



INDIAN REAL ESTATE OUTLOOK

2020



INDIAN REAL ESTATE

Fresh beginning in New Decade

The real estate industry is on the verge of transformation with realty sector and its ancillary industries witnessing a series of structural reforms with advent of RERA, policy changes, industry consolidation and fast technology driven growth, which has helped in increased transparency and trust between builders and buyers. Furthermore, policy impetus such as 'Housing for All' has brought the mid-income housing and affordable housing sector to the foreground ensuring sustainability of the realty sector.

In the last decade, the real estate industry has evolved from brick and mortar to a service-driven product offering and the growth of the sector will be largely driven by ever - evolving customer requirements, technological transformations, and a favorable policy regime allowing it to flourish in the coming years. As reported by the Indian Brand Equity Foundation (ibef), the real estate sector in India is expected to reach a market size of US\$1 trillion by 2030 and contribute 13 per cent of the country's GDP by 2025.

There has been a significant change in the buying behaviors of customers, especially the millennials who prefer co-living spaces that is more dynamic as compared to the usual rented space. On the other hand, the rise in economy led to high demand in co-working spaces in major cities like Bangalore, Hyderabad and Pune markets. Smart homes has emerged as one of the choices of customers with the trend picking up for green homes. The real estate market will tap this space with ambitious projects and according to industry estimates, the Indian smart home market is currently valued at about \$893 million and is expected to grow by leaps and bounds in the next five years.

2019 has been a year of reforms in the industry with an increased focus on transparency and customer centricity by both, policy makers and developers. The regulatory framework has helped regain the trust in the industry. Also, the systematic implementation of the government reforms will definitely help in rekindling consumer sentiments. We expect 2020 and new decade to bring in more structural reforms and continued focus on consumer driven products.

Chairman, CIRIL

OUR SERVICES

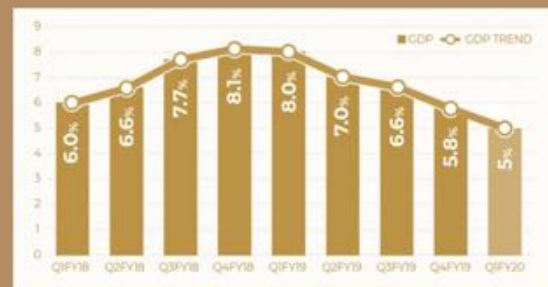
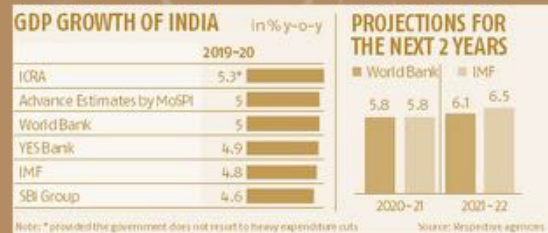


INDIAN ECONOMY

Welcoming in New decade with hope

Year 2019 was a challenging year for Indian Economy. India saw a steep decline in its growth rate in 2019, when Gross Domestic Product (GDP) was at its lowest in 7 years at 4.5%. Several sectors such as real estate, aviation, automobile and construction sectors suffered a constant decline in demand. On the other hand, the Banking sector and financial services witnessed serious crisis due to rising NPAs & bad loans and squeezing credit limits. Organisations such as World Bank, International Monetary Fund (IMF) and Moody's had repeatedly cut down the GDP Growth rate in their forecasts. The IMF projected India's economy to grow by 5.8 per cent next year, which is 1.2 percentage points less than its earlier forecast. It also forecast the economy to grow by 6.5 per cent in 2021-22 which is 0.9 percentage point lower than earlier projections. This economic slowdown could be attributed to weakened investments and declining consumer demand.

Though 2019 has been year of slowdown for Indian Economy. The third-largest economy in Asia is set for a rebound in 2020 as global conditions are set to improve, said Jan Hatzius, chief economist at Goldman Sachs, India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.



An improving global economy and domestic policies such as corporate tax cuts is expected to lift economic activity in India supported by improving manufacturing Purchasing Managers' Index shows the Indian Economy is on path of recovery

Market Drivers



INDIAN REAL ESTATE

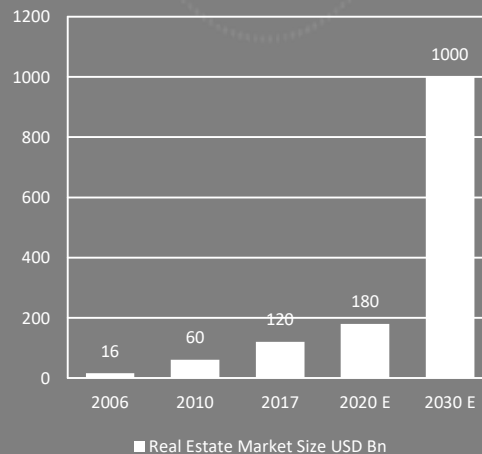
Projected Market Size in New Decade

By 2040, real estate market to grow to Rs 65,000 crore (US\$ 9.30 billion) from Rs 12,000 crore (US\$ 1.72 billion) in 2019. Real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 from US\$ 120 billion in 2017 and contribute 13 per cent of the country's GDP by 2025. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. Indian real estate increased by 19.5 per cent CAGR from 2017 to 2028.

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth Rs 1.25 trillion (US\$ 19.65 billion) in the Indian market over the years.

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private Equity and Venture Capital investments in the sector have reached US\$ 1.47 billion between Jan-Mar 2019.

Real Estate Market Size USD Bn



POLICY OVERHAUL 2019



Insolvency and Bankruptcy Code 2018

This gave more power to homebuyers by treating them at par with banks and other institutional creditors for recovering dues from realty firms that turned bankrupt



Affordable Housing Fund

Govt. has set up dedicated Affordable Housing Fund under National Housing Bank for priority sector lending to build 1 Crore house in rural areas under PMAY this year



Enhanced Carpet Area for MIG Houses

To attract buyers, The Govt. has enhanced the carpet area of MIG Houses from 120 sq.m to 160 sq.m under MIG – I category and from 150 sq.m to 200 sq.m under MIG – II category



Ease of Doing Business

India through its effort in improving transparency has climbed 23 places in World Bank's latest rankings and now stands at 77th position among 190 nations boosting the confidence of investors



Repo Rates

RBI hiked Repo Rates by 50 basis points during this year, a back – to – back revision of 25 basis points in June and then in August. This has a positive impact on Markets.



Foreign Direct Investments

Govt. allowed 51% FDI in multi-brand retail and 100% FDI in single-brand retail under the automatic route. It also plan to tweak norms for retail trade in similar lines to SEZ

FOREIGN DIRECT INVESTMENT In Real Estate and Construction Sector

Despite a slowdown in the global economy, inflows of foreign investment into the country have not been impacted. India received a USD 27.2-billion foreign investment in the first half of 2019 and have sustained thereafter.

According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflows in India in 2019-20 (till October 19) stood at US\$ 23.35 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

The net foreign direct investment stood at US\$ 2.15 billion in October 2019 and US\$ 1.93 billion in September 2019. Data for Q1 2019-20 indicates that the telecommunications sector attracted the highest FDI equity inflow of US\$ 4.22 billion, followed by service sector - US\$ 2.79 billion, computer software and hardware – US\$ 2.24 billion, and trading – US\$ 1.13 billion.

Construction is the fourth largest sector in terms of FDI inflows. FDI in the sector (includes construction development and construction activities) stood at US\$ 25.12 billion from April 2000 to June 2019.

Some of the major investments and developments in this sector are as follows:

- First REIT raised Rs 4,750 crore (US\$ 679.64 million) and was launched earlier in 2019 by the global investment firm Blackstone and realty firm Embassy group.
- In January 2019, Ascendas acquired Chennai's Pallavaram IT Park for US\$ 35.70 million.
- Iconic RK Studios property which is located in suburban Chembur, acquired by Godrej Properties.
- New housing launches across top seven cities in India are expected to increase 32 per cent year-on-year by 2018 end to 193,600 units.
- In September 2018, Embassy Office Parks announced that it would raise around Rs 52 billion (US\$ 775.66 million) through India's first Real Estate Investment Trust (REIT) listing.
- New housing launches across top seven cities in India increased 50 per cent quarter-on-quarter in April-June 2018.
- In May 2018, Blackstone Group acquired One Indiabulls in Chennai from Indiabulls Real Estate for around Rs 900 crore (US\$ 136.9 million).
- In February 2018, DLF bought 11.76 acres of land for Rs 15 billion (US\$ 231.7 million) for its expansion in Gurugram, Haryana.

FDI Inflow in India



SOURCE: TRADINGECONOMICS.COM | RESERVE BANK OF INDIA

FOREIGN INSTITUTIONAL INVESTMENT

Foreign Portfolio/ Institutional Investors (FPI/FII) have been one of the biggest drivers of India's financial markets and have invested around Rs 13.39 trillion (US\$ 191.60 billion) in India between FY02-20 (till December 4, 2019). Highly developed primary and secondary markets have attracted FIIs/FPIs to the country.

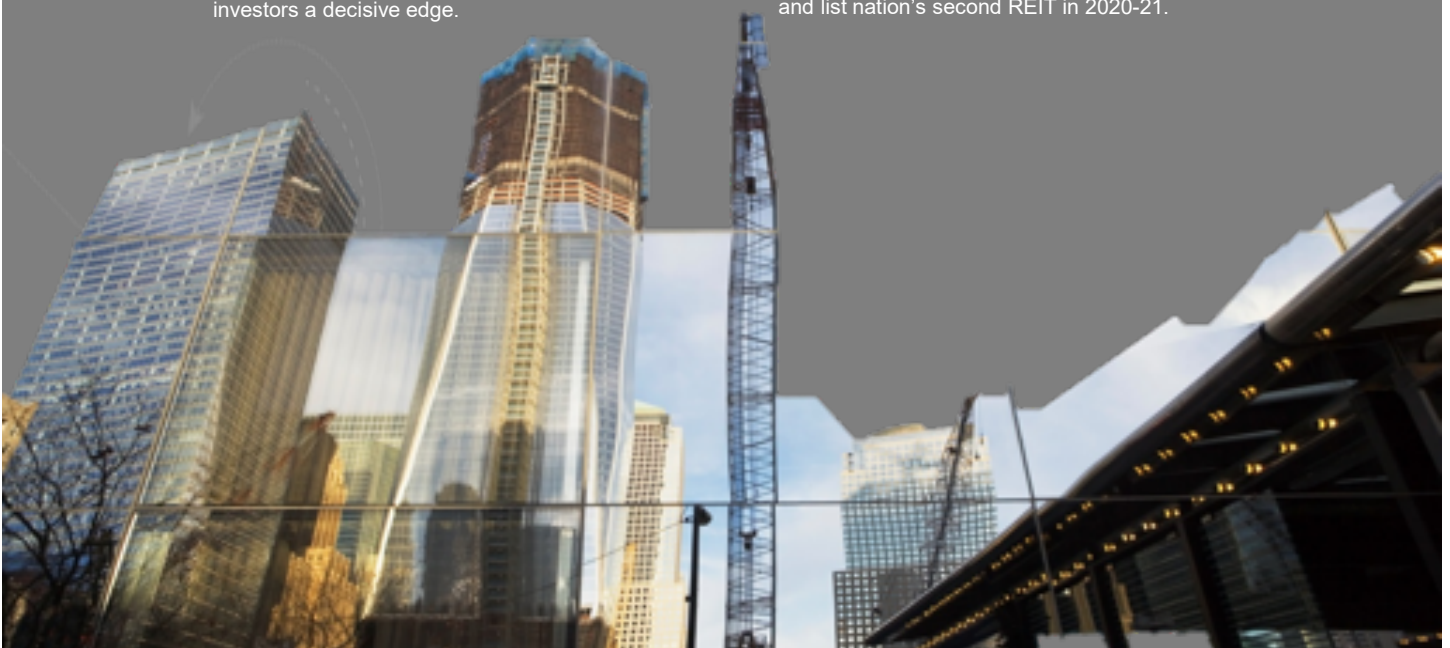
Foreign institutional investors have shown more confidence in Indian real estate, especially commercial real estate over the past five years, while domestic investors continued to invest largely in the residential space.

Indian real estate attracted nearly \$14 billion of foreign private equity between 2015 and September 2019. Around 63 per cent or \$ 8.8 billion of this inflow of the total foreign investments backed commercial real estate. The residential sector attracted \$1.5 billion of foreign private equity in the same period, trailing behind even the retail sector which saw cumulative inflows of \$1.7 billion.

In contrast, domestic private equity funds infused nearly \$2.4 billion into Indian real estate since 2015, of which nearly 71 per cent or \$1.7 billion went to the housing sector. This was a period of considerable stress for the residential segment; domestic funds invested heavily into a sector plagued by issues like delayed/stalled units, low sales and fairly low yields. The commercial real estate segment, on the other hand, delivered a comparatively stellar performance in the last five years. Steady demand and rising rentals gave foreign investors a decisive edge.

