

SEVEN WONDERS PROMOTERS & DEVELOPERS PVT. LTD.

REAL ESTATE MARKET
REPORT – Q1 2025



MARKET OVERVIEW

Seven Wonders Promoters & Developers Pvt. Ltd. (SWPDPL) continues to operate at the forefront of Delhi NCR's dynamic real estate market, balancing commercial and residential developments. In Q1 2025, the market maintained its resilience with robust demand in both prime submarkets and emerging locations. Key performance indicators remain strong:

MARKET FUNDAMENTALS		
	YOY Chg	Outlook
22.6% Vacancy Rate	▼	▲
1.9 million sq. ft Net Absorption:	▲	▲
INR 84 per sq. ft. per month Weighted Average Rent	▲	▲
5.48% Inflation Rate	▲	▲
58.2 Services PMI (3-month average)	▲	▲

These indicators are bolstered by a steady economic backdrop and increased tenant demand for modern, sustainable office environments.

LEASING & DEMAND TRENDS

Overall Leasing Activity:

- **Gross Leasing Volume (GLV):** 3.2 million sq. ft. in Q1 2025

Sector-Wise Demand:

- **IT-BPM:** 37%
- **Flexible Workspaces:** 21%
- **Manufacturing & Others:** 42%

Submarket Performance:

- **Gurugram:** Maintained dominance with an 82% share of GLV
- **Noida:** Recorded a 26% YoY increase in leasing activity
- **Cyber City & NH-8 Prime:** Continued to attract major occupiers owing to competitive rental rates

Major multinational corporations and large domestic firms are driving the demand, with IT-BPM and flexible workspaces leading leasing activity as companies increasingly seek adaptive, technology-enabled environments.

SUPPLY & VACANCY ANALYSIS

- **New Supply Addition (Q1 2025):** 1.3 million sq. ft.
- **Annual New Supply Forecast:** 5.2 million sq. ft.
- **Vacancy Reduction:** Improved by 180 basis points YoY; notably, the GCR extension saw a drop of 9.5 percentage points despite a 0.6 million sq. ft. supply addition.

The decrease in vacancy rates across key submarkets indicates healthy absorption levels. Premium, Grade A office spaces are outperforming older inventories, which continue to face rental compression.

RENTAL TRENDS

- **Quarterly Rental Growth:** 3-6% across prime locations
- **Submarket Rental Growth:**
 - Gurgaon CBD & Noida PBD: 12-15% YoY increase
 - Cyber City & Golf Course Road: 8% YoY increase
- **Grade A Properties:** Currently renting between INR 85-120 per sq. ft.

Landlords benefit from strong rental growth, particularly in Grade A assets, where high-profile tenants are increasingly drawn to modern, amenity-rich properties.

KEY TRANSACTIONS – Q1 2025

Property Name	Submarket	Tenant	Leased Area (sq. ft.)
Alpha Tower	Noida PBD	Infosys	90,000
Tech Park II	Gurgaon	Others	250,000
Incedo	Embassy IT Park	Noida PBD	Wipro
70,000	Godrej Golf Course Road	Gurgaon	SBD
200,000	Alongside these transactions,	several pre-commitments for upcoming Grade A projects signal a strong future leasing pipeline.	

EMERGING TRENDS & RECENT MARKET INSIGHTS

1. Digital Transformation & Smart Technologies

- **Smart Building Solutions:**

The adoption of IoT sensors, AI-driven predictive maintenance, and digital twin technologies is transforming property management. Developers are now integrating advanced building management systems that enhance operational efficiency and tenant comfort.
- **Proptech Integration:**

Virtual tours, online leasing platforms, and real-time analytics are becoming standard, streamlining transactions and improving transparency for investors and occupiers alike.

2. Sustainability & Green Building Initiatives

- **Eco-Friendly Certifications:**

There is a growing emphasis on LEED, GRI, and other green building certifications. Developers are investing in energy-efficient designs, renewable energy installations (such as solar panels), and water conservation measures.
- **Sustainable Materials & Construction:**

The market is witnessing an increase in the use of sustainable construction materials and practices. This trend not only reduces the environmental footprint but also appeals to environmentally conscious tenants and institutional investors.

3. Evolving Workspace Dynamics

- **Hybrid & Flexible Work Models:**

In response to changing work patterns, demand for flexible workspaces continues to grow. Companies are opting for hybrid models that require adaptable office configurations, fueling the expansion of co-working spaces and short-term leasing options.
- **Design Innovations:**

Modern office designs now incorporate features such as biophilic design elements, wellness zones, and ergonomic workstations. These improvements aim to boost productivity and meet the evolving needs of a diverse workforce.

4. Mixed-Use Developments & Urban Regeneration

- **Integrated Communities:**

The trend toward mixed-use developments that combine commercial, residential, retail, and recreational spaces is gaining traction. These projects promote urban regeneration and create vibrant, self-sustaining communities.

- **Transit-Oriented Developments (TOD):**

With ongoing investments in metro and road infrastructure, properties located near transit hubs are experiencing heightened demand.

Enhanced connectivity is a key factor for both investors and occupiers.

5. Investor Sentiment & Institutional Inflows

- **Global & Domestic Investments:**

Institutional investors are increasingly channeling funds into premium commercial developments. Recent trends show a surge in foreign direct investment (FDI) and REIT participation, further bolstering the market.

- **Government Initiatives:**

Supportive policies and incentives aimed at boosting real estate investments are stimulating market activity. Initiatives focused on affordable housing and urban renewal are expected to provide long-term growth momentum.

6. Risks & Challenges

- **Cost Pressures & Supply Chain Uncertainties:**

Rising construction costs and occasional disruptions in supply chains continue to pose challenges. However, proactive risk management and strategic sourcing are helping mitigate these issues.

- **Regulatory & Policy Shifts:**

Ongoing changes in government policies and taxation frameworks necessitate agile strategies. Developers must remain adaptable to comply with evolving regulations and maintain competitiveness.

FUTURE OUTLOOK

Leasing Demand:

The leasing market is anticipated to remain steady throughout 2025, driven by sustained demand from the tech, co-working, and flexible workspace segments.

Rental Growth:

A continued YoY rental increase of 4-7% is expected in key commercial districts as high-quality Grade A properties attract a premium.

Supply Expansion:

Planned new supply of 6.8 million sq. ft. of Grade A office space by 2027 will further shape the competitive landscape, encouraging innovation in design and functionality.

Strategic Investments:

With growing investor confidence, strategic acquisitions and development projects are poised to increase, supported by favorable government policies and enhanced infrastructure.

Sustainability & Innovation:

Integrating sustainability with digital innovation remains paramount. Developers are not only focusing on energy efficiency but also on creating smart, healthy, and flexible environments that align with future work and lifestyle trends.

CONCLUSION

Seven Wonders Promoters & Developers Pvt. Ltd. remains strategically positioned to capitalize on the evolving trends within the Delhi NCR real estate market. The combination of robust leasing activity, declining vacancy rates, and proactive adoption of emerging technologies and sustainability practices underscores the company's commitment to delivering high-quality, future-ready developments.

Investors, occupiers, and developers can look forward to a market where integrated smart technologies, green initiatives, and adaptive workspace solutions drive sustained growth. By aligning with these recent trends, SWPDPL is well-equipped to navigate market challenges and seize new opportunities in the coming years.

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