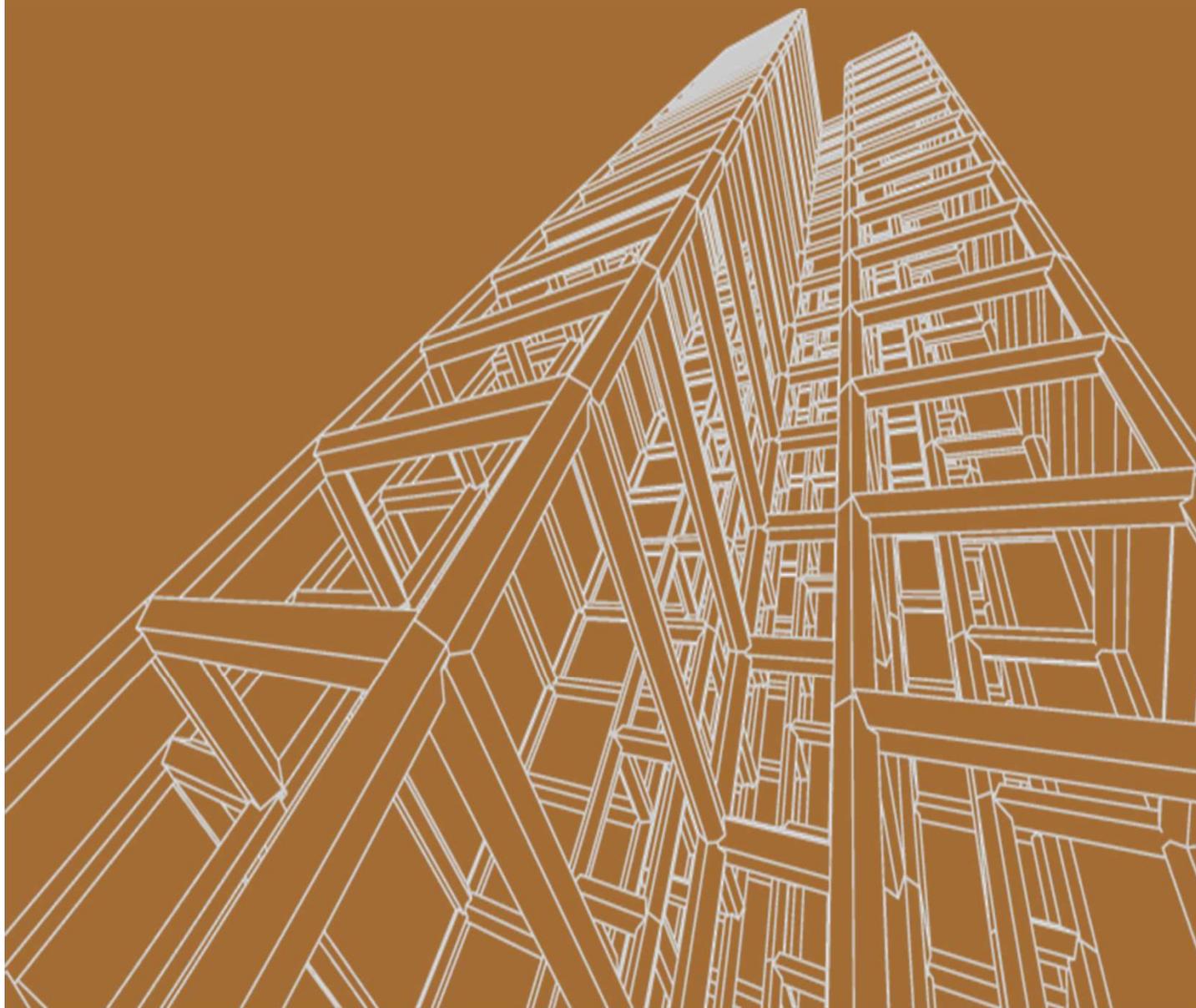


2018-H1

INDIAN REAL ESTATE





# Indian Real Estate

## *Half yearly round off*

The first half of the 2018 was positive for real estate. In the wake of the Union Budget 2018, a few trends are not only emerging but are also shaping the real estate sector. The policy reforms undertaken such as RERA and GST are positively impacting the Real Estate markets with facilitating transparency and accountability. The process has become much more rarefied and open to inspection, thanks to the stress by the Centre on fair play, just practices, and adoption of a professional outlook towards the system. Investments by FDIs, FII's, and buyer's market has also boosted the need for information channels being open to accurate information.

GST has improved the investor's and buyer's confidence in Real Estate. It replaces the multiple taxes levied by the central and state governments and will bring in transparency to real estate transactions. GST has also increased the margin in the hands of contractor/developer by removing all the above-mentioned taxes.

A strong growth in the GDP in the past few years, governmental reforms and an incrementing positive turnover have attracted a slew of foreign investors, looking to gain entry into the finance-deprived, potential Indian real estate market. Foreign investment and private equity funds have become a cool source for cash for developers as an alternative source of funding.

The government of India has allocated Rs. 8 billion just for affordable housing. Thus, it'll stimulate the real estate sector this year with various housing developer. We predict that the real estate sector will become meaner and leaner with big companies or organizations running the market.

**Chairman, CIRIL**



# INDIAN ECONOMY

## Mid Year Performance

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

The Indian economy expanded 7.7 percent year-on-year in the first three months of 2018. Government spending recorded the highest growth rate (16.8 percent compared to 6.8 percent in Q4), followed by gross fixed capital formation (14.4 percent compared to 9.1 percent), stocks (7.8 percent compared to 7.2 percent) and household consumption (6.7 percent compared to 5.9 percent). On the other hand, exports slowed (3.6 percent compared to 6.2 percent) and imports rose faster (10.9 percent compared to 10.5 percent). Household spending accounted for 54.6 percent of the GDP; gross fixed capital formation for 32.2 percent; public expenditure for 9.5 percent; and changes in stocks for 0.7 percent. Exports accounted for 19.5 percent while imports subtracted 20.9 percent.

Gross Value Added, that is, GDP excluding taxes expanded 7.6 percent, higher than 6.6 percent in Q4. Faster growth was recorded for manufacturing (9.1 percent compared to 8.5 percent in Q4); agriculture, forestry and fishing (4.5 percent compared to 3.1 percent in Q4); public administration and defense (13.3 percent compared to 7.7 percent); construction (11.5 percent compared to 6.6 percent); mining and quarrying (2.7 percent compared to 1.4 percent); and utilities (7.7 percent compared to 6.1 percent). On the other hand, slowdowns were seen in trade, hotels, transport, communication and services related to broadcasting (6.8 percent compared to 8.5 percent); and finance, real estate and professional services (5 percent compared to 6.9 percent)

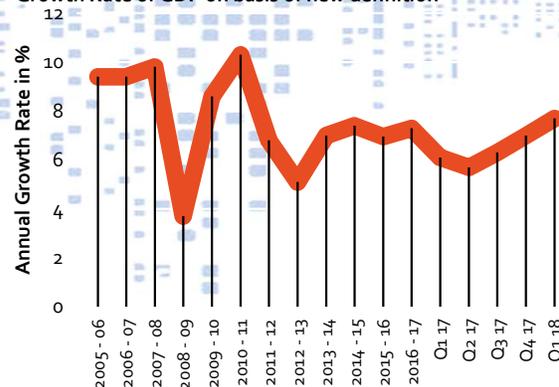
India: Demand, output and prices

	2014	2015	2016	2017	2018	2019
	Current prices INR trillion		Percentage changes, volume (2012/2013 prices)			
<b>GDP at market prices</b>	124.7	8.2	7.1	6.5	7.4	7.5
Private consumption	72.5	7.4	7.3	6.4	6.8	7.4
Government consumption	13.0	6.8	12.2	8.0	7.0	8.1
Gross fixed capital formation	37.5	5.2	10.1	7.8	8.5	8.8
Final domestic demand	123.0	6.7	8.6	7.0	7.3	7.9
Stockbuilding <sup>1</sup>	5.4	-0.1	-0.3	0.1	0.1	0.0
Total domestic demand	128.4	7.9	6.9	7.8	7.5	7.5
Exports of goods and services	28.6	-5.6	5.0	4.5	5.4	6.5
Imports of goods and services	32.4	-5.9	4.0	10.8	6.2	6.4
Net exports <sup>1</sup>	-3.7	0.2	0.1	-1.4	-0.3	-0.1
<b>Memorandum items</b>						
GDP deflator	-	2.1	3.5	3.9	4.5	4.3
Consumer price index	-	4.9	4.5	3.6	4.7	4.4
Wholesale price index <sup>2</sup>	-	-3.6	1.7	2.9	4.4	3.6
General government financial balance <sup>3</sup> (% of GDP)	-	-6.3	-6.3	-6.5	-6.3	-6.0
Current account balance (% of GDP)	-	-1.1	-0.7	-1.8	-2.5	-2.7

Note: Data refer to fiscal years starting in April.  
 1. Contributions to changes in real GDP, actual amount in the first column.  
 2. WPI, all commodities index.  
 3. Gross fiscal balance for central and state governments.  
 Source: OECD Economic Outlook 103 database.

StatLink <http://dx.doi.org/10.1787/888933731111>

Annual GDP Growth Rate  
 Growth Rate of GDP on basis of new definition



source: Mospi

## Policy Reforms and investment initiatives

- Make in India initiative with an aim to boost the manufacturing sector of Indian economy
- Digital India initiative with focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.
- The Union Cabinet, Government of India, has approved the Central Goods and Services Tax (CGST), Integrated GST (IGST), Union Territory GST (UTGST), and Compensation Bill.
- Liberalization of Foreign Direct Investment (FDI) norms
- The Start-up India, Stand-up India plan and the rollout of the National Investment and Infrastructure Fund (NIIF) are also being worked on
- NITI Aayog, DIPP and CII launched an "India Innovation Index" in line with the Global Innovation Index (GII) to rank states based on innovation by capturing innovation data from all Indian states and updating them regularly.