Some of the recent significant FII/FPI developments are as follows:

- In 2018-19, India ranked seventh with a market cap of US\$ 2.1 trillion.
- Domestic Institutional Investors (DIIs) and foreign portfolio investors (FPI) together invested Rs 1.43 lakh crore (around US\$ 20 billion) in 2019.
- Foreign institutional ownership increased to an eight-quarter high of 20.93 per cent by the end of September for 414 firms in the BSE 500 index.
- In quarter 2 (up to September 2019), FIIs have sold Indian shares worth US\$ 3.17 billion.
- Union Bank of Switzerland (UBS) maintained its Nifty target at 9,500 by March 2019.
- Morgan Stanley has set its Sensex target to 40,000 by June 2020.
- Investments by foreign portfolio investors (FPIs) in Indian capital markets have reached net Rs 10,312 crore (US\$ 1.48 billion) investments in June 2019. FPIs invested Rs 1,937.54 crore (US\$ 277.23 million) into debt segment during August 1-9, 2019.
- In September 2018, Embassy Office Parks filed the papers for India's first Real Estate Investment Trusts (REIT). In September 2019, Embassy Office Parks announced plans to expand its portfolio in Hyderabad and Chennai and list nation's second REIT in 2020-21.



PRIVATE EQUITY INVESTMENT In Real Estate

Indian real estate attracted more than \$5 billion private equity (PE) inflows in 2019. Of this, over 66% or \$3.3 billion was infused in the commercial real estate. Meanwhile, both retail and residential segments saw an uptick in investments in 2019 against the preceding year.

Commercial real estate continued to lead the funds inflow, attracting 79% of the total investment or \$3 billion up 43% from \$2.1 billion in the year-ago period. The residential segment attracted \$295 million against \$210 million a year ago. Retail and logistics and warehousing have seen total inflows of around \$260 million and \$200 million so far in 2019, respectively.

Mumbai Metropolitan Region (MMR) remained the most attractive investment destination for PE funds followed by National Capital Region (NCR) in 2019.

MMR with PE inflows of over \$1.8 billion during the year witnessed a 19% on-year jump. NCR stood out with total inflows of over \$845 million in 2019 from mere \$195 million in 2018.

The Information Technology (IT) hubs of Pune and Bangalore attracted PE funds of around \$390 million and \$615 million respectively in 2019. Both cities saw inflows rise by 210% and 47%, respectively in a year.

The high potential of logistics and warehousing notwithstanding, this segment attracted about \$200 million in PE funds - a drop of nearly 50% against the previous year. Mixed-use developments saw inflows of around \$155 million in 2019, as against \$310 million a year ago.

Foreign PE funds inflow in Indian real estate since 2015



ATLAS | Data: Anarock

Indian Real Estate Macro Market Trends



Commercial Office space

- Office space leasing touches a record high, at 52 mn sq ft in 2019 to 12% increase in transactions Y-o-Y.
- The flexible office and co-working space segment continues to grow and touched approximately 8+ million sq ft in 2019
- Co-working has emerged as a major driver in most micro-markets with 15% share in space absorption.
- Rents show appreciation in most major markets with growth of 5% Y-o-Y
- At a pan-India level, total office stock across the seven major cities is forecast to reach around 600 mn square feet by the end of 2019
- Vacancy witnessed a marginal improvement in the last year, settling at approximately 15% at the end of 2019



Retail Sector

- The top 7 cities saw retail leasing activity drop by 35% in 2019 over 2018 - from 5.5 mn sq. ft. in 2018 to 3.6 mn sq. ft. in 2019.
- The share of organised retail gained ground in 2019. While it currently still accounts for only a 8% share of the overall Indian retail market, it is set to reach 13% by 2020 end on the back of government interventions.
- Average vacancy levels have come down to almost 14% in 2019 as against nearly 15% a year ago.
- Total PE inflows in retail touched nearly USD 260 mn between January to September 2019, compared to USD 355 mn in 2018 - an annual reduction of 27%.



Industrial and Warehousing sector

- In 2019, the total absorption in Industrial and Warehousing segment, 35 mn sq.ft of space.
- The warehouse industry in India is worth INR 560 billion and is growing at a rate of 10- 12 percent every year.
- E-commerce sector continues to be the major demand drive in this segment
- With the implementation of the GST reputed developers are entering warehousing sector.



MUMBAI

REAL ESTATE TRENDS

Mumbai is India's largest city (by population) and is the financial and commercial capital of the country. It is also one of the world's top ten centres of commerce in terms of global financial flow, accounting for 6.16% of the total GDP, 25% of industrial output, 70% of maritime trade in India. The key sectors contributing to the city's economy are: finance, gems & jewellery, leather processing, IT and ITES, textiles, and entertainment. Nariman Point and Bandra Kurla Complex (BKC) are Mumbai's major financial centres.

Statistics

Area (Metropolitan Region)	4,355 km ² (1,681.5 sq mi)
Population (Census 2011)	18,414,288 20,748,395 (Extended UA)
GDP (PPP)	\$310 billion



Commercial



Retail



Ind. & Warehousing



Mumbai Commercial Real Estate Trends

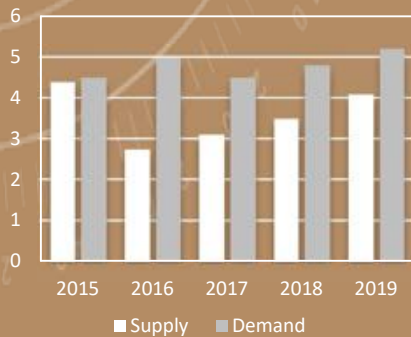
Mumbai office market saw total absorption of around 4.5 mn sq. ft in the year 2019 seeing a substantial growth in space demand. Leasing activity was stable across all micro-markets of Mumbai in the year 2019. Co-working has emerged as a new demand segment in Mumbai with frantic expansion by new and established players. Almost 16% of the space absorption in the commercial market are by Co-working space.

Overall, Powai, Vikhroli, Kurla, Andheri and Goregaon remained a favored investment destination accounting for 65% of total absorption. Navi Mumbai and BKC, with a 15% share each, while Worli, Prabhadevi and CBD represented the remaining 9% of gross absorption.

IT-BPM continued to witness strong demand with a 30% share. In fresh leasing activity, maximum share was held by the Engineering & Manufacturing sector (18%), with flexible workspaces accounting for a 16% share followed by BFSI with a 15% share. Around 2.1 msf of term renewals are seen spread across the submarkets of Powai, Goregaon and Thane Belapur Road.

Mumbai witness supply of around 4.1 mn sq. ft in the year 2019. A total of 15.8 msf of upcoming supply is expected to come by end 2021. Rentals remained stable in most micro markets with marginal increase in few pockets of Lower Parel, Powai, BKC and Andheri-Kurla submarkets. 2020 is expected to be good year for Mumbai Commercial Markets.

Demand and Supply in Mumbai Commercial market in million sft



Rental Trends Deals in Mumbai Commercial Market in INR/sq.ft/month

Area	2016	2017	2018	2019
Worli/Prabhadev	100 -190	100-180	125-190	125-150
Lower Parel	90-180	90-180	110-180	125-175
BKC	165-285	155-275	150-300	175-300
Kalina	100-175	100-175	125-200	125-175
Goregaon / JVLR	90-110	90-110	80-125	100-170
Andheri East	70-140	70-140	60-145	90-150
Malad	75-100	75-100	70-120	70-100
Powai	120-200	125-225	110-145	125-200
Navi Mumbai	40-80	40-80	40-75	35-75
Thane / LBS	60-120	65-125	60-125	70-120

Major Deals in Mumbai Commercial Market - 2019

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
JP Morgan	Nirlon Knowledge park	12,00,000	Goregaon	Lease
Tata Group	Lodha Project	8,00,000	Wadala	Sale
Morgan Stanley	Oberoi Commerz	8,00,000	Goregaon	Lease
Blackstone	One Bkc	7,00,000	Bandra	Sale
K. Raheja Corp	Citibank Tower	1,10,000	Bandra	Sale
Turner Morrison	Turner Morrison	54,000	Fort	Sale
R PACK	Plot No. 95	32,000	Rabale	Lease
ICICI Bank	Akruti SMC	30,000	Thane	Lease
Air India	Oberoi Commerz - II	25,000	Goregaon	Lease
Zilingo Global P.Ltd	Marathon Futurex	21,125	Lower Parel	Lease
Federal Bank	Kanakia Wall Street	20,000	Andheri	Sale
ICICI Prudential	Raheja Tipco Plaza	19,500	Malad	Lease
Color Con	Wall Street	7,650	Andheri	Lease

Mumbai Retail Real Estate Trends

The Mumbai retail market witnessed supply of nearly 2.5 mn sq. ft of leasable space. Due to healthy leasing activity, the total absorption was around 1.8 mn sq.ft in year 2019.

The vacancy level remained low at 11.5% due to healthy leasing activities in both High Street locations and Malls. Retail rentals remained stable across most micro markets. Major retailer renewals during 2019 included Shoppers Stop at Inorbit Mall, Malad, Lifestyle at R City Mall, Ghatkopar and Fun City at Infiniti Mall, Malad. Largely, apparel, CDIT and F&B brands were the most active retailers on main streets. Major main street transactions included Croma leasing 15,000 sf space in Kurla main street and Pantaloons leasing 8,500 sf space in Virar.

In 2020, it is expected to see sustained demand across malls in particularly in Lower Parel and the main street on Linking Road. Prominent main street locations like Bandra, Juhu, Powai etc. continue to see good inquiries from retailers and are expected to see transaction activity going forward as well.

Rental prices may see upward movement due to improved demand in retail markets in 2020. Selected main street locations are expected to see rental growth in the near future as they continue to see sustained demand from retailers.

Significant Leasing Transaction in Retail Market- 2019

Property	Location	Tenant	Square feet	Lease/ Sale
Inorbit Mall	Malad West	Shopper Stop (Renewal)	1,35,249	Lease
R City Mall	Ghatkopar West	Lifestyle (Renewal)	57,978	Lease
Kurla	Kurla Main Street	Croma	15,000	Lease
Shiv	Andheri	Fab India	13,000	Lease
Virar	Virar Main Street	Pantaloons	8,500	Lease
Lodha Park	Lower Parel	Indus Ind Bank	2,835	Lease
Atlanta	Nariman Point	State Bank Of Mauritius	2,750	Lease
Sanidhya	Vile Parle	Garvi Gurjari	2,148	Lease
Balaji Business	Andheri	Tea Villa	2,100	Lease
Kabra Metro One	Andheri	Starbucks	1,537	Lease

Major Upcoming Projects in 2020-21

	Location	Year
Maker Maxity Mall	BKC	2020
Oberoi Silk City Mall	Borivali	2021
Reliance Mall	BKC	2020

Prime Retail Rents in Mumbai in INR/sq.ft/month

	2016	2017	2018	2019
Main Street				
Linking Road	350 - 650	350 - 650	350-800	500-1000
Kemps Corner	350 -450	350 -450	350-600	350 - 550
Breach Candy	375 - 500	375 - 500	350-600	300 - 500
Colaba Causeway	300-600	300-600	300-600	400 - 700
Fort Fountain	250-450	250-450	250-550	400 - 600
Lokhandwala Andheri	225-350	225-350	250-500	200-350
Borivali LT Road	250-400	250-400	250-500	250-400
Chembur	250-350	250-350	250-500	175-350
Vashi	275-400	275-400	250-500	200-500
Thane	150-250	150-250	125-400	175-350
Malls				
Lower Parel	250-450	250-450	400-600	400-600
Link Road (Andheri W)	500	500	200-400	200-400
Malad	350	350	150-400	150-400
Goregaon	350	350	150-400	150-400
Ghatkopar	350	350	150-300	150-300
Bhandup	175	175	125-275	125-275
Mulund	200	200	200-400	200-400
Vashi	350	350	300-500	300-500
Thane	300	300	125-300	125-300

Mumbai Industrial and Warehousing Trends

Mumbai witnesses total absorption of around 5.7 msf of Warehousing space in year 2019. Around 8 msf of space is expected to be added to Mumbai in year 2020. Brisk activity is seen Mumbai warehousing segment particularly in Bhiwandi, Mankoli and Padgha along NH 3 and State Highway 35 (SH 35). Demand for industrial space picked up with leasing activity concentrated across the Trans Thane Creek (TTC) industrial area.

E-commerce players and 3PL companies continued to be the prominent occupiers of warehousing space in the region, accounting for 70% of the total space take-up during 2019.

E-commerce, retail, FMCG, 3PL (third-party logistics), cold storage, pharma and Engineering and manufacturing firms and electronics companies were other major demand drivers. Major lease transaction witnessed are; Amazon (250,000 sq. ft.) and Voltas (60,000 sq. ft.) at Bhiwandi. Due to the strong demand levels, rental values increased across most micro markets. However, high costs of land and restricting in land usage (mostly in the green zone) have restricted the development of warehouses.

