



Real Estate Valuations | Advisory | Risk | Research | Investments |  
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# AHMEDABAD

## City Snapshot

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Jan-Mar 2023



# RESIDENTIAL

Ahmedabad's residential market witnessed impressive growth during the Q1 2023. This is evident in the 21% yearly uptick in new launches and the 50% rise in total sales of the city.

With the improving metro and road connectivity and approval of nine new town planning plans, largely in the vicinity of the eastern and southern submarkets, are anticipated to contribute to the region's residential growth.

The Ahmedabad real estate market continues to be driven by affordability and ongoing infrastructural development. While underlying demand remains strong, we expect the market to sustain growth in the future as well.

# OFFICE

The office market in Ahmedabad has consistently expanded at a significant rate, clearly witnessed in the improving occupier activity seen for office markets during the past quarter.

Over 3 msf of office space is under various stages of planning and construction, likely to be offered in the market over the next three years.

Recently Phase-I of the metro has improved access from the ancient city to prominent marketplaces like SBD and CBD. Additionally, SBD marketplaces will experience increased economic and commercial activity when GIFT City and Ahmedabad are connected by Phase-II Metro in the upcoming years.

# RETAIL

Rental costs are rising in the main street districts due to the scarcity of good space amid strong leasing activity. Although more increases may be observed in the following quarters, quoted rentals at malls remained upbeat in the first quarter of this year.

Over the next three years, no new retail supply is expected, which will cause the vacancy rate at superior malls to decline over the following several quarters. However, Main Street's leasing momentum is expected to stay robust in the ensuing quarters, driven by positive consumer sentiments.

## AHMEDABAD

### Synopsis Q1 2023

Source: Reliant Surveyors Research

# RESIDENTIAL SNAPSHOT



**~32,330** Units  
New Supply in FY23

**~29,250** units  
Sales in FY23

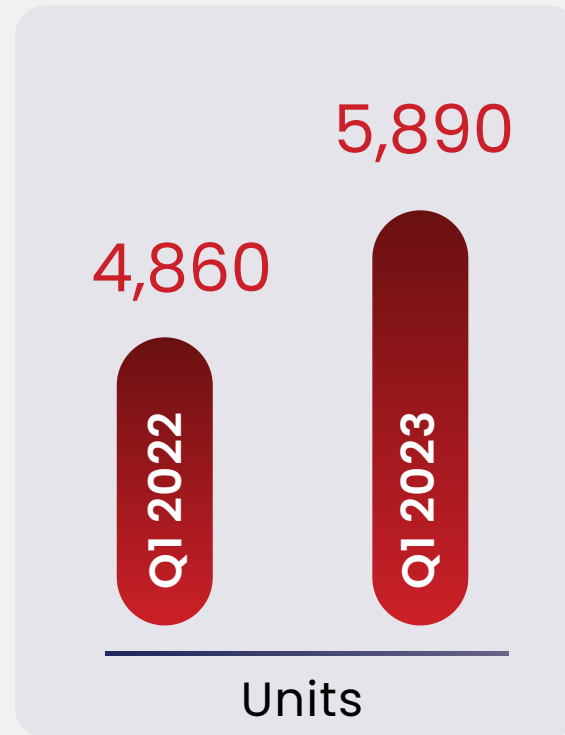
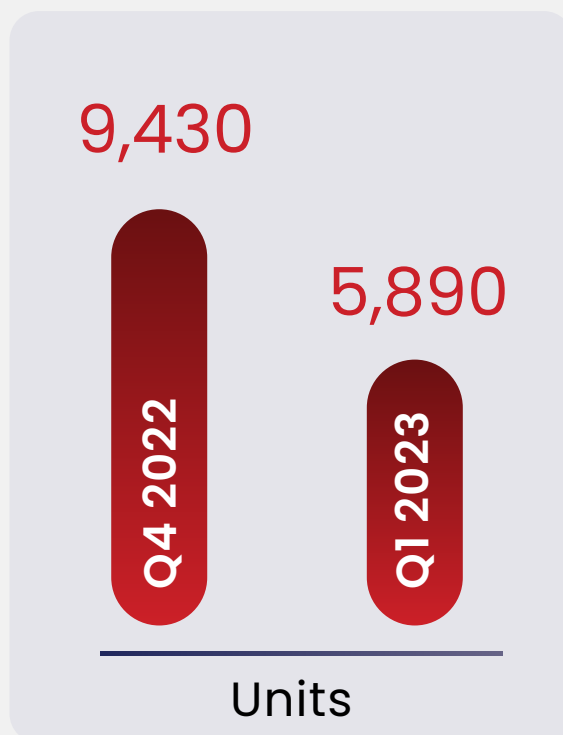
**~69,190** units  
Unsold Inventory in FY23

