



ANNUAL REPORT
2015
Review of Indian Real Estate Dynamics



From Chairman's Desk

With skew of reforms and policy initiatives, the investor's confidence in Indian economy has substantially improved. The Indian economy is also exhibiting strong signs of sustained growth on long term basis. With a GDP growth of 7.4% in the second quarter of 2015–16, India has outpaced China to become perhaps the fastest growing major economy in the world. To bring about a quantitative and qualitative change, and to provide the necessary impetus to the manufacturing sector, the Indian Government has introduced the "Make in India" initiative, a global campaign to project India as an investment destination and a viable manufacturing hub.



The Indian real estate sectors are going through a phase of transition and is becoming transparent and organised. In Nov 2015, Govt. relaxed FDI Norms in Real Estate Sector to provide cash-starved realty sector. Foreign direct investment (FDI) norms in construction sector by removing two major conditions related to minimum built up area as well as capital requirement. Conditions of area restriction of floor area of 20,000 sq meters in construction development projects and minimum capitalisation of \$5 million to be brought in within the period of six months of the commencement of business, have been removed.

In Dec, India's cabinet has cleared a much-delayed real estate regulation Bill that is expected to help consumers move towards an accountable, transparent and fair deals in this sector .

The sector also witnessed increased appetite among well-researched institutional investors betting big money on the revival and experts believe this is the precursor to an inflection point. 2015 has seen revival of interest from private equity investors in real estate with highest investment in the last eight years recorded at approximately \$2.8 billion.

With 'Housing for All' and 'Smart Cities' becoming key focus area of the Govt., Real Estate is expected to see sustained demand in long terms.

**CIRIL Chairman
Pawan Agarwal**

NK REALTORS PVT . LTD
Kolkata

pawan@nkrealtors.com

Visit Us: www.cirilnetwork.com
Contact Us: coordinator@cirilnetwork.com



SANJAY PURI
SURE SHOT SUGGESTIONS (I) PVT. LTD
MUMBAI
sanjay@sureshotsuggestions.com



PANKAJ JAIN
REALISTIC REALTORS PVT. LTD
NCR Delhi
pjain@rrpl.net



RAJU MAHTANI
PROPERTY TERMINUS
PUNE
raju@propertyterminusindia.com



PRAVIN BAVADIYA
CITY ESTATE MANAGEMENT
AHMEDABAD
pravinbavadiya@yahoo.co.in



ZAHED MAHMOOD,
SILVER LINE REALTY PVT. LTD
BANGALORE
zahed@silverlinerealty.com



VIJAY SARATHI
TRINITY PARTNERS
HYDERABAD
vijay@trinitypartners.co.in

From CIRIL Team

Indian Real estate is experiencing renewed investor's confidence with most major markets witnessing brisk activity. Indian Real estate is poised to enter the second growth cycle driven by expanding e-commerce and e-retailing demand. The renewed thrust on manufacturing through 'Make in India' initiative has received a positive response from MNCs around the Globe. This policy impetus is expected to drive Indian Real estate in future.

CIRIL Network, membership-based premier owner operated network of Real Estate Consultants' Companies in India, takes pleasure in presenting its Second quarterly report for period April to June, 2015 covering 8 major markets and tracking markets trends of Commercial, Retail, Industrial and Logistic Sectors.

With a strong local presence and seamless networking, CIRIL envisages creating local knowledge platforms across major Real Estate markets. CIRIL network now has 16 offices and works in 280+ locations across India i.e Delhi, Gurgaon, Mumbai, Bengaluru, Kolkata, Pune, Hyderabad, Ahmedabad, Surat, Noida, Chandigarh, Jaipur, Indore, Lucknow, Patna & Bhubaneswar.

We provide specialised services in

- Corporate Real Estate Consultancy Services
- Office Services (both Tenant & Landlord Representation Services)
- Industrial and Land
- Retail Services
- Investment Services
- Land Acquisition Services

For any queries E-Mail: coordinator@cirilnetwork.com

For more information please visit our website: www.cirilnetwork.com





Indian Economy – Marching ahead in 2016

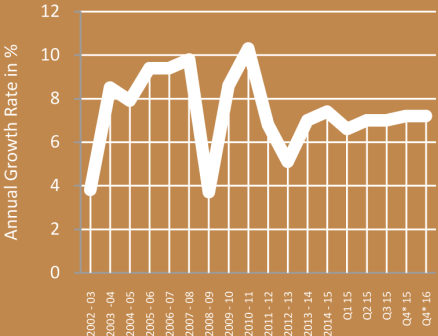
Economic Overview

India is poised to become the world’s fastest growing major economy in 2015, overtaking China. Stabilizing fundamentals and improved sentiments have enhanced India’s prospects, as growth in China has slowed. Indian economy has benefiting from the acceleration of infrastructure projects, strong consumer spending due to lower inflation and monetary easing and gradual improvements in market sentiments. India also has a demographic advantage, with 18% of its population in the 15 to 24 years age group. In the next 30 to 40 years, these young people will provide a dynamic and productive workforce, further enabling faster growth.