Industrial and warehousing segment will continue its robust performance in 2020.

Mumbai Industrial and Warehousing Trends

Submarkets	Land Rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
Bhiwandi	6-9	15-25	12 - 25
Thane Belapur Road	25-35	35-45	30 - 45
Taloja Industrial Estate	20-30	30-40	20 - 30
Panvel	25-35	40-60	14 - 25
JNPT & Uran Road	8 -15	25-40	20 - 30
Rasayani Patalganga	8-12	22-25	14 - 20
Pen-Khopoli Road	8-12	22-25	14 - 20

Significant Leasing Transaction in Industrial and Warehousing in 2019

Property	Location	Tenant	Square feet	Lease/ Sale
K - Square	Bhiwandi	Amazon	2,50,000	Lease
Indian Corporation	Bhiwandi	Voltas [3PL]	60,000	Lease
K - Square	Bhiwandi	Marico	50,000	Lease
Om Rudra	Bhiwandi	Carrier Acs	40,000	Lease

NCR DELHI

REAL ESTATE TRENDS

The National Capital Region (NCR) in India is the designation for the conurbation or metropolitan area which encompasses the entire National Capital Territory of Delhi, which includes New Delhi and urban areas surrounding it in neighbouring states of Haryana, Uttar Pradesh and Rajasthan. NCR is India's largest and one of the world's largest urban agglomeration with a population of over 47,000,000 at the 2011 Census.

Statistics

Area	54,984 km ² (21,229 sq mi)
Population (Census 2011)	46,069,000
GDP (PPP)	\$293.6 billion



Commercial



Retail



Ind. & Warehousing



NCR Delhi Commercial Real Estate Trends

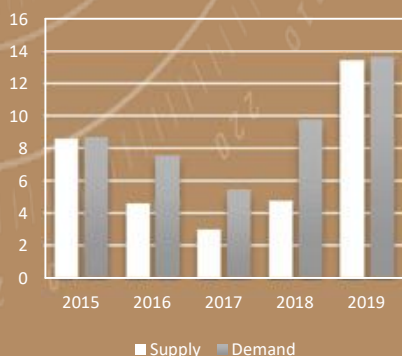
NCR Delhi office real estate segment emerged as a second most prominent market in terms of space with share of 27% of total Pan India absorption. Around 13.7 msf of space leased out in the year 2019. Gurugram continue to remain the most preferred market accounting for 60% of the total absorption. Delhi-NCR has the largest share of flexible working space demand at 2.4 million sq ft, a 94% on-year rise.

The year 2019 recorded new supply totalling 13.43 msf, a level which has not been seen in any of the previous years. Around 30.4 msf of office space is in different stages of construction in NCR Delhi and is expected to be supplied by end of 2022. Robust leasing including pre-commitments becoming operational during the year, saw vacancy at 23.4% at end-2019.

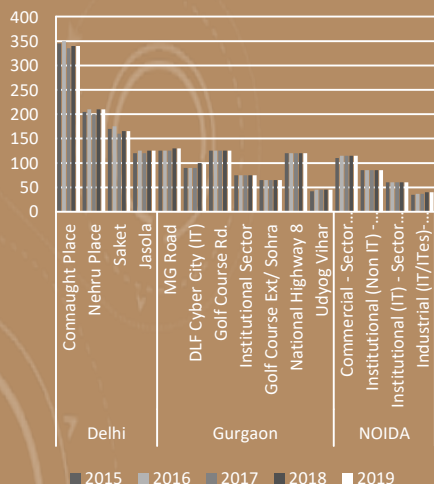
The IT-ITeS accounted for 50% of leasing volume followed by Engineering and Manufacturing, Banking, Financial Services and Insurance (BFSI) sector. Rental remained stable in most micro markets. New Delhi and NOIDA witnessed marginal appreciation in few commercial pockets due to restrictive supply while Gurugram saw a correction of base price in few locations.

We expect the commercial office market to remain robust towards developers owing to the new supply that would be available in coming 2-3 years. Rental prices will largely remain unchanged in 2019. Overall commercial markets will remain robust till year end 2020.

Demand and Supply in commercial Market of NCR in million sft



Average Rental Trends in NCR-Delhi Commercial Market in INR/ sq.ft./ month



Major Deals in Commercial Market

CLIENT	Location	Area (SF)	Lease/ Sale
Gurugram			
Office Beanz (Coworking)	Unitech Cyber Park, Tower-B, 11th Floor	26,000	Lease
Keysight Technologies	Unitech Cyber Park, Tower-D	1,60,000	Lease
Innov8 (Coworking)	Unitech Cyber Park, Tower-B, 9th Floor	26,000	Lease
Dew Solutions	JMD Megapolis, 3rd Floor	34,000	Lease
HSIL	Sector-32, Plot No. 68	40,000	Lease
MPHRX	Sector-44, Plot No. 63	20,000	Lease
Gemini Solutions	Plot No. 119, Udyog Vihar Ph-1	80,000	Lease
We Work	Plot No. 50 Ph-4 Udyog Vihar	65,000	Lease
Mahindra Choice	412-415 Ph-4 Udyog Vihar	20,000	Lease
Pharm Easy	33 Sec-18 Gurugram	30,000	Lease
P.C. Financial	177 Ph-1 Udyog Vihar Gurugram	30,000	Lease
Radnik Exports	413 Udyog Vihar Ph-1 Gurugram	50,000	Lease
OYO Work Flow	103 Udyog Vihar Ph-1	80,000	Lease
NOIDA			
WeWork India	Berger Delhi One, Sector-16B	146000	Lease
WeWork India	Logix City Centre, Sector-32	74000	Lease
Urban Clap	A-33 & 34, Sector-16	21000	Lease
Finesse International Design Pvt. Ltd.	F-131, Sector-8	35000	Lease
IDFC First Bank	Express Trade Tower II, Sector-132	20000	Lease
Pooja International	A-13, Sector-64	40000	Lease
Marigold Exports	A-23, Sector-64	40000	Lease
ThinkSys Software	Discovery Tower, Sector-62	21000	Lease
ABL Workspace	A-110, Sector-5	23000	Lease
CBSE	A-83, Sector-136	48000	Lease
VDS Technologies Business Centre	A-44/2, Sector-2	15000	Lease
Meenu Creation Export	A-62, Sector-64	40000	Lease
Nagarro	A-68, Sector-64	110000	Lease
Classplus	Nath Tower, Sector-3	14000	Lease
Thales	Berger Delhi One, Sector-16B	150000	Lease
IDC	C-18, Sector-67	30000	Lease
Tech Mahindra	B-18, Sector-62	75000	Lease
Delhi			
Light Speed Ventures	Worldmark Tower 2, Aerocity	13,400	Lease
Johnson Tiles	B-1/G-3, Mohan Co-operative	10,000	Lease
Sterling & Wilson	A-27, Mohan Co-operative	16,000	Lease
Phone pay	91 Springboard, Mohan Co-operative	90 Seats	Lease
Metropolis	B-1/E-21, Mohan Co-operative	25,000	Lease
simplyworks	DLF Prime Towers, Okhla 1	48,000	Lease
HDFC Life Insurance	Salcon Aurum, Jasola	7,000	Lease
Chegg India	Corporate ONE Baani, Jasola	13,500	Lease
DCI India	DLF TowerB, Jasola	6,600	Lease
Bosch India	Salcon Aurum, Jasola	5,000	Lease
Akash Institute	N-6, South Ex	21,500	Lease
VFS Global Services Pvt.Ltd.	Thapar House, Connaught Place	7,856	Lease
SBI CAPITAL MARKETS LIMITED	Birla Tower, Connaught Place	15,638	Lease
Kotak Mahindra Bank	Ambadeep Building, Connaught Place	10,000	Lease
ICICI Bank	Rohtak Road	40,000	Lease
Ginni International	Mayapuri	9,000	Lease
DCM Shriram Limited	Kanchenjunga Building, Connaught Place	10,000	Lease
Navitas India Pvt. Ltd.	Ambadeep Building, Connaught Place	50 seats	Lease

NCR Delhi Retail Real Estate Trends

NCR remains one of the foremost gateway cities for brands entering India with global brands across the fast fashion, lifestyle and F&B formats and witnessed around 3.25 msf of space absorption in year 2019. The annual leasing activity was headlined by large space take-ups by Uniqlo, Shoppers Stop, Lifestyle, Decathlon and Big Bazaar apart from the spaces leased by PVR, Cinepolis and Inox in new completions.. Prominent malls are operating at near 99-100% occupancy levels and most transactions in them were a result of retailer churn.

In 2019, mall rentals remained stable across submarkets. There is likelihood of a slight increase in rents over the next year, largely driven by superior grade malls where retailer churn shall occur at higher than prevailing rental range.

3.2 msf of new malls are scheduled for completion in Gurugram and Noida over the next three years. The trend of retail space in office complexes is also catching up with 1.9 msf coming up as part of such projects over next 2-3 years.

All new supply recorded healthy leasing activity with occupancy levels of 75-80%. The city's overall vacancy remained at 15.6% with most quality malls operating on 95-99% occupancy levels.

Retail markets of NCR Delhi are expected to witness sustained demand for quality retail space in 2020. An additional 1,65 ms of supply are likely in 2020.

NCR Delhi Retail Markets rates in INR/sft/month

Locations	2015	2016	2017	2018	2019
Khan Market	1250	1250	1350	1375	1375
South Extension I&II	755	755	770	775	775
Connaught Place	810	810	820	825	825
Greater Kailash I, M Block	555	555	560	570	570
Rajouri Garden	210	210	215	225	225
Karol Bagh	380	380	390	400	400
Kamla Nagar	455	455	455	455	455
DLF Galleria (Gurgaon)	705	705	705	710	710
Sector 18 (NOIDA)	230	230	230	230	230
South Delhi	505	505	505	515	515
West Delhi	330	330	330	330	330
Gurgaon	380	380	380	380	380
NOIDA	385	385	385	385	385
Ghaziabad	210	210	210	210	210

Significant Leasing Transaction in Retail Market - 2019

Tenant	Location	Square Feet	Lease / Sale
Hamleys	Connaught Place	20000	Lease
Senco Gold	Pitampura	8000	Lease
YESS - Your Everyday Super Store	Lajpat Nagar Ring Road	7500	Lease
Tanishq	Janakpuri	5000	Lease
Senco Gold	South Ex	4000	Lease
Adidas	South Ex	4000	Lease
Louis Philippe	South Ex	4000	Lease
Mondo Fine Dine	GK- 2 M Block Market	1500	Lease
Raymond	South Ex	1800	Lease
Airtel	Lajpat Nagar	1200	Lease
Cash for Gold	Lajpat Nagar	2100	Lease
Raymond	Kalkaji Market	1200	Lease
Starbucks	Defence Colony	1500	Lease
Park Avenue	Shaheen Bagh Jasola	1200	Lease
Bounce Lounge	Rajouri Garden	2400	Lease
World Of Titan	Rohini	1200	Lease
Allen Solly	Rohini	2100	Lease
Levis	Model Town	1200	Lease
KFC	PP City Center Pitampura	2500	Lease

NCR Delhi Industrial and Warehousing Trends

NCR Delhi is one of the largest warehousing nodes in India due to the presence of large consumer and manufacturing base.

Leasing activity remained robust in the NCR, with close to 7.5 mn sq. ft of space absorption. Demand continued to shift towards modernized Pre-engineered Building (PEB) facilities along the NH-8 in areas such as Pataudi, Taru Road and Binola, followed by the industrial areas of Mundka (Delhi), Dadri (Ghaziabad) and Greater Noida. E-commerce continues to be the main demand drivers.

Rental values in Delhi witnessed a growth of 5-7% during 2019 due to sustained interest from 3PL and e-Commerce players. Industrial and warehousing will be the major demand drivers in the Delhi NCR market with sustained demand from FMCG, 3PL and e-Commerce players.

