



CBRE

Intelligent Investment

India Market Monitor Q3 2025

REPORT

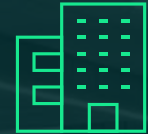
CBRE RESEARCH

October 2025



Office

India's office real estate market sustained its growth momentum in Q3 2025, primarily fuelled by continued expansion from domestic corporates and global firms scaling their global capability centre (GCC) operations. Leasing activity touched 19.9 million sq. ft. during the quarter, propelling the year-to-date office absorption to 59.6 million sq. ft.—the highest level ever recorded for the first nine months of the year. Furthermore, new development completions were registered at 13.6 million sq. ft. in Q3 2025.



2%

Y-o-Y increase in office leasing in 9M 2025

61%

Cumulative share of Bengaluru, Mumbai, and Delhi-NCR in space take-up in Q3 2025

10%

Y-o-Y jump in development completions in 9M 2025

61%

Combined share of Delhi-NCR, Bengaluru, and Hyderabad in new supply addition in Q3 2025

24%

Share of leasing by technology sector in Q3 2025 and 9M 2025

38%

Share of leasing by GCCs in Q3 2025

The quarter witnessed rental growth across several key micro-markets in cities, owing to sustained leasing activity, continued demand for high-quality investment-grade assets, and declining vacancy levels. In Q3 2025, quoted rentals* grew by 5-11% in Mumbai across select micro-markets such as Central Mumbai 1 & 2, BKC & BKC Periphery, Western Suburbs 1 & 2, Eastern Suburbs, Navi Mumbai and Thane; 2-7% in Delhi-NCR across CBD, SBD, Old Gurgaon, NH-8, Extended Golf Course Road, Main Noida, Peripheral Noida, and Expressway; 2-8% in Hyderabad across IT Corridor I & II, and Extended IT Corridor; 1-6% in Chennai in OMR Zone 1, Off-CBD, MPH Road, and Ambattur; 1-2% in Pune in CBD and SBD-West; and 1-3% in CBD, PBD-W and EBD in Bengaluru.

Note: The trend for transacted rentals may be in line with or diverge from quoted rentals for different assets depending on various factors including type of lease (warmshell / fitout / bareshell), asset quality, location, accessibility, age of the asset, space availability, etc.

India Market Monitor

19.9 mn sq. ft.
Absorption in Q3 2025

59.6 mn sq. ft.
Absorption in 9M 2025

13.6 mn sq. ft.
Supply in Q3 2025

41.0 mn sq. ft.
Supply in 9M 2025

■ Absorption (mn sq. ft.) in 9M 2025
 ■ Absorption (mn sq. ft.) in Q3 2025
■ Supply (mn sq. ft.) in 9M 2025
 ■ Supply (mn sq. ft.) Q3 2025