**~28** months  
Inventory Overhang in FY23

## NEW SUPPLY Q1 2023

**VS Q4 2022**

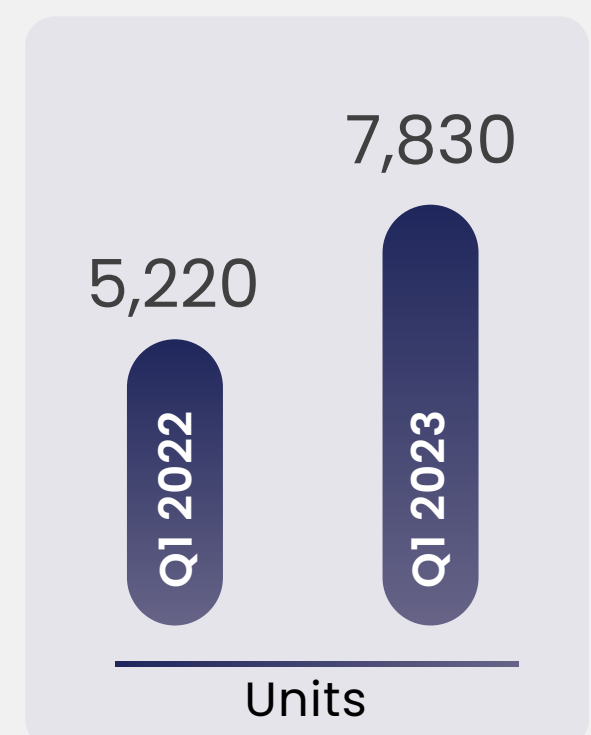
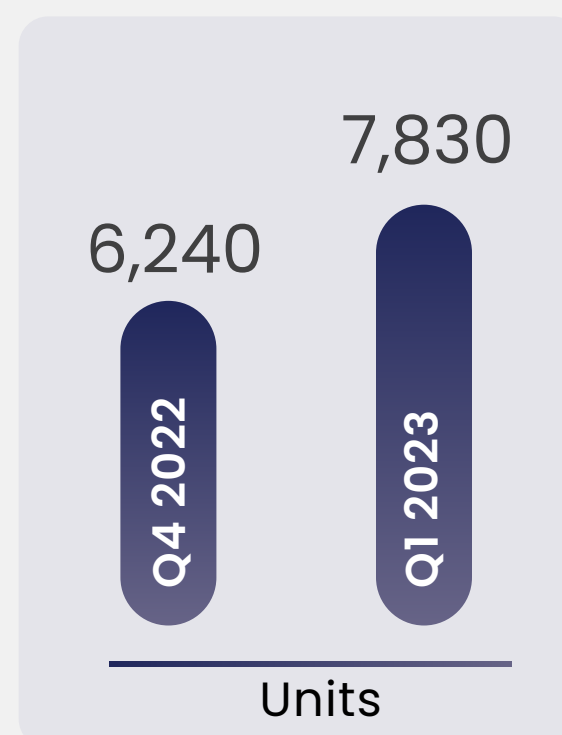
**VS Q1 2022**