The Indian economy is expected to clock a growth of 7.4 % in FY 2015. The fiscal deficit — gap between government’s expenditure and revenue — for 2015-16 has been pegged at Rs.5.55 lakh crore. In the long-term, the India GDP Annual Growth Rate is projected to trend around 6.80% in 2020, 5.50% in 2030 and 4.50% percent in 2050, according to Ministry of Statistics and Programme implementation (MOSPI).

The United Nations World Economic Situation and Prospects (WESP) 2016 report said that India will record a 7.3 per cent economic growth in 2016 and 7.5 per cent in 2017.

ANNUAL GDP GROWTH



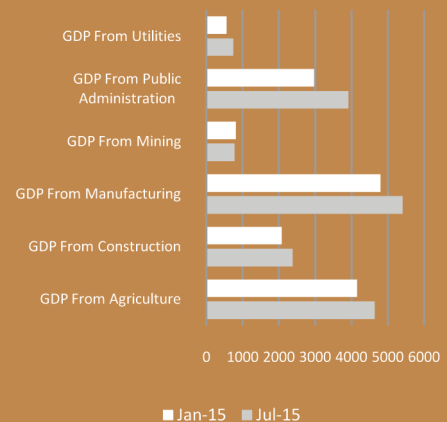
Growth of GDP on basis of new definition
 * Q4,2015 (Jan – March 2016) on advance estimates,
 source: MOSPI

Improving fundamentals

- India ranked the No.1 investment destination in the world as per the 2015 Baseline Profitability Index (BPI) of World Bank. Ease of Doing Business in India improved to 130 in 2015 from 134 in 2014.
- GDP Constant Prices in India increased to 27569.85 INR Billion in the third quarter of 2015 from 27129.98 INR Billion in the second quarter of 2015. GDP Constant Prices in India averaged 15988.95 INR Billion from 2004 until 2015, reaching an all time high of 28742.37 INR Billion in the first quarter of 2015
- Consumer Price Index CPI in India increased to 126.60 Index Points in November from 126.10 Index Points in October of 2015. Consumer Price Index CPI in India averaged 107.69 Index Points from 2011 until 2015, reaching an all time high of 126.60 Index Points in November of 2015
- Declining inflation was primarily due to falling commodity prices globally, with crude prices dipping below US\$50 a barrel.
- Declining inflation has also provided the Reserve Bank of India (RBI) with the leeway to reduce repo rates.
- Foreign Exchange Reserves in India increased to 352100 USD Million in December 4 from 351620 USD Million in the previous week. Foreign Exchange Reserves in India averaged 189861.28 USD Million from 1998 until 2015
- Consumer Confidence in India remained unchanged at 131 in the third quarter of 2015 from 131 in the second quarter of 2015. Consumer Confidence in India averaged 121 from 2009 until 2015

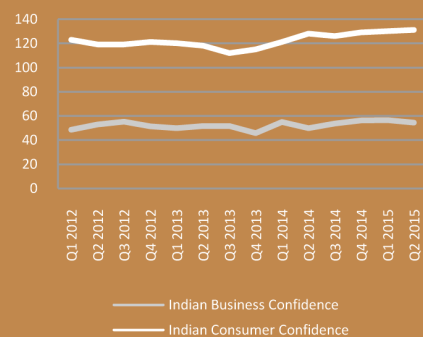
India scored 4.31 points out of 7 on the 2015-2016 Global Competitiveness Report published by the World Economic Forum. Competitiveness Index in India averaged 4.32 Points from 2007 until 2016.

Sectoral contribution to GDP at constant Price at INR Bn



Source: <http://www.tradingeconomics.com>

Indian Business and Consumer confidence



Source: <http://www.tradingeconomics.com>



Indian Real Estate – Gaining momentum

Sector Overview

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30% over the next decade.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. The real estate sector is one of the key drivers of economic growth, contributing about 5-6% to India's GDP. The sector has gone through its high and low times since 2005, when the government's policy to allow Foreign Direct Investment (FDI) in this sector was announced.