Q3 2025 rental growth (Q-o-Q)
▲ Increase
 ↕ Stable
 ▼ Decrease

Delhi-NCR

10.2	3.8	▲
7.2	3.4	

Ahmedabad

0.6	0.1	↕
0.9	0.2	

Mumbai

10.6	4.0	▲
3.2	2.3	

Pune

7.5	3.2	▲
10.2	0.9	

Bengaluru

15.1	4.3	▲
9.6	2.4	

Kolkata

1.5	0.6	▲
0.4	0.1	

Hyderabad

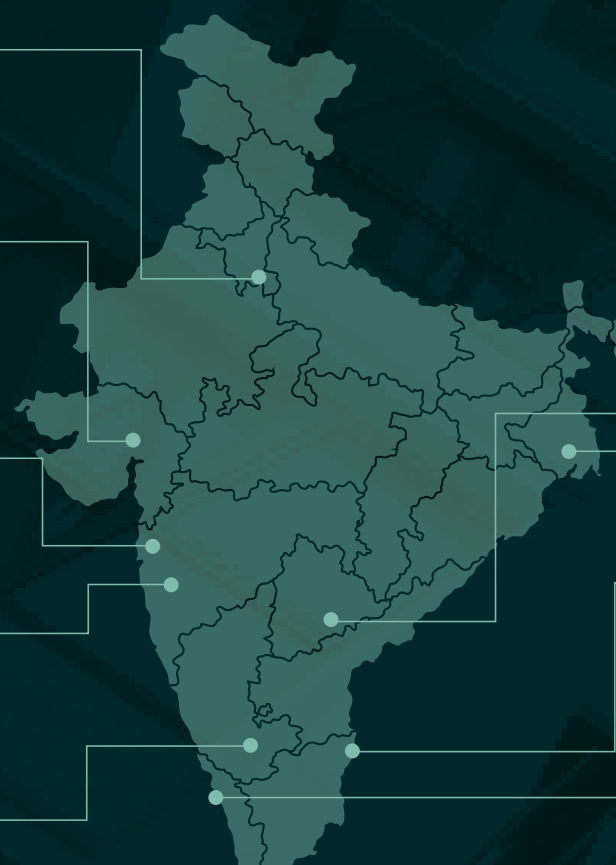
6.5	2.2	▲
5.0	2.4	

Chennai

7.1	1.5	▲
4.3	1.9	

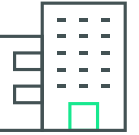
Kochi

0.4	0.2	▲
0.2	0.0	



Source: CBRE Research, Q3 2025
 Please note that the numbers have been rounded off and might not add up to the exact total

OFFICE



Key sectors that drove leasing activity

Technology



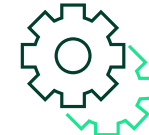
24%
share in Q3 2025

Flexible Space Operators



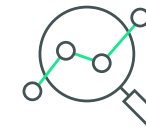
21%
share in Q3 2025

Engineering & Manufacturing (E&M)



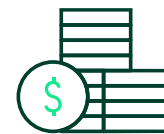
15%
share in Q3 2025

Research, Consulting & Analytics (RCA)



10%
share in Q3 2025

Banking, Financial Services & Insurance (BFSI)



7%
share in Q3 2025

FMCG & Retail



6%
share in Q3 2025

Life Sciences



4%
share in Q3 2025

Regional share in leasing activity

Domestic corporates 46% share in Q3 2025	American corporates 33% share in Q3 2025	EMEA corporates 19% share in Q3 2025	APAC corporates 2% share in Q3 2025
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Outlook

Office



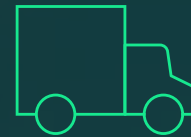
India's office market is poised to maintain its growth momentum through 2025, underpinned by resilient occupier demand stemming from portfolio expansion, workplace optimisation, and a marked shift towards quality assets. Notably, this growth trajectory comes amidst a shifting global environment, marked by geopolitical uncertainties and deliberations on cross-border talent mobility, including recent changes to the United States' H-1B visa regime.

As per CBRE Research's 2025 India Office Occupier Survey, expansionary intent for office spaces is likely to be driven by corporates across diverse sectors, including technology, BFSI, engineering & manufacturing (E&M), and life sciences.

The sustained leasing of premium assets is anticipated to drive vacancy compression and selective rental growth, particularly within well-positioned micro-markets. Concurrently, occupiers are likely to continue exploring peripheral locations, attracted by the influx of quality supply.

Industrial and Logistics

India's industrial and logistics (I&L) real estate sector witnessed a notable growth in leasing activity, registering a 28% Y-o-Y increase in space take-up during the first nine months of 2025. Third-party logistics (3PL) and e-commerce companies continued to play a leading role in strengthening warehousing space absorption across cities. In the coming quarters, supply additions are expected to increase as numerous institutional investor-backed projects are nearing completion.



28%

Y-o-Y increase in I&L space take-up in 9M 2025

70%

Total share of Delhi-NCR, Bengaluru and Mumbai in I&L space absorption in Q3 2025

74%

Cumulative share of Bengaluru, Mumbai, and Chennai in warehouse completions in Q3 2025

59%

Total share of Delhi-NCR, Bengaluru, and Hyderabad in leasing activity in 9M 2025

62%

Combined share of Bengaluru, Chennai, and Mumbai in supply addition in 9M 2025



Note: Please note that the data presented in this report was compiled at the time of report generation and may be revised in subsequent quarters as more information becomes available. Therefore, the data should be considered as provisional and subject to ongoing refinement.

