

Overview of Micro Markets*

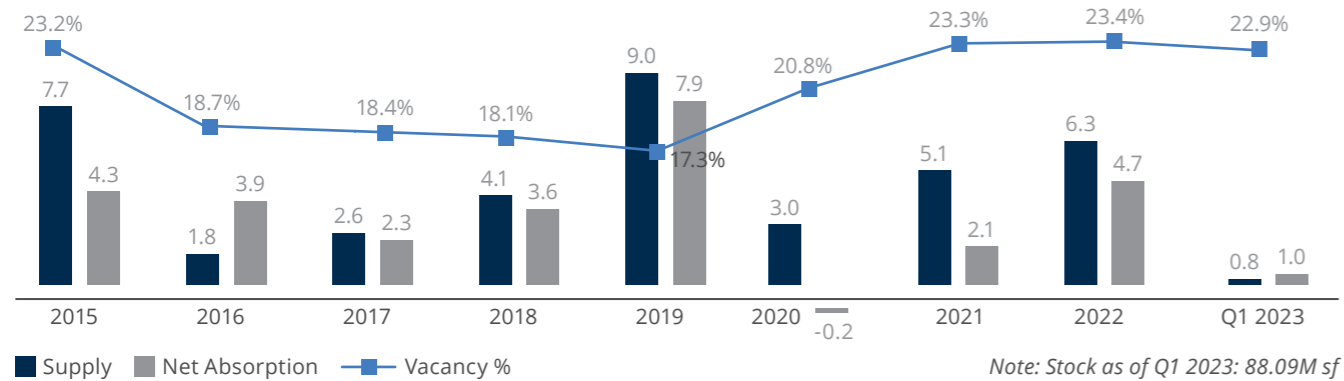
The Indian commercial real estate remained upbeat during FY2023. The demand for quality spaces witnessed an increase on account of the growing return-to-office trend and improving tenant confidence. Enhanced tenant focus on innovative workspaces and resilient IT-BPM revenues further contributed to the growth in demand. Sustained job creation across IT/ITeS/BPM, banking and financial services sectors, along with rising demand for co-working and businesses coming to India, is expected to aid the growth momentum going forward. Brookfield India REIT, with its high-quality Grade-A properties and reimagined workspaces in premier business locations of Mumbai, Gurugram, Noida and Kolkata, is in a position of advantage to harness the opportunity.

NATIONAL CAPITAL REGION (NCR)

Commercial real estate in the NCR region witnessed a rebound in 2022, following two years of weak demand. The net absorption at 4.71M sf surpassed the five-year (2015-2019) pre-pandemic average by 6.8% and is the second best since 2015. Expected rationalization in supply in 2023E to 3.5M sf and sustained demand is likely to bring down the vacancy in the NCR region. In Q1 2023, commercial real estate witnessed a strong momentum with net absorption of 0.98M sf and ongoing demand of ~1.54M sf.

Brookfield India REIT has high-quality assets in the micro markets of Gurugram North, Noida Sector 62 and NGN Expressway. These micro markets offer large integrated office developments that foster an ideal work environment for businesses and employees to thrive.

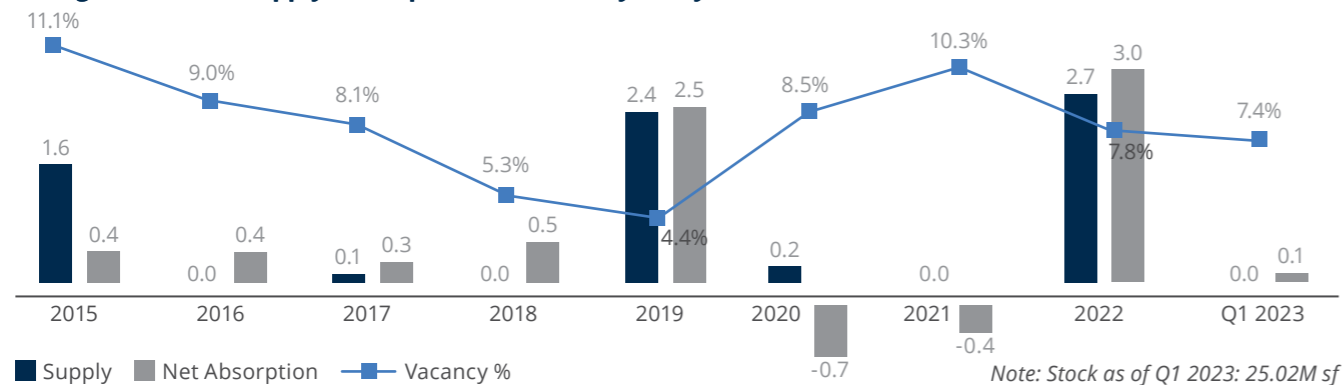
NCR – Supply, Absorption and Vacancy Analysis