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\$ 24.15 billion in the period April 2000-Sept 2015.

According to a study by ICRA, the construction and real estate industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

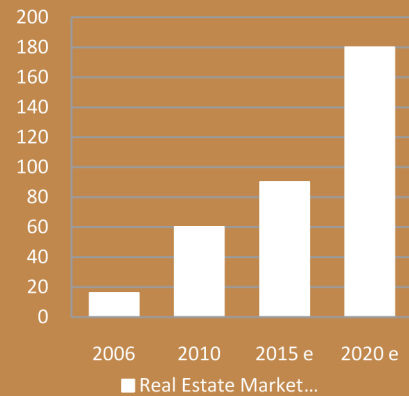
Market Size

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). In the period FY08-20, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Real estate has emerged as the second most active sector, raising US\$ 1.2 billion from private equity (PE) investors in the last 10 months. Foreign investors have bought tenanted office space worth over US\$ 2 billion in India in 2014, a four-fold rise compared to the previous year, in order to increase their rent-yielding commercial assets in Asia's third largest economy.

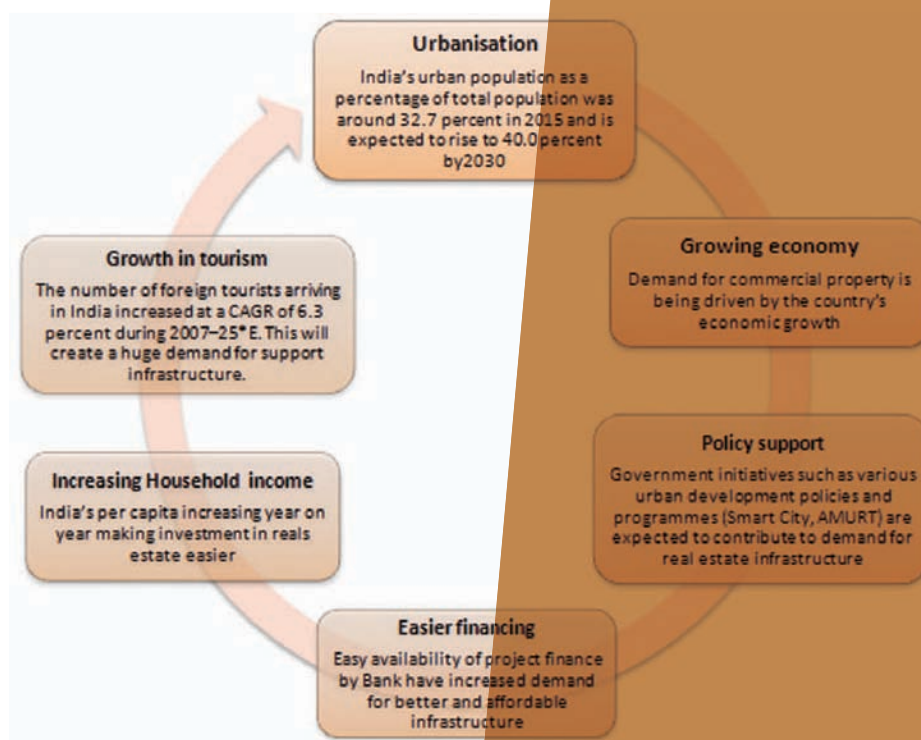
The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

Real Estate Market Size US\$ Bn



Source: Investment commission of India, ASSOCHAM & CREDAI

Market Drivers



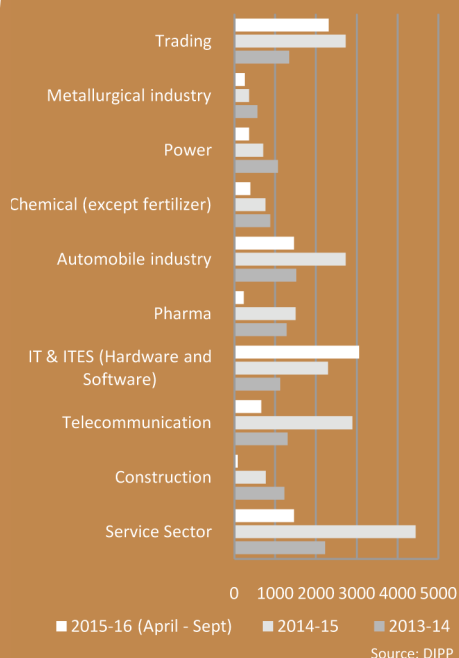
Foreign Direct Investment

In the year 2015, Indian real estate sector witnessed regulatory changes that included relaxing of foreign direct investment laws and the Union Cabinet approving the much awaited Real Estate Bill.