India Market Monitor

37.0 mn sq. ft.
Absorption in 9M 2025

10.4 mn sq. ft.
Absorption in Q3 2025

23.8 mn sq. ft.
Supply in 9M 2025

7.0 mn sq. ft.
Supply in Q3 2025

■ Absorption (mn sq. ft.) in 9M 2025
■ Absorption (mn sq. ft.) in Q3 2025
■ Supply (mn sq. ft.) in 9M 2025
■ Supply (mn sq. ft.) in Q3 2025

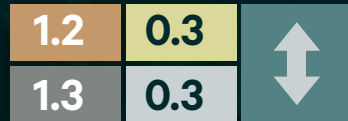
Q3 2025 rental indicator arrows (Q-o-Q)

▲ Increase
 ↕ Stable
 ▼ Decrease

Delhi-NCR



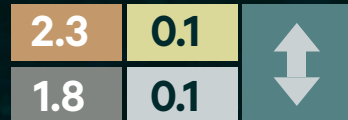
Ahmedabad



Mumbai



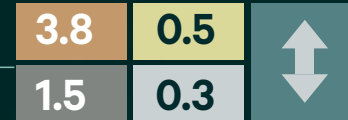
Pune



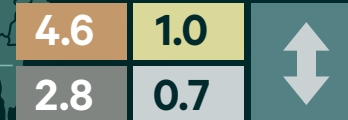
Bengaluru



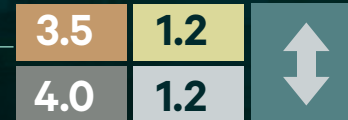
Kolkata



Hyderabad

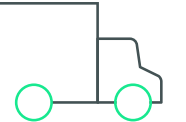


Chennai

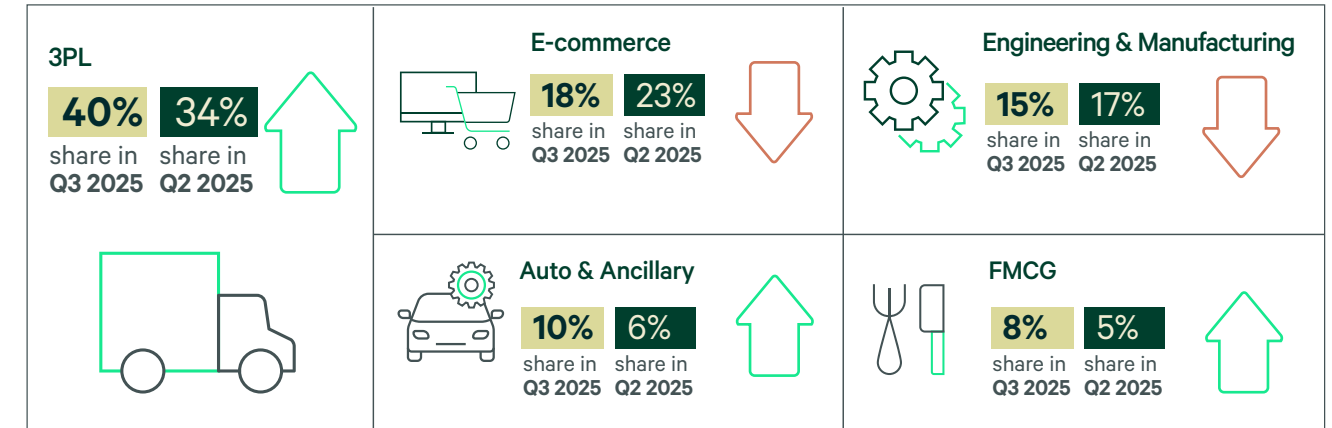


Source: CBRE Research, Q3 2025
Please note that the numbers have been rounded off and might not add up to the exact total.

