

For Immediate Release

Large office transactions account for 65% of overall commercial leases in Q1 2026: Knight Frank India

Bengaluru leads large office leases in Q1 2026 Small office leases make up 30% of the quarter's transactions in Mumbai

Mumbai, May 8, 2026: According to Knight Frank India, transactions for large office spaces – area 100,000 sq ft and above - continued to dominate India's commercial office market in Q1 2026. Large office spaces recorded a cumulative 19.5 million square feet (mn sq ft) of transactions across the eight¹ leading cities accounting for 65% of the total office leasing activity during the quarter. This registered a year-on-year (YoY) growth of 3% from an existing high base of 19 mn sq ft in Q1 2025.

Bengaluru continued to maintain its leadership position in large office space transactions with 7 mn sq ft of leasing activity recorded in the category above 100,000 sq ft during Q1 2026. Large office spaces contributed 77% of the city's total office transaction volumes of 9.2 mn sq ft. Hyderabad ranked second with 4.4 mn sq ft of transactions in the large office category, recording a strong YoY growth of 69% from 2.6 mn sq ft in Q1 2025, followed by Mumbai with 2.9 mn sq ft, reflecting an 81% YoY increase.

Share of area transacted across size categories in Q1 2026

| Cities | Transaction (in mn sq ft) | | | | Office Space Categories (Share of total Transactions in %) | | |
|-------------------|------------------------------|-------------|-------------|-------------|---|-------------------|-------------|
| | <50k | >=50k<=100k | >100k | Total | <50k sq ft | >=50k<=100k sq ft | >100k sq ft |
| Ahmedabad | 0.2 | 0.1 | - | 0.3 | 69% | 31% | 0% |
| Bengaluru | 0.7 | 1.5 | 7 | 9.2 | 8% | 16% | 77% |
| Chennai | 0.4 | 0.4 | 0.7 | 1.5 | 28% | 28% | 44% |
| Hyderabad | 0.5 | 1 | 4.4 | 5.9 | 8% | 17% | 75% |
| Kolkata | 0.2 | 0.2 | - | 0.4 | 52% | 48% | 0% |
| Mumbai | 1.6 | 1 | 2.9 | 5.6 | 29% | 19% | 52% |
| NCR | 0.9 | 0.4 | 2.7 | 4 | 22% | 10% | 68% |
| Pune | 0.7 | 0.6 | 1.8 | 3.1 | 23% | 19% | 58% |
| All cities | 5.2 | 5.2 | 19.5 | 29.9 | 17% | 17% | 65% |

Source: Knight Frank Research

Viral Desai, International Partner, Senior Executive Director Occupier Strategy & Solutions Industrial & Logistics, Capital Markets and Retail Agency, Knight Frank India said, "India's office market continues to witness strong demand from large occupiers, particularly from Global Capability Centres (GCCs), technology firms and multinational corporations expanding their operations in the country. While Bengaluru remains the dominant market for large office transactions, cities such as Hyderabad and Mumbai are witnessing accelerated growth driven by expanding corporate occupier activity and demand for high-quality office infrastructure. The sustained momentum in large office leasing reflects occupier confidence in India's long-term growth story and its position as a global business hub."

Office space leasing in the mid-segment, or spaces between 50,000 sq ft and 100,000 sq ft, stood at 5.2 mn sq ft in Q1 2026, witnessing a YoY growth of 27% from 4.1 mn sq ft in Q1 2025. The segment contributed 17% to the overall office transactions across the leading markets. Bengaluru recorded the

¹ Bengaluru, National Capital Region (NCR), Hyderabad, Pune, Chennai, Mumbai, Ahmedabad, Kolkata

highest transaction volumes in this segment at 1.5 mn sq ft, followed by Hyderabad and Mumbai with 1 mn sq ft each.

Office space leasing in smaller office spaces, or spaces below 50,000 sq ft, was recorded at 5.2 mn sq ft during the quarter reflecting a YoY increase of 4% from 5 mn sq ft in Q1 2025. Mumbai led the small office space segment with 1.6 mn sq ft of transactions, followed by NCR at 0.9 mn sq ft and Bengaluru and Pune at 0.7 mn sq ft each.

-END-

About Knight Frank

Knight Frank LLP is a leading independent, global property consultancy. Headquartered in London, Knight Frank has 20,000+ people operating from over 600+ offices across more than 50 territories. The Group advises clients ranging from individual owners and buyers to major developers, investors, and corporate tenants. For further information about the Company, please visit www.knightfrank.com

Knight Frank India is headquartered in Mumbai and has more than 1,900 experts across Bangalore, Delhi, Pune, Hyderabad, Chennai, Kolkata, Ahmedabad, Indore and Kochi. Backed by strong research and analytics, our experts offer a comprehensive range of real estate services across advisory, valuation and consulting, transactions (residential, commercial, retail, hospitality, land, and capitals), facilities management and project management. For more information, visit www.knightfrank.co.in

**For further information, please contact
Knight Frank press office:**

Piyali Dasgupta
+91 9833571204

piyali.dasgupta@in.knightfrank.com

Tania Banerjee
+91 9819004431

tania.banerjee@in.knightfrank.com

Mansoor Khan
+91 8108385015

mansoor@whitemarquesolutions.com