In recent reforms under FDI norms, Townships, shopping complexes & business centres – all allow up to 100% FDI under the auto route. Conditions on minimum capitalisation & floor area restrictions have now been removed for the construction development sector.

FDI policy on Construction Development sector has been liberalised by relaxing the norms pertaining to minimum area, minimum capitalisation and repatriation of funds or exit from the project. To encourage investment in affordable housing, projects committing 30 percent of the total project cost for low cost affordable housing have been exempted from minimum area and capitalisation norms.

Sector attracting highest FDI equity inflow in US\$ million



Based on the recommendations of Foreign Investment Promotion Board (FIPB), the Government, in a meeting held on September 29, 2015, approved 18 proposals of FDI amounting to approximately Rs 5,000 crore (US\$ 770 million).

Some of the recent significant FDI announcements are as follows

- Kellogg Co, world's largest cereal maker, is making large investments in manufacturing and plans to set up its first Research and Development (R&D) facility in India at Taloja, near Mumbai.
- The Government of Karnataka has signed an agreement with the Taiwan Electrical and Electronic Manufacturers Association for the purpose of creating a Taiwanese electronic manufacturing cluster near the Bengaluru airport, with an investment expectation of Rs 3,200 crore (US\$ 500 million).
- Posco Korea, the multinational Korean steel company, has signed an agreement with Shree Uttam Steel and Power (part of Uttam Galva Group) to set up a steel plant at Satarda in Maharashtra.
- Foxconn has signed a Memorandum of Understanding (MoU) with Maharashtra state government to invest US\$ 5 billion over the next three years for setting up a manufacturing unit between Mumbai and Pune.
- Global giants such as Bombardier, Hyundai-ROTEM, TALGO and CAF have queued up to manufacture semi high-speed train sets in India, which will be used for faster inter-city travel.
- Germany-based ThyssenKrupp group is aiming to double its revenue from India to US\$ 1 billion in next three-four years while the group's elevator unit, ThyssenKrupp Elevator, plans to invest EUR 44 million (US\$ 50.5 million) to set up a manufacturing plant in Chakan, Pune.
- Swedish home furnishing brand Ikea has made a long-term plan of opening 25 stores in India by making an investment worth Rs 12,500 crore (US\$ 1.9 billion).
- Google plans to invest Rs 1,500 crore (US\$ 234.3 million) for a new campus in Hyderabad which will be focused on three key areas — Google Education, Google Fibre broadband services and Street view.
- Warburg Pincus, a US based Private Equity (PE) firm, has planned to invest Rs 850 crore (US\$ 132.8 million) in Ecom Express – an India based logistics solutions provider.
- Gap Inc., a US based retail chain, opened its first store in Delhi and plans to open 40 more stores in the next 4–5 years which will be spread across the top 10 cities in India.
- Dalian Wanda Group, one of China's largest real estate firms, has planned to invest US\$ 10 billion in India in the next 10 years which will be used to construct retail properties and industrial townships.

Source : ibef, Oct 2015

Foreign Institutional Investors (FIIs)

India, which offer relatively higher growth than the developed economies, have gain favour among investors as attractive investment destinations for foreign institutional investors (FIIs). Investors are optimistic on India and sentiments are favourable following government's announcement of a series of reform measures in recent months. Government of India has accepted the recommendation of A.P. Shah Committee to not impose minimum alternate tax (MAT) on overseas portfolio investors retrospectively for the years prior to April 01, 2015, thereby providing significant relief to foreign portfolio investors (FPIs)

FIIs have invested a net of US\$ 89.5 billion in 2014-15—expected to be their highest investment in any fiscal year. Of this, a huge amount—US\$ 57.2 billion—was invested in debt and it is their record investment in the asset class, while equities absorbed US\$ 32.3 billion.

India continues to be a preferred market for foreign investors. India-focused offshore equity funds contributed US\$ 0.5 billion, whereas India-focused ETFs added a much higher US\$ 1.2 billion of the total net inflows of about US\$ 1.7 billion into the India-focused offshore funds and ETFs during the quarter ended June 2015. The total Mergers and Acquisitions (M&A) transaction value for the month of July 2015 was US\$ 4.57 billion involving a total of 46 transactions. In the M&A space, energy and natural resources was the dominant sector amounting to 56 per cent of the total transaction value. In Private Equity, a total of 110 deals worth disclosed value of US\$ 2.15 billion were reported in July 2015.