GURUGRAM NORTH

Candor TechSpace G2, Gurugram is strategically located in North Gurugram, the city's most expansive micro market contributing to about 63.7% of the total Gurugram office market stock. The net absorption in this micro market at 2.99M sf in 2022 was the best in many years, resulting in vacancy declining to 7.8% in 2022 from 10.3% in 2021. The upcoming supply in the region is estimated at 3.1M sf until 2025E and with sustained demand the vacancy is expected to dip. In Q1 2023, the micro market saw 0.1M sf of net absorption with vacancy down to 7.4%.

Gurugram North – Supply, Absorption and Vacancy Analysis

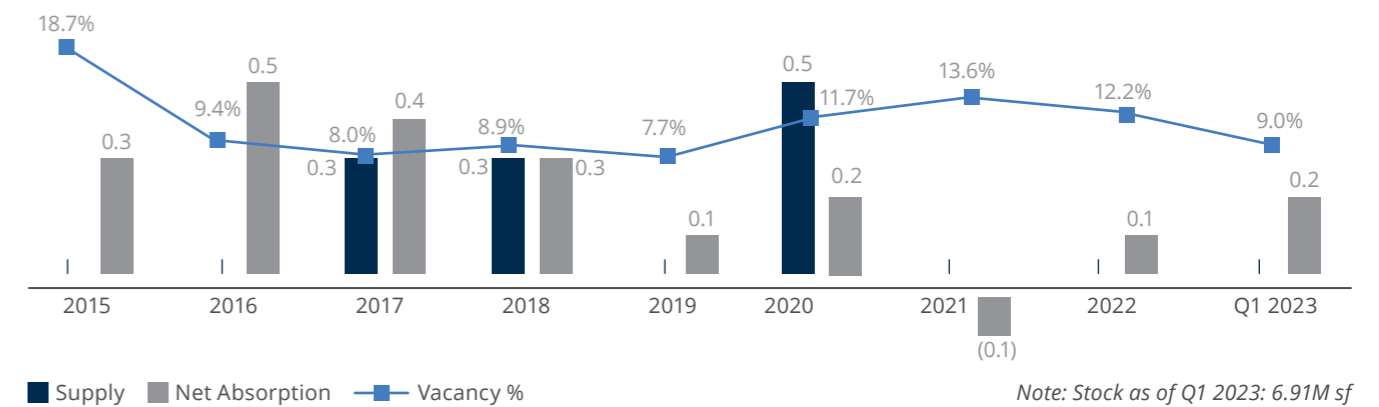


* Source: Cushman and Wakefield

NOIDA SECTOR 62

Candor TechSpace N1, Noida is amongst the premium IT parks located in the micro market around Sector 62. The quality profile of supply in the micro market has been maintained by the properties established by large developers. Supply in this market has been limited against steady demand. The net absorption during 2022 was 0.1M sf. Improved demand in Q1 2023 contributed to higher net absorption of 0.2M sf, causing vacancy to come down to 9% from 12.2% in 2022. The rentals in the micro market have been continually rising since 2015. Candor TechSpace N1, Noida has outperformed the market trend with higher rent growth at a CAGR of 8% since 2015.

