

# Noida Market View Report

Q3 2023

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# The Global Stage: How India's Momentum in Real Estate Echoes Worldwide Dynamics

**In the realm of global affairs, India's response to the ongoing Gaza crisis has drawn cautious attention. As the situation in the Middle East simmers, concerns arise about its potential impact on the India – Middle East–European Economic Corridor (IMEEC). This ambitious project, hailed as the 'generation's most ambitious' initiative by the European Commission, aims to weave India into Europe via a multifaceted route cutting through strategic regions.**

The IMEEC, announced during the G20, isn't merely an infrastructural endeavour; it's a strategic move in the geopolitics chessboard—a perceived counter to China's Belt and Road Initiative. China's decade-long, trillion-dollar investment narrative through the BRI stands juxtaposed against this emerging corridor that aims to redefine connectivity, supply chains, and geoeconomics.

India's economic canvas, notably the recent IPO frenzy, paints a picture of exuberance. The IPO market saw a surge in activity, witnessing a staggering 230 IPOs hitting the streets since November 2022. The primary market, bolstered by mainboard and SME IPOs, raised substantial capital, reflecting an appetite for investment and growth. Oversubscription ratios further signal the fervour of investors eyeing India's burgeoning market.

Notably, Morgan Stanley's upgraded ratings, predicting India's ascent to the third-largest global economy by 2027, underscore the nation's potential amidst this whirlwind of economic activities.

Simultaneously, the global landscape undergoes seismic shifts in AI governance. From Joe Biden's executive order to the EU's AI Act, the world is awakening to the need for comprehensive AI regulation. Concerns voiced by global leaders, including Rishi Sunak and former CEO Sam Altman, underscore the urgency for international collaboration in navigating AI's multifaceted challenges, from deepfakes to cybersecurity threats.



Amidst these global tides, India's real estate narrative echoes a different story. While the West grapples with vacancies and the fallout of WeWork's bankruptcy, India's real estate market emerges as a beacon of resilience.

The WeWork bankruptcy, is a stark reminder of the challenges facing traditional coworking spaces in a post-pandemic world. With over 600 locations in major cities, WeWork's demise has left a significant glut of empty offices, particularly in the United States.

The US, in particular, is facing a glut of empty offices. More than one-fifth of offices across the country remain vacant, a staggering 1.5 times the amount at the end of 2019. This excess supply is projected to reach a staggering 1 billion square feet by the end of this decade, a figure that dwarfs the entire office footprint of India.

This oversupply of office space is putting immense pressure on commercial real estate lenders, who face the prospect of a surge in defaults. Around \$270 billion in commercial real estate loans held by banks came due in 2023, adding to the vacancy pain.

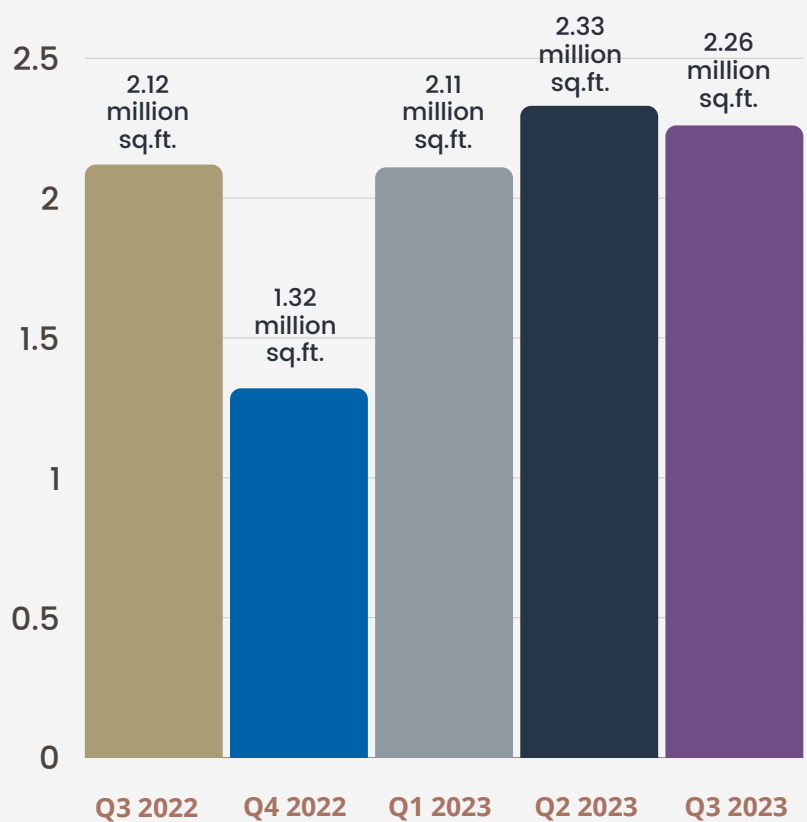
**In contrast to the US, India's office real estate market is a bright spot. India is emerging as the "office to the world". The disparity between the US and India's office real estate markets highlights the divergent trajectories of the global workplace. While the US is grappling with oversupply and defaults, India is experiencing a surge in demand, fueled by a growing economy and a burgeoning workforce.**

# Decoding Gross Leasing Activity



The Gross leasing volume figures (encompassing office, retail & industrial stock) stands at 2.26 million sq.ft. for Noida in Q3 2023.