Year 2020 is expected to continue the healthy momentum in Warehousing and Industrial space absorption. Peripheral Markets are emerging as preferred locations for 3PL and e-commerce players

Major Deals in NCR Delhi Ind. & Warehousing Market - 2019

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/m	Warehousing Rents INR/sft/m
Mundka	20 -60	20 -30	15 - 30
Alipur	25-50	18-25	13 - 20
Near Airport/ Dwarka	50 -100	NA	20 - 30
Okhla / Mohan Cooperative	620-1000	30 -100	30 - 50
NOIDA	390 - 395	35 - 40	16 - 30
Greater Noida	38-40	15-22	16-26
Faridabad	20-45	18-25	18 - 20
Gurgaon(Pataudi - Bilaspur)	180-500	18-22	10 - 18
Hasangarh	150-300	18-20	10 - 13
Kundali/Sonepat/ Barota	200-350	16-25	11 - 20
Palwal	150-250	15-20	13 -15
Ballabhgarh	350-500	16-18	20 - 22
Bhiwadi	35-40	15-17	15-17
Khushkhera	22-25	14-15	14-15
Neemrana	39-42	14-16	14-16

Significant Transactions in Industrial and warehousing Market 2019

Property	Location	Tenant	Area in sq.ft
Warehouse	Ghaziabad	LG	1,16,000
Warehouse	Dadri road, Ghaziabad	Bikano	1,40,000
Warehouse	Sonepat	Delhivery	3,00,000
Warehouse	Hiran Kudna, mundka	Udaan.com	1,00,000
Warehouse	Ghevra, New Delhi	Udaan.com	60,000
Warehouse	Tauru Road, Gurgaon	Cozent	50,000
Warehouse	Tauru Road, Gurgaon	Ashirwad pipes	80,000
Warehouse	Tauru Road, Gurgaon	Nykaa.com	90,000
Warehouse	Tauru Road, Gurgaon	Steller.com	2,00,000
Warehouse	Tajnagar, Gurgaon	Glauco Logistics	60,000
Warehouse	Tajnagar, Gurgaon	PEPSICO	80,000
Warehouse	Tajnagar, Gurgaon	Dynamic Solution	1,00,000
Warehouse	Pataudi road, Gurgaon	TVS Logistics	80,000
Warehouse	Pataudi road, Gurgaon	CEAT tyre	50,000
Warehouse	Farrukh Nagar, Gurgaon	Writer	90,000
Warehouse	Farrukh Nagar, Gurgaon	V2 Kart	48,000
Warehouse	Dhankot, Gurgaon	Asian Paints	45,000
Warehouse	Kulana, jhajjar	Udaan.com	2,00,000
Warehouse	Kulana, jhajjar	Future group	2,00,000
Warehouse	Bhora Kalan, Gurgaon	Adidas	50,000

BENGALURU

REAL ESTATE TRENDS

Bengaluru is known as the "Silicon Valley of India" because of its role as the nation's leading information technology (IT) exporter. With an economic growth of 10.3%, Bangalore is the second fastest-growing major metropolis in India. Forbes considers Bangalore one of "The Next Decade's Fastest-Growing Cities" as per its survey carried out in the year 2010. It is the third most populous city and fifth most populous urban agglomeration in India.

Statistics

Area (Metropolitan Region)	8,005 km ² (3,091 sq mi)
Population	10,576,167 (2013)
GDP (PPP)	\$110 billion



Commercial



Retail



Ind. & Warehousing



Bengaluru Commercial Real Estate Trends

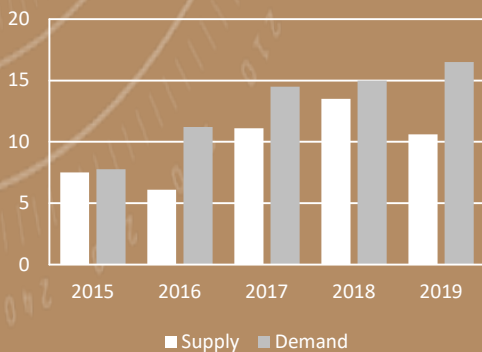
Bengaluru continues to be frontrunner in terms of commercial leasing in India. Along expected lines for a strong finish to the year, 2019 ended with a y-o-y growth of 13.9% and a q-o-q growth of 3.2% in gross leasing activity. The overall leasing volumes in 2019 crossed all erstwhile years to clock 16.47 msf.

Technology and IT-BPM sector accounted for 39 per cent of the total leasing during the year, followed by the engineering and manufacturing segment's share at 16 per cent and the flexible workspace share at 15 per cent. During the year, Bengaluru saw supply infusion of 10.9 million feet. Round 19 msf of office space will see completion in next 3 years.

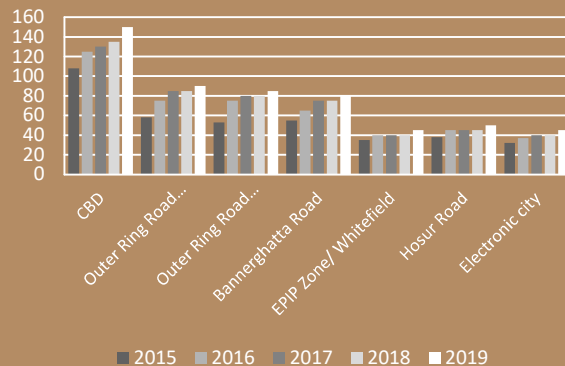
Declining vacancy levels across prominent submarkets and higher levels of pre-leasing in the upcoming supply is expected to result in an overall healthy rental appreciation in the short to medium term. At the city level, office rents have recorded a 2.5% and 6.0% growth y-o-y. Vacancy remained stable at 10%. More than 60% of the total upcoming space is concentrated in ORR and Whitefield. Vacancy remaining anchored to single digits

Besides Ecom, IT, ITES, the Co-Working Space office requirement will contribute to the demand commercial office space in Bengaluru. Rental prices will see northward movement in 2020 due to sustained demand.

Demand and Supply in Bengaluru commercial Market in million sft



Bengaluru Commercial Market Rental Trends in INR/sft/month



Major Deals in Commercial Market - 2019

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Tablez	Kalyani Helios	220000	ORR	Lease
Hive Minds	S & B Towers	15000	CBD	Lease
Smartworks Cowork	Prestige Zeenath	42000	CBD	Lease
Indiqube	VSPL	200000	Hebbal	Lease
Tablez	Prestige dotcom	45000	CBD	Lease
Samsung R&D	Bagmane WTC	400000	ORR	Lease
Reliance Jio	Avana	301000	ORR	Lease
Smartworks	Global technology park	300000	ORR	Lease
Boeing	RMZ Azure	150000	Hebbal	Lease
315 Work Avenue	Vasvani centropolis	60000	CBD	Lease
Global Data Tech	Standalone Bldg	10000	Koramangala	Lease
Thrive Coworking	Standalone Bldg	14000	Koramangala	Lease

Bengaluru Retail Real Estate Trends

Around 2.3 mn sq.ft of new retail space was added in 2019. Additionally, a healthy supply of over 3.88 mn SF in Bengaluru, expected by the end of 2020. Bengaluru continued revival of retail demand in the year 2019 with the absorption of around 1.2 mn sq. ft. Of prime retail space. The share of Fashion & Apparel and F&B sector remained quite active with retailers taking up space both in High Street and Malls. While the demand for quality retail space remains robust and vacancy remains tight in prime malls, rents have largely trended within the prevailing range. A similar situation has been recorded in the main streets with rents remaining within the existing range through the year.

Hosur-Sarjapur Road has emerged as the new retail destination and has gained significant interest from retailers witnessing high volume of transactions. Due to good leasing activity and limited supply, overall mall vacancy levels remained low at 11%. The rentals have remained stable in all major micro - markets.

Rental prices may see upward movement in 2019 due to sustained demand Fashion & Apparel and F&B sector. International lifestyle retailers such as Wellness, spa & salon brands and home décor & furnishing retailers are emerging as new demand segment.

Major Deals in Bengaluru Retail Market - 2019

Property	Location	Tenant	Square feet	Lease/ Sale
Independent Building	Kalyan Nagar	The Orient	2000	Lease
Independent Building	Kalyan Nagar	Lambchop Grill	1500	Lease
House of Angady	Jayanagar	Angady Silks	45000 sft	Lease
Independent Building	Jayanagar	Namdharis	20000 Sft	Lease

Bengaluru Retail Market Rental Trends in INR/sft/month

	2014	2015	2016	2017	2018	2019
High Street						
MG Road	240	240	150-250	125 - 275	150-300	150-320
Brigade Road	325	310	175-350	175 - 350	150-400	150-420
Commercial Street	300	300	300	300	200-300	200-300
Indiranagar 100 feet Rd.	200	190	175-200	150 - 200	150-250	150-250
Jayanagar	255	255	150-250	150 - 250	150-250	150-250
Sampige Road, Malleswaram	120	120	125	125	125-150	125-150
Koramangala 80 ft Rd.	125	115	100-150	100 - 150	100-150	100-150
Vittal Mallay Rd.	280	270	200-300	150 - 300	150-300	150-300
New BEL Rd.	142	145	125-175	125 - 175	125-175	125-175
Marathahali Jn.	125	125	125	125	100-150	100-150
Kamanahalli Main Rd.	125	125	125-150	125	100-150	100-150
Malls						
Koramangala	420	420	420	420	Full	Full
Magrath Rd.	375	375	375	325 - 350	300-350	300-350
Cunningham Rd.	100	90	100	120	100-150	100-150
Mysore Rd.	75	65	100-125	100 - 125	100-200	100-200
Vittal Mallay Rd.	400	400	400-500	400-500	full	full
Whitefield	120	120	100-175	100 - 175	125-250	125-250
Rajarajeshwarinagar	90	80	100	100	125-400	125-400
Malleswaram	280	280	250-300	25-300	150-225	150-225
Bannerghatta Rd.	195	195	125-175	125 - 200	150-300	150-300

Bengaluru Industrial and Warehousing Trends

Bengaluru Industrial and Warehousing market remained 3rd most preferred micro-market in terms of absorption with total leasing of 5.5 msf of space in year 2019. The total warehousing space requirement in the city is estimated to be around 80 msf in next 2-3 years. During the next two years while upcoming supply is around 60 mm sq. ft. The manufacturing sector is the biggest demand drivers with absorption of 55 mn sq. ft.

The main demand drivers are E-commerce players followed by third-party logistics and FMCG firms. In a warehousing segment e-retailers and e-commerce giants have consolidated their presence in this market due to availability of quality warehouse at reasonable costs and relative proximity to high-demand centers (such as Hyderabad, Chennai, Cochin and Mangalore

Bengaluru's warehousing clusters are located along its chief peripheral nodes like Tumkur Road (north-west), Old Madras Road (east), Hosur Road (south) and Mysore Road (south-west). The warehousing clusters in the eastern and the north-western corridors are home to large occupiers from the e-commerce segment such as Amazon, Flipkart, Myntra, Aditya Birla, Madura Garments and Decathlon.

Bengaluru Industrial and warehousing market will continue its robust performance in the year 2019. Rentals may appreciate owing to healthy demand in certain micro-markets, particularly in eastern and western part of Bengaluru

Bengaluru Industrial and Warehousing Trends

Industrial & warehousing Submarkets	Land rates in INR Cr/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
Narsapura	1.0 to 1.75 Crores	15 - 19	15-19
Bommasandra	4 to 6 Crores	20 - 28	18 - 27
Bidadi IDA	3 to 6 crores	15 - 20	15-20
Dabaspeta	1 to 2 Crores	12 - 18	12 - 16
Harohalli	1.5 to 2.5 Crores	12 - 18	12 - 22
Peenya IDA	6 to 12 Crores	25 - 35	20 - 30
Attibele	2 to 3 Crores	20-30	18 - 26
Nelamangala	1.2 to 2 Crores	13 -25	13 - 20
Hoskote	1 to 2 Crores	15-20	14-20

Significant Leasing Transactions in Industrial and warehousing Market 2019

Property	Location	Tenant	Area
Standalone building	Nelamangala	Himalaya Wellness	160000 Sft
Standalone building	Nelamangala	Reliance	125000 Sft
Standalone building	Hoskote	Yusen Logistics	150000 Sft
Standalone building	Nelamangala	20 cubes	80000 Sqft

Significant Project under construction

	Area	Completion
Soukhya Road	1,25,000 sqft	Feb-March
Jigani- Bommasandra	1,00,000 sqft	March
Harohalli	2,00,000 sqft	Jul- Aug
Nelamangala	4,00,000 sft	March-April
Hoskote	3,00,000 sft	May-June

* Total combined development

CHENNAI

REAL ESTATE TRENDS

Chennai is known as the “Detroit of India” for its automobile industry. It is the fifth-largest city and fourth-most populous metropolitan area in the country. Chennai has a broad industrial base in the automobile, computer, technology, hardware manufacturing and healthcare sectors. The city is base to around 30 percent of India's automobile industry and 40 percent of the auto components industry. According to the Confederation of Indian Industry (CII), Chennai is estimated to grow to a US\$100–billion economy, 2.5 times its present size, by the year 2025.

Statistics

Area	1,189 km ² (459.07 sq mi)
Population (Census 2011)	8,653,521 8,917,749 (Extended UA)
GDP (PPP)	\$78.6 billion



Commercial



Retail



Ind. & Warehousing

Chennai Commercial Real Estate Trends

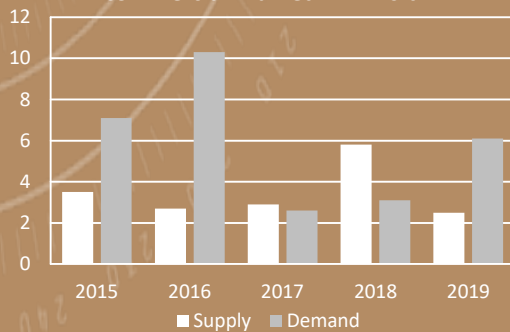
Chennai's office space absorption rose by 56 per cent y-o-y during 2019, touching 6.1 million square feet. In the year 2019, the city witnessed a new peak in office space absorption after a down trend since 2012. Majority demand was led by the IT-BPM sector accounting for 55 per cent share in gross absorption number. This is followed by flexible workspace players with about 1.0 million sq feet, accounting for 15 per cent of the overall gross absorption.