INDUSTRIAL & LOGISTICS

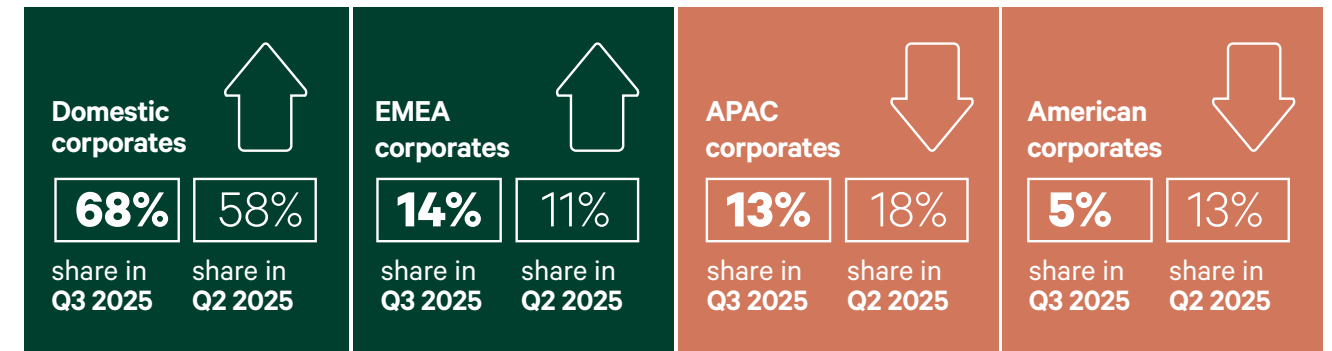


Key sectors that drove leasing activity

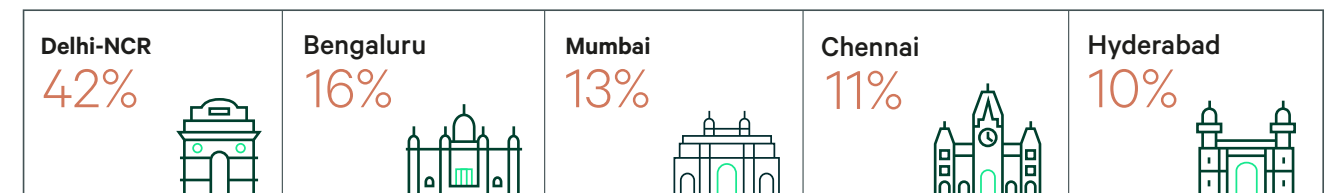


Please note: Data is limited to key sectors and, therefore, will not sum to 100%

Regional share in leasing activity



Cities which led absorption in Q3 2025



Please note: Data is limited to leading cities and, therefore, will not sum to 100%

*Note: The trend for transacted rentals may be in line with or diverge from quoted rentals for different assets depending on various factors such as asset quality, location, accessibility, age of the asset, etc.

Outlook Industrial & Logistics



Building upon the robust leasing activity observed in the first nine months of 2025, we project continued positive momentum in warehousing demand for the coming quarter. This upbeat outlook is supported by an anticipated increase in festive season-led demand, the upcoming completion of investment-grade supply, and the finalisation of pending transactions. We expect the 3PL and e-commerce sectors to remain the primary drivers of space absorption, fuelled by their ongoing efforts to optimise supply chains and reduce delivery timelines.



Retail

India's retail market witnessed significant supply addition in the first nine months of 2025, as about 2.2 million sq. ft. of new mall space became operational during this period. Fashion and apparel brands dominated the leasing activity, contributing ~57% in total space take-up in Q3 2025 (July to September 2025). This expansion was wide-ranging, encompassing new store openings by sustainable, streetwear, ethnic/fusion, athleisure, luxury/designer, and direct-to-consumer (D2C) brands.



~346%

Y-o-Y growth in supply addition in 9M 2025

~58%

Share of Mumbai in supply addition in 9M 2025, followed by Hyderabad (28%) and Delhi-NCR (13%)

~62%

Cumulative share of Hyderabad, Delhi-NCR, and Mumbai in retail space take-up in Q3 2025

~59%

Cumulative share of Hyderabad, Mumbai, and Delhi-NCR in retail space take-up in 9M 2025

Note: Please note that the data presented in this report was compiled at the time of report generation and may be revised in subsequent quarters as more information becomes available. Therefore, the data should be considered as provisional and subject to ongoing refinement.



India Market Monitor

~1.4 mn sq. ft.
Absorption in Q3 2025

~4.6 mn sq. ft.
Absorption in 9M 2025

~2.2 mn sq. ft.
Supply in 9M 2025

Absorption (mn sq. ft.)
in 9M 2025 (Orange) | **Absorption (mn sq. ft.)**
in Q3 2025 (Yellow)

Supply (mn sq. ft.)
in 9M 2025 (Grey) | **Supply (mn sq. ft.)**
in Q3 2025 (Light Grey)

Q3 2025 rental indicator arrows (Q-o-Q)

