

Commercial Realty of NCR and Top Cities to Witness Boost: CBRE



With the highest per capita income, Delhi offers immense opportunities for individuals to prosper in the state. Delhi's per capita is almost triple of the country's, making it most sought after 'job seeking' destination. The big statistical boost has made Delhi number 1 destination for migrants from all parts of the country. The rising population triggered the growth eruption of NCR evolving it as top spot for real estate investment. Due to this tangential development, areas such as Gurgaon, Noida and Greater Noida have emerged as the major urban centres of NCR. Being a preferred hub for fortune 500 companies, NCR today sits at the pinnacle of India's commercial real estate map. Speedy growth in services sectors like IT/ITeS, BFSI, Telecom, etc., extensions of industrial corridors and favorability amongst MNCs has paved a strong growth path for NCR's robust economy and real estate sector. A recent study highlighted that NCR accounted for 28% of the office absorption in India. The sturdy emergence of start-ups and strengthen spirit of entrepreneurship has created a steep demand in office spaces. To keep up with the trends realtors are offering multiple and flexible option of work spaces such as flexi-offices, co-working spaces, business centers etc.

"With demand for co-working space on rise, Vatika Business Centre recently added 80,000 sq ft of office space, comprising over 1,100 seats, in four cities -- Delhi, Mumbai, Pune and Faridabad. Our offerings include serviced offices, co-working spaces, meeting rooms and virtual offices. With 20 business centers, VBC is the largest Indian business center provider covering more than 5, 00,000 sq ft area with more than 5000 seats in total. Our in-house facility management team 'Enviro' serves 70 million square feet everyday. Our operations are spread across 80 commercial buildings, societies, hospitals and manufacturing units spread across 8 cities," said Gaurav Bhalla, Managing Director, Vatika Group.

According to report by CBRE, there will be an addition of close to around 4-5 million sq ft of supply during H2 2018 across major cities including NCR, Mumbai, Bengaluru, Chennai and Hyderabad. One of the upcoming projects in Gurugram includes Athena by Brahma Center Development Pvt. Ltd. which owns the 12.206 acres of land at Sector-16 along the Delhi-Gurugram Expressway. It is a retail and commercial space spread across a leasable area of 1.3 million square feet having G + 18 floors for Grade A office space and G + 3 floors for retail. Strategically located, it offers great connectivity from Sohna road, Delhi, and the airport as well.

"The demand from commercial real estate has increased with improved occupancy and rentals. The commercial real estate market has witnessed a growth due to the increased penetration of e-commerce, demand for quality workplaces and warehouses. It is expected that the coming quarters will continue to witness more commercial supply across key markets including Delhi NCR. We are also gearing up with a commercial project in sector 15, Noida. The project will be a fusion of a shopping mall and office space with easy connectivity to Delhi via metro. As a result of the stricter regulations in the real estate industry, the commercial real estate will continue to see healthy leasing volumes," said Ashish Sarin, Director and CEO - AlphaCorp.

The rapid growth of NCR's realty sector can be easily attributed to growth in population, rise in the number of nuclear families, easy availability of finance, repatriation of NRIs and HNIs and rise in disposable income. This steady augmentation offered a rise in the disposable income instigating a boom in consumerism pushing Organised retail sector to grow with 25-30 per cent annually. This has resulted in the coming up of many commercial projects including Malls, Multiplexes, Shopping complexes, Food Courts, Supermarkets, co-working spaces, business centers etc. Growing importance of F&B is becoming the USP for malls. In fact, over the past five years, the space taken up by F&B has experienced faster footfalls across malls and will be the 'experiential differentiator' in future. Shoppers are increasingly chasing experiences, not just merchandise.