Chennai commercial market saw supply of around 2.5 msf of office space. A strong supply pipeline of around 13 msf over the next three years is also likely create the required ecosystem for demand.

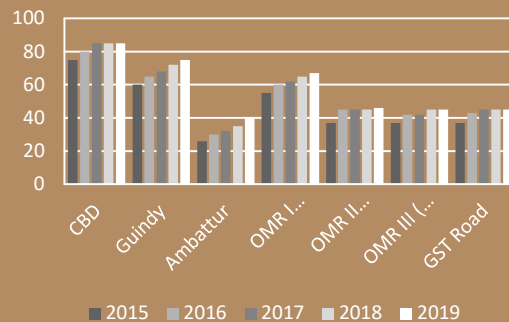
Rents have remained stable across micro markets. Few submarkets may witness slight appreciation due to rebound demand. Overall city vacancy remained below 10% due to robust demand. Continuing demand for expansion in the city, increased number of large size (100,000 square feet) transactions and robust leasing contributed by the peripheral markets (Ambattur and post toll OMR)

The Chennai office market is expected to continue its sustained demand in the year 2020. IT & ITeS, SEZs, e-commerce, Co-working and manufacturing will continue to be the major demand drivers in the Chennai commercial office space.

Demand and Supply trends in Chennai commercial Market in MN sft.



Average Rental Rates in Chennai in INR / sq.ft/ month



Major Deals in Chennai Commercial Market - 2019

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
RNTBCI	Ascendas Cybervale	120,000	South-West	Lease
J.Ray Mcdermott	RMZ Millenia	175,000	Suburban South	Lease
Workafella	Highstreet IT Park	142,000	CBD	Lease
CoWorks	Arihant Technopolis	120,000	Suburban south	Lease
IDP	DLF	41,000	South west	Lease
Southern Global Services	Gateway Office Park	140,000	GST	Lease
CoWorks	Sterling Technopolis	93,000	OMR	Lease
SmartWorks	Kochar Globe	80,250	Guindy	Lease

Chennai Retail Real Estate Trends

Chennai witnessed the launch of 1-mn-sq-ft VR Mall in Chennai in 2018 which revived the retail transaction sector. In 2018 owing to sustain retail demand. Chennai saw absorption of 1.5 mn sq.ft of retail space in 2018. Increase in mall supply is expected to intensify transaction activity owing to a steady demand from retailers.

Significant leasing activities were noted in the areas of Velachery and Mount Poonamallee road. Demand for retail space in main streets remained strong as international brands. Domestic retailers in the F&B, Electronics and apparel segment were keen on expanding their presence in other submarkets such as Mogappiar, Kattupakkam, Sholinganallur (OMR), Ambattur and Tambaram.

Rentals show appreciation by 5% - 8% in retail high streets. Mall rentals are likely to remain stable with new leases expected to close at prevailing rates and new malls scheduled for completion in the next quarter. Main street rentals are also expected to remain largely stable in areas of Adyar, T. Nagar, Purasawalkam and Alwarpet.

Marina Mall in OMR which would be operational by 3rd quarter of this year. We expect retail segment to perform well in 2019 owing to sustained space demand.

Major Deals in Chennai Retail Market - 2019

Property	Location	Tenant	Square feet	Lease/ Sale
Standalone	Medavakkam	FBB	20,000	Lease
Standalone	Perungudi	Tata Croma	15,000	Lease
Standalone	Ambattur	Pantaloons	12,000	Lease
Standalone	ECR	Heads up for tails	1,650	Lease
Standalone	Taylors Road, Kilpauk	HNS Hotels	1,500	Lease
Standalone	Poonamallee High Road	Mohan Diabetes	2,634	Lease
Standalone	T. Nagar	Tea villa	3,200	Lease

Chennai Retail Market Rental Trends in INR/sft/month

High Street Area	2015	2016	2017	2018	2019
Nungambakkam High Road	150	150 - 175	150 - 180	150 - 200	150 - 200
Khadar Nawaz Khan Road	210	210 - 230	210 - 250	200 - 225	200 - 225
Cathedral Road - RK Salai	135	135 - 150	135 - 150	150 - 175	150 - 175
Usman Road - South	130	130	130	125-150	125-150
Usman Road - North	140	140	140	140	140
Adyar Main Road	170	170	170	150 - 175	150 - 175
Anna Nagar 2nd Avenue	130	130	130 - 150	130 - 180	150 - 200
Purasawakam High Road	120	120	120	125 - 150	125 - 150
Pondy Bazar	160	160 - 185	160 - 200	160 - 200	160 - 200
Velachery	100	100	120 - 150	120 - 150	120 - 150
Malls					
Chennai - CBD I (Mall)	230	230 - 260	230 - 275	230 - 275	230 - 275
Chennai - CBD II (Mall)	300	250 - 300	250 - 325	250 - 325	250 - 325
Chennai - Western (Mall)	200	180 - 200	180 - 200	180 - 200	180 - 200
Chennai - South (Mall)	220	200 - 230	200 - 230	200 - 230	200 - 230

Chennai Industrial and Warehousing Trends

Chennai saw total demand of around 2.8 msf of space in Warehousing segment. Leading occupiers leasing space are e-Commerce, engineering and manufacturing, and 3PL companies. Leasing activity was largely concentrated across projects such as Indospace and Kailash Logistics. Rentals in most of the micro - markets remained stable during H1, 2018. NH - 5 (Red Hills – Gummidipoondi), Tada and Sriperumbudur – Tiruvallur stretch remained the most vibrant industrial and warehousing market seeing an appreciation of 15% - 12% year on year. Chennai saw close to 3 msf supply in Industrial and warehousing segment.

Rental values were largely stable during 2018. NH - 5 (Red Hills – Gummidipoondi), Tada and Sriperumbudur – Tiruvallur stretch remained the most vibrant industrial and warehousing market seeing an appreciation of 8% - 12% year on year. Demand for Grade A & B warehousing have led to a rental appreciation in most micro – markets. Manufacturing rents will remain steady across submarkets.

Industrial and warehousing, demand will continue to grow in along major industrial and warehousing corridors of Chennai in 2020.

Chennai Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
NH 4 - Sriperumbudur - Oragadam SIPCOT	15 – 30	27-30	25 - 28
Sriperumbudur – Tiruvallur	13 - 25	20-25	18 - 22
NH 5 - Gummidipoondi SIPCOT	10-20	18-20	15 - 18
NH 5 - Red Hills - Gummidipoondi	15 - 18	18-22	18 - 20
Tada	08 - 10	18-25	18-25
Ambattur	200 - 220	28-32	23 - 28
Poonamallee	45 - 65	28-32	25 - 30
Maraimalai	55-60	25-27	22 - 25

Major Deals in Chennai Ind. & Warehousing Market - 2019

Property	Location	Tenant	Square feet
Independent	Maraimalai Nagar	M/s. Superpacks	25,292
Independent	Korattur	M/s. Ahuja Fashions	23,534
Independent	Sriperumbadur	M/s. Saint Gobain Glass	37,000

HYDERABAD

REAL ESTATE TRENDS

Hyderabad, the capital of the newly formed state of Telangana is historically known as the “City of pearls”. With an output of US\$74 billion, Hyderabad is the 5th contributor to India’s overall gross domestic product. The city is home to more than 1300 IT and ITES firms, including global conglomerates such as Microsoft, Google, Dell, Facebook, and major Indian firms such as Infosys, TCS, Polaris and Wipro. The city and its suburbs contain the highest number of special economic zones of any Indian city.

Statistics

Area	7,257 km2 (2,802 sq mi)
Population (Census 2011)	6,809,970 7,749,334 (Extended UA)
GDP (PPP)	\$75.2 billion



Commercial



Retail



Ind. & Warehousing



Hyderabad Commercial Real Estate Trends

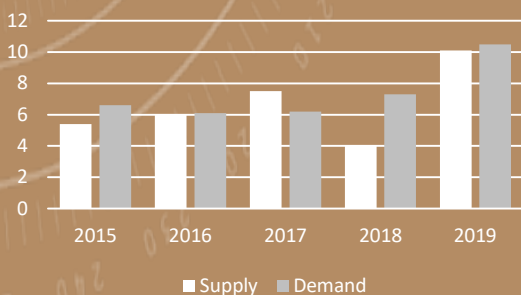
Hyderabad witnessed 10.5 million square feet of gross absorption during 2019 registering a 40% y-o-y growth in office space demand when compared to 2018. Tenants like Google, HCL, Cognizant, Legato and ZF actively pre-leased large spaces to the tune of 4.2 msf in upcoming projects across Madhapur and Gachibowli. The flexible workspace players have ramped-up operations in the city with almost a four-fold increase in leasing activity during 2019 compared to previous year.

Around 10.1 mn sq.ft of Grade A office space was added to the Hyderabad commercial market in 2019. Large share of new completions are witnessing furious pre-leasing activity with most of the space already pre-committed.

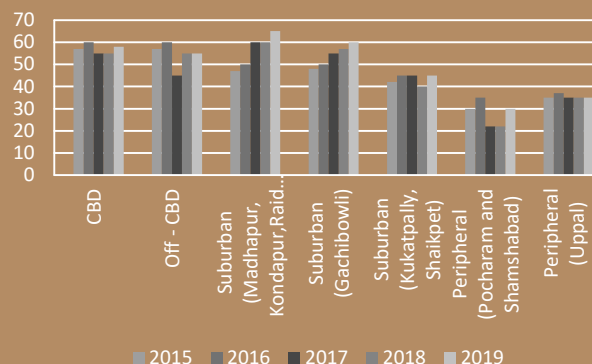
Due to sustained demand since last two years, the rentals in most micro markets have seen appreciation. Rentals in Madhapur and Gachibowli have gone up by 10-15% y-o-y on the back of robust occupier demand. Overall vacancy at the city level has further tightened to 5.5%. With the core financial district and the immediate surroundings filling up fast, office market is rapidly expanding along the ORR towards Kokapet and Manikonda – Khajaguda.

The Hyderabad office market is expected to continue its sustained trends in the year 2020 and has emerged as one of the most preferred destination for IT&ITeS players.

Demand and Supply Trend in Hyderabad Commercial Market in MN sft



Hyderabad Commercial Market Rental Trends in INR/sft/month



Major Deals in Commercial Market 2019				
CLIENT	Building Name	Area (SFT)	Location	Lease/Sale
Paraxel	Mindspace Building#12D	250000	Hitec City	Lease
Cognizant	Laxmi Infobahn	200000	Kokapet	Lease
IVY Comptech	Meenakshi Tech Park	141187	Hitec City	Lease
Oppo	Mindspace Building#12D	72336	Hitec City	Lease
Pactera Technologies	Mindspace Building#12D	50000	Hitec City	Lease
Schneider Electric	Mindspace Building#12D	50000	Hitec City	Lease
Progress software	Aurobindo	50000	Hitec City	Lease
Stars Group	Rajapushpa Summit	42000	Financial District	Lease
Vodafone	Q City	64000	Financial District	Lease
Gemini consultancy	Q City	36000	Financial District	Lease
Primesoft	Q City	25000	Financial District	Lease
Phenom People Pvt Ltd	Sohini Tech Park	37666	Nanakramguda	Lease
OYO- Workflo	Hitex Bizness Square	20000	Hitec City	Lease
Tornado	Phoenix Primea Towers, Block 2	65000	Financial District	Lease
Nexgen diagnosys India Pvt Ltd	Park View Edifice	28806	Jubilee Hills	Lease
AWFIS	North East Plaza	20800	Erramanzil	Revenue Share
TTEC	RMZ- The Sky View 20	23014	Hitec City	Lease
Abhibus	Sreshta Marvel (AWFIS)	250 seats	Gachibowli	Lease
MCS Solutions Pvt Ltd	Purva Summit (ICON Spaces)	126 seats	Hitec City	Lease
Whatsapp	The Sky View (Cowrks)	80 seats	Hitec City	Lease
Seoyon Electronics	Meenakshi Building (Ikeva)	10733- 111 seats	Kondapur	Lease

Hyderabad Retail Real Estate Trends

The Hyderabad retail market witnessed the brisk transactions of around 1.5 msf of retail space in year 2019. International brands such as Bath & Body Works, WK Life, Caffè Ritazza have entered the city, leasing space in major retail mall developments in the Western corridor. H&M has expanded its presence to other malls while brands such as Decathlon, Tonique and Star Hyper have scaled up their presence on main streets. Mobile major One Plus has leased nearly 17,000 sf. for an experience / flagship store in Himayat Nagar. Vacancy levels fell below 10% due to sustained demand and pre-leasing activities.