According to a poll conducted by Bank of America Merrill Lynch (BoFA-ML) recently, in which 50 investors participated, India was the most favourite equity market for the global investors for the year 2015 at 43 per cent, followed by China at 26 per cent.

Investments

- KKR India, the Indian arm of global private equity firm KKR & Co. L.P., has planned to raise its second alternative investment fund (AIF) of Rs 1,500 crore (US\$ 226.4 million) which will offer credit solutions to Indian companies.
- Global private equity major Warburg Pincus plans to invest Rs 1,800 crore (US\$ 283 million) in Piramal Realty, which will help the real estate company to expand its portfolio and to acquire land parcels in and around Mumbai.
- Sequoia Capital, one of the leading venture capital firms, will invest Rs 125 crore (US\$ 20 million) in Bengaluru-based MedGenome, a genomics-based diagnostics and research firm specialising in DNA sequencing and data analytics.
- Viacom, one of the leading American global mass media companies, has acquired 50 per cent stake in Prism TV for Rs 940 crore (US\$ 153 million). Prism TV owns and operates regional entertainment channels under the 'Colors' umbrella.
- Global funds such as Macquarie Infrastructure and Real Assets (MIRA), I Squared Capital, Brookfield Asset Management Inc. are investing in Indian road construction and power projects as a result of government's efforts to improve infrastructure and ease the operating environment for such projects.
- Japanese conglomerate SoftBank has led a group of investors to pump Rs 630 crore (US\$ 100 million) in Gurgaon-based OYO Rooms, which helps local hotels and select set of vendors to spruce up room amenities.
- Acumen, a not-for-profit global venture fund, has invested US\$ 1.8 million in Sahayog Dairy, an integrated company that sources milk from 272 centres across five districts adjoining Harda district in Madhya Pradesh.
- Global infrastructure investment manager I Squared Capital, has decided to invest US\$ 150 million in Amplus Energy Solutions Private Ltd, which sets up distributed solar power generation projects in India.
- Zomato, a restaurant search and discovery platform, has raised US\$ 60 million from Singapore government-owned investment company Temasek, along with existing investor Vy Capital, in order to explore new business verticals.

Private Equity Fund

PE and VC investors, spurred by a change in the political climate and hopeful of reforms, have struck more deals than ever before and pumped in \$19.7 billion so far this year, according to provisional data from VCCEdge, the data research platform of VC Circle. The number of deals spiked, led by VC transactions and angel investments. A record 1,283 deals have been struck so far this year, a significant jump from the 891 deals registered last year.

In value terms, VC funding this year more than doubled to \$5.3 billion from \$2.4 billion last year. The number of VC deals jumped to 446 so far this year from 311 in 2014. The surge in PE investments this year was largely owed to the e-commerce sector, which saw deals worth \$5.3 billion (Rs 35,462.3 crore) across 290 deals.

The other sectors, which outperformed this year were, financial services and healthcare, which contributed deals worth \$2.4 billion (Rs 16,058.4 crore) and \$1.58 billion (Rs 10,571.78 crore), respectively.

Financial industry insiders expect that momentum to continue into 2016, as renewed interest among private equity buyers feeds higher valuations. Among potential deals, GVK Group is considering selling 49 percent of unit GVK Airport Developers to private equity players for around \$600 million.

Some of the large deals in the third quarter included fund raising by Indian e-commerce firms Flipkart, Snapdeal and Ola, according to the research firm.

Private Equity Deals in Real Estate

PE funds invested about \$2.4 billion in the real estate sector, across 53 transactions, during the first nine months this year, surpassing the full-year investments of \$2.1 billion in 2014 across 80 deals, according to data from VCCEdge which tracks investments.

Deal sizes have also increased in 2015, and residential projects, luxury and affordable, attracted a substantial amount of capital.

In the single largest transaction this year, the Government of Singapore Investment Corp. Pte Ltd (GIC), a sovereign wealth fund fairly active in the real estate sector in recent months, said it will invest about Rs.1,990 crore (about \$300 million) in two upcoming residential projects of DLF Home Developers Ltd, a subsidiary of DLF Ltd, through a joint venture.

The revival in private equity in India comes at a time when share markets have outperformed other emerging markets such as Brazil, as investors remain hopeful about economic reforms from Prime Minister Narendra Modi's government.