# INDIAN REAL ESTATE

## Moving towards more transparency

India is expected to witness an upward rise in the number of real estate deals in 2018, on the back of policy changes that have made the market more transparent. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times.. Private equity inflows in office and IT/ITES real estate have grown 150 per cent between 2014 and 2017 backed by a strong attraction towards office sector.

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.67 billion in the period April 2000-December 2017.

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

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 growing flow of FDI into Indian real estate is encouraging increased transparency.

## Market Size

The market size of real estate in India is expected to increase at a CAGR of 15.2 per cent during FY2008 – 2028E and is estimated to be worth USD853 billion by 2028. Real estate contribution to India's GDP is estimated to increase to about 13 per cent by 2028. Increasing share of real estate in the GDP would be supported by increasing industrial activity, improving income level & urbanisation

Real Estate Market Size USD Bn



## Market Drivers



### URBANISATION

India's urban population as a percentage of total population was around 32.7 percent in 2015 and is expected to rise to 40.0 percent by 2030



### POLICY SUPPORT

Government initiatives such as various urban development policies and programmes (Smart City, AMURT) are expected to contribute to demand for real estate infrastructure



### GROWING ECONOMY

Demand for commercial property is being driven by the country's economic growth



### INCREASING HOUSEHOLD INCOME

India's per capita increasing year on year making investment in Real Estate easier



### EASIER FINANCING

Easy availability of project finance by Bank have increased demand for better and affordable infrastructure

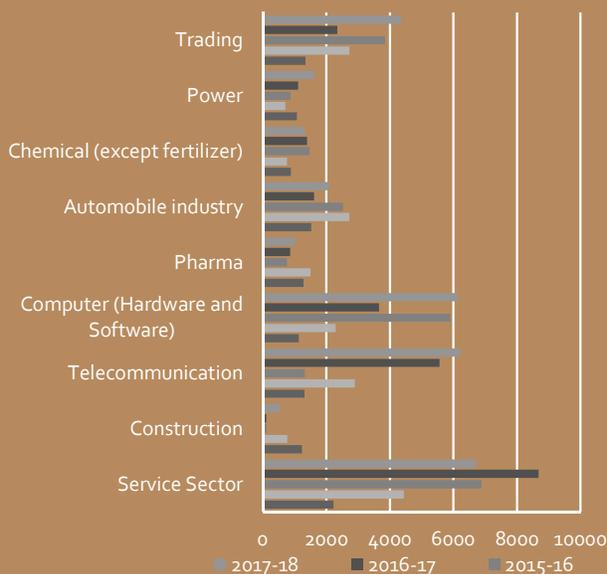
# Foreign Direct Investment In Indian Real Estate

According to Department of Industrial Policy and Promotion (DIPP), the total FDI investments in India during 2017-18 stood at US\$ 44.86 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

Data for 2017-18 indicates that the services sector attracted the highest FDI equity inflow of US\$ 6.71 billion, followed by telecommunication – US\$ 6.21 billion and computer software and hardware – US\$ 6.15 billion. Most recently, the total FDI equity inflows for the month of March 2018 touched US\$ 3.31 billion.

India has become the most attractive emerging market for global partners (GP) investment for the coming 12 months, as per a recent market attractiveness survey conducted by Emerging Market Private Equity Association (EMPEA).

Sector attracting highest FDI equity inflow in US\$ million



## Major FDI Investments

- In June 2018, Idea's appeal for 100 per cent FDI was approved by Department of Telecommunication (DoT) followed by its Indian merger with Vodafone making Vodafone Idea the largest telecom operator in India
- In May 2018, Walmart acquired a 77 per cent stake in Flipkart for a consideration of US\$ 16 billion.
- In February 2018, Ikea announced its plans to invest up to Rs 4,000 crore (US\$ 612 million) in the state of Maharashtra to set up multi-format stores and experience centres.
- In November 2017, 39 MoUs were signed for investment of Rs 4,000-5,000 crore (US\$ 612-765 million) in the state of North-East region of India.
- In December 2017, the Department of Industrial Policy and Promotion (DIPP) approved FDI proposals of Damro Furniture and Supr Infotech Solutions in retail sector, while Department of Economic Affairs, Ministry of Finance approved two FDI proposals worth Rs 532 crore (US\$ 81.4 million).
- The Department of Economic Affairs, Government of India, closed three foreign direct investment (FDI) proposals leading to a total foreign investment worth Rs 24.56 crore (US\$ 3.80 million) in October 2017.
- Kathmandu based conglomerate, CG Group is looking to invest Rs 1,000 crore (US\$ 155.97 million) in India by 2020 in its food and beverage business, stated Mr Varun Choudhary, Executive Director, CG Corp Global.
- International Finance Corporation (IFC), the investment arm of the World Bank Group, is planning to invest about US\$ 6 billion through 2022 in several sustainable and renewable energy programmes in India

Source: ibef, June 2018

# Indian Real Estate Marching towards a stable regime

H1, 2018 continued the positive momentum of witnessed in 2017 particularly the commercial office market. With the intensifying office demand, the rental values have also increased in several active micro-markets across India.

The policy reforms initiated in year 2016 such as Benami Property Transaction Prohibition Act, RERA and GST are creating the right environment for transparency and accountability in Real Estate Sector.

Various states have also finalised and set up regulator for the sector and developers are expected to focus more on deliveries than new launches to reduce inventory levels. Investor's and buyer's confidence in Real Estate investment is expected to have long term positive impact across all real estate segments in coming 2 years.



## Commercial Office space

- The office market witnessed over 19 million sq. ft. of transaction in H1, 2018.
- Due to healthy absorption, Rents rose across Indian cities
- Driven by IT/ITeS, e-commerce, start-ups and large consulting firms
- Demand will remain consistent over most of 2017



## Retail Sector

- H1, 2018 saw transaction of around 7.5 million sq. ft of retail space across major markets
- Supply of retail space is likely to increase to 7.8 million sq ft in 2018 from 5.6 million sq ft last year
- Due to limited supply in major markets, the rental saw appreciation.



## Industrial and Warehousing sector

- Industrial and warehousing saw brisk activity in H1, 2018 with total cumulative supply reaching 105 million sq. ft
- The total supply added in H1, 2018 is around 5 million sq. ft
- E-commerce sector is the major demand drive in this segment
- Make in India initiative have triggered off industrial growth across the country

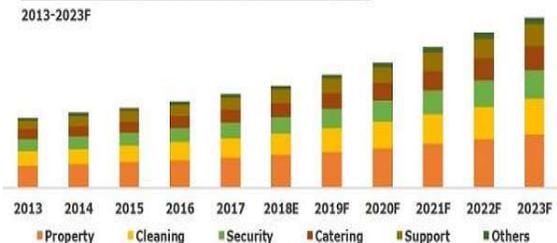
## Indian Facility Management Market

India facility management market is expected to cross \$ 100 billion by 2023. It is at present a USD 75 billion market and is growing at a rate of 25% annually. The entire ecosystem from the government to occupiers and the service providers believe that there is a significant social benefit linked with the growth of facilities management services in the country. The market comprises both unorganised and organised segments.

Industry wise, IT/ITES/BFSI sectors constitute more than 21% of revenue generated, followed by demand leaders in other sectors such as retail, healthcare, infrastructure, and manufacturing. The government's ambitious plan to develop 100 smart cities, (attracting an investment of \$216 Billion into infrastructure), will result in a surge in infrastructure creation, driven by sustained population growth. This will create a sustained need for professional, holistic facilities maintenance services. The growth in sectors such as Industrial, Manufacturing, and Commercial segments, are poised to transform the landscape of the FM market in India..

The growing footprint of facilities management in the country would necessitate innovation and demand in Specialised Engineering Services, covering areas such as energy efficiency, thermal audits, and Green Building concepts. The FM industry is also gearing up for a historic shift towards automated services, with considerable investment of manpower and resources toward creating technology driven services platforms.

India Facility Management Market Size, By Service, By Value, 2013-2023F



Source: TechSci Research

## Major Assignments Secured by Golden Star Facilities Management

Client	Location	Area sft
Vesuvius Refracotry Indian Private Limited	Vizag	75000
Amazon IT Services India Private Limited	Hyderabad	200000
Sugam Vanijya Holding Pvt Ltd - Chennai	Chennai	350000
Aparna	Hyderabad	200000
Polaris Consulting & Services Ltd	Hyderabad	250000
DSR Reganti	Hyderabad	5 Acres
Reha Health Care P Ltd - Bansankari	Bangalore	180000
Embassy	Bangalore	350000
Sugam (VR Mall)	Chennai	2 Acres
Byju's - INDIRA PURAM	Uttar Pradesh	120000
Sealed Air Packaging Materials - Flextronics	Chennai	120000
Embassy Tech Park(MTP)	Bangalore	70 Acres
Bagmane - Moon stone	Bangalore	2 Acres
Bagmane - MPD	Bangalore	1.5 Acres
BPTP Park Elite Premium	Haryana	100000
Dupont Seeds	Hyderabad	100000
Ashiana Village Center- Bhiwadi	Rajasthan	1100000

**Mumbai** is India's largest city (by population) and is the financial and commercial capital of the country. It generates 6.16% of the total GDP of India. The key sectors contributing to the city's economy are: finance, gems & jewellery, leather processing, IT and ITES, textiles, and entertainment.