In comparison to Q2 2023, the gross leasing volume has remained almost stable, reduced by ~ 3%.



In the third quarter of 2023, Noida witnessed a bustling leasing market, clocking in a substantial total gross leasing area of 2.26 million square feet. Within this impressive figure, transactions surpassing the 9,000 square feet mark dominated, accounting for a staggering 1.95 million square feet. This division further unraveled into an intriguing breakdown: 1.23 million square feet marked the uptake of fresh spaces, while 0.72 million square feet constituted renewals, indicating a healthy mix of expansion and existing infrastructure retention.



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# NOIDA Q3-2023 FIGURES

Drilldown - Total Leasing Volume  
 ~ 2.26 million sq.ft.

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)

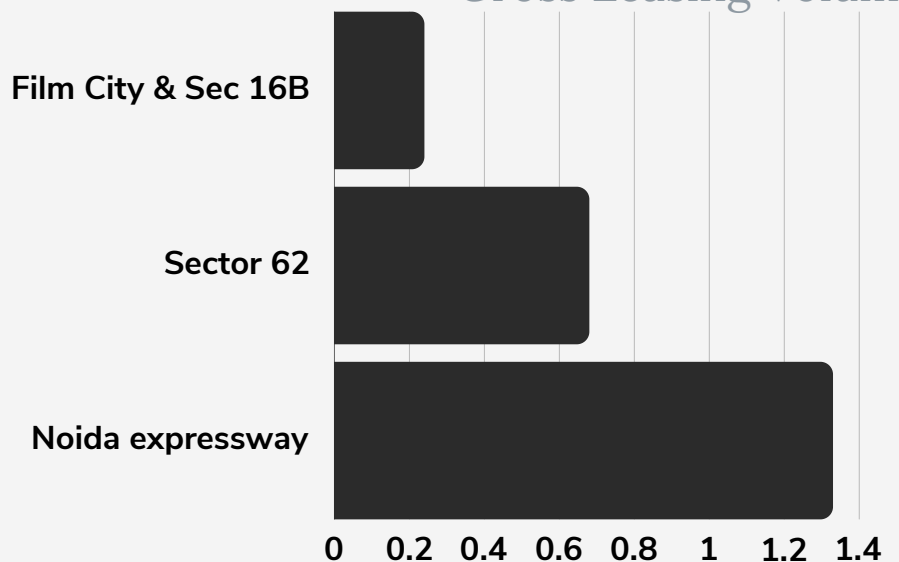
**3%**  
 0.07 million sq.ft.

**97%**  
 2.18 million sq.ft.

**Retail**

**Office**

Gross Leasing Volume



# Occupancy & Vacancy View

## KEY MICROMARKETS | NOIDA



85%

4.2 million sq.ft. - Occupied

### Film City & Sector 16



68%

18.1 million sq.ft. - Occupied

### Noida Expressway



77%

11.7 million sq.ft. - Occupied

### Sector 62

In Q3-2023, **Noida Expressway led in occupier space take-ups with 1.3 million sq.ft. gross leasing, followed by Sector 62's micro-market at 0.68 million sq.ft.** These figures reinforce the Expressway's appeal and Sector 62's growing prominence, highlighting their significance in the commercial real estate landscape of Noida.

Delving deeper into the realm of new transactions, specific landmarks emerged as focal points of commercial activity. The Candor 62 complex, nestled in Sector 62, asserted its prominence by securing 137,238 square feet in new space uptake. Meanwhile, along the Noida Expressway, Max Square soared to the forefront, leading the path with a substantial new space leasing of 103,110 square feet.

# 02 Key Transactions

## Noida | Q3 2023



### **Innovaccer**

Candor 62 - Block 5 (35,715 sq.ft.)

### **Tata Teleservices**

Max Tower (15,197 sq.ft.)

### **Brightly Software**

BPTP Capital City (45,503 sq.ft.)

### **Worldstar Education**

Windsor Grand (12,500 sq.ft.)

### **LTI Mindtree**

Candor 62 - Tower 5 (65,808 sq.ft.)

### **Xceedance**

Candor 62 - Tower 5 (35,715 sq.ft.)

### **Awfis**

Plot No 21, Sector 125 (82,385 sq.ft.)