▲ Increase | ↔ Stable | ▼ Decrease

Delhi-NCR

0.7	0.2	▲
0.3	-	

Ahmedabad

0.2	0.04	↕
-	-	

Mumbai

1.0	0.2	▲
1.3	-	

Pune

0.4	0.2	↕
-	-	

Bengaluru

0.6	0.1	▲
-	-	

Kolkata

0.1	0.07	▲
-	-	

Hyderabad

1.1	0.4	▲
0.6	-	

Chennai

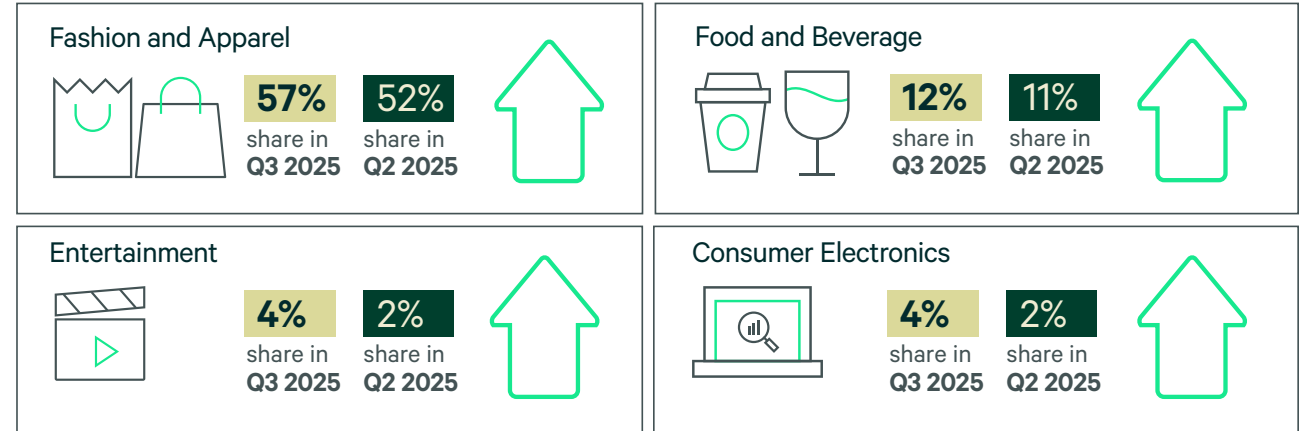
0.6	0.2	▲
-	-	

Source: CBRE Research, Q3 2025
Please note that the numbers have been rounded off and might not add up to the exact total

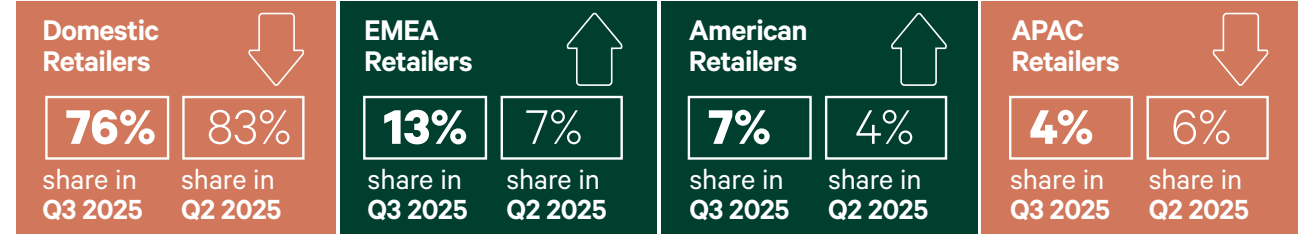
RETAIL



Key sectors that dominated leasing



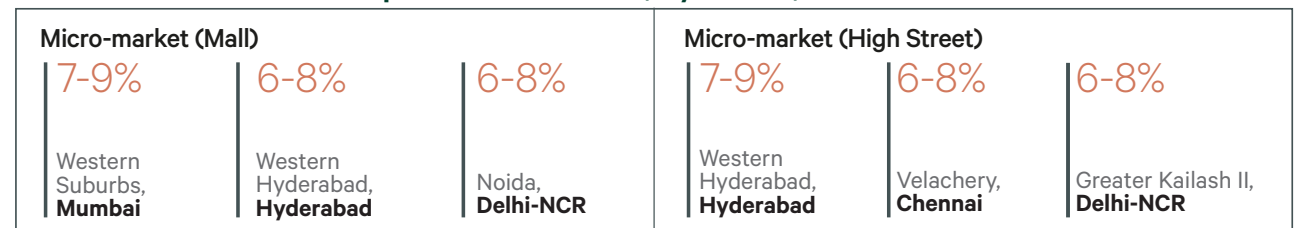
Regional share in leasing activity



Cities which led absorption in Q3 2025



Quarterly rental movement – Growth witnessed across few pockets of Delhi-NCR, Hyderabad, Mumbai and Chennai



*Note: The trend for transacted rentals may be in line with or diverge from quoted rentals for different retail formats depending on various factors such as asset type, location, quality, catchment size, etc.