Commercial



Retail



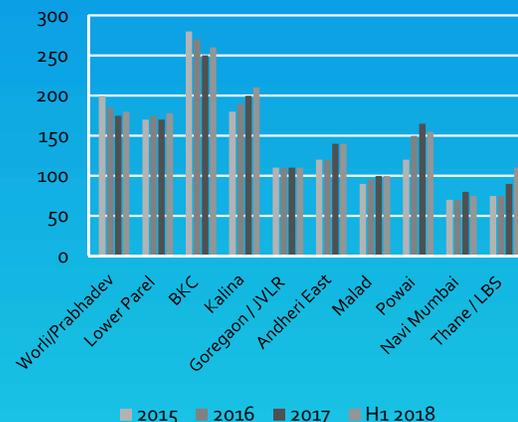
Ind. & Warehousing

## Mumbai Commercial Real Estate Trends

H1, 2018 saw healthy leasing activity in Mumbai Commercial Markets. With M&A deals, corporate funding and even companies taking up office space, Mumbai Commercial segment has gained brisk momentum. Leasing activity remained concentrated in locations like Andheri, Navi Mumbai, Central suburbs and BKC. Mumbai office market saw total absorption of around 0.8 million sq. ft in H1, 2018. Increased consolidation, mainly in sectors such as IT-BPM, consulting, and media are seen to underline future leasing. Coworking has emerged as a prominent commercial market segment with demand driven by SBD, Andheri-Kurla Road, and Central suburbs.

Mumbai market witnessed supply of around 1.3 million sq. ft of commercial space in H1, 2018. Around 2 million sft of space is under construction and is expected to be available by year end. Grade A average rentals across most markets remained stable. Rentals are likely to strengthen during the year in front-office markets such as SBD and Lower Parel due to constrained supply. The vacancy levels remained at 18.0%,

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



### Major Deals in Mumbai Commercial Market - H1 2018

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
We Work	Oberoi Commerz II	1,25,000	Goregaon	Lease
Shapoorji Pallonji	Inspire	8,00,000	Bandra	Sale
SEBI	IDBI Tower	3,21,000	Bandra	Sale
Blackstone	L & T Commercial Tower	8,00,000	Powai	Sale
Mahindra & Mahindra	Mahindra Tower	25,672	Worli	Sale
Pepperfry	247 Biz park	20,000	Vikhroli	Lease
Godrej Fund	G. Corp It Park	7,50,000	Thane	Sale
Blackstone	L & T Grand Central	9,00,000	Seawood	Sale
Brookfield	Equinox Business park	1,25,000	Bandra	Sale
De Beers India Private Limited	TCG Financial Center	10,400	Bandra	Lease
We Work India	Raheja Platinum	2,00,000	Andheri	Lease
Reward Business Solutions P. Ltd	Peninsula Business Park	10,047	Lower parel	Sale
Nadiadwala Grandson Entertainment Private Ltd	Lotus Grandeur	9,012	Jogeshwari	Sale
Tata Starbucks P.ltd	Indiabulls Finance Centre	6,582	Elphinstone	Lease
Tata Steel limited	One Forbes	13,646	Fort	Lease
NTC Logistics India Private Ltd	Platinum Technopark	7,132	Vashi	Lease
Avana Logistek ltd	L & T Sea woods Grand Central	22,066	Nerul	Sale

## Mumbai Retail Real Estate Trends

Mumbai retail market witnessed supply of nearly 0.35 million sq. ft of leasable space. Retail rentals remained stable across most micro markets. Leasing activity saw brisk momentum with retailers across all segments. Lower Parel continues to be the preferred choice for international brands. Leasing was mainly restricted to select malls in the peripheral markets of Navi Mumbai and Dombivali. However, select malls in Lower Parel, Kurla, and Goregaon continued to witness significant turnover in the apparel, accessories and food and beverage (F&B) segments.

The demand continued to remain robust in this submarket while mall rental values increased by 1-2% due to lack of quality space. Rents are likely to witness upward bias across select malls in Goregaon and Lower Parel due to the demand-supply mismatch.

### Major Deals in Mumbai Retail Market - H1 2018

Property	Location	Tenant	Square feet	Lease/ Sale
Dynasty Business Park	Andheri	DHFL	4500	Lease
Abhishek Commercial Complex	Malad	Dena Bank	2800	Lease
Pokar Mansion	Chembur	Syndicate Bank	2135	Lease
Patel Showroom	Malad	Dena Bank	2700	Lease
Rajhans Helix -3	Ghatkopar	Vijay Sales	9500	Sale
Backbay View	Charni Road	Sankalp Restaurant	2500	Lease

Prime Retail Rents in Mumbai in INR/ sft	H1/16	H2/16	H1/17	H2/17	H1/18
Linking Road	650	650	550	350 - 650	400 - 800
Kemps Corner	425	425	450	350 -450	350 -500
Breach Candy	455	455	465	375 - 500	400 - 600
Colaba Causeway	475	475	475	300-600	300-600
Fort Fountain	375	375	400	250-450	250-500
Lokhandwala Andheri	375	375	350	225-350	300-450
Borivali LT Road	370	370	375	250-400	250-500
Chembur	380	380	380	250-350	250-500
Lower Parel	550	550	550	275-400	400-600
Malad	500	500	500	150-250	150-350
Goregaon	350	350	350	350	150-350
Ghatkopar	300	300	350	350	150-300
Bhandup	180	180	180	180	125-275
Mulund	250	250	250	250	200-400
Vashi	350	350	350	350	300-500
Thane	350	350	350	350	125-300

## Mumbai Industrial and Warehousing Trends

Mumbai Industrial and Warehousing segment continues to flourish on account of large consumption base and port driven Export-Import (EXIM) cargo movement in H1, 2018. Bhiwandi and Panvel warehouse cluster, and Navi Mumbai Airport Influence Notified Area (NAINA) have emerged as the most preferred investment destinations particularly textile and EXIM driven industries. Engineering and manufacturing firms and electronics companies were other major demand drivers.

There was a strong increase in demand for warehousing space across the Mumbai 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.

### Mumbai Industrial and Warehousing Rentals in NR/sft/month

Submarkets	Industrial	Warehousing
Bhiwandi	20 - 25	10-25
Thane Belapur Road	30 - 35	45-60
Taloja Industrial Estate	20 - 30	30-40
Panvel	20 - 25	25 - 30
JNTP & Uran Road	22 - 28	25 - 30
Rasayani Patalganga	20 - 25	50-60
Pen-Khopoli Road	20 - 24	20-30

### Major Deals in Mumbai Ind. & Warehousing Market - H1 2018

Property	Location	Tenant	Square feet	Lease/ Sale
Globe Complex	Bhiwandi	TVS Logistics	80000	Sale
Arshiya Warehouse	Panvel	Ascendas	800000	Sale
Mama Compound	Bhiwandi	DTDC	74000	Lease
Shubham Space	Bhiwandi	Neeta Enterprises	46875	Lease
Shubham Space	Bhiwandi	Proconnect Supply Chain Solutions	45000	Lease
Shubham Space	Bhiwandi	Neeta Enterprises	30,000	Lease

**NCR Delhi** together forms 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.



Commercial



Retail



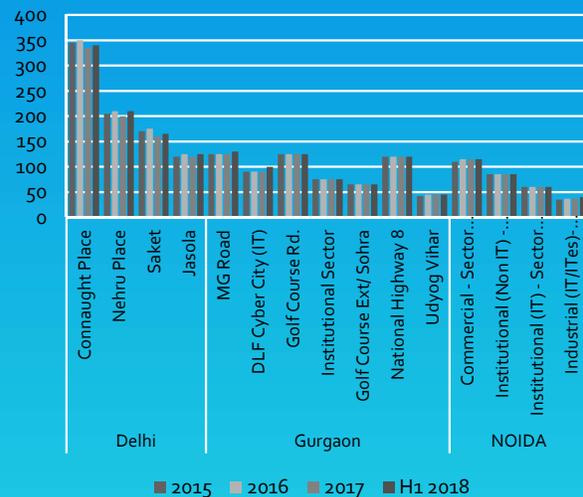
Ind.& Warehousing

## NCR Delhi Commercial Real Estate Trends

H1, 2018 saw 5% growth in leasing activity in NCR Delhi Commercial Markets. YoY. Delhi, Gurugram and NOIDA together saw absorption of around 2.75 million sqft of Grade A office space. Total supply recorded in these markets accounts to approx. 1.5 million sq. ft. In Delhi, the emerging commercial hub Aerocity continued to attract tenants due to greater availability of Grade A quality buildings and affordable rents compared to other micro-markets. Gurugram remained the most stable leasing market within NCR region.

Technology firms continued to be the leading driver of demand and contributed around 35% of the overall transaction volume in H1, 2018. Co-working space/shared workspace and business centre have become the most proffered formats of leasing in NCR due to affordability factor. NCR Delhi is expected to add around 1.4 million sqft of grade A office space by end of 2018. Rentals in Delhi micro market saw upward trend while in Gurugram and NOIDA it remained stable.

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



### Major Deals in NCR Delhi Commercial Market - H1 2018

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
We Work	Plot No. 246	1,25,000	Udyog Vihar - Phase -4, Gurugram	Lease
Lite-on Taiwanese	D-200	1,25,000	Sector-63, Noida	Lease
Snap Deal	Capital Cyber Scape	1,00,000	Golf Course Road Extension, Gurugram	Lease
We Work	Galaxy Hotel	1,00,000	NH - 8, Gurugram	Lease
Transsion Pvt. Ltd.	D-198	1,00,000	Sector-63, Noida	Lease
Intelenet Global	Plot No. 96 & 97	90,000	Udyog Vihar - Phase -4, Gurugram	Lease
Chetu India Pvt Ltd	H-6	82,000	Sector-63, Noida	Lease
IES Master	H-21	75,000	Sector-63, Noida	Lease
Bio Rad	Emaar Digital Greens	35,000	Golf Course Road Extension, Gurugram	Lease
Air Vistara	Emaar Digital Greens	35,000	Golf Course Road Extension, Gurugram	Lease
Ultratech Cement Ltd.	World Trade Tower	31,224	Sector-16, Noida	Lease
Orient Electric	240	23,000	Okhla III	Lease
Sterling & Wilson	A-25	21,000	Mohan Co-operative	Lease
Yes Bank		20,000	Patel Nagar	Lease
Faro	A-32	13,500	Mohan Co-operative	Lease
Nielsen	221	12,000	Okhla III	Lease
Rotary International		10,000	Aerocity	Lease