### **Skootr**

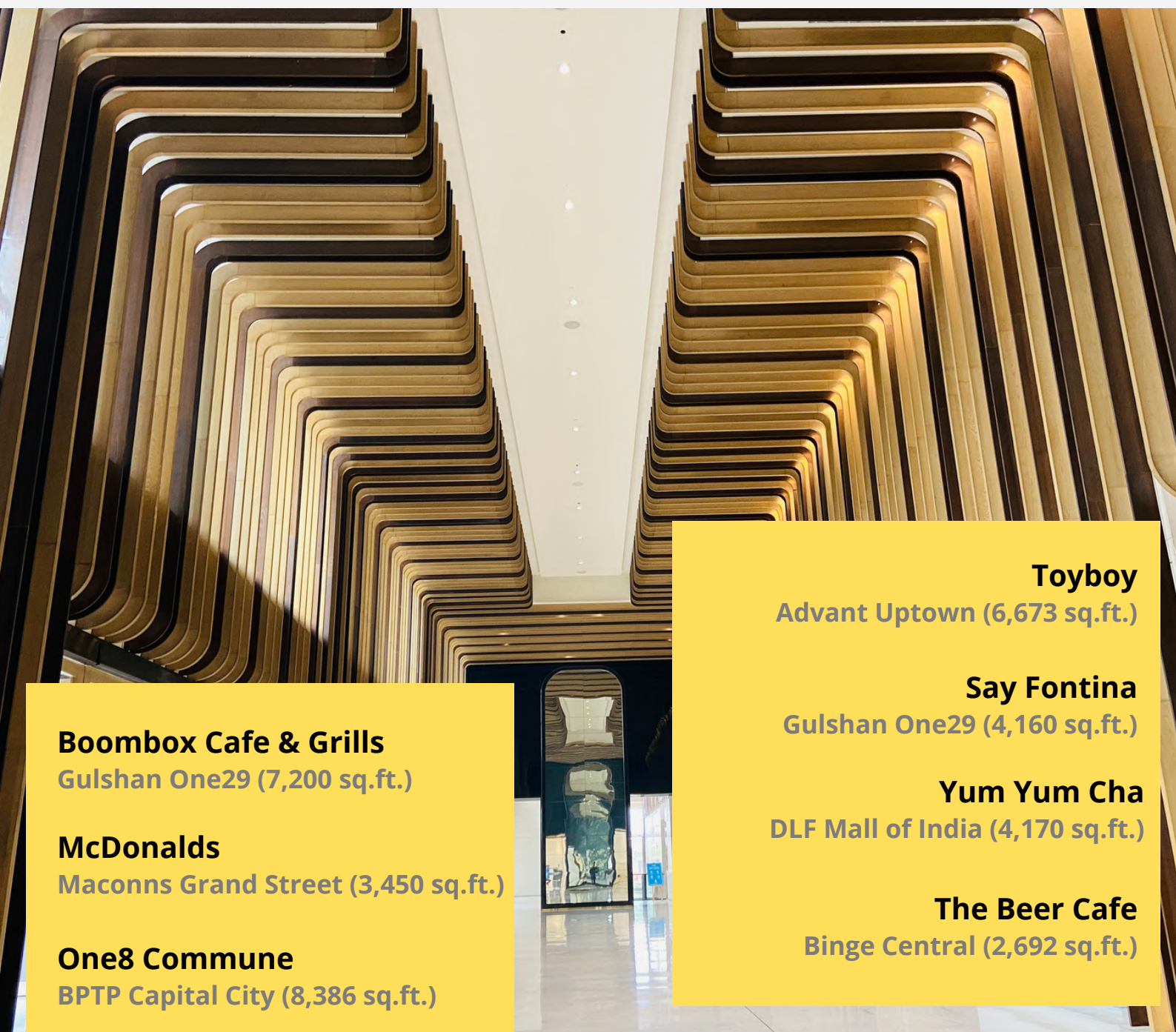
Max Square (103,110 sq.ft.)



# Key Office Takeups

# Key Transactions

Noida | Q3 2023



**Boombox Cafe & Grills**  
Gulshan One29 (7,200 sq.ft.)

**McDonalds**  
Maconns Grand Street (3,450 sq.ft.)

**One8 Commune**  
BPTP Capital City (8,386 sq.ft.)

**Café Staywoke**  
Max Square (4,148 sq.ft.)

**Toyboy**  
Advant Uptown (6,673 sq.ft.)

**Say Fontina**  
Gulshan One29 (4,160 sq.ft.)

**Yum Yum Cha**  
DLF Mall of India (4,170 sq.ft.)

**The Beer Cafe**  
Binge Central (2,692 sq.ft.)

# Key Retail Takeups



# ABOUT FIRSTLEASE

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