Outlook

Retail



Retail supply addition is expected to further pick up pace in the last quarter of 2025 as a few investment-grade malls are likely to become operational, particularly in a few major cities. Demand is expected to continue, driven by brands adopting innovative marketing formats such as flagship stores, pop-up kiosks, and specialised Gen Z outlets. Meanwhile, key stakeholders are expected to continue prioritising D2C brands to attract discerning shoppers, drive immersive experiences, and achieve essential market differentiation.



Residential

India's residential sector reported sustained buoyancy, with both sales and launches surpassing the 200,000-unit mark over the January to September (9M 2025) period. A key indicator of healthy market dynamics was the near equilibrium observed between the volumes of newly launched inventory and the number of units sold during this timeframe.



4%

Q-o-Q increase in apartment sales in Q3 2025

97%

Y-o-Y growth in luxury apartment sales in 9M 2025; 78% > Y-o-Y growth in Q3 2025

29%

Share of mid-end* projects in sales in Q3 2025, closely followed by high-end and budget projects*

57%

Cumulative share of Mumbai, Pune, and Bengaluru in launches in Q3 2025

57%

Cumulative share of Mumbai, Bengaluru, and Pune in sales in Q3 2025

*Note - Definition of segments as per ticket size (INR) for (Mumbai & Delhi-NCR): Affordable: up to 45 lakh; Budget: 45-75 lakh; Mid-end: 1- 1.5 cr; High-end: 1.5-3 cr; Premium: 3-6 cr; Luxury: 6-50 cr and Ultra Luxury: 50 cr and above.

For (Bengaluru & Hyderabad): Affordable: up to 45 lakh; Budget: 45-75 lakh; Mid-end: 75 lakh-1.5 cr; High-end: 1.5-2.5 cr; Premium: 2.5-5 cr; Luxury: 5-50 cr and Ultra Luxury: 50 cr and above.

For (Pune, Chennai & Kolkata): Affordable: up to 45 lakh; Budget: 45-75 lakh; Mid-end: 75 lakh-1.25 cr; High-end: 1.25-2.5 cr; Premium: 2.5-4 cr; Luxury 4 cr and above.

India Market Monitor

~202,000
Sales in 9M 2025

~69,050
Sales in Q3 2025

~207,200
Unit launches in 9M 2025

~68,800
Unit launches in Q3 2025

■ Sales in Q3 2025 ■ Sales in 9M 2025
■ Unit launches in Q3 2025 ■ Unit launches in 9M 2025

Q3 2025 CV indicator arrows (Q-o-Q)**
▲ Increase ↕ Stable ▼ Decrease

Delhi-NCR

~9,300 ~30,500 ▲
~8,200 ~29,300

Mumbai

~17,600 ~54,000 ↕
~14,600 ~44,400

Pune

~10,750 ~33,300 ↕
~12,625 ~40,000

Bengaluru

~11,260 ~29,600 ↕
~12,200 ~34,200

Kolkata

~4,500 ~12,600 ▲
~4,600 ~11,300

Hyderabad

~9,500 ~26,000 ↕
~10,400 ~28,800

Chennai

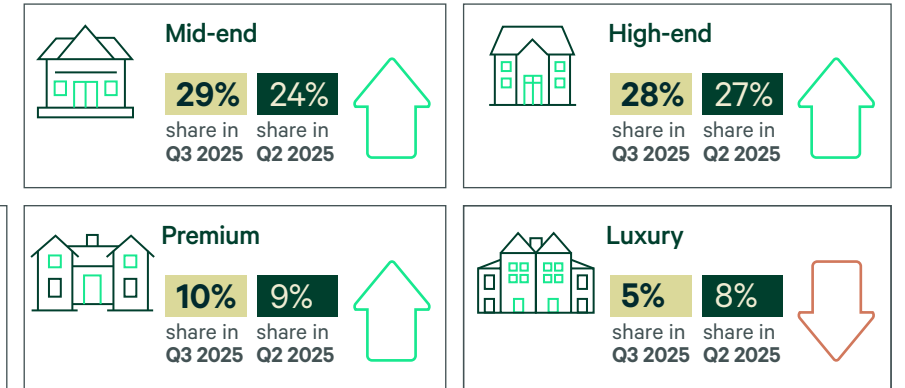
~6,100 ~16,000 ▲
~6,200 ~19,200

**Capital value
 Source: CBRE Research, Q3 2025
 Please note that the numbers have been rounded off and might not add up to the exact total.