## SALES Q1 2023

**VS Q4 2022**

**VS Q1 2022**



# RESIDENTIAL SNAPSHOT



## TOP LOCALITIES BY SALES

GIFT City

Gota

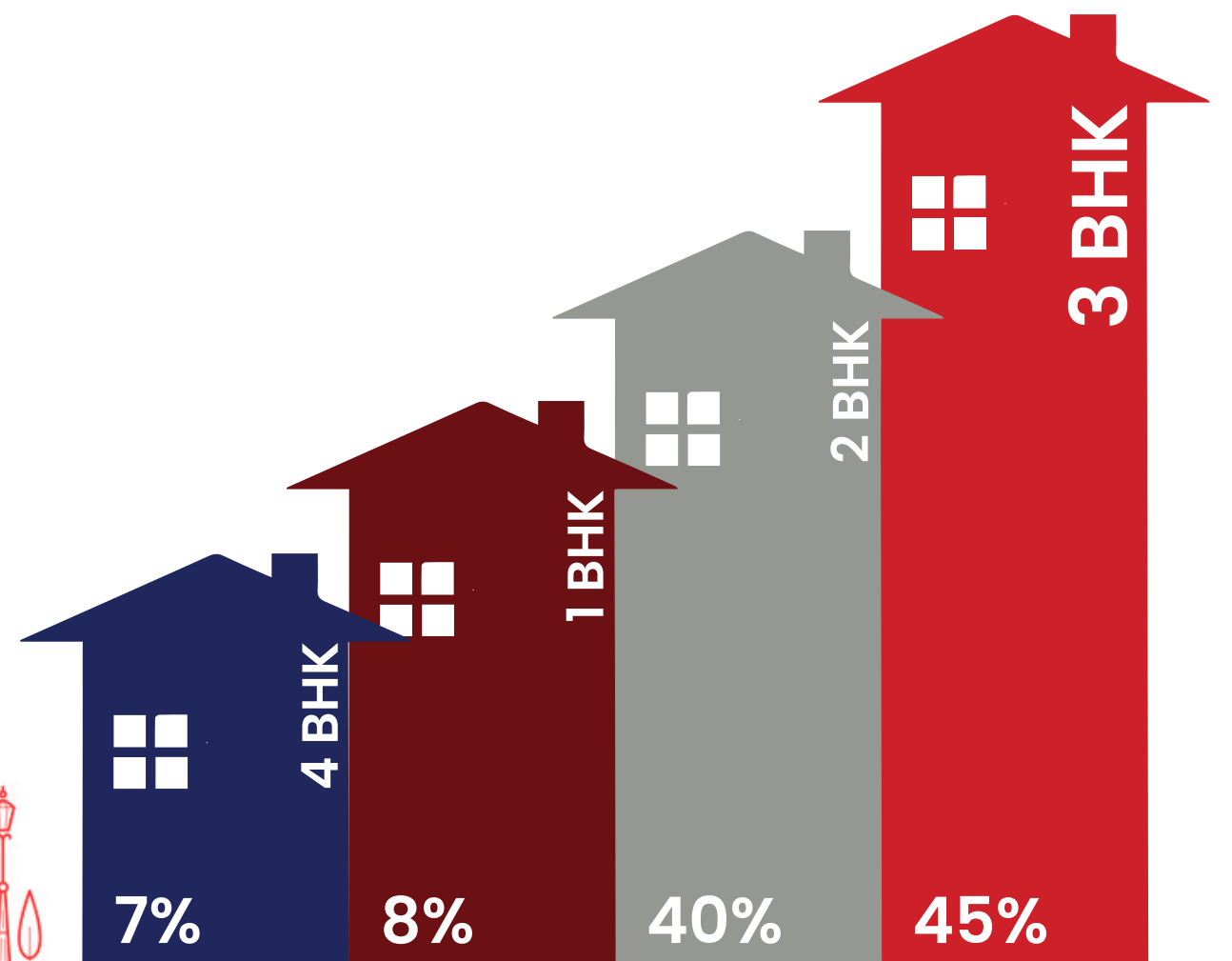
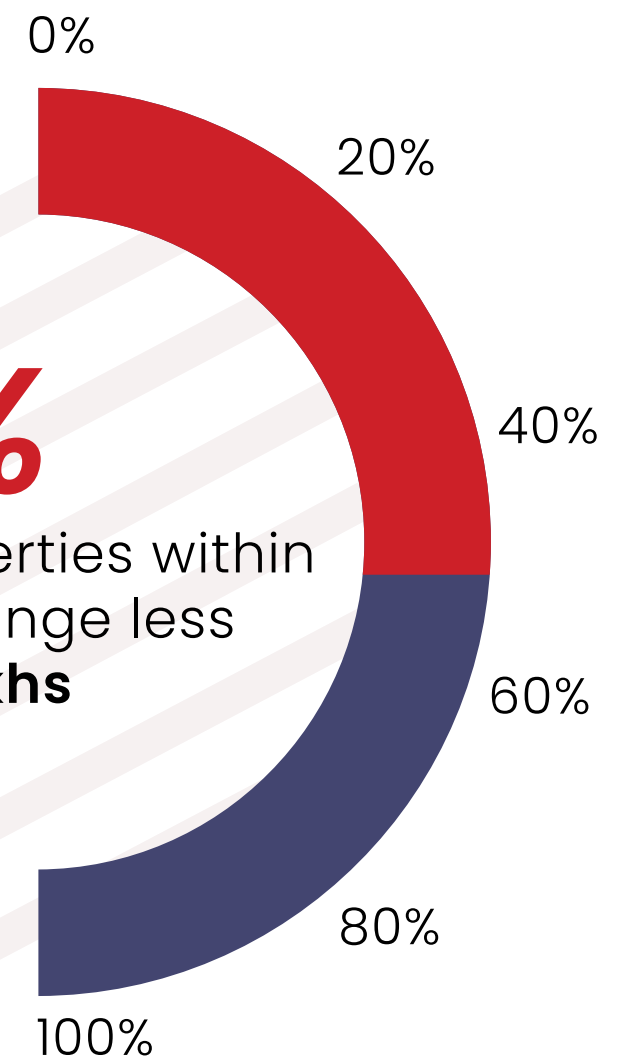
Bopal