PE & VC investments touched an all - time high in 2015		
YEAR	Value (\$ mn) (RHS)	Volume
2010	10,211	552
2011	11,415	753
2012	10,712	833
2013	11,184	856
2014	12,456	891
2015	19,754	1283

Source: VCC edge

Top 5 Private Equity Real Estate Deals in 2015			
Date/ Deal profile	Investor	Developer	Deal value (in US\$ mn)
September: Investment in residential project in Delhi	GIC Pte Ltd.	DLF Home Developers Ltd.	299.53
August: Investment in affordable housing projects	Asian Development Bank international Finance Corp., SCM Real Estate Singapore Pvt. Ltd.	Shapoorji Pallonji Group	200
August: Entity level investment	Goldman Sachs Group Inc	Piramal Realty Ltd.	136.8
July: Entity level investment	Warburg Pincus	Piramal Realty Ltd.	284.34
June: Investment in IT Park in Chennai	SPREP Pte Ltd. Alliance between Canada Pension Plan Investment Board (CPPIB) and Shapoorji Pallonji Group	Faery Estate Pvt. Ltd.	220

Source: VCC edge

Key Policy Initiatives

Much headway has been made in several policy reforms during 2015

- India's Prime Minister Mr Narendra Modi approved the launch of Housing for All by 2022. Under the Sardar Patel Urban Housing Mission, 30 million houses will be built in India by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP) and interest subsidy.
- The Government of India has relaxed the norms to allow Foreign Direct Investment (FDI) in the construction development sector. This move should boost affordable housing projects and smart cities across the country.
- The Securities and Exchange Board of India (SEBI) has notified final regulations that will govern real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). This move will enable easier access to funds for cash-strapped developers and create a new investment avenue for institutions and high net worth individuals, and eventually ordinary investors.
- In recent reforms under FDI norms, Townships, shopping complexes & business centres – all allow up to 100% FDI under the auto route. Conditions on minimum capitalisation & floor area restrictions have now been removed for the construction development sector.
- The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

Fitch Ratings Ltd assigned a stable outlook to Indian home developers in 2016, citing higher pre-sales, falling inventory levels and gradual pick-up in cash collections. The realty firms will be able to slowly deleverage their balance sheets, the report added.

According to a **Financial Express** newspaper report published on Dec 13th, 2015, investments into the real estate sector in 2015, at close to \$8 billion or Rs 53,000 crore, are poised for a seven-year high even when the sector is not in a good shape. The BSE Real Estate index plunged 16 per cent on a year-to-date basis till December 18, 2015.

Realty experts believe that the year 2016 will begin on a positive note for the sector and may witness a pick up in sales with an improvement in the number of unsold inventories. The recently approved real estate bill is seen as a positive for the sector, which along with other trends could shape the real estate sector in 2016.

High demand for ready-to-move in projects and increased focus on project completion will set the contours for the realty sector outlook in 2016. Completion of existing projects is expected to be the prime focus of developers for some more time.



Major Real Estate Markets in India

Major Markets



Commercial Office space



- Total office space absorption during 2015 stood at 35 million sq. ft.
- Rents rose across Indian cities
- Driven by IT/ ITeS, e-commerce, start-ups and large consulting firms
- Demand will remain consistent over most of 2016

Retail Sector



- 2015 saw limited retail space demand and supply in major markets
- Retail sector saw consolidation by major brands and retailers
- With relaxed FDI norms, retail saw entry of institutional investors
- In 2016, more mature investors is expected to enter and buy built-up retail space

Industrial and Warehousing Sector



- Industrial and warehousing saw brisk activity in 2015 with total cumulative supply reaching 97 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
- 2016 is expected to add around 20 million sq.ft to this segment

Mumbai Real Estate Trends

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.

It serves as an economic hub of India, contributing 10% of factory employment, 25% of industrial output, 33% of income tax collections, 60% of customs duty collections, 20% of central excise tax collections, 40% of India's foreign trade and 4000 crore (US\$600 million) in corporate taxes. As of Oct 2015, Mumbai's GDP is \$278 billion (from 2014). Its nominal per capita income is INR 125,000 (US\$2,094).

Many of India's numerous conglomerates (including Larsen and Toubro, State Bank of India (SBI), Life Insurance Corporation of India (LIC), Tata Group, Godrej and Reliance, and five of the Fortune Global 500 companies are based in Mumbai. This is facilitated by the presence of the Reserve Bank of India (RBI), the Bombay Stock Exchange (BSE), the National Stock Exchange of India (NSE), and financial sector regulators such as the Securities and Exchange Board of India (SEBI).

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.