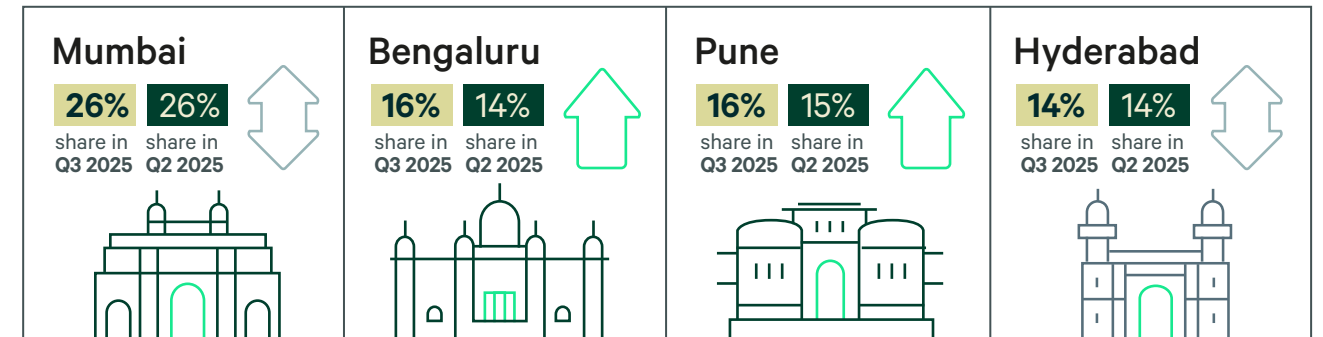
RESIDENTIAL



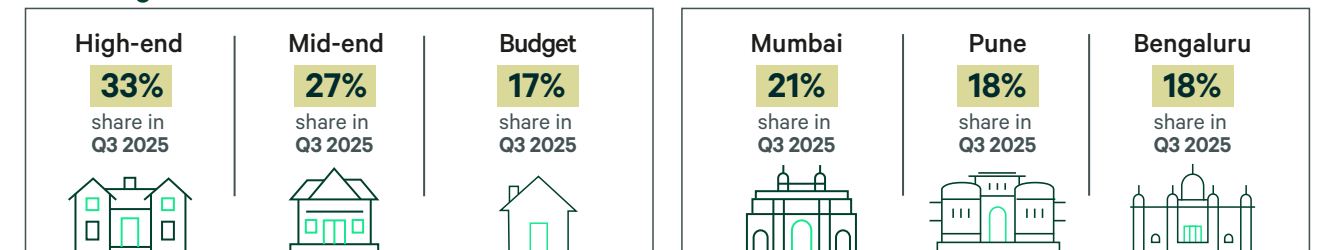
Categories that drove sales*



Cities that drove sales



Prevailing trends in unit launches in Q3 2025



*Note - Definition of segments as per ticket size (INR) for (Mumbai & Delhi-NCR): Affordable: up to 45 lakh; Budget: 45-75 lakh; Mid-end: 1-1.5 cr; High-end: 1.5-3 cr; Premium: 3-6 cr; Luxury: 6-50 cr and Ultra Luxury: 50 cr and above.
 For (Bengaluru & Hyderabad): Affordable: up to 45 lakh; Budget: 45-75 lakh; Mid-end: 75 lakh-1.5 cr; High-end: 1.5-2.5 cr; Premium: 2.5-5 cr; Luxury: 5-50 cr and Ultra Luxury: 50 cr and above.
 For (Pune, Chennai & Kolkata): Affordable: up to 45 lakh; Budget: 45-75 lakh; Mid-end: 75 lakh-1.25 cr; High-end: 1.25-2.5 cr; Premium: 2.5-4 cr; Luxury 4 cr and above.

Outlook

Residential



Following a period of significant growth, the Indian residential sector is currently in a phase of reconfiguration. However, it remains poised for an uptick in the coming quarters, driven by the ongoing festive season and supportive policy measures. Key demand catalysts include government initiatives, such as the reduction in GST rates, and the RBI's monetary easing in the first half of the year, both anticipated to specifically bolster the affordable and mid-end housing segments.