Nava Naroda

Vatva

**54%**

Prefer Properties within a Budget range less than **45 Lakhs**



# RESIDENTIAL SNAPSHOT



In the first quarter of 2023, nearly 5,900 new residential units were launched in Ahmedabad, with year-over-year growth of 21%. However, it is 38% less than the new supply added in the previous quarter. New launches were dominated by the mid-segment, followed by the affordable segment (18% share).

Sales, on the other hand, continued to record the highest quarterly numbers in the last 5 years, which stood at 7,830 units. Accounting for 8% of Pan India's residential sales, Ahmedabad witnessed an encouraging 50% growth in the city's sales as compared to the same period in the preceding year.



# OFFICE SNAPSHOT



**~3.27**<sub>MSF</sub>  
New Supply in FY23

**~1.10**<sub>MSF</sub>  
Gross Leasing in FY23

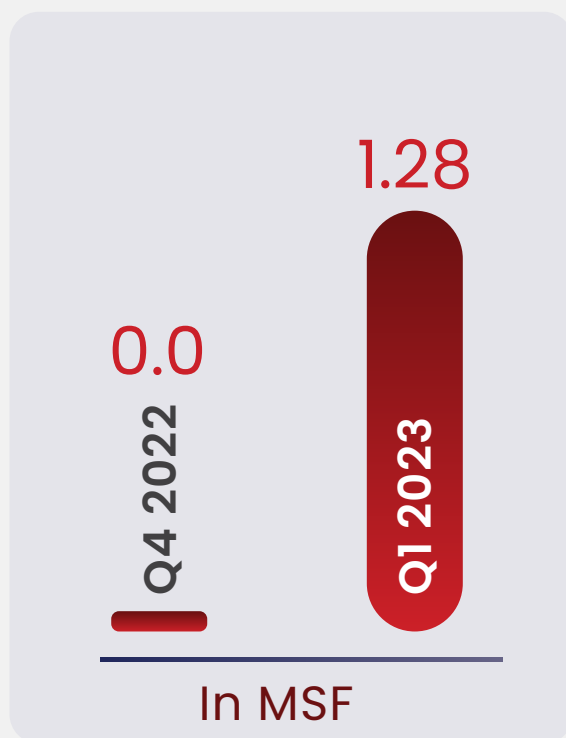
**~1.24**<sub>MSF</sub>  
Net Absorption in FY23