Total mall supply of 1.6 msf was added in 2019. Approximately 2.0 msf. of new mall supply is expected in 2020, with a majority coming up in underserved areas such as Kavadiguda, Moulali, LB Nagar, RC Puram and Chandanagar etc. Additional mall space totaling over 5.5 msf is lined up over 2020-22 and shall be more than adequate to meet the expected demand from retailers.

We expect the upswing in retail expansions to continue in 2020 on the back of robust business sentiments and continued infrastructure developments across the city.

Significant Leasing Transactions in Retail Market

Property	Location	Tenant	Area
Individual	Banjara Hills Road -2	P & Rao	7000
Individual	Gachibowli	FAB Experience Center	5000
Individual	Dilsukhnagar	South India Mall	40000
Individual	Banjara Hills Road No . 12	ELEMENTRY	2500
Individual	Banjara Hills Road -14	TANEIRA (TITAN)	5000
Individual	Kukatpally	UNLIMITED	10000
Individual	Kukatpally	Royal Oak	10000
Individual	Kukatpally Y Junc	Max Fashion	5000
Individual	Hitex	Ratnadeep	4500
Individual	Banjara Hills Rd 12	ETHIOS	5000
Individual	Madhapur	Audi	12000

Hyderabad Retail Market Rental Trends in INR/sft/month

High Street	2014	2015	2016	2017	2018	2019
M.G Road	110	110	110	115	110	110
S.P Road/ Begumpet	110	110	110	110	110	110
Raj Bhavan Road/ Somajiguda	90	90	90	100	100	100
Banjara Hills	130	130	130	125	120	120
Abids/ Koti	110	110	110	110	110	110
Himayathnagar	135	135	135	135	130	130
Punjagutta	155	155	155	155	155	155
Ameerpet	125	125	125	120	120	120
Jubilee Hills	130	125	125	120	120	120
Kukatpally	140	140	140	130	125	125
A.S.Rao Nagar	120	120	120	100	120	120
Madhapur	100	100	100	110	100	100
Malls						
NTR Gardens	125	125	125	120	120	120
Himayathnagar	150	150	150	140	140	140
Banjara Hills/ Jubilee Hills	160	160	160	160	155	155
Madhapur	140	140	140	145	145	145
Punjagutta	140	140	140	140	140	140
Somajiguda	130	130	130	130	130	130
Kukatpally	100	100	100	100	100	100

Hyderabad Industrial and Warehousing Trends

The Hyderabad Industrial and Warehousing market witnessed a strong increase in leasing activity in 2019 with transaction of around 1.8 msf. Besides a few large scale transactions, the leasing activity during 2019 was driven by small to medium sized space take-up by 3PL, FMCG, e-Commerce and pharmaceutical companies. The majority of the leasing activity was concentrated across independent warehouses.

The major industrial and warehousing corridors in Hyderabad are Shamshabad, Mahabubnagar and Medchal. These areas have the presence of almost all major FMCG and e-retail players.

Rents have remained stable across micro markets. Shamshabad has emerged as a preferred e-commerce destination due to proximity to airport. The Medchal area saw appreciation of rentals due to steady demand and sustained leasing activities. Industrial and warehousing, demand will continue to grow in along major industrial and warehousing corridors of Hyderabad

GST reforms and political stability have triggered off growth in Hyderabad Industrial and warehousing markets and we expect this trend to continue in 2020

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
Jeedimetla	25-35	12 to 14	12 to 14
Gunda-Pochampally	20-30	12 to 14	12 to 14
Kandlakoya	20-30	12 to 14	10 to 12
Kompally	30-40	12 to 14	14 to 16
Bowrampet	15-30	10 to 12	10 to 12
Gajularamaram	15-30	10 to 12	10 to 12
Medchal	35-40	12 to 14	12 to 14
Turkapally	30-35	12 to 14	12 to 14
Dandupally	25-30	10 to 12	10 to 12

KOLKATA

REAL ESTATE TRENDS

Kolkata, widely regarded as the "cultural capital" of India, enjoys a strong, diversified economy and is the principal commercial, culture and educational center of East. As of 2019, six Nobel Laureates have been associated with city. Recent estimates indicate that Kolkata Metropolitan Area's economy have ranged from \$ 60 to \$150 billion (GDP adjusted for purchasing power parity) making it third most-productive metropolitan area in India, after Mumbai and Delhi. The City is a perfect blend of economic strength and dynamism, with a strong consumer base, vibrant industry, large talent pool, transparent governance and social & physical infrastructure development. The city is home to many industrial units operated by large public and private sector corporations. Major sectors include steel, heavy engineering, mining and minerals, pharmaceuticals, food processing, agriculture, electronics and textiles.

Prominent companies headquartered in Kolkata are ITC Limited, Exide Industries, Eveready Industries, RP – Sanjiv Goenka Group, Ambuja Neotia Group, Emami, Rupa Industries, Lux Innerwear, Berger Paints, Birla Corporation, Manyavar, SREI, Peerless Group, Coal India Limited, Uco Bank, Allahabad Bank, Bandhan Bank and Damodar Valley Corporation to name a few.

Statistics

Area	1,886.67 km2 (728.45 sq mi)
Population (Census 2011)	14,112,536 14,617,882 (Extended UA)
GDP (PPP)	\$150.1 billion



Commercial



Retail



Ind. & Warehousing



Kolkata Commercial Real Estate Trends

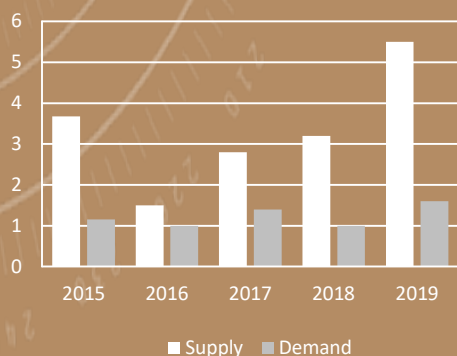
Year 2019 saw robust activity in Kolkata commercial markets with healthy absorption of more than 1.3 million sq ft. Salt Lake submarket continues to be the majorly self consumption market in Kolkata accounting for 60% of the total Grade A net absorption, followed by Rajarhat (25%). The IT-BPM sector led transaction activity, with a share of 65% in overall leasing.

The city saw supply of around 5.5 msf of grade A office space in 2019. The supply is primarily concentrated in the peripheral submarkets of Rajarhat and Salt Lake. IT developments constitute about 85% of this new supply.

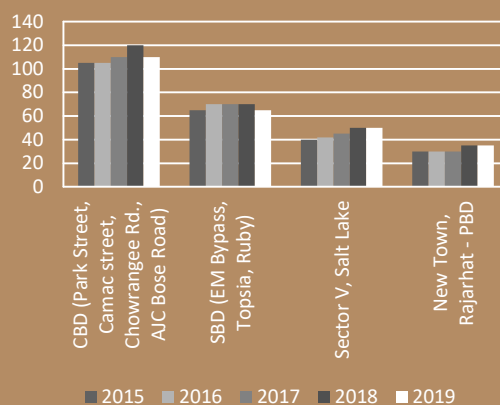
The vacancy level remained high at 40% due to surge of supply. Considering the moderate demand and increase in enquiry level in the market, net absorption is expected to improve going forward. Rents remain stable in most micro markets and are likely to remain stable due to increase in supply in 2019.

We anticipate that the rents will remain at the same levels in CBD locations, however SBD like Salt Lake and New Town may witness correction due to the consistent increase in supply of Grade A office spaces. Year 2020 is expected to revive the commercial market demand.

Demand and Supply Trends in Kolkata Commercial Market in Mn sft



Kolkata Commercial Market Rental Trends in INR/sft/month



Major Transactions in Kolkata Commercial Market - 2019

LOCATION	CLIENT	AREA (SFT)	LEASE/ SALE
Sec V	T M Logistics	31648	Office (Relocation)
Rajarhat	Tech Mahindra	22000	(Expansion)
Sec V	Tata Steel Processing	21419	Relocation
Sec V	AWFIS	20000	Expansion
Sec V	PWC	72000	Expansion
Rajarhat	Seagram	18000	Office Lease
Rajarhat	Accenture	30000	Lease
Sec V	Netscribes	25000	Lease
Sec V	Insurance	11983	Lease
Sec V	Cyber Security	7095	Lease
Ruby	Fashion Brand Back Office	6500	Lease
Ruby	Diagnostic Centre	6000	Lease
Sec V	Consumer Electronics	5000	Outright

Kolkata Retail Real Estate Trends

Kolkata high street retail market has dominated in terms of ready supply in 2019 with majority conversions. As per the initial conceptualization we are expecting approx. 25 lakhs sqft supply of Mall area by 2022, covering different locations like EM Bypass, B.T. Road, D.H. Road, Amtala etc.

Revamp model of few best malls in Kolkata has created opportunities for different top-end national & international brands to have their presence in Kolkata. Business affected old single screen cinema halls have created lucrative opportunities of high street commercial projects. Garment anchors, electronics formats, fitness centers, F & B segment and as usual super & hyper market formats were on the top list in terms of absorbing spaces.

Significant Transactions in Retail Market - 2019

PROPERTY	LOCATION	TENANT	Area (sft) approx.	SALE/ LEASE
High Street	Sec V, Saltlake	Hyundai	5000	Outright
Commercial Project	B. T. Road, Kolkata	Cinapolis	25000	Lease
Commercial Project	B.T. Road, Kolkata	Pantaloons	20000	Lease
Commercial Project	B. T. Road, Kolkata	Big Bazaar	25000	Lease
Deluxe Mall	Amtala, Kolkata	PVR	20000	Lease
Deluxe Mall	Amtala, Kolkata	Big Bazaar	24000	Lease
High Street with Fairfield Hotel by Marriott	Newtown (Action Area 1)	Croma	12000	Lease
High Street	Newtown (Atghara)	Croma	12000	Lease
Axis Mall	Newtown	Godrej Interio	6000	Lease
BFL Bangur	Park Street	Cultfit	5000	Lease
High Street	Barrackpore	Max	12000	Lease
High Street with Fairfield Hotel by Marriott	Newtown (Action area 1)	Tanishq	10000	Lease

Average Retail Rentals in Kolkata in INR/ sft/ month

	2016	2017	2018	2019
High Street				
Kankurgachi	180 -200	180 -200	180 -200	180 -200
VIP Road	150 -175	150 -175	150 -175	150 -175
Hatibagan	180 -200	160 - 175	160 - 175	160 - 175
Shyambazar	180-200	150-170	150-170	150-170
Theatre Road	250-300	250-300	250-300	250-300
Gariahat	250-280	250-280	250-280	250-280
Elgin Road Zone	250-300	250-300	250-300	250-300
Lindsey Street	250	250	250	250
Camac Street	250-300	250	250	250
Park Street	300-350	300-350	300-350	300-350
Malls				
Park Circus	350-400	350-400	350-400	350-400
South Kolkata	250-350	250-350	250-350	250-350
East Kolkata	200-250	250-400	250-400	250-400
Elgin Road Zone	350-400	350-400	350-400	350-400
New Town, Rajarhat	175-200	200-225	200-225	200-225

Kolkata Industrial and Warehousing Trends

Kolkata industrial and warehousing market continue to witness the positive trend. The micro market of Dankuni, Dhulagarh, Sankrail and Uluberia along NH-6 witnessed close to 70% of overall transaction activity. 3PL and E-Commerce were the major occupiers of space.

The state which had approx 21.5 msf of warehousing space in the beginning of the year is set to go up with supply moving upto around 25 msf by 2021. Kolkata warehousing market saw space take up of around 3.8 msf making it the fifth most preferred warehousing market after Delhi-NCR, Mumbai, Bangalore and Pune.

