



'Grade A Office Space' – An increasingly significant factor in the commercial real estate segment

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The commercial real estate industry is constantly evolving, and Grade A office spaces have emerged as a prominent asset, offering promising investment opportunities for new-generation investors. These office spaces have the potential to change the cityscape and redefine corporate environments. Grade A offices are renowned for their prime locations, modern amenities and superior infrastructure. Due to their high-quality features, they have become the benchmark for businesses seeking a conducive work environment to flourish in. With the increasing demand for quality workspaces, the allure of Grade A offices has never been stronger. As per a report by CREDAI and CRE Matrix, the stocks of premium office spaces across six major cities have surpassed 700 million square feet, with Bengaluru contributing the most at 28%.

Demand for Grade A office space

In today's competitive business landscape, companies prioritize Grade A office spaces for their employees, meticulously designed to boost productivity and enhance satisfaction.

Grade A office buildings now go beyond expectations, offering a range of amenities including on-site fitness centres, cafes, outdoor areas and even childcare facilities.

Additionally, there's a growing demand for flexible workspace solutions like co-working spaces, well-equipped conference facilities and adaptable furniture layouts. The functionality of these amenities lie in their ability to enhance employee well-being and encourage collaboration, thereby attracting and retaining tenants in a competitive market.



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These features align with sustainability objectives by incorporating energy-efficient systems, sustainable materials and green spaces, contributing to cost savings and environmental conservation. This also reflects positively on a company's corporate social responsibility initiatives.

Shifting Demographics of Tenants

Grade A office spaces have typically been associated with the technology industry due to the sector's rapid growth and the necessity for modern and high-tech office spaces to suit its expanding staff and cutting-edge equipment. Furthermore, tech companies frequently prioritize a collaborative and creative work environment and Grade A buildings with open floor plans and high-tech elements are considered as excellent for creating the right ambiance.

However, the trends are evolving, and Grade A office buildings are becoming popular among other industries including BFSI, Fintech, Automotive and Pharmaceutical to name a few. This trend is anticipated to evolve further for several reasons:

- Businesses across diverse sectors recognize the importance of offering attractive workspaces to attract and retain top-tier talent in a fiercely competitive market.
- A distinguished location and contemporary office setting can enhance a company's brand perception, projecting an aura of professionalism and success.
- With work methodologies evolving towards greater collaboration and project-oriented approaches, organisations are prioritising an office culture that is conducive to teamwork and open communication.

innovation and sustainability. This can be achieved by integrating advanced technology solutions to improve building management and enhance user experience. Sattva Knowledge City in Hyderabad is one such shining example, which resonates with the highest standards of sustainability and innovation in technology. The upcoming Image Tower in collaboration with the Telangana government is another architectural marvel that the Sattva Group is building that will redefine the Animation, Visual Effects, Gaming and Comic (AVGC) industry in the country.

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