Area

- Metropolis 603 km² (2.33 sq mi)
- Metro 4,355 km² (1,681.5 sq mi)

Population (2011)

- Metropolis 12,478,447
- Metro 20,748,395 (Extended UA)



Mumbai Commercial Trends

Year 2015 saw revival of Mumbai Commercial office market. The last quarter of 2015 saw brisk demand and absorption trend in Mumbai. Total office absorption in Mumbai for year 2015 is approximately 4.5 million sq. ft. Tata Consultancy Services entered into an agreement recently to lease over 2 million sq ft of built-to suit space at Hiranandani Estate in Thane for 15 years in what's been billed as the largest single office space transaction in India in terms of area.

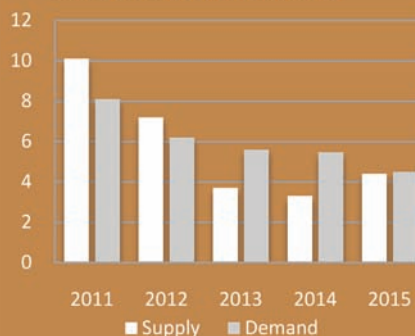
Mumbai saw growth of pre – leasing and pre – commitment of commercial space in upcoming space. Overall leasing activity in last quarter of 2015 was recorded at 1.5million sq. ft.

Mumbai witnessed 1.5 million sq. ft. of new supply in last quarter of 2015 with total supply of office space in year 2015 reaching mark of 4.4 million sq. ft. Peripheral submarkets of Thane and Thane Belapur Road account for almost 49% share, followed by Lower Parel (25%).

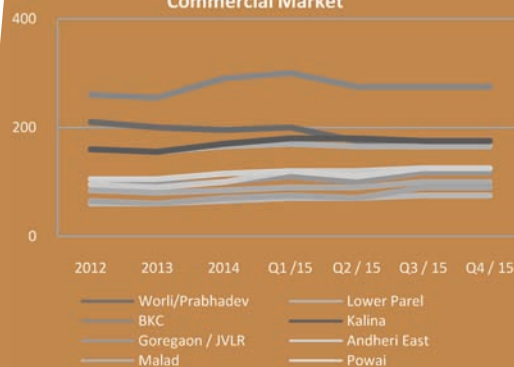
Rentals across most submarkets remained stable. The average rental varies between Rs. 60 – Rs. 275 per sq. ft depending on the location. The fresh supply of grade A office has lead to correction of rentals in SBD while Malad - Goregaon submarket witnessed a 4% increase in rentals. Robust leasing has stabilized vacancy at 18.0%.

Year 2016 is expected to further revive the sluggish Mumbai commercial market. Many companies are looking at consolidation and expansion especially in the case of Information Technology (IT) or IT-enabled services, BSFI and e-commerce.

Demand and Supply in Mumbai Commercial market in million sft



Average Rental Trends in Mumbai Commercial Market



Major Deals in Mumbai Commercial Market

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Tata Consultancy service [TCS]	Hiranandani Estate	2 Mn sqft	Thane	Lease
Facebook	One BKC	22,000	Bandra Kurla Complex	Lease
Thomas Cook	Marathon Futurex	72,000	Lower Parel	Sale
Abbott [Pharma giant]	Godrej BKC	4,35,000	Bandra Kurla Complex	Sale
MRG Hospitality	Aura Grande	20,266	Andheri	Sale

Major Upcoming Projects in 2016 - 17

Client/Developer	Project Name	Area (SF)	Location	Completion
Kanakia Developers	Kanakia Wall Street	10,00,000	Andheri	July'17
National India Bullion Refinery	Nibr Corporate Park	3,68,708	Andheri	Jan'16

Mumbai Retail Trends

Year 2015 saw consolidation of retail activity in Mumbai retail markets. Demand for space picked up in Q3 and Q4 of 2015 which there was no major supply of Mall space in Mumbai. Sustained demand from existing retailers and influx of new brands coupled with constrained supply weighed favorably on rentals in select locations of Mumbai. Rentals across main street locations such as Borivali – LT Road, Lokhandwala Andheri, Chembur and Kemps Corner saw 6% - 8%. While mall rentals in Bhandup-Mulund declined by about 13% owing to exit of retailers.