The implementation of GST has made way for cost and operationally efficient "Hub & Spoke Model" of warehousing and is shifting from the inefficient, low quality redundant warehouses to large box and good quality Grade A Warehouses. INR 4300 Cr investment in Warehouses estimated for WB by end of 2020

Industrial and warehousing demand will continue to grow in along major industrial and warehousing corridors of Kolkata in 2020

Submarkets	Land rates in INR per acre	Warehousing Rents INR/sft/month
Dankuni – Delhi Road	3 Cr – 4.5 Cr	19 - 26
Dhulagarh – Bombay Road	2.1 Cr – 4 Cr	18 - 22
Taratata – Maheshtala	6 Cr – 9 Cr	18 – 25
Madhyamgram, Barasat	1.8 Cr – 3 Cr	15 – 24

Significant Leasing Transactions in Industrial and Warehousing 2019

Property	Location	Tenant	Area (sq. ft)	Lease / Sale
Active Business Park	Kolkata	Udaan	15000	Lease
Active Business Park	Kolkata	Amazon	30000	Lease
Individual	Kolkata	Nerolac Paint	30000	Lease
ESR Logistic Park	NH6	Amazon	600000	BTS
ESR Logistic Park	NH6	Honda	100000	BTS
Individual	NH6	Flipkart	375000	Lease
Aarjav Industrial Park	NH2	Delhivery	400000	BTS
Amta Industrial Park	Amta Road	Amazon	150000	BTS

Kolkata Land Transactions

Significant Transactions in Land - 2019

Client	Location	Area	Type
Multicon / Primarc	Ballygunge Park Road	0.71	JV
PS Group	Metiabruz	20	DM
DTC Group	Garcha Road	0.77	Outright
Sreeleather	Bhawanipore	0.55	Outright
Ambuja Neotia	Calcutta Riverside	20 Lakh sqft	JV

Kolkata Investment deals

Significant Transactions in Investment - 2019

Location	Clients/Brands	Area (sqft)	Type
Mumbai Road	Auto Mobile	15000	Warehouse
Mumbai Road	Multiple Brands	15500	Warehouse
Buroshivtalla	Vacant Land	32400	Land investment
Rourkela	Multiplex	-	Investment
Howrah	Hotel	26000	Investment

PUNE

REAL ESTATE TRENDS

Statistics

Area	7,256.46 km ² (2,801.73 sq mi)
Population	7,276,000
GDP (PPP)	\$69 billion



Pune is considered the cultural capital of Maharashtra. Pune is one of the fastest growing cities in the Asia-Pacific region. The 'Mercer 2016 Quality of Living rankings' evaluated local living conditions in more than 440 cities around the world where Pune ranked at 144, second in India after Hyderabad (139). It also highlights Pune among evolving business centres and emerging 9 cities around the world with citation "Hosts IT and automotive companies".



Commercial



Retail



Ind. & Warehousing

Pune Commercial Real Estate Trends

Year 2019 saw total leasing activities of 5.14 mnf of office space in Pune Commercial Real estate markets while Pune witnessed supply of around 4.0 mnf of office space in 2019. Leasing is dominated by pre-committed by IT-BPM occupiers dominated the market.

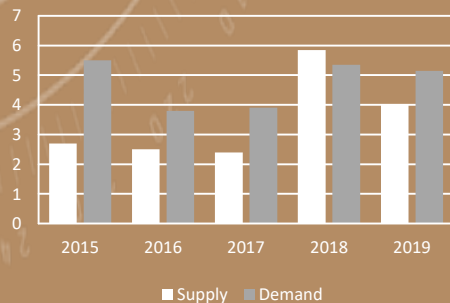
Pune continues to face supply crunch in Grade A office segment due to high demand This has affected the space transaction in last few years and has put a huge pressure on vacancy levels which has declined from 8% in 2018 to 5% in 2019.

The Information Technology / Information Technology enabled Services (IT/ITeS) sector has been the largest driver of office space in Pune and continues to do so accounting for 58% of the total space takeup.

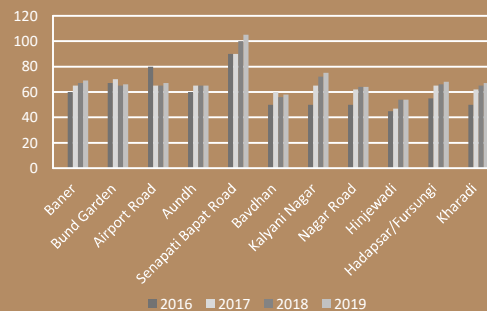
Over the past few years, co-working space has emerged as a new transaction segment in Pune Micro-markets with around 0.8 mnf. Of space takeup in year 2019. The rental values are likely to see appreciation due to sustained demand for quality spaces with average growth of 3% - 5% y-o-y. The key micro-markets of Baner, Bund Garden and Kalyani Nagar are likely to witness the fastest growth. The vacancy levels will remain at 6% - 8% in all mico-markets owing to steady demand

With an improved supply of office spaces, infrastructure developments and correction in leasing values, the commercial real estate in Pune is expected to continue its sustained growth in 2020.

Demand - Supply Trends in Pune Commercial Market in MN sft



Pune Commercial Market Rental Trends in INR/sft/month



Major Deals in Commercial Market - 2019

CLIENT	Building Name	Location	Area (SF)	Lease/Sale
Cohive	Prime Business Bay	Baner	5,500	Lease
Vargus	Sukhwani Boulevard Commerz	Sus Road	2,000	Outright
Cloudneeti	Sharayu Harmony	Baner	66 seats	Co-working
HCL	Embassy Tech Park	Hinjewadi	2,36,000	Lease
VM Ware	Panchshil Business Park	Balewadi	1,53,000	Lease
Infosys	Embassy Tech Park	Hinjewadi	1,27,000	Lease
Table Space	WTC Tower C	Kharadi	63,000	Lease
Katerra	Panchshil Business Park	Balewadi	41,000	Lease
Awfis	GK Mall	Pimple Saudagar	30,000	Revenue Sharing
Air Product	Pentagon	Hadapsar	30,000	Lease
Sterlite	WTC Tower A	Kharadi	28,000	Lease
Table Space	Tech Park One	Yerwada	26,000	Lease

Pune Retail Real Estate Trends

Pune saw leasing of around 0.5 mn sq.ft of retail space while supply remains historically low at only 0.2 mn sq.ft with no major completion. Healthy leasing activity was seen in Phoenix, Pavillion and Amanora malls located on Nagar road, S.B road and Hadapsar respectively

Demand from International retailers are driving demand for retail space in Pune market. The leasing activity in malls was dominated by food & beverage (F&B) retailers and lifestyle brands such as Forever21, Onitsuka Tiger, Ximivogue, Westside and Sephora expanding their footprint in the city. The moderate supply chain of few F&B outlets witnessed on Koregoan Park main street.

Amidst no fresh mall supply, vacancy rate declined to 9.3%. Upcoming Supply of 0.25 msf will bring more space options to the market in 2019. Rentals remained stable in most micro-markets except Pavillion and Westend Mall, which saw 13% y-o-y appreciation. Rentals are expected to grow marginally across malls in the forthcoming quarter owing to low vacancy levels

Demand for high street properties will drive the retail markets in Pune. In terms of transactions, retail market will see robust leasing activity in 2019 due to continued interest from lifestyle retailers.

Major Deals in Retail Market 2019

CLIENT	Location	Area (SF)	Lease/ Sale
Ancestry	Pavilion Mall, SB Road	1,000	Lease
Gant	Pavilion Mall, SB Road	1,000	Lease
Jack & Jones	Pavilion Mall, SB Road	1,000	Lease
Westside	Aishwaryam one, Chinchwad	11,500	Lease
Digi 1	Hadapsar	7,000	Lease
Star Market	Ambegaon	7,000	Lease
Sketchers	Elpro Mall, Chinchwad	2,000	Lease
Shoppers Stop	Elpro Mall, Chinchwad	15,000	Lease
Crosswords	Elpro Mall, Chinchwad	1,500	Lease
Giridhar	Baner	1,400	Lease
Linen King	Pride Purple Coronet, Baner	1,700	Lease
Just in Time	Amar Sadanand Tech Park, Baner	1,000	Lease
Naturals	Amar Sadanand Tech Park, Baner	1,000	Lease
Dorabjees	Pavilion Mall - SB Road	10,000	Lease
Toys are US	Season's Mall, Hadapsar	10,000	Lease
Malabar Golds & Diamonds	Laxmi Road	2,000	Lease
Chumbak	JM Road	1,000	Lease
Chumbak	Elpro Mall- Chinchwad	1,000	Lease

Pune Retail Market Rental Trends in INR/sft/month

High Street	2016	2017	2018	2019
MG Road	250 - 275	300 - 320	300 - 325	300 - 325
JM Road	265 - 290	325 - 370	325 - 375	325 - 375
FC Road	220 - 260	220 - 260	220 - 260	220 - 260
Koregaon Park	220 - 250	190 - 220	190 - 225	190 - 225
Aundh	180 - 200	150 - 180	150 - 190	150 - 190
Bund Garden Road	180 - 200	140 - 170	140 - 175	140 - 175
Malls				
Camp	175	215	220	220
Koregaon Park	110	135	140	140
Nagar Road	165	180	180	180
Hadapsar	150	180	185	185
PCMC	180	190	190	190

Pune Industrial and Warehousing Trends

Pune has emerged as the most vibrant industrial and warehousing market in Western India. The large consumer and manufacturing base and affordable prices have helped Pune become a major warehousing location.

Pune witnessed strong demand of around 2.0 msf warehousing space during 2019 driven by engineering and manufacturing sector companies and 3PL operators. E-commerce has a big customer base in Pune and the demand from e-commerce for warehousing space is high. Notable leasing transactions included leasing by JCB and Pokharkar Engineering.

Pune's total requirement for warehousing space is estimated to be 4.5 mn sq ft, of which more than 80% or 3.6 mn sq ft is from the manufacturing sector in year 2020. Chakan, Sanaswadi and Hinjewadi continue to be the most preferred micro markets for investment in warehousing. Rental values continued to remain stable across micro-markets.

Industrial and warehousing, demand will continue to grow in along major industrial and warehousing corridors of Pune in 2020 particularly along Chakan -Talegaon area.

Pune Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rentals in sq.ft/month	Warehouse Rentals in sq.ft/month
Talegaon	1.8-2.2 Cr/acre	20 -22	22 - 25
Chakan	1.8 -2.5 Cr/ acre	24 -30	24 -30
Pimpri Chinchwad	8-10 Cr/acre	25-35	25-35
Pirangut	3 Cr/acre	18-22	18-22
Hinjewadi	6-7 Cr/acre	25-35	32-40
Lonikand	2 Cr/ acre	14-20	14-20
Sanaswadi	2.5 Cr/acre	14-20	18-22
Ranjangaon	1.5- 2 Cr/acre	18-22	18-22
Khed City	1.7 Cr/acre	17-26	17-26
Shirwal	1.5 Cr/acre	12-16	15-20
Wagholi	3.5 Cr/acre	18-25	18-25

Major Deals in Industrial and Warehousing Market 2019

CLIENT	Location	Area (SF)	Lease/ sale
KSH Logistics	Chakan	120000	Industrial lease
SKYi	Chakan	35000	Industrial lease
Delhivery	Chakan	73000	Industrial lease
Starcke Abrasives	Chakan	50000	Industrial lease
Dana Spicer	Chakan	2,50,000	BTS Lease
Samarth Enterprises	Ranjangaon	107000	Industrial lease
Rieter Group	Lonikand	80000	BTS Lease
Surin Automotive	Chakan	75000	Industrial lease
Youngseong India	Chakan	72000	Industrial lease
Miba	Bhima Koregaon	70000	BTS Lease
Iron Mountain	Phulgaon	62000	BTS Lease
Valveworks India	Chakan	50000	Industrial lease
MakeMyTrip	Phulgaon	40000	BTS Lease
Cilicant	Lonikand	35000	BTS Lease

AHMEDABAD

REAL ESTATE TRENDS

Statistics

Area	464.16 km ² (179.21 sq mi)
Population	5,633,927
GDP (PPP)	\$68 billion

Ahmedabad has emerged as an important economic and industrial hub in India. It is the second largest producer of cotton in India, and its stock exchange is the country's second oldest. Two of the biggest pharmaceutical companies of India — Zydus Cadila and Torrent Pharmaceuticals — are based in the city. The Nirma group of industries, which runs a large number of detergent and chemical industrial units, has its corporate headquarters in the city. The city also houses the corporate headquarters of the Adani Group, a multinational trading and infrastructure development company.



Commercial



Retail



Ind. & Warehousing



Ahmedabad Commercial Real Estate Trends

Ahmedabad real estate saw net absorption of around 2.35 msf of commercial space in the year 2019 which indicated the revival of the demand. The demand is attributable to the availability of quality supply through new completions of around 1.7 msf during the year. The leasing activity was driven by IT-BPM and BFSI segments as well as by domestic trading companies in travel, Edutech & logistics industry sectors. Coworking operators are also gaining visibility accounting 5% of overall demand in 2019.

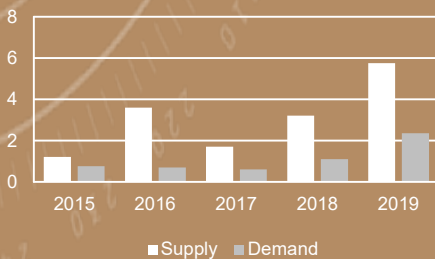
SG Highway South dominated with a 63% share of leasing, followed by the SG Highway North with a 25% share.

Ahmedabad witnessed supply of approx. 5.75 msf in 2019. Despite revival of demand, vacancy levels remained high at 40%. The new supply in Q4 was concentrated in the submarkets of SG Highway South & North and North Ahmedabad (Gift City, Chandkheda & Sabarmati)

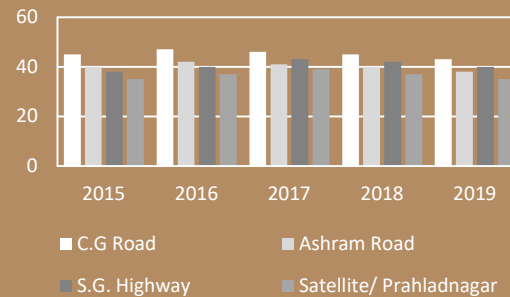
Rentals remained stable in most micro markets. Demand for IT-BPM, financial services, professional services firms, coworking operators and engineering /manufacturing and industrial firms to remain active in the city's office market.

