

# A NEW MARK Largest commercial office lease transaction in 2021 so far Qualcomm to Lease 1.6 m sq ft in Raheja IT Park in H'bad

Kailash Babar & Sobia Khan

**Mumbai | Bengaluru:** American multinational corporation Qualcomm has entered into an agreement to lease over 1.6 million sq ft of commercial space in realty developer K Raheja Corp's IT park in Hyderabad in the largest commercial office lease transaction in 2021 so far, said people with direct knowledge of the development.

The commitment for the large office space at the developer's under-construction project Commerzone Madhapur is part of Qualcomm's growth and consolidation strategy.

The deal will have a total tenure of 10 years.

"The deal has been inked and the agreement also includes an option to expand the size of office space by around 2 lakh sq ft going forward," said one of the persons mentioned above.

Qualcomm already has offices across the country in Mumbai, Bengaluru and Delhi apart from multiple offices in Hyderabad.

In Hyderabad alone, Qualcomm currently occupies 1 million sq ft office space across multiple commercial buildings in K Raheja Corp's Mindspace IT park and 300,000 sq ft in realty developer RMZ Group's project The Skyview.

The company's offices in Hyderabad are expected to be part of this consolidation plan. The new office is expected to accommodate around 16,000 employees including its existing staff in Hyderabad that is expected to shift here along with the new staff that will be hired as part of its India growth plan. The lease rentals are set at ₹70 per sq ft for the first five years with 15% escalation for the next five years.

## Chipping in Big Time

Qualcomm's new office is expected to accommodate **16,000 employees**

This includes its existing staff in Hyderabad



The project spread over nearly 9 acres is at an advanced stage of construction and is scheduled to be delivered by the end of this year and that is when the company is expected to start its fit out work here.

**The office transaction will have a total tenure of 10 years**

ET's email query to Qualcomm and K Raheja Corp remained unanswered until the time of going to press.

Overcoming the challenge of the work-from-home model, office real estate continued to recover across key commercial property markets of India, witnessing a net absorption of over 8 million sq ft in the December quarter with over 50% sequential increase.

In line with the Qualcomm transaction, the rise in demand across markets is backed by pre-commitments in new completions. Hyderabad, in particular, has been leading the markets with the highest net absorption.