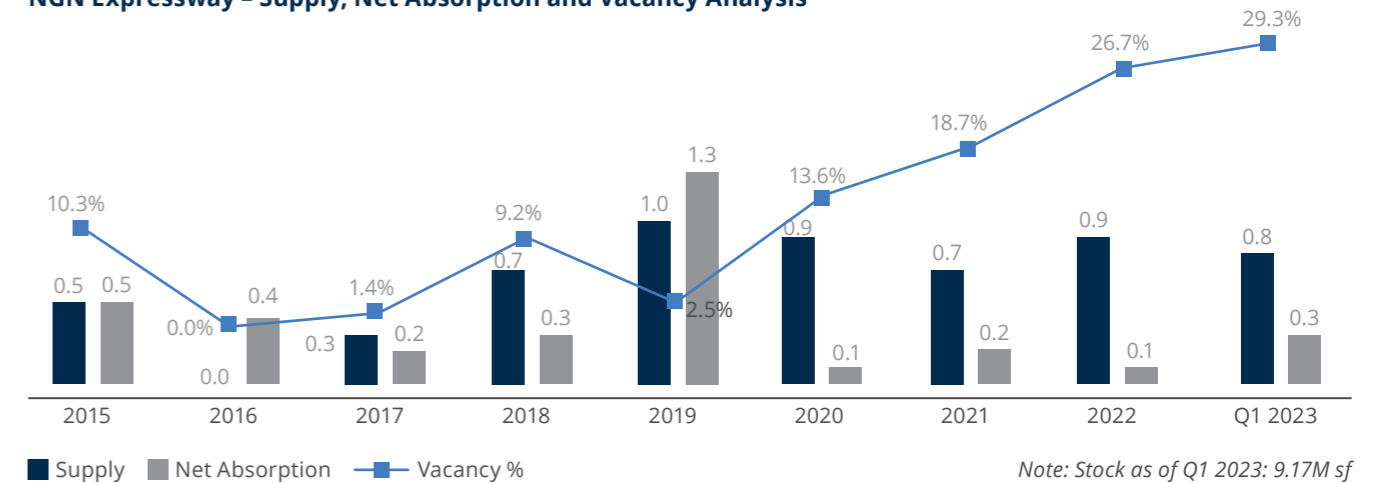
Noida Sector 62 – Supply, Net Absorption and Vacancy Analysis



NOIDA-GREATER NOIDA (NGN) EXPRESSWAY

Candor TechSpace N2, Noida is the largest office campus located near the Noida-Greater Noida (NGN) Expressway. The micro market is the city's fast-growing IT/ITeS hub and has excellent physical infrastructure. It has witnessed strong interest since 2015 from high-quality tenants pursuing entry or expansion in Noida. This has resulted in consistent supply additions including 0.9M sf in 2022, taking the stock from 4M sf in 2015 to 9.2M sf in Q1 2023. The net absorption in the micro market was 0.05M sf in 2022 with a vacancy of 26.7%. The micro market has strong upcoming supplies at an expected 3.3M sf until 2025E.