We Expect 2020 to be positive for the commercial market with good leasing demand & addition of new supply infusion.

Demand - Supply Trends of Ahmedabad Commercial Market in Mn sft



Average Commercial Rental Rates in Ahmedabad in INR / sq.ft/month



Major Deals in Ahmedabad Commercial Market - 2019

CLIENT	Type	Building Name	Location	Area (SFT)	Lease/ Sale
SQL Computech Pvt.Ltd.	Office	Iscon Elegance	SG Highway	3500	Lease
Shyam Group	Office	B Square	Ambli Bopal	5000	Outright
Cliantha Research	Corp. House	@Eight	Bodakdev	11500	Lease
CERA	Office	Privilon	Ambli Bopal	10000	Lease
Opulence (Co-Working)	Office	Privilon	Ambli Bopal	10000	Lease
Regus (Co-Working)	Office	Ratnakar 9 Square	Vastrapur	17500	Lease
Dev X (Co-Working)	Office	The First	Vastrapur	33000	Lease
Cengress Ceramic	Office	B Square	Ambli Bopal	14125	Lease
Paragraph (Co-Working)	Office	Mondeal Heights	S G Highway	27000	Lease
High Q	Office	The Capital	Science City	26000	Lease
Karvy	Office	Aegis Building	Gujarat College	17500	Lease
Investor	Office	Orbit	Bodakdev	5000	Outright
Sony	Office	Ratnakar Nine Square	Vastrapur	9000	Lease
Aditya Birla General Insurance	Office	Ratnakar Nine Square	Vastrapur	12000	Lease
SBI	Office	BVR 1	Ashram Road	10000	Lease
Urban Clap	Office	Indraprasth	Makarba	15000	Lease

Ahmedabad Retail Real Estate Trends

Ahmedabad retail real estate saw healthy transaction of around 1 mn sqf in the year 2019. High street emerged as preferred locations by retailers. This year witnessed few exits from Mall space by retailers who moved to high street locations.

On the supply front, the market witnessed supply of around 0.5 mnf of retail space in 2019. Approximately 2.2 msf of upcoming mall supply is expected by 2020. Apparel brands were the dominant retailer category in space take-up, followed by F&B retailers and those in the health and fitness category constituted the third biggest chunk in terms of leasing activity

Owing to steady demand and limited supply in majority submarkets, the rents in the main streets of S.G. Highway and Prahlad Nagar increased by 2% and 3% respectively. Retail leasing at main streets remains more robust compared to malls. SG Highway and Sindhu Bhavan Road, continue to remain attractive locations for retailers.

Retail transactions are expected to remain healthy in 2020. Demand for high street properties will drive the retail markets in Ahmedabad.

Significant Transactions in Retail Market - 2019

Client	Building Name	Location	Area	Lease/Sale
Aurelia	Retail	C.G Road	1800	Lease
McDonald	Retail	Jundal Circle	4000	Lease
Little Sizzlers	Retail	HL College	2500	Lease
Satya Paul	Retail	Shirdhyblara Road	3500	Lease
Raghvendra Rathod	Retail	Ambli Road	2500	Lease
Max	Retail	Maninagar	13500	Lease
Reliance Trends	Retail	C.G Road	18000	Lease
Mukta Films Theatre	Retail	Bopal	40000	Lease
Banana Leaf	Retail	Ambawadi	6000	Lease
Tacco bell	Retail	Vastrapur	5000	Lease
Trends	Individual	Law Garden	20000	Lease
Croma	Solaris	Bhuyandev	25000	Lease
Croma	Individual	Nikol	18000	Lease
Westside	Individual	Nikol	12000	Lease
Westside	Solaris	Bhuyandev	40000	Lease
Starbazar	Solaris	Bhuyandev	10000	Lease
Zudio	Solaris	Bhuyandev	8000	Lease
D cathlon	CG Square	CG Road	10000	Lease
Manyaavar	Ratnakar 9 square	Keshav Baug	4000	Lease
Hacco	Ratnakar 9 square	Keshav Baug	2000	Lease
Aurelia	Shappire	CG Road	1500	Lease
Tea Villa Café	Dev Atilier	Prahladnagar	8000	Lease
ICICI	City Gate	Vasna	2400	Sale
ICICI	Silver Radiance	Hebatpur	2050	Sale
ICICI	Saral Parivesh	IOC Road	1600	Sale
Café Culture	Maple Tree	Satadhar	4000	Lease
Lakme	Maple Tree	Satadhar	3000	Lease
Natural Ice Cream	Maple Tree	Satadhar	2000	Lease

Ahmedabad Retail Market Rental Trends in INR/sft/month

High Street	2016	2017	2018	2019
CG Road	125-150	150-180	120-180	120-180
S.G Highway	80-120	100-140	100-150	100-150
Satellite	80-110	110-140	120-150	120-150
Ashram Road	80-110	100-130	100-120	100-120
Law Garden	100-120	150-180	130-140	130-140
Prahladnagar	80-110	110-140	100-150	100-150
Vastrapur	90-130	110-140	110-140	110-140
Drive in Road	80-120	90-130	90-130	90-130
Malls				
Alphaone Mall, Vastrapur	120 -140	130-160	180-250	180-250
Gulmohar Mall, Iscon Circle	60 -80	60-90	70-100	70-100
Himalaya Mall, Drive in Road	100-150	100-150	100-150	100-150
CG Square, CG Road	100-130	100-130	100-130	100-130

Ahmedabad Industrial and Warehousing Trends

Ahmedabad warehousing and industrial markets continue to have robust demand. Major markets are Sanand, Bavla and Changodar along NH 8A, Aslali and Kheda. Aslali, located on the Ahmedabad – Mumbai National Highway, witnessed the bulk of leasing activity with approximately 1.5 mnf of space getting absorbed.. Close to 1.8 mn sq. ft of industrial and warehousing space was completed in Ahmedabad market in year 2019. Warehousing demand was driven by consumer goods sectors, as well as e-commerce and automobile.

Prominent lessors in Changodar include Udaan and Croma who leased 175,000 sf and 115,000 sf respectively. Rentals in most other submarkets remained stable, but micro markets such as Aslali and Kheda show appreciation of 4% - 12% Y-O-Y

Industrial and warehousing, demand will remain robust in major industrial and warehousing corridors of Ahmedabad in 2020 particularly along Aslali, Sanand, Bavla and Changodar corridors.

Ahmedabad Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/per Sq.yard Sale	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
Sanand	3500-6000	3 /- 5/-	13 -17
Changodar	3000-15000	3 /- 5/-	12--17
Aslali	5000-20000	4/- 7/-	14-20
Kheda	2500-6000	3 /- 6/-	9 --13

Major Deals in Ahmedabad Commercial Market - 2019

Client	Type	Location	Area (sq ft)	Transaction Type
Amul	Warehouse	Mahesana	13000	Lease
Investor	Warehouse	Changodar	32000	Outright
Agility	Warehouse	Aslali	16000	Lease
Udaan	Warehouse	Changodar	175000	Lease
Croma	Warehouse	Changodar	115000	Lease
FCS Machinery	Warehouse	Changodar	45000	Lease
Udaan	Warehouse	Aslali	100000	Outright
Arvind Envisol	Warehouse	Kadi	55000	Lease
Rulmeca Holdings (ITALY)	Warehouse	Kadi	12000	Lease
S.R Paper (BERMIGHUM)	Warehouse	Kadi	45000	Lease

NAGPUR

REAL ESTATE TRENDS

Statistics

Area	227.36 sq, km (87.78 sq mi)
Population	2,405,665
GDP (PPP)	\$15.10 billion

Nagpur is the seat of the annual winter session of the Maharashtra state assembly. It is a major commercial and political centre of the Vidarbha region of Maharashtra. It is the 13th largest city by population in India. According to an Oxford Economics report, Nagpur is projected to be the fifth fastest growing city in the world from 2019-2035 with an average growth of 8.41%. It has been proposed as one of the Smart Cities in Maharashtra and is one of the top ten cities in India in Smart City Project execution. It is famous for Nagpur oranges and is sometimes known as the Orange City for being a major trade center of oranges cultivated in large part of the region.

Prominent Information Technology companies such as TCS, Tech Mahindra, HCL, GlobalLogic, Persistent Systems and Hexaware are located at various IT parks in Nagpur. Nagpur and the Vidarbha region have a very prominent power sector as compared to the rest of Maharashtra. The Multi-modal International Hub Airport at Nagpur (MIHAN) is an ongoing project for the Dr. Babasaheb Ambedkar International Airport, Nagpur. MIHAN SEZ is one of the major operating locations for many companies. Apart from MIHAN SEZ the city has three prominent MIDC areas



Nagpur Real Estate Trends

Commercial Real Estate

Nagpur is an established commercial hub and leading industrial centre in eastern Maharashtra. Better known as Orange City, Nagpur is an Educational Hub.

MIHAN SEZ is one of the biggest commercial projects in Nagpur. It is the only Multi-product SEZ in India that is attached to an airport. Spread over an area of 4,354 ha, Project MIHAN is primarily divided into two parts: An international airport to act as a cargo hub and an SEZ with commercial and residential zones. Many of the companies, i.e. Hexaware BPS, TAL and Lupin Pharma (Trial Drug Formulation), have started exporting from MIHAN SEZ.

Presence of IT / ITeS companies - TCS, Hexaware, Caliber Point Business Solutions Ltd are major commercial office space drivers in Nagpur. IT Park at Parsodi is one of the established commercial office buildings of Nagpur.

The Eastern, Northern and Southern peripheral areas of Nagpur are emerging as commercial corridors with many office complexes established and under constructions.

Rentals of Grade A office Space in Nagpur varies between INR 35 – INR 55/sft/month depending on the locations.

Retail Real Estate

The retail markets of Nagpur are located in the central Business Districts of Sitabuldi, Sadar, Dharampeth, Ramdaspath and Dhantoli. These areas are considered the trading hub for Vidarbha region.

While Sitabuldi is one of the oldest wholesale markets, Dharampeth is the jewellery street of the City. In last few years Mall culture has picked in Nagpur with many major retailers opening their outlets in Malls. Express Mall located near Cotton Market is one of the biggest Malls in Nagpur and houses international brands like Tommy Hilfiger, Gucci, Versace, etc. and national brands like Pantaloons, Lifestyle, Big Bazar, Global Desi and PVR Cinemas.

Gandhibagh is another popular wholesale destination for cloths and handloom projects. Western SBD such as Hingana MIDC, Amravati Road and Ambazari Road are emerging as new Retail destination due to locations of IT Park at Parsodi and Industrial areas.

Northern SBD of Koradi Road, Jaripatka, Rajnagar and Kamptee Road are newly developing residential areas in the outskirts of the city.

Retail rental rates in Nagpur varies between INR.150 – 250/ sft/month in high street locations while Mall rentals vary between INR. 250 – Rs. 400/sft/month.

Warehousing and Industrial Trends

Being geographic centre, the city of Nagpur due its good connectivity is emerging as a trading and logistics hub of central India.

Presently, Nagpur has three major industrial hubs i.e., Butibori, Kalmeshwar and Hingna, with Butibori being the largest 5-star industrial MIDC. Warehousing and logistics has also evolved as an alternative sector of the economy, since various MNCs have established their warehouses in and around the city to support their supply chain.

Some of the logistics parks in and around the city are Orange City Logistics Park, Plusgrow Logistics and Warehousing and Logistics Park on the intersection of MH 6 and VIP Road. Most warehouses are located in the Chinchbhuwan, Gondakhairi, Surabardi and Kamala Nagar areas. Opportunities in Grade A warehousing like to grow with an increase in occupier demand in future due to upcoming commercial projects.

The rentals of Warehousing and industrial shed varies between INR. 18 – 22/ sft/month

CIRIL



CITY ESTATE MANAGEMENT
AHMEDABAD



RAHEJA ASSOCIATES
CHENNAI



SILVERLINE GROUP
BENGALURU



REALISTIC REALTORS
DELHI/NCR



PROPERTY TERMINUS
PUNE



SURE SHOT SUGGESTIONS
MUMBAI



N.K. REALTORS
KOLKATA



NAVI MUMBAI



TRINITY PARTNERS
HYDERABAD



NAGPUR

CIRIL makes every effort to ensure the correctness of the information. The information in this report is provided on an "as is" basis without warranties of any kind, either expressed or implied. CIRIL disclaims any and all liability that could arise directly or indirectly from the reference, use, or application of information contained in this report. CIRIL specifically disclaims any liability, whether based in contract, strict liability, or otherwise, for any direct, indirect, incidental, consequential, punitive or special damages arising out of or in any way connected with access to or use of the information in this report.