Investments

India's real estate sector experienced a notable surge in investment activity in Q3 2025 (July to September) compared to the same period in the previous year, primarily driven by capital deployment into built-up office and retail assets. This was complemented by sustained momentum in land and development site acquisitions. Developers led almost half of these capital inflows during the quarter, followed by institutional investors.



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India Market Monitor

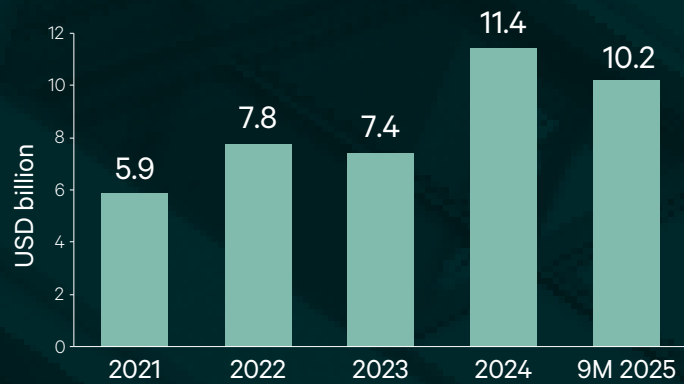
 **USD 3.8 billion**

Capital flows in Q3 2025, up ~48% Y-o-Y and ~9% Q-o-Q

 **USD 10.2 billion**

Capital flows in 9M 2025, up 14% Y-o-Y

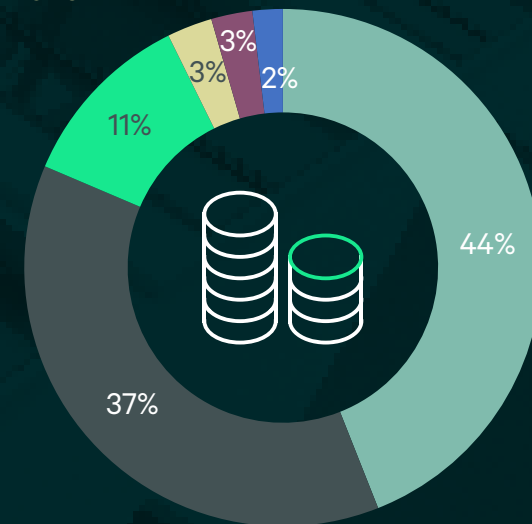
Equity investments in Indian real estate over the years



Source: CBRE Research, Q3 2025

Land / development sites and built-up office and retail assets collectively attracted more than 90% of the overall investment flows in Q3 2025.

Asset-wise share of equity investments in Q3 2025



■ Site/Land ■ Office ■ Retail
■ Hotels ■ Residential ■ I&L

Source: CBRE Research, Q3 2025

INVESTMENTS



Mumbai, followed by Pune and Bengaluru, accounted for a cumulative share of

~66%
in investment inflows in Q3 2025.



Developers led the total capital inflows in Q3 2025, accounting for a

~45%
share.

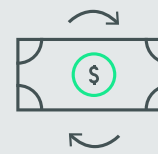
Institutional investors followed with a ~32% share.



Domestic investors (predominantly developers) dominated overall investment inflows in Q3 2025 with a

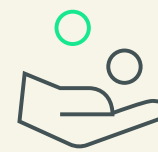
>90%
share.

U.S.-based investors accounted for ~85% of the foreign capital inflows, followed by a Canadian institutional investor (~15%).



~72%

of the total capital inflows in site / land acquisitions were deployed for **residential and office developments**. The remaining was committed for **data centres, mixed-use developments, and warehousing projects**.



Investment and development platforms worth

~USD 210 MILLION

were set up in Q3 2025 for development of residential projects, in addition to the capital infusion of USD 3.8 billion during the quarter.

Outlook

Investments



Investment activity for 2025 is expected to close on a strong note, primarily fuelled by capital deployment into built-up office and retail assets. Greenfield developments are likely to continue witnessing robust momentum in the upcoming quarters, with a healthy spread across residential, mixed-use, data centres, and I&L sectors. For the office sector, the limited availability of investible core assets for acquisition indicate that opportunistic bets would continue gaining traction.

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CBRE Research

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