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Co-working spaces go premium

Earlier in March, city-based Vatika Business Centre, the real estate arm of Vatika Group, also entered the co-working space, planning to develop 50 such centres in the next four years across the country.



GURUGRAM: Last month, construction major DLF tied up with a Gurgaon-based co-working start-up called **Skootr** to develop a 46,0000 sq ft **co-working space** in Cyber City, one of NCR's prime office locations.

Earlier in March, city-based **Vatika Business Centre**, the real estate arm of **Vatika Group**, also entered the co-working space, planning to

develop 50 such centres in the next four years across the country.

Noida-based **Supertech** is also coming up with one in its Supernova project in Noida, while **Bharti Reality** has a similar centre running at Bharti Worldmark 2 in Aerocity.

As the dynamics of office space market in India changes with the rise of startups and entry of international players demanding small but premium spaces, many big developers are foraying into co-working space.

Sriram Khattar, CEO at rental business DLF Limited, said, "We're trying to keep with the evolving market by providing premium space to e-commerce start-ups, where not only can they work, but also network with like-minded people."

"Co-working spaces have revolutionised the way corporate culture works. The trend has caught up quickly to meet requirements of young entrepreneurs," said Vineet Taing, president, Vatika Business Centre.

Beyond the rise of start-ups, the other major factor driving the demand for co-working models is the demand for smaller spaces equipped with top-notch facilities at premium locations. A lot of the demand comes from large MNCs and international brands expanding geographically.

“Developers are now starting their own co-working offices to provide incubation spaces, or dividing large floor plates for smaller occupants,” said Nitish Bhasin, managing director (markets), JLL India.

Skootr, which has already tied up with DLF and Supertech, said a co-working space is a win-win situation for tenant and developer.

“A developer like DLF would not be keen on managing multiple tenants for small spaces, whereas the tenants require smaller spaces in good locations, which are equipped with services like internet connectivity, cafeteria and housekeeping. This is where we come in to bridge the gap,” said Ankit Jain, co-founder of Skootr.

Price is another factor that makes the co-working model a favoured option for the tenants. It lets organisations rent out prime spaces at relatively affordable prices, especially in the NCR where prices are quite high.

“Co-working is an interesting space. There’s an increasing demand from a lot of international and domestic firms which are expanding geographically, and hence require smaller and convenient spaces at affordable prices,” said Girish Bhalla, VP (sales), Supertech.