

News monitored for: Embassy Group

# ‘India’s REIT Market Set to Hold 180m sq ft of Office Space by 2024’

This will constitute about 22% of total Grade-A office stock: Cushman & Wakefield report

sobia.khan@timesgroup.com

**Bengaluru:** The real estate investment trust (REIT) sector in India remains a focal point for both institutional and retail investors, poised to encompass roughly 180 million sq ft of office space by the end of 2024, according to a Cushman & Wakefield report.

This will constitute about 22% of the total Grade-A office stock.

As of May, the Indian market hosted four listed REITs, encompassing three dedicated to office spaces and one catering to retail properties. According to the report, the trio of office REITs has been operational for over two years, whereas the retail REIT made its debut listing in May 2023.

“India’s REITs market is growing fast and in merely 3-4 years’ timespan, REITs hold ownership of 74 msf of operatio-

### Sector in Focus

The sector is focal point for both institutional and retail investors

Growing REIT market, transparent, positive future with SEBI’s support

**Office REITs:** 3 operational for 2+ yrs; 1 retail REIT debuted in this yr

Office REITs hold **74 m sq ft** completed, **21m sq ft** under-construction



Currently, REITs constitute 14% of India’s Grade-A office stock

nal office assets along with 21 msf of under-construction assets,” said Somy Thomas, managing director of valuations and co-head of capital markets, India, at Cushman & Wakefield.

“This year, we have seen India’s first retail REIT making its debut and receiving phenomenal response from institutional and retail investors. With Indian market regulator Sebi’s constant endeavour to make REIT market transparent and affordable to retail

investors and with recent addition of REITs in NIFTY indices, big positives have emerged on the prospect of REITs in India going forward.”

The three office REITs held approximately 74 million sq ft of completed office stock as of March 2023, with an additional 21 million sq ft portfolio at various stages of development.

The combined portfolio size, including completed and under construction, accounts for approximately 14% of In-

dia’s total Grade-A office stock today.

“Over the last four years, Indian REITs have evolved into a ₹70,000 crore market capitalisation asset class that merits equal mention alongside equity and fixed income products available in the Indian capital markets,” said Aravind Maiya, CEO of Embassy REIT.

The National Stock Exchange’s recent decision to include REITs and InvITs in popular equity indices, such as the NIFTY 500, NIFTY Midcap 150 and NIFTY Smallcap 25, has further spurred the market.

“The REIT market growth is a very positive development to allow retail investors the opportunity to invest in commercial real estate with ease. The NSE move is another step in that direction. It will help to improve liquidity and exposure to the sector,” said Sanjeev Dasgupta, CEO of Capital Land Investment, India.