\* Transaction above 10,000 sq. ft is shown in the table

## NCR Delhi Retail Real Estate Trends

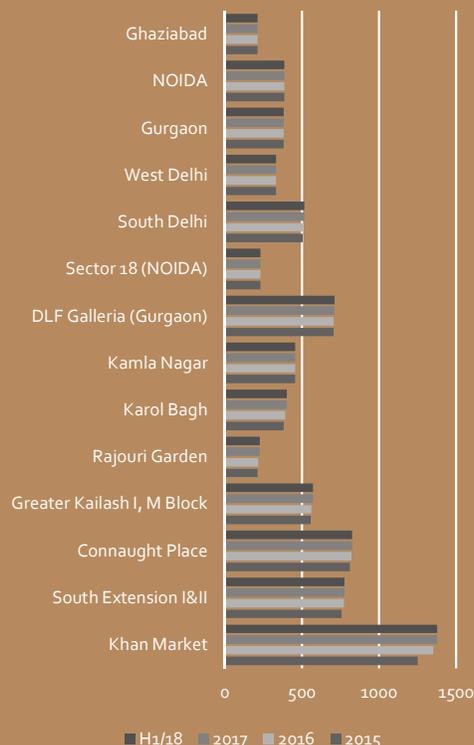
NCR Delhi retail market witnessed sustained demand owing to entry of many global brands in H1, 2018. The total retail space absorption witnessed during the first half of this year is around 0.6 million sq. ft. Delhi – NCR will be witnessing the highest supply of 2.3 msf of new mall space in 2018. Apparel and lifestyle retailers such as Titan, RituKumar, Masaba, and Project Eve were some of the occupiers that leased spaces in malls.

Retail rentals remained stable across most micro markets. Leasing activity saw brisk momentum with retailers across F&B and apparel segments expanding their footprint in select malls. Robust demand and limited availability may lead to rentals appreciation by 3% - 5% in the main street locations. South Delhi, Gurugram and NOIDA continues to be the most preferred locations in NCR Delhi.

### Major Deals in NCR Delhi Retail Market - H1 2018

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Anytime Fitness	N/A	3000	South Ex, New Delhi	Lease
Taneira	N/A	8000	South Ex, New Delhi	Lease
Kalyan Jewellers	N/A	10000	South Ex, New Delhi	Lease
Zoya	N/A	10000	South Ex, New Delhi	Lease
First Cry	N/A	2000	Paschim Vihar, New Delhi	Lease
Studio Pepperfry	N/A	3000	Punjabi Bagh, New Delhi	Lease
Haldiram	N/A	11000	Malviya Nagar, New Delhi	Lease
Cult	N/A	6000	Aurbindo Marg, New Delhi	Lease
Red Tape	N/A	8000	Ambedkar Road, Ghaziabad	Lease
Woodland	N/A	5000	Ambedkar Road, Ghaziabad	Lease
Cultfit	N/A	4600	Najafgarh Road, New Delhi	Lease
P.C. Jeweller	N/A	10000	Ambedkar Road, Ghaziabad	Lease
Sargam Electronics	N/A	6000	Vikas Marg, New Delhi	Lease
Kalyan Jewellers	N/A	8000	Ambedkar Road, Ghaziabad	Lease

### Average Rental Rates in NCR -Delhi in INR / sq.ft/ month



## NCR Delhi Industrial and Warehousing Trends

Presence of large consumer and manufacturing base in NCR Delhi continues to be the demand driver in Industrial and warehousing segment in NCR Delhi. Leasing activity remained robust in the NCR, with close to 1.6 million sq. ft. in H1, 2018 of modern warehousing space being leased across the region. Post GST the NCR market recorded a staggering 129% in demand from sectors such as e-commerce, 3PLs, Consumer Durables, FMCG and Manufacturing. Large occupiers like Amazon, Safexpress and Decathlon to name a few have committed huge spaces.

### Major Deals in NCR Delhi Ind. & Warehousing Market - H1 2018

Property	Location	Tenant	Square feet
Warehouse	Mundka, Delhi	Greenply Industries	50,000
Warehouse	Bahdurgarh, Haryana	ParleG	1,00,000
Warehouse	Sultanpur, Gurgaon	BigBasket.com	1,50,000
Warehouse	Tauru Raod, Gurgaon	Usha Industries	85,000
Warehouse	Luhari, Gurgaon	FSC	1,00,000
Warehouse	Indospace, Luhari, Gurgaon	Reliance Industries	1,00,000
Warehouse	IMT Manesar, Gurgaon	Maruti Suzuki	1,00,000
Warehouse	Bahalgarh, Sonapat	Reliance Industries	96,000
Warehouse	Techzone, Greater Noida	LG Electronics	2,18,000
Warehouse	Apeejay Logistics Park, Ballabhgarh,	Flipkart	1,00,000
Warehouse	Faridabad	Ingram Micra	1,00,000
Warehouse	Softa Village, Faridabad NH-2	Anchor	1,50,000
Warehouse	Akbarpur Barota, Sonapat	Genex Logistics	60,000
Warehouse	Jhatola, Sonapat	Dabur	1,25,000

### Major Deals in NCR Delhi Ind. & Warehousing Market - H1 2018

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		20 - 30
Okhla / Mohan Cooperative		30 -100	30 - 50
NOIDA	390 - 395	35 - 40	16 - 30
Greater Noida	38-40	15-22	16-26
Faridabad		18-25	18 - 20
Gurgaon(Pataudi - Bilaspur)		18-22	10 - 18
Hasangarh			10 - 13
Kundali/Sonepat/ Barota			11 - 20
Palwal		15-20	13 -15
Ballabhgarh		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

**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 year 2010. It has a population of about 11.17 million and a metropolitan population of about 8.52 million, making it the third most populous city and fifth most populous urban agglomeration in India.



Commercial



Retail



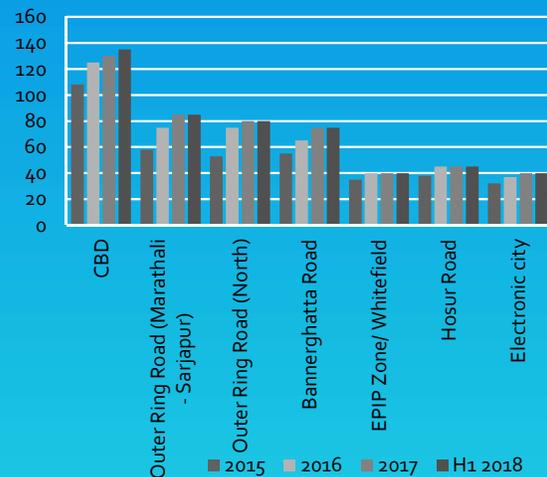
Ind.& Warehousing

## Bengaluru Commercial Real Estate Trends

Bengaluru continues to be market leader in commercial leasing market. Around 8.2 million sq. ft. of office space was absorbed during H1, 2018. Increase in demand from non-IT related segment is growing steadily in last 2 years. Coworking space demand is also witnessing growth Outer Ring Road continued to account for a major share in the total leasing volume accounting for 50%, followed by SBD (20%). CBD (10%) and other micro-markets (30%).

Around 13 million sft of Grade A office is expected to be added to Bengaluru commercial market by end of 2018. Most of these supply is concentrated in ORR\*. Bengaluru's Bannerghatta Road topped the list with 26% on-year rise in rentals, Central Business District followed with 25% growth, while Electronic City and Secondary Business District including Indiranagar and Koramangala saw rentals appreciating 17.6% and 14.3%, respectively. Vacancy level remain as low as 2% - 5% in few micro markets.

Bengaluru Commercial Market Rental Trends in INR/sft/month



### Major Deals in Bengaluru Commercial Market - H1 2018

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Workafellas	Al Habib	42,500	Infantry Road	Lease
Xiaomi	Embassy Tech Village	40,000	Marathalli Outer Ring Road	Lease
We Work	Purva mall	50,000	Church street	Lease
Flipkart	Embassy Tech Village	8,30,000	Marathalli Outer Ring Road	Lease
Indiqube		18,000	80 Ft Road & Koramangala	Lease
One CoWork	Barleyz	22,000	Koramangala	Lease
Phone Pe	Ashford park	50,000	Koramangala	Lease
ICICI		13,000	Jakkasandra	Lease
HSBC	Embassy Tech Village	2,00,000	Outer Ring Road	Lease
Bosch	Global Tech Park	1,58,980	Hosur Road	Lease
CSG International	Embassy Tech Village	1,50,000	Outer Ring Road	Lease
Future Group	C&D Lab	1,45,000	CBD	Lease
Rolls- Royce	Manyata Embassy Business Park	1,45,000	Outer Ring Road	Lease
Bijus	Equinox	10,000	Koramangala	Lease

\* ORR – Outer Ring Road

## Bengaluru Retail Real Estate Trends

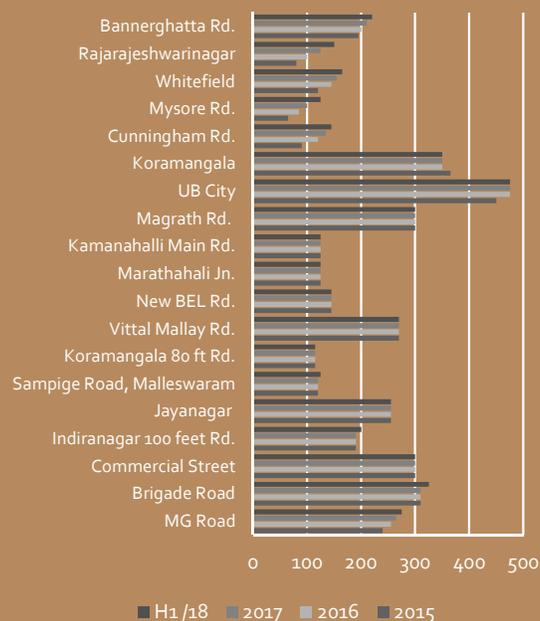
Bengaluru retail segment saw revived leasing activity in H1, 2018. Around 0.6 million sq. ft. of prime retail space was absorbed. Due to good leasing activity and limited supply, overall mall vacancy levels remained low at 11%. By end of this year around 1.5 million sft of retail space is expected to be added to Bengaluru Retail Market. The rentals have remained stable in all major micro - markets. New malls are quoting rents higher than the submarket average due to sustained demand, hence pushing the rents marginally up in the coming quarters. Average rentals of Mall vary between INR 125 – 450 per sq. ft per month in prime locations while rentals are between INR 80 – 200 per sq. ft. per month in outskirts.