**~30.9%**  
Overall Vacancy in FY23

## NEW SUPPLY Q1 2023

**VS Q4 2022**

**VS Q1 2022**



## NET ABSORPTION Q1 2023

**VS Q4 2022**

**VS Q1 2022**



# OFFICE SNAPSHOT

## GROSS LEASING

VS Q4 2022

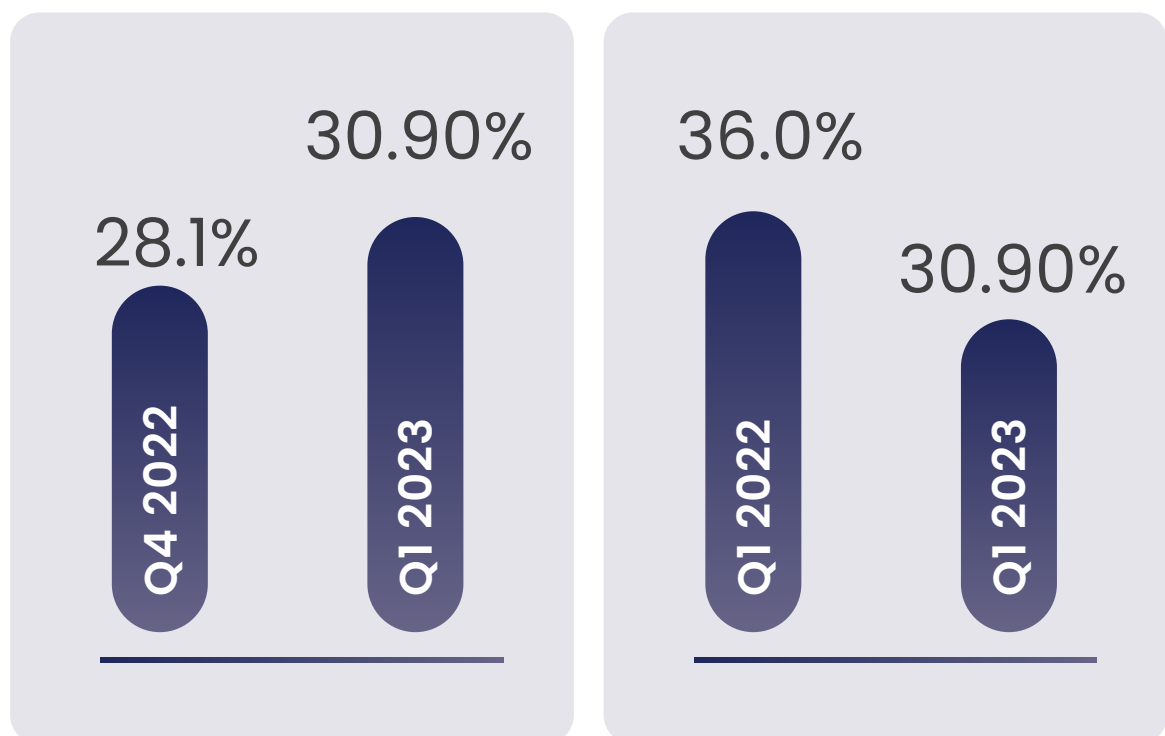
VS Q1 2022



## OVERALL VACANCY

VS Q4 2022

VS Q1 2022



The financial year ended off strong with gross leasing of around 1.10 msf, achieving an annual appreciation of 39%. The majority of the traction was seen in IT-BPM and BFSI sectors in the prominent areas of SBD, CBD and GIFT city.

With a new supply of nearly 1.2 msf added during the quarter, more than half of new office space is now under construction and is anticipated to be finished by the end of this fiscal year. Going forward, approximately 3 msf of new office space is likely to be completed in next 3-4 years.

