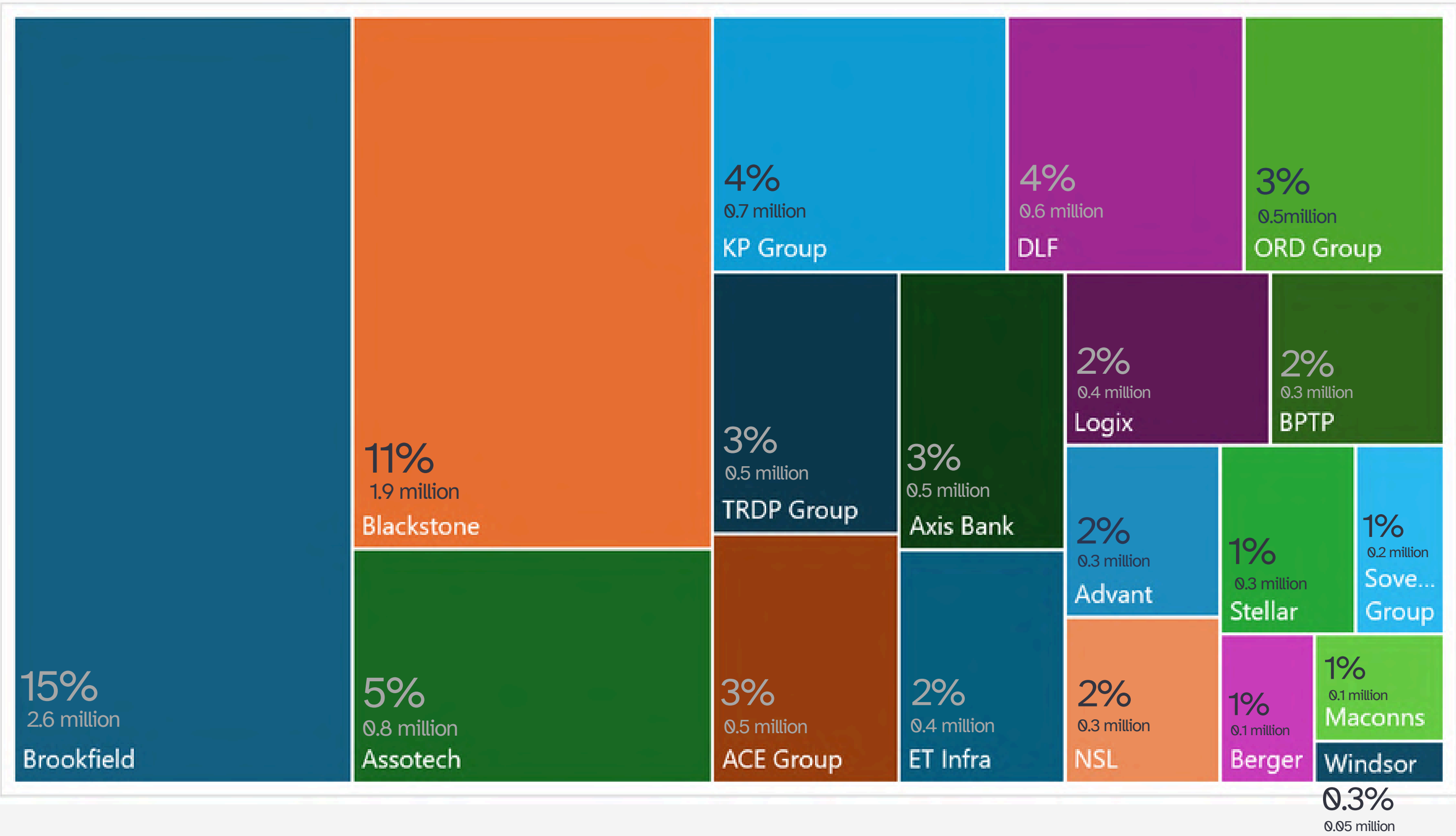
Large Occupier Trends Noida

Large occupiers with portfolio over 200k sq.ft. analyzed

Developer Share

While 36% of the large occupier cohort (6 million sq.ft.) occupies spaces constructed by one-time builders or owners, the remaining 64% (10.9 million sq.ft.) is situated in properties developed by only 19 large developers. Below is a detailed breakdown of the cohort's distribution by developer.

Cohort share of one time builders / owners	Cohort Share of large developers
36%	64%



02 Key Transactions

Noida | Q2 2024

Kronos
Okaya Business Centre (26,344 sq.ft.)

Deloitte
Galaxy Business Park (44,576 sq.ft.)

Cloud Angles
Max Square (14,000 sq.ft.)

Repro
Max Square (13,813 sq.ft.)

Essar Group
Berger Tower (15,000 sq.ft.)

Indigrid
Berger Tower(11,800 sq.ft.)

Siemens
BPTP Capital City (17,001 sq.ft.)

DK - Dorling Kindersley
Candor Techspace 62 (16,633 sq.ft.)

Key Office Takeups

Key Transactions

Noida | Q2 2024

Key Retail Takeups

Haldiram's
Maconns Grand Street (6,604 sq.ft.)

Bikanervala
Bhutani Technopark (3,721 sq.ft.)

Pizza Express
DLF Mall of India (4,000 sq.ft.)

Popeyes
Sandal Street (4,614 sq.ft.)

Namaste Punjab
Advant Navis (3,071 sq.ft.)

Kilol
DLF Mall of India (2,248 sq.ft.)

Bikanervala
Ace Capitol (1,500 sq.ft.)

Dominos
DLF Tech Park (4,603 sq.ft.)

ABOUT FIRSTLEASE

'A Decade and Counting'

FirstLease is the Country's Leading Commercial Space Leasing firm representing tenants, landlords, sellers and buyers in Office, Coworking, Retail, Warehousing, Industrial Leasing, Sales, and Investments for a decade and counting. Our integrated team of Dedicated, Experienced, and Highly Reputed Industry Professionals collaborates in unison to provide Organizations with Smart, Sound and Creative Commercial Real Estate solutions that enable our clients to thrive.

At FirstLease, we are fully committed to bringing value to our clients and their businesses. We believe that our clients' best interests come first and foremost in all we do. In this process, we have built a respected and trusted brand in FirstLease and continue to grow geographically and in the volume of services delivered.

FirstLease is built around three essential characteristics - Pace, Process, Possibilities. We have assisted over 2500+ Indian and Multinational Organizations with our services.

As India's premier multi-city Commercial Real Estate Consulting Firm, we have partnered with the world's most admired companies (Hitachi Consulting, Apollo Hospitals, Cargo Partner, Airtel, Diageo, KAI India, Realme, Kuka Robotics, Schneider Electric, Indusind Bank, DCB, Indira IVF, Fackelmann, IAVI, Udaan, Spinny, Croma, Classic Rock Cafe, Starbucks, Yum and Ecom Express India to name a few).

www.firstlease.in
+91 97 7388 0555

Disclaimer