Bannerghatta Road and Hosur-Sarjapur Road has become the most preferred retail investment destination and has gained significant interest from retailers witnessing high volume of transactions. Retailers from multiple categories such as apparel, food and beverage (F&B), beauty, travel, etc. are driving the demand in submarkets. The majority of leasing activity in the malls was driven by e-commerce, food & beverage and apparel retailers

### Major Deals in Bengaluru Retail Market - H1 2018

Property	Location	Tenant	Square feet	Lease/ Sale
Independent Building	KG Road	Pothys	1,00,000	Lease
Independent Building	Jayanagar 4th Block	IMA Jewels	20,000	Lease
Independent Building	Kanakapura Road	Brand Factory	50,000	Lease

### Average Rental Rates in Bengaluru in INR / sq.ft/month



## Bengaluru Industrial and Warehousing Trends

Bengaluru has become one of the major warehousing markets in the country due to presence of e-commerce and e-retailer players. The market saw absorption of around 1.5 million sft in H1, 2018. The key manufacturing and warehousing hubs are National Highway (NH)-4, Nelamangala - Dabaspeta, and Hoskote - Narsapura.

Manufacturing sector is the biggest demand drivers in warehousing segment. The warehousing transaction volume registered a strong growth of 80% driven by third party logistics, engineering, e-commerce and consumer durables sectors. Rentals in most of the micro-markets are seeing appreciation due to robust demand and will continue its sustained performance.

### Major Deals in Bengaluru Ind. & Warehousing Market - H1 2018

Property	Location	Tenant	Square feet
Private property	Anekal Athibele	Amazon	500,000
Private property	Malur Industrial Area	Flipkart	200,000
Private property	Huskur Road (Nelamangala)	Flipkart	150,000
Private property	Tumkur road (Nelamangla)	DB Schenker	200,000
Private property	Anekal Athibele	Adithya Birla	300,000

### Bengaluru Industrial and Warehousing Rentals in INR/sft/month

Submarkets	Industrial	Warehousing
Narsapura	16 - 18	15 - 20
Bommasandra	25 - 30	23 - 28
Bidadi IDA	18 - 25	17 - 25
Dabaspeta	17 - 22	17 - 22
Anekal - Attibele Road	15 - 20	18 - 22
Peenya IDA	25 - 35	20-30
Hosur Rd.	23 - 35	18-26
Whitefield	25 - 35	20-25
Nelamangala	15 -22	18 -25

# 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 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.



Commercial



Retail



Ind.& Warehousing

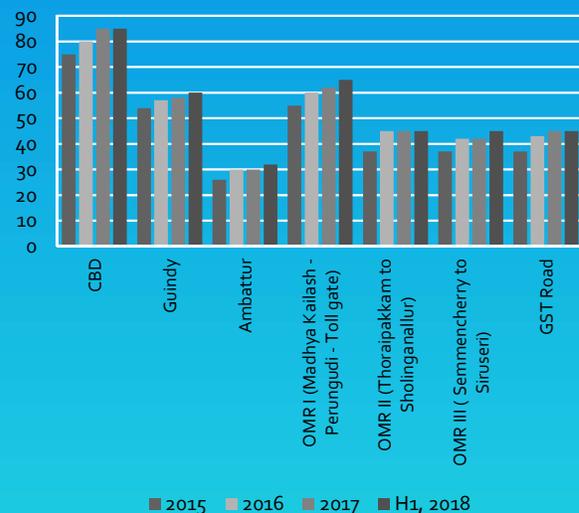
## Chennai Commercial Real Estate Trends

H1, 2018 saw healthy leasing activity in Chennai Commercial Markets with total transaction of approx. 0.2 million sft of Grade A office space. The OMR-Pre Toll areas and Central Business District (CBD) emerged as the most preferred locations accounting for 50% of the total market absorption. The IT/ITeS sector (50%) continues to be the largest consumer in the Chennai office space market despite the manufacturing and other service sectors gaining share in recent times.

By end of 2018, around 4.2 million sft is expected to be added to Chennai Commercial Market. About 75% of the upcoming new supply will be concentrated peripheral southern market in the city's SEZs, whereas the remaining 25% will be concentrated in Off CBD and OMR-Pre Toll locations.

Sustained leasing activities have kept rentals stable in most micro markets. Few pockets such as OMR- Pre Toll, CBD and Off – CBD areas have seen rental appreciation in H1, 2018 by 3% - 8%. The vacancy level remained stable at 12%.

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



### Major Deals in Chennai Commercial Market - H1 2018

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Accenture	Gateway Office Parks	150,000	Perungulathur	Lease
DHL	Chennai One	93,000	Pallavaram Thoraipakkam Road	Lease
TransUnion	DLF Cybercity	88,000	Manapakkam	Lease
Double Negative	TekMeadows	41,500	Sholinganallur	Lease
Workenstein	TekMeadows	41,000	Sholinganallur	Lease
Tata Elexi	Chennai One Magnum	31,000	Peripheral South	Lease
Infotreis	RMZ Millenia Block 3B	20,000	Suburban South	Lease

## Chennai Retail Real Estate Trends

The Chennai Retail market has gained momentum since last year with fresh supply adding to the renewed demand. Chennai added around 0.25 million sft of retail space in H1, 2018 and is set to add another 1.7 million sft of retail space by end of 2018. Retail real estate has seen a return of investor interest. Strong demand and supply resulted in steady rents on main streets. Despite limited quality mall supply and resulting low leasing levels, mall rents have remained unchanged. However the new mall at Velachery is expected to fetch comparatively higher rents in the coming quarters due to its niche target customer and tenant profile.

Main streets saw healthy leasing activity at key locations such as Anna Nagar, TTK Road, Nungambakkam, and Thoraipakkam. Members of the auto industry like BMW and Triumph and food & beverage (F&B) brands from Delhi and Bengaluru leased space in the city's main streets.

### Major Deals in Chennai Retail Market - H1 2018

Property	Location	Tenant	Square feet	Lease/Sale
Restaurant	Kilpauk	Mapillai	6,000	Lease
Showroom	TTK	Lifefitness	1,250	Lease
Gym	TTK	Revoke	8,000	Lease
Pub	Kodambakkam	Off the Record	7,000	Lease

Chennai Rental Trends in INR/sft/month	2014	2015	2016	2017	H1 2018
Nungambakkam High Road	150	150	150 - 175	150 - 180	151 - 180
Khadar Nawaz Khan Road	210	210	210 - 230	170 - 200	175 - 200
Cathedral Road - RK Salai	135	135	135 - 150	135 - 150	136 - 150
Usman Road - South	130	130	130	130	130
Usman Road - North	140	140	140	140	140
Adyar Main Road	170	170	170	170	170
Anna Nagar 2nd Avenue	130	130	130	130	130
Purusawakam High Road	120	120	120	120	120
Pondy Bazar	160	160	160 - 185	160 - 200	161 - 200
Velachery	130	130	130	130	131
Chennai - CBD I (Mall)	230	230	230 - 260	230 - 275	231 - 275
Chennai - CBD II (Mall)	300	300	250 - 300	250 - 325	251 - 325
Chennai - Western (Mall)	200	200	180 - 200	180 - 200	181 - 200
Chennai - South (Mall)	220	220	200 - 230	200 - 230	201 - 230

## Chennai Industrial and Warehousing Trends

Chennai warehousing market has evolved in four arterial highways that branch out from the centre of Chennai towards the west such as the Grand Southern Trunk Road (GST Road/ NH 32), Poonamallee High Road (Bengaluru highway), Chennai Thiruvallur Road (MTH Road) and the GNT Road (Kolkata highway, NH 16) toward the north. Chennai industrial and Warehousing market saw growth of 25% YoY in demand for space.

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.

### Major Deals in Chennai Ind. & Warehousing Market - H1 2018

Property	Location	Tenant	Square feet
Standalone	Puchiathipedu	Stellar Value	3,00,000
NDR Warehouse	Puchiathipedu	FSC	2,00,000
Standalone	Bandikavanoor	ITC	1,87,000
Standalone	Mahindra World City	Nexteer Automotive	1,00,000

### Chennai Industrial and Warehousing Rentals in INR/sft/month

Submarkets	Industrial	Warehousing
NH 4 - Sriperumbudur - Oragadam SIPCOT	21 - 29	20 - 29
Sriperumbudur - Tiruvallur	18 - 20	20 - 22
NH 5 - Gummidipoondi SIPCOT	15 - 18	18 - 20
NH 5 - Red Hills - Gummidipoondi	16 - 20	15 - 17
Ambattur	24 - 26	23 - 25
Poonamallee	25 - 30	
Maraimalai	21 - 25	21 - 25

# Hyderabad

, the capital of newly formed state of Telengana 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 many IT and ITES firms, including global conglomerates such as Microsoft (operating its largest R&D campus outside the US), Google, IBM, Yahoo!, Dell and Facebook. The city and its suburbs contain the highest number of special economic zones of any Indian city.