NGN Expressway – Supply, Net Absorption and Vacancy Analysis

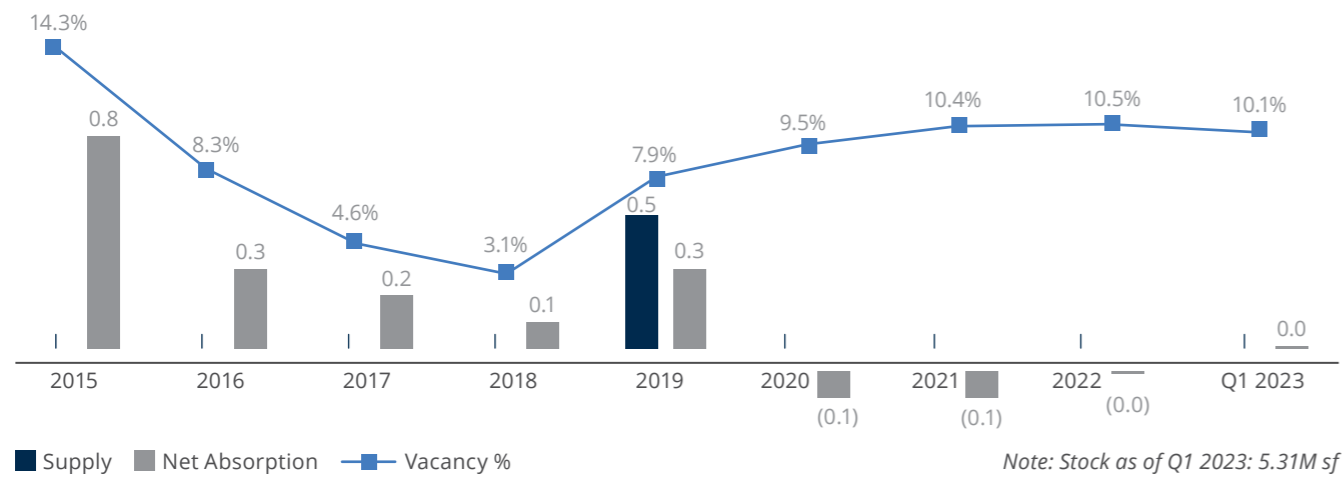




KOLKATA

Candor TechSpace K1, Kolkata is located in the thriving Rajarhat micro market. The micro market has the highest demand in Kolkata and accounts for 49% of the city's overall office inventory. At 10.5%, it has the lowest vacancy levels compared to the city's overall vacancy of 25.4%. With new infrastructure nearing completion and an uptick in office demand, vacancy levels here are expected to decline.

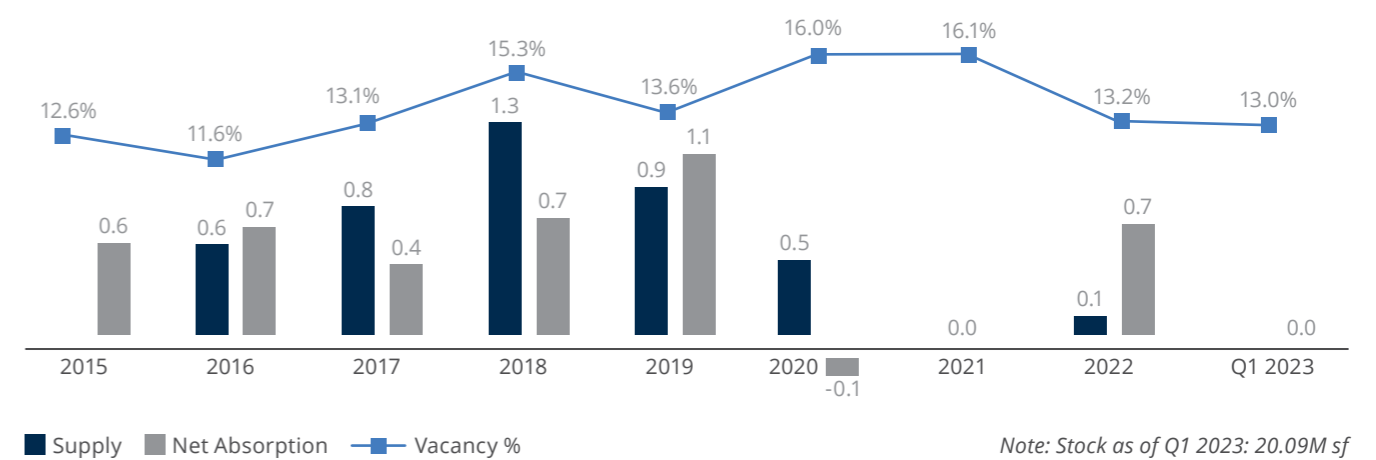
Rajarhat – Supply, Absorption and Vacancy Analysis



MUMBAI (ANDHERI AND DOWNTOWN POWAI)

Kensington, Downtown Powai, Mumbai is located in the Andheri and Downtown Powai micro market, which has a large concentration of Global Capability Centers (GCCs) from the BFSI sector. In 2022, the micro market saw demand uptick. This resulted in an increased net absorption of 0.7M sf, higher than average annual absorption of 0.5M sf from 2015 to Q1 2023. With lower new supplies at 0.1M sf in 2022 and continued demand, the vacancy level in the micro market declined to 13.2% alongside rise in rentals. From Q2 2023E to 2025E, Mumbai is expected to have a total new supply of 16.2M sf. Of this, 10.9M sf is pre-committed and Andheri and Powai are expected to contribute 33.7%. With a rising number of corporates returning to office, vacancy levels here are expected to further decline.