# RETAIL SNAPSHOT



## GROSS LEASING

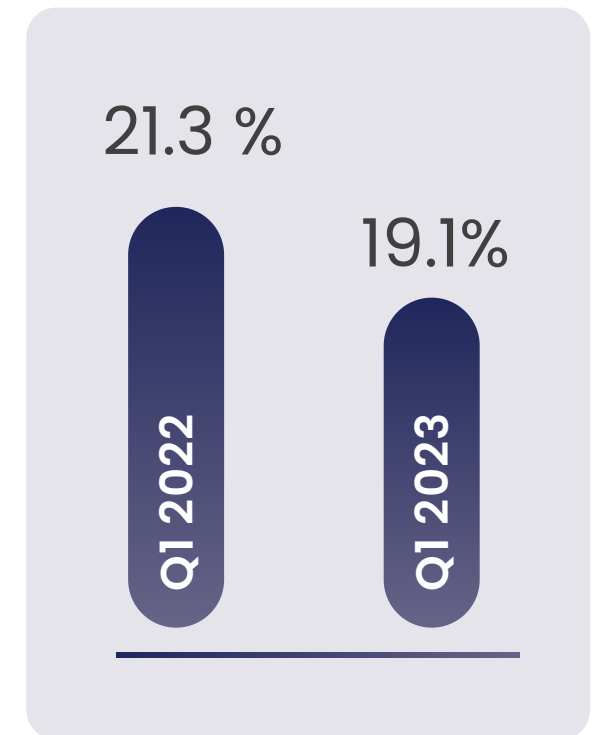
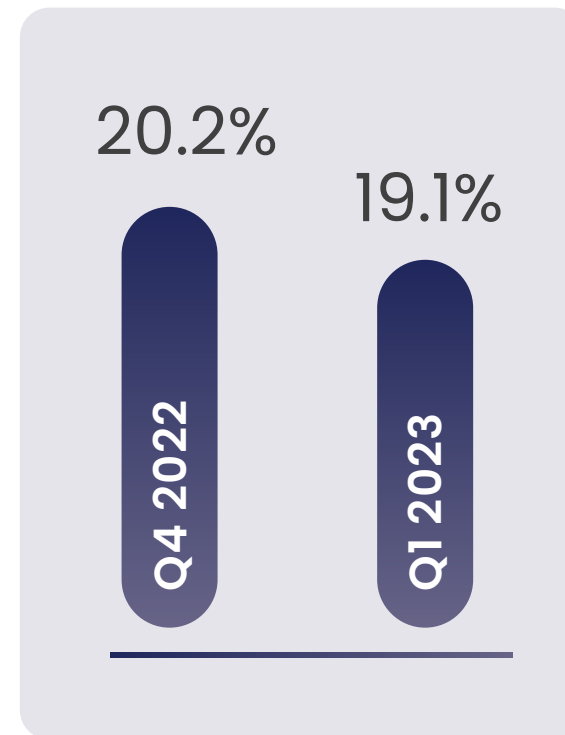
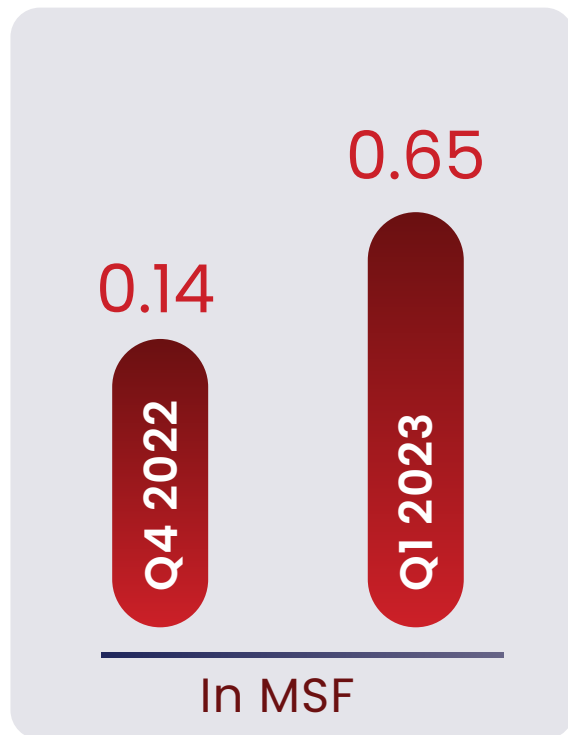
## OVERALL VACANCY

VS Q4 2022

VS Q1 2022

VS Q4 2022

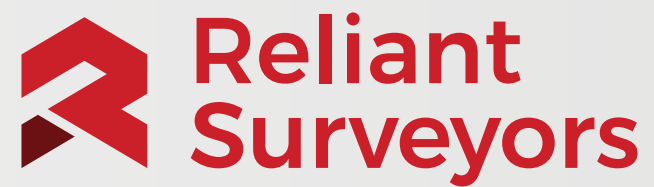
VS Q1 2022



Good leasing activity was seen on the main streets during the first quarter. Retail chains for fashion, CDIT (Consumer Durables & IT), and F&B expanded their presence across the city.







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