Commercial



Retail



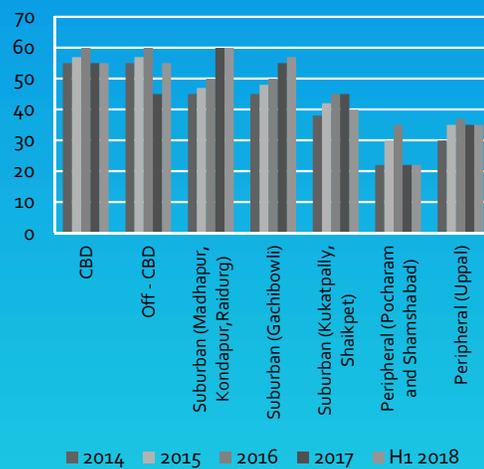
Ind.& Warehousing

## Hyderabad Commercial Real Estate Trends

Hyderabad commercial markets has emerged as a front runner in terms of commercial leasing activity witnessing space absorption of approx. 2.8 million sq. ft of commercial Grade A office in H1, 2018. further, due to lack of options and limited supply , the market is witnessing furious pre-leasing activities. Approx. 7.0 million sft of space, equivalent to 70% of the upcoming supply until 2019, is likely to get pre-leased this year. Commercial Hubs such as Hitech City, Madhapur, Gachibowli, Kondapur and Financial district continues to be the preferred location for investors.

Hyderabad added around 1.5 million sft of commercial Grade A office in H1, 2018. Rent have seen appreciation of 10% – 12% since 2017 due to high demand. The vacancy rates across major micro – markets remain low at 4% - 8% due to supply crunch and high demand. Hyderabad is expected to remain robust in terms of both demand and supply for year 2018

Hyderabad Commercial Market Rental Trends in INR/sft/month



### Major Deals in Hyderabad Commercial Market - H1 2018

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Table Space	Western Aqua	50,000	Hitec city	Lease
Isprout	Purva Summit	42,000	Whitefields	Lease
HGS	Purva Summit	42,000	Whitefields	Lease
SmartWorks	Purva Summit	42,000	Whitefields	Lease
Primera	CV Heights	60,000	Kavuri Hills	Lease
Diligent Tech	JVP	16,500	Hitec city	Lease
SATRA	Centre Point	18,500	Begumpet	Lease
Medi Assist	WhiteHouse	10,000	Begumpet	Lease

## Hyderabad Retail Real Estate Trends

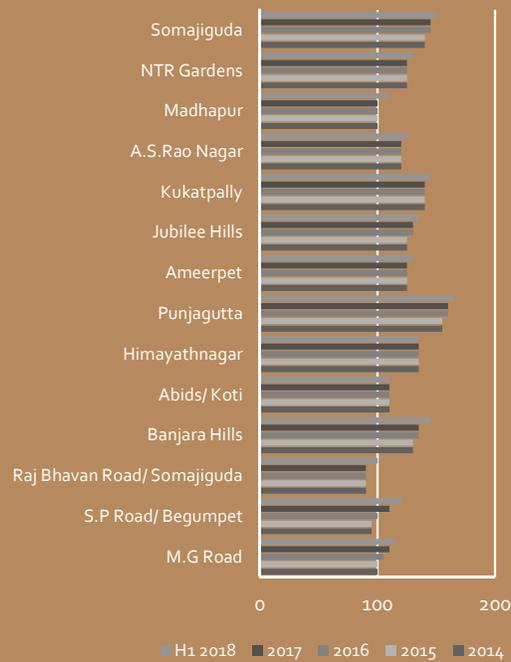
Hyderabad main street has gained momentum with expansion of food & beverage (F&B) and fashion brands like Starbucks and Ritu Kumar particularly in Banjara Hills and Jubilee Hills area. Hyderabad witnessed transaction of around 0.2 million sft in H1, 2018. In terms of supply, Hyderabad is expected to add around 2.2 million sft by end of 2018. This new supply is expected to trigger of leasing activity in Hyderabad which went through a period of lull due to non availability of quality retail space.

Large retailers, including global brands such as H&M, Forever21 and GAP, and domestic players such as Reliance, Shoppers Stop and Central have expansion plan in Hyderabad. Due to the healthy leasing activities witnessed in the main streets of Banjara Hills Road No.2, Gachibowli and Himayathnagar submarkets, rents have increased between 9% to 18% during H1 2018. Owing to new supply and demand from retailer, the rentals are expected to appreciate in future.

### Major Deals in Hyderabad Retail Market - H1 2018

Property	Location	Tenant	Square feet	Lease/ Sale
Individual	Jubilee Hills Rd No.36	PAI Electronics	14000 sft	Lease
Individual	Basheerbagh	PC Jewellers	15000 Sft	Lease
Individual	Himayatnagar	Malabar Gold & Diamonds	14000 Sft	Lease
Individual	Kondapur	Fortune Ford	10000 Sft	Lease
Individual	Attapur	D-Mart	40000 sft	Lease

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



## Hyderabad Industrial and Warehousing Trends

The Hyderabad Ind. & Warehousing market witnessed strong increase in leasing activity in H1, 2018, driven by small to medium sized space take-up by 3PL, FMCG, e-Commerce and pharmaceutical companies. Majority of the leasing activity was concentrated across independent warehouses.

Locations within the Outer Ring Road such as the Jeedimetla Industrial Area and Medchal are instrumental in the development of an organised warehousing clusters. 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 in 2017 particularly in Medchal, Shamshabad and Kothur areas

### Major Deals in Hyderabad Ind. & Warehousing Market - H1 2018

Property	Location	Tenant	Square feet	Lease/Sale
Individual	Kistapur	Filpkart	250,000	Lease
Individual	Devaryamjal	Reliance	200,000	Lease
Individual	Rasheedguda	Delhivery.com	146,000	Lease

### Hyderabad Industrial and Warehousing Rentals in INR/sft/month

Submarkets	Industrial	Warehousing
Jeedimetla	15 - 18	15 - 18
Gunda-Pochampally	12 - 14	12 - 14
Kandlakoya	10 - 13	10 - 15
Kompally	15 - 20	15 - 20
Bowrampet	12 - 15	12 - 15
Gajularamaram	10 - 12	10 - 12
Medchal	18 - 22	18 - 25
Turkapally	11- 14	11 - 14
Dandupally	12 - 14	12 - 14

# Kolkata

widely regarded as the "cultural capital" of India, enjoys a strong, diversified economy. Recent estimates of 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. In the past 12 months, Kolkata Airport has recorded the highest growth in passenger traffic of 27% out-performing Delhi and Mumbai (14%). Kolkata enjoys one of South Asia's biggest ports. The city is home and headquarters to many corporations such as ITC Limited, Britannia Industries, Exide Industries, Eveready Industries, RP – Sanjiv Goenka Group, Ambuja Neotia Group, Emami, Rupa Industries, Lux Innerwear, Berger Paints, Birla Corporation, Peerless Group, Manyavar, SREI, Coal India Limited, Uco Bank, Allahabad Bank, Bandhan Bank and Damodar Valley Corporation



Commercial



Retail



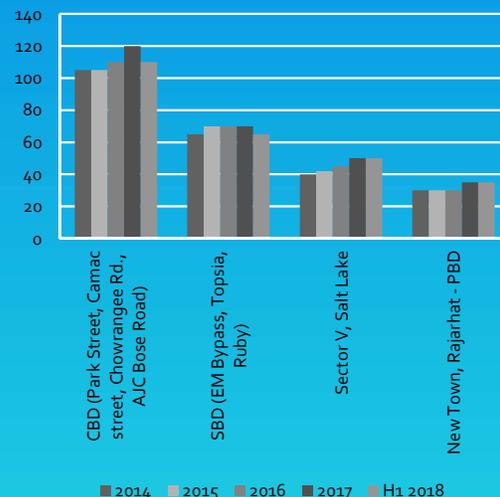
Land & Warehousing

## Kolkata Commercial Real Estate Trends

H1, 2018 saw stable leasing activity in Kolkata Commercial Markets with leasing of approx. 0.3 million sq. ft of commercial space. Leasing activity remained concentrated in locations like Salt Lake Sector V, New Town and Rajarhat. Technology firms were the primary contributor of the overall demand accounting for 50% of the absorption followed by automobile firms (35%). Around 0.2 million sq.ft of Grade B commercial was added in H1, 2017. The scheduled completion of Technopolis 2 measuring 1.2 million sq ft was deferred until 2018 due to subdued demand.

Kolkata is expected to add around 2.5 million sft of commercial space by end of 2018. Coworking operators, along with the engineering and manufacturing sectors, constituted more than half of the transaction activity with respective shares of 30.4% and 25.7% in overall leasing. City-level vacancy remained high at 25%, primarily due to high vacancy rate of almost 40% in peripheral markets. This has kept the rentals flexible and affordable. Kolkata commercial rentals saw correction in the range of 2 to 5%.

Kolkata Commercial Market Rental Trends in INR/sft/month



### Major Deals in Kolkata Commercial Market - H1 2018

Property	Location	Client	Area in Sft	Lease / Outright
Standalone	New Alipore	Websol Energy System Ltd	7973	Outright
Bengal Eco Intelligent Park	Sec V	Webstickers Ltd	7000	Outright
ECO CENTRE	Sec V	ABP	8000	Lease
ECO CENTRE	Sec V	Laopala	8000	Lease
Infinity Think Tank	Sec V	Infinist	5000	Lease
PS Srijan Techpark	Sec V	Indorma	5250	Lease
Eco Centre	Sec V	APJ Business Centre	16000	Lease
Bombay Mutual Building	BBD Bag	Hemadri Chemical	15000	Lease
Infinity IT Lagoon	Sec V	Reckitt Benckiser	9500	Lease
Infinity IT Lagoon	Sec V	Ogilvy & Mather	8500	Lease
Godrej Waterside	Sec V	Tega Industries	40000	Lease
DLF IT Park 1	Rajarhat	Cheil	6500	Lease
PS Srijan Techpark	Sec V	BYJU	16000	Lease
Avani Signature	Park Street	Federal Bank	20000	Lease

# Kolkata Retail Real Estate Trends

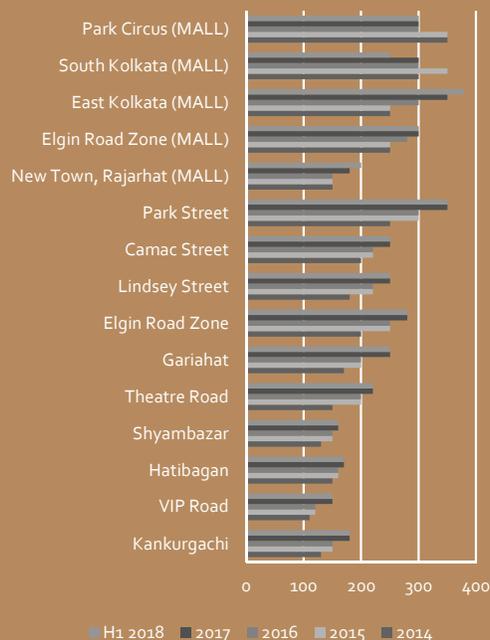
Kolkata retail market saw continued momentum of healthy transaction in H1, 2018. Approximately 0.2 million sq. ft of retail space was absorbed in first half of the year. Kolkata witnessed mid to small space take up during H1, 2018 particularly driven by high street transactions due to lack of upcoming large scale malls. Most of the transactions on high streets were by retailers belonging to the apparel, jewellery and F&B segments. Revamp model of both operational South City Mall & Forum Mall has initiated opportunity for the presence of few significant International brands in Kolkata.