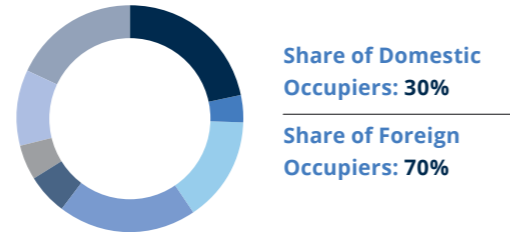
Andheri and Powai – Supply, Absorption and Vacancy Analysis



COMPARATIVE MICRO MARKET SECTORAL ABSORPTION ANALYSIS 2023

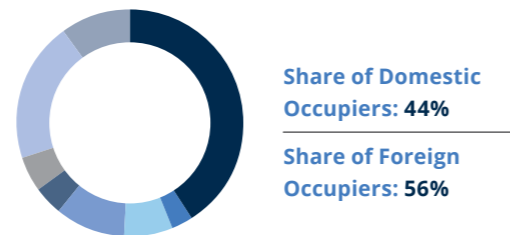


GURUGRAM NORTH – SECTORAL ABSORPTION ANALYSIS
(2015 – Q1 2023 ~ 20.95M sf)



- 22% Technology
- 4% Healthcare and Pharmaceutical
- 15% Banking, Financial Services, Insurance
- 20% Professional Services
- 6% Media and Telecom
- 5% Ecommerce
- 11% Engineering and Manufacturing
- 17% Others

SECTOR 62 NOIDA – SECTORAL ABSORPTION ANALYSIS
(2015 – Q1 2023 ~ 5.63M sf)



- 41% Technology
- 3% Healthcare and Pharmaceutical
- 7% Banking, Financial Services, Insurance
- 10% Professional Services
- 4% Media and Telecom
- 5% Ecommerce
- 20% Engineering and Manufacturing
- 10% Others

NGN EXPRESSWAY – SECTORAL ABSORPTION ANALYSIS
(2015 – Q1 2023 ~ 6.49M sf)



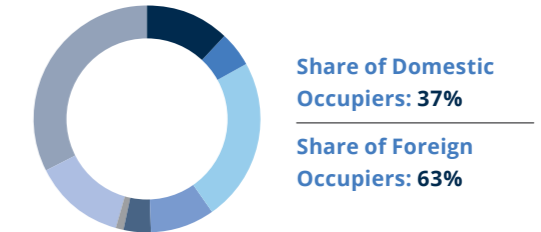
- 46% Technology
- 19% Healthcare and Pharmaceutical
- 11% Banking, Financial Services, Insurance
- 5% Professional Services
- 6% Media and Telecom
- 1% Ecommerce
- 5% Engineering and Manufacturing
- 7% Others

RAJARHAT – SECTORAL ABSORPTION ANALYSIS
(2015 – Q1 2023 ~ 3.49M sf)



- 67% Technology
- 2% Banking, Financial Services, Insurance
- 7% Professional Services
- 1% Media and Telecom
- 1% Ecommerce
- 16% Engineering and Manufacturing
- 6% Others

ANDHERI AND POWAI – SECTORAL ABSORPTION ANALYSIS
(2015 – Q1 2023 ~ 13.45M sf)



- 12% Technology
- 5% Healthcare and Pharmaceutical
- 23% Banking, Financial Services, Insurance
- 9% Professional Services
- 4% Media and Telecom
- 1% Ecommerce
- 13% Engineering and Manufacturing
- 33% Others

OPERATING CONTEXT

The Indian office market is expected to witness stronger momentum in the coming years. A growing economy, improved outlook across industries and sustained trend of occupiers returning in the micro markets will aid the growth momentum. This is expected to increase fresh leasing with occupiers looking at capacity expansion. From 2023E to 2025E, the top eight cities in India are expected to witness fresh supplies of 155.98M sf and net absorption of 120M sf.

PAN INDIA – SECTORAL ABSORPTION ANALYSIS
(2015 – Q1 2023 ~ 395.81M sf)

