

# Office space occupied by unicorns to more than double by 2024

## Synopsis

Unicorns are likely to lease an average of about 2.7 million sq feet of office space annually across 2022-24 across the top six cities, a three-fold increase from the preceding three years.



Representative Image

Unicorns, or startups with a valuation of one billion dollar or more, are likely to occupy about 14 million sq feet of [office space](#) by 2024, a two-fold rise from the current level.

This is led by large offices that [unicorns](#) are likely to lease across major markets of [Bengaluru](#), and [Delhi](#)

[NCR](#). Unicorns are likely to lease an average of about 2.7 million sq feet of office space annually across 2022-24 across the top six cities, a three-fold increase from the preceding three years.

“India has already seen about 15 new unicorns so far this year. At the same time, we are now staring at a funding slowdown in the space which is likely to be a short-term blip. We are likely to see enquires coming back into the market in a few months for flex space, as well as traditional space, especially from fintech, e-commerce and logistics startups. Offices become even more crucial for startups wherein they are trying to set up and inculcate culture for the organization. Startups with a clear business model and good corporate governance will continue to grow and expand as the country’s digital economy is strong. On the whole startups (unicorns+non-unicorns) are likely to occupy 78 million sq feet of office space by 2024, a 16% increase from 2021,” Ramesh Nair, Chief Executive Officer, [India](#) and Managing Director, Market Development, Asia, Colliers.

Bengaluru remains the top startup hub with a 34% leasing share during 2019-22, with Koramangala, HSR and Indiranagar being the preferred locations for startups. A well-developed ecosystem, deep technology talent, and a culture of entrepreneurship are major factors attracting startups here.

Delhi-NCR is amongst the fastest-growing market in terms of leasing by startups. Delhi-NCR witnessed a three-fold increase in leasing by startups during 2021 on a YoY basis. The region benefits from being a catchment for education institutions in North and East India, and strong infrastructure.

[Mumbai](#) has seen certain pockets of startup activity over the years. However, relatively higher rentals, and high cost of living are often seen as deterrents by early-stage companies.

While metro cities remain the core hubs for startups, non-metro cities are seeing growth in startup leasing as well as flex space take-up due to low cost of living, reduced CAPEX and work from anywhere trend.

Emerging hubs such as Jaipur, Ahmedabad, Indore, and Coimbatore are likely to witness a rise in flex space and startup occupancy as entrepreneurs are increasingly leveraging these locations to launch operations.

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