Rentals are stable for both – shopping malls as well as high streets, a trend which is likely to continue till end of 2018. Retail formats such as Neighbourhood Centers, Multiplex, F&B etc., are continued to be the preferred segments for expansion in Kolkata

## Major Deals in Kolkata Retail Market - H1 2018

Property	Location	Tenant	Square feet	Lease/ Sale
IBM Millenium City	Saltlake Sec-V	Pepperfry	4,000	Lease
Standalone	Ultadanga	Khosla Electronics	6,000	Lease
Commercial Project	Em Bypass	Shoppers Stop	30,000	Lease
Purti Flower	Maheshatala	Brand Factory	22,000	Lease
Commercial Project	Amtala	Bigbazaar	30,000	Lease
Commercial Project	Behala	Spencers	20,000	Lease
PS Qubes	Newtown	West Side	20,000	Lease
Standalone	Jadavpur	City Life	12,000	Lease
Standalone	Kasba	City Life	10,000	Lease
Standalone	Madhyamgram	Reliance Trends	10,000	Lease
Commercial Project	Burra Bazar	Reliance Trends	12,000	Lease
City Centre	Saltlake	Star Buck Cafe	2,500	Lease
Standalone	V.I.P Road	M P Jewelers	10,000	sale

## Average Retail Rental Rates in Kolkata in INR /sq.ft



# Kolkata Land and Warehousing Trends

Kolkata industrial and warehousing market witnessed absorption of around 1 million sft. The rental saw an appreciation of 5% -10% in most micro markets due to increased demand from warehousing developers/ landlords. The micro market of Dhulagarh, Sankrail and Uluberia along NH-6 witnessed close to 60% of overall transaction activity. Domestic companies from the electronics, 3PL, e-Commerce and media sectors were the major occupiers of space.

## Kolkata Land and Warehousing

Submarkets	Land Rates in Cr/ acre	Warehousing in INR/ sq.ft/month
Dankuni – Delhi Road	3 Cr – 6 Cr	15 – 20
Dhulagarh – Bombay Road	1.8 Cr – 4.8 Cr	15 – 22
Taratata – Maheshatala	6 Cr – 9 Cr	17 – 22
Madhyamgram, Barasat	1.8 Cr – 3 Cr	18 – 25

## Major Deals in Kolkata Land & Warehousing Market - H1 2018

Property	Location	Tenant	Square feet	Lease / Sale
Srijan Industrial Logistics Park	Bombay Road	Gold Medal	16000	Outright
Srijan Industrial Logistics Park	Bombay Road	Mittal Technopack	60000	Outright
Srijan Industrial Logistics Park	Bombay Road	R S Enterprise	12000	Outright
Srijan Industrial Logistics Park	Bombay Road	Arvind Garments	7000	Outright
Bombay Road	Bombay Road	Pepsico	100000	Lease
Aarjav Industrial Park	Delhi Road	Amazon	150000	Lease
Abakash Industrial Park	Bsanti Highway	Prabhat Khabar (news Paper)	30000	Lease
Sankrail Industrial Park	Bombay Road	Great Eastern	65000	Lease
Sankrail Industrial Park	Bombay Road	Flipkart	250000	Lease

## Kolkata land deals

### Significant Sale / JV Transactions in Land H1 2018

Client	Location	Tenant	Acre	Type
Belani Group	Topsia	NA	0.40	JV
Sugam	Darga Road	NA	0.28	JV
Primarc	James Long Sarani	NA	1.16	JV
Srijan Group	Airport	NA	4.96	JV
PS Group	Bypass	NA	1.98	JV
Maruti Suzuki	Garia	NA	0.68	Outright
Rashmi Group	A J C Bose road	NA	0.27	Outright
Diamond - Sugam	Burdwan Road	NA	1.27	JV
Hada Textile	D H Road	NA	1.6	Outright
Salarpuria –Eden Group	Rajpur	NA	10	Outright

## Kolkata investment deals

### Significant Transactions in Investments H1 2018

Property	Location	Tenant	Sft	Lease / Sale
Ideal Group	Kolkata	Pantaloons	29489	Outright
Sugam Group	Kolkata	Brand Factory	20796	Outright
Ideal Group	Kolkata	Reliance Trend	21682	Outright
Forum Mall	Rourkela	PVR	35000	Outright
Orbit Group	Kolkata	Ethos	3855	Outright
Individual	Kolkata	DHI	2555	Outright
Onex Realty	Madhyamgram	City Life	9609	Outright

**Pune** is considered the cultural capital of Maharashtra. Pune is one of the fastest growing cities in the Asia-Pacific region. Pune has the eighth largest metropolitan economy and the sixth highest per capita income in the country. The key sectors of the local economy are education, manufacturing and information technology (IT). Pune is also known as “Motor City” of India due to presence of Automotive companies such as Bajaj Auto, Tata Motors, Mahindra & Mahindra, Mercedes Benz, Force Motors, Kinetic Motors, General Motors, Land Rover, Jaguar, Renault, Volkswagen, and Fiat. Pune recently ranked 1<sup>st</sup> in Livability Index by Ministry of Housing and Urban Affairs (MoHUA).



Commercial



Retail



Ind. & Warehousing

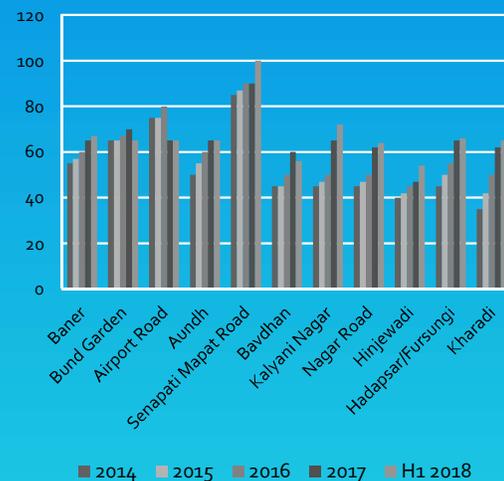
## Pune Commercial Real Estate Trends

Pune commercial real estate have gained positive momentum in H1, 2018. Market witnessed transaction of approx. 1.8 million sft in H1 2018. Owing to limited supply and healthy demand, the vacancy levels has fallen to 7% - 8%, which is at its historic low for the Pune office market.

Around 1.6 million sft of new supply is expected by end of 2018. The technology sector continues to be the major space demand driver accounting for 60% share in net absorption followed by engineering & manufacturing (15%) and consulting (14%). Kharadi remained the most preferred location for corporates.

Due to non availability of space, rentals in most micro markets saw appreciation by 7% - 8%. The key micro markets contributing to the increase in rents were Hadapsar, Fursungi, Kharadi and Senapati Bapat Road. Vacancy remained low at 6% - 8%. The market transaction is gain momentum in year 2018 owing to fresh supply and healthy demand.

Pune Commercial Market Rental Trends in INR/sft/month



### Major Deals in Pune Commercial Market - H1 2018

CLIENT	Location	Area (SF)	Lease / Sale
Qualys	Balewadi	2,80,000	Lease
Indiqube	Kharadi	23,000	Lease
Arxxus	Baner	12,000	Lease
Siemens	Balewadi	95,000	Lease
Siemens	Baner	23,200	Lease
Ideas	Baner	23,000	Lease
MD India	Viman Nagar	23,000	Lease
Excellon Soft,	Baner	10,000	Lease
EDB	Bund Garden	12,000	Lease
ENSONO Tech	Hinjewadi	34,000	Lease
Indiqube	Magarpatta	14,000	Lease
Michelin	Kharadi	1,73,000	Lease
WNS	Hinjewadi	2,70,000	Lease
WNS	Phursungi	42,000	Lease
Bajaj Finance	Wakdewadi	18,750	Lease
TSYS Card	Yerwada	22,650	Lease
Max life	Magarpatta City Tower 3	1,79,000	Sale

## Pune Retail Real Estate Trends

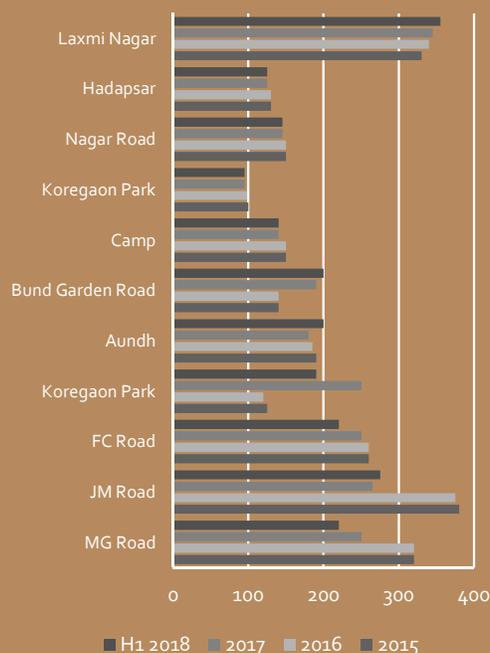
Pune retail transaction is continuing its steady run H1 2018 with leasing of around 0.3 million sq. ft of space. Pune is receiving considerable investment attention from global retail players. Many international brands are planning to expand their footprint in near future. Major retail destination such as Koregaon Park and Pimple Saudagar, the leasing activity was dominated by lifestyle and food & beverage (F&B) retailers. Pune retail is expected to add around 0.5 million sq. ft by end of 2018. Major supply is slated to come up with completion of Westend Mall in Aundh and The Pavillion Mall on S.B Road.

