

Why 2026 Is the Most Consequential Year to Get Your Hyderabad GCC Decision Right

4.8%GRADE A+ VACANCY
Madhapur · Effectively full**11.6%**RENT INCREASE YOY
Stock-weighted avg · Q1 2026**3.15M**SQ FT GLV · Q1 2026
+22% Year on Year**ZERO**NEW SUPPLY · Q1 2026
Grade A completions this qtr

THE SUPPLY REALITY

Cushman & Wakefield's Q1 2026 Hyderabad MarketBeat recorded **zero new Grade A completions** in the first quarter. The pipeline that developers announced 24 months ago has been delayed, deferred, or pre-absorbed. What exists today is what your GCC is competing for — nothing material is coming to market before end-2026.

VACANCY IN PRIME LOCATIONS IS STRUCTURALLY LOW

Madhapur — the preferred address for BFSI, insurance, and life sciences GCCs — sits at **7.54% overall vacancy**. Grade A+ assets, the buildings that meet MNC specification thresholds, are at **4.8%**. That is not a vacancy rate. It is a waiting list. Companies that locked space 18 months ago are sitting on terms that are simply unavailable today.

RENTS HAVE MOVED — AND THEY ARE NOT REVERTING

Stock-weighted rents across Hyderabad hit **Rs. 92.23 per sq ft per month** in Q1 2026 — up 11.6% year on year and 3.4% quarter on quarter. In Madhapur specifically, Grade A rents are at Rs. 105.50 per sq ft. Q1 2026 comparable transactions confirm this is the new floor, not an outlier:

TENANT	BUILDING	AREA	RATE	TYPE
Charles Schwab	Phoenix Equinox T2	3,45,430 sf	Rs. 108/psf	BFSI GCC
TEC	Avance H09, HITEC City	2,03,755 sf	Rs. 110/psf	Managed Office
JPMorgan	Skyview 20	1,75,000 sf	Rs. 250/psf	Flex / Managed
Uber	Meenakshi Eco Park T1	10,84,450 sf	Rs. 69/psf	GCC Campus

THE FLEX PREMIUM TRAP

Companies defaulting to managed/flex space in Hyderabad are paying a structural premium. The JPMorgan comparable above — Rs. 250/psf all-in versus Rs. 98/psf base rate — represents a **155% markup** for the managed wrapper. At 500 seats, the annualised overpay versus a direct Grade A lease exceeds Rs. 3–4 crore. Occupier-side advisory exists to eliminate this gap.

WHAT THIS MEANS FOR YOUR DECISION

Every MNC evaluating a Hyderabad GCC in 2026 is operating in a seller's market for Grade A space. Landlords know demand exceeds supply. The conventional approach — engaging a large IPC broker — compounds this problem. The major advisory firms carry landlord mandates across Hyderabad and Bengaluru. Their incentive structure creates conflicts that are structural, not incidental. **They cannot advise you not to take a building they are being paid by the building's owner to fill.**

PRUDENTIAL REALTY — OCCUPIER-SIDE ONLY

No landlord mandates. No developer relationships. No conflict — ever.

We advise MNCs and Fortune 500 companies on GCC real estate in Hyderabad and Bengaluru — location strategy, building selection, lease negotiation, and independent market benchmarking.

Data source: Cushman & Wakefield Hyderabad MarketBeat Q1 2026 - India Office Snapshot Q1 2026