Overall average rental remained stable across markets. Major retail destination such as Koregaon Park and Hadapsar, the leasing activity was dominated by apparel retailers with brands such as Max, Central and H&M expanding their footprint in the city. F&B operators were the prominent occupiers of space across high streets.

### Major Deals in Pune Retail Market - H1 2018

Tenant	Location	Square feet	Lease/ Sale
Westside	Pimple Saudagar	20,000	Revenue Share
Pantaloons	Pimple Saudagar	20,000	Revenue Share
First Cry	Wakad	2,000	Lease
Flying Duck	Baner	2,000	Lease
Five Fat Monks	Baner	5,000	Lease
The J	Baner	2,000	Lease
The Peshwa	F C Road	2,000	Lease
Croma	Baner	5,000	Lease
Star Bazaar	Pimple saudagar	7,500	Lease
Star Bazaar	Pimple Gurav	6,000	Lease
Ashtekar Bros. Jewellers	Viman Nagar	2,500	Lease
Maharaja Bhog	Pavillion Mall	2,500	Lease
Onesta	Amanora Mall	2,000	Lease

Average Retail Rental Rates in Pune in INR / sq.ft/month



## Pune Industrial and Warehousing Trends

Pune witnessed strong demand for warehousing space during H1, 2018 with total transaction of 1.2 million sq. ft. Pune Ind. & warehousing markets are driven by engineering and manufacturing sector companies and 3PL operators. Investment activity by High Net-worth Individuals (HNIs) and domestic companies for industrially zoned land parcels also witnessed growth across locations such as Chakan, Sanaswadi and Hinjewadi. Rental values continued to remain stable across micro-markets. The large consumer and manufacturing base and affordable prices have helped Pune become a major warehousing location.

### Major Deals in Pune Ind. & Warehousing Market - H1 2018

Property	Location	Square Feet	Lease/ sale
Rehan Polymer	chakan	30,000	Lease
Y.B Group of industries	chakan	35,000	lease
Asia india Glass	chakan	45,000	lease
SKS fasteners	chakan	50,000	lease
vedanta metal	chakan	29,000	lease
Hyundai Constructions	Chakan	55,000	Lease
Faurecia	Chakan	50,000	Lease
Godrej	Lonikand	80,000	Lease
Fedex	Talegaon	20,000	Lease
Chep Logistics	Chakan	25,000	Lease
Kimberly Clark	Chakan	1.25, 000	Lease

### Pune Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Cr/acre	Industrial & Warehouse Rentals in INR/ sq.ft /month
Telegaon	1- 1.25	16-24
Chakan	1.8 -2.5	16-26
Pimpri Chinchwad	8-10	25-35
Pirangut	3	16-22
Hinjewadi	6-7	25-35
Lonikand	2	14-20
Sanaswadi	2.5	14-20
Ranjangaon	1.5-	18-22
Khed City	1.7	17-26
Shirwal	1.5	12-16
Wagholi	3.5	18-25

# 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



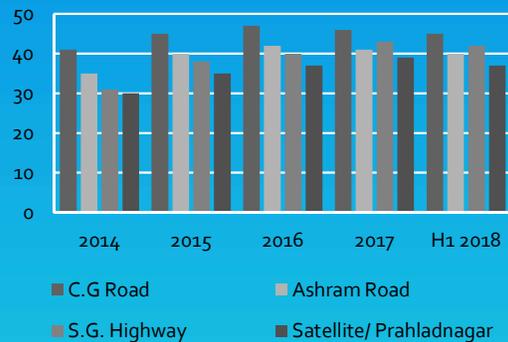
Ind.& Warehousing

## Ahmedabad Commercial Real Estate Trends

Ahmedabad was brisk commercial space transaction amounting to 0.2 million sft (approx). Grade A leasing activity was dominated by the banking, financial services and insurance (BFSI) sector (50%). Majority of the leasing activity was concentrated in the suburban business district of S.G. Highway (50%). The steady influx of new supply has lead to correction of rentals.

Around 2.0 million sq. ft of commercial space is expected to be added to the existing supply. This is expected to further increase the vacancy levels to 40%. Rentals are expected to decline further due to demand - supply mismatch.

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



### Major Deals in Ahmedabad Commercial Market - H1 2018

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
KCL Solution	The First	3000	Vastrapur	Lease
Maxhab	Abhishri	2000	Bodakdev	Lease
Bodal Chemical	Shalin House	17500	Shilaj	Sale
Pet Pooja	Titanium	7000	Prahladnagar	Lease
Cloud 24*7	The First	3500	Vastrapur	Lease
Hunky Dory Travels	Mondeal Heights	5200	SG Highway	Lease
R&K Geo Infra Project Up	Titanium Square	3000	S.G Road	Lease
Swiggy	Sarthik 2	4200	S.G Road	Lease
Appcer Life science	Mondeal Hieghts	54000	S. G Highway	Lease
Paragraph ( Co. Working Space)	Mondeal Heights	8,000	S.G Road	Lease
The Address ( Co. Working Space)	West Gate	22,000	S.G Road	Lease

# Ahmedabad Retail Real Estate Trends

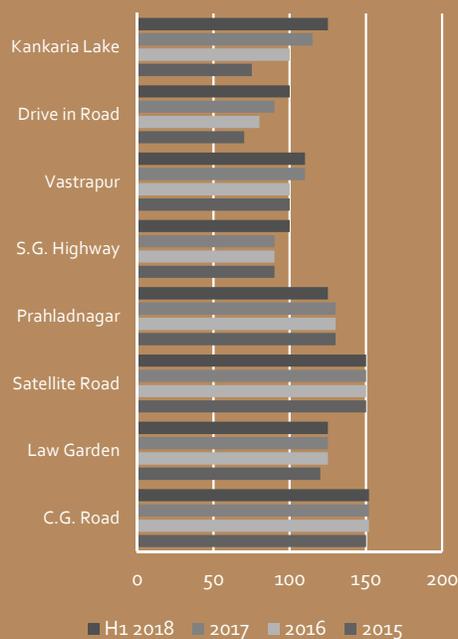
Retail leasing in Ahmedabad remained stable during H1 2018. Steady demand coupled with no new supply led to a marginal decline in the city's overall mall vacancy rate to 27%. Around 0.25 million sq.ft of retail space was absorbed while supply was in tune of 0.1 million sq. ft. The demand was mainly driven by apparel retailers, which continued to strengthen their presence across various locations such as C.G. Road and S.G. Highway.

Rentals remained stable in most micro markets. Rentals in the main streets of Prahaladnagar and SG Highway rose by 10% from 2017 levels. The F&B and apparel segments preferred to lease space in the main streets of CG Road and SG Highway. Strong demand for space in the SG Highway submarket, along with limited availability of quality space, led to a 4.5% increase in rentals on a quarterly basis.

## Major Deals in Ahmedabad Retail Market - H1 2018

Client	Building Name	Area ( sq ft)	Location	Client
Kailash Parbat	Silver Radiance	6000	Sindhubhavan Road	Lease
Buger King	Amrakunj	3500	Chandkheda	Lease
Plus Fitness 24/7	Multiple Locations	8500	Memnagar/ Bodakev/ South Bopal	Lease
Quaraar Restaurant	Yash Aryan	15000	Memnagar	Lease
One Plus Mobile Store	Safal Pegasus	3000	Prahladnagar	Lease
Metro	Safal Pagasus	3500	Prahladnagar	Lease
Café Baraco	Silver Radiance	3500	Sindhubhavan Road	Lease
Nini's Kitchen	Venus Atlantis	3500	Prahladnagar	Lease
Hyundai	Golden Icon	7000	Shymal	Lease
Sizzante Sizzler	Dwarkesh Business Hub	4000	Motera	Lease
World Gym	Shilp Aaron	8000	Bodakdev	Lease
Burger King	Swapnil V	4000	Commerse Six road	Lease

## Average Retail Rental Rates in Ahmedabad in INR / sq.ft/month



# Ahmedabad Industrial and Warehousing Trends

Ahmedabad has a very strong industrial and manufacturing base. Sanand, Bavla and Changodar along NH 8A have emerged as industrial and warehousing hubs due to saturation of Aslali and Kheda. All major FMCG players have their warehouses in Ahmedabad market. Domestic FMCG and retail companies were the major occupiers of space.

Rental values remained largely stable across micro-markets, with the exception of Aslali which saw appreciation due to sustained demand. Close to 0.2 mn sq. ft of industrial and warehousing space was completed in Ahmedabad market.

## Major Deals in Ahmedabad Ind. & Warehousing Market - H1 2018

Property	Location	Square Feet	Lease/ sale
Arvind Mill	Bavla	120000	Lease
Asian Paints	Changodar	75000	Lease
Idea Cellular	Changodar	40000	Lease
D Mart	Goblaj	115000	Lease

## Ahmedabad Industrial and Warehousing Rentals in INR/ Sq. ft / Month

Submarkets	Industrial	Warehousing
Sanand	15-38	12-18
Changodar	18-40	13-20
Aslali	18-40	15-22
Kheda	15-35	10-15



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