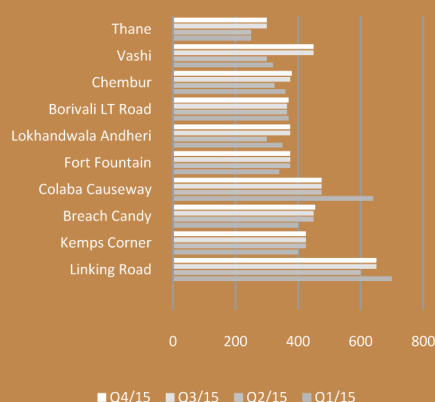
Mostly mall rentals largely remained stable, it increased by 6-7% in Lower Parel and Goregaon during 2015 on the back of sustained demand from existing retailers. Leasing activity remained robust as retailers across segments such as groceries, entertainment, furnishing and food & beverage expanded their footprint across malls and main streets.

Year 2015 witnessed the entry of many international brands such enhance leasing momentum. High street location and standalone properties saw sustained demand.

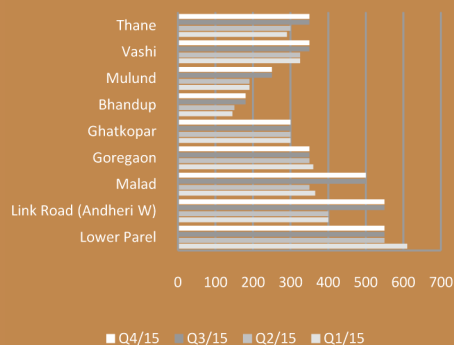
Further consolidation of retail market is expected in 2016. Sustained demand for quality retail space will drive rentals upwards in most micro markets with no fresh supply line up in first quarter of 2016.

Further consolidation of retail market is expected in 2016. Sustained demand for quality retail space will drive rentals upwards in most micro markets with no fresh supply line up in first quarter of 2016.

Average Rental Rates of High Street in Mumbai in INR / sq.ft



Average Rental Rates of Malls in Mumbai in INR / sq.ft



Major Deals in Mumbai Retail Market				
CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Big Bazaar	Infiniti	40,000	Malad	Lease
Bandai Namco	Oberoi Mall	15,000	Goregaon	Lease
Pepperfry	Standalone	2,000	Linking Road	Lease
Major Upcoming Projects in 2016- 17				Completion
Orion Mall		250,000	Panvel	Q1 2016
Grand Central		1,100,000	Seawoods Navi Mumbai	Q2 2016
Viva Swastik		300,000	Vasai	Q3 2016

Mumbai Industrial and Warehousing Trends

Mumbai due to its strategic location and excellent accessibility through Port, Air, Railway and Roads is emerging as a major Logistic and Warehousing hub. The demand for warehousing is driven by the two busiest ports of India, JNPT and Mumbai ports. Multiple ICDS and free trade warehousing zones (FTWZs) are present here. Extended areas in Palaspe have become locations for warehouses such as that of Apollo Tyre but expensive land parcels is acting as a deterrent.

Warehousing locations in Bhiwandi, Mankoli and Padgha along NH 3 and State Highway 35 (SH 35) are the most vibrant and largest warehousing areas in Mumbai. Major supply of Grade A warehouses are available in this area, with the presence of FMCG and e-commerce companies. However, high costs of land and restriction in land usage (mostly in green zone) have restricted the development of warehouses.

2016 will see emergence of industrial and warehousing as the major demand segment in Mumbai RE market.

Mumbai Industrial and Warehousing Trends

Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sq. ft/ month	Warehousing Rents INR/sq. ft/ month
Bhiwandi	20 - 22	17 - 20	13 - 15
Thane Belapur Road	105 - 120	30 - 35	25 - 32
Taloja Industrial Estate	65 - 75	20 - 30	20 - 27
Panvel	—	—	20 - 25
JNTP & Uran Road	—	—	17 - 23
Rasayani Patalganga	20 - 25	20 - 25	17 - 20
Pen-Khopoli Road	15 - 20	20 - 24	15 - 20

Significant Leasing Transaction in Industrial and Warehousing 2015

Property	Location	Tenant	Square feet	Lease/ Sale
Globe Complex	Bhiwandi	Snapdeal	11,500	Lease
Globe Complex	Bhiwandi	Elcom	22,000	Lease
Globe Complex	Bhiwandi	Ampm Logistic	25,000	Lease
Globe Complex	Bhiwandi	R.K	11,000	Lease
Globe Complex	Bhiwandi	Accedator	1,00,000	Lease

Delhi NCR 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, as well as 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 agglomeration with a population of over 47,000,000 at the 2011 Census. All the areas of NCR together generated GDP of \$128.9 billion in 2011-12, which was 7.5 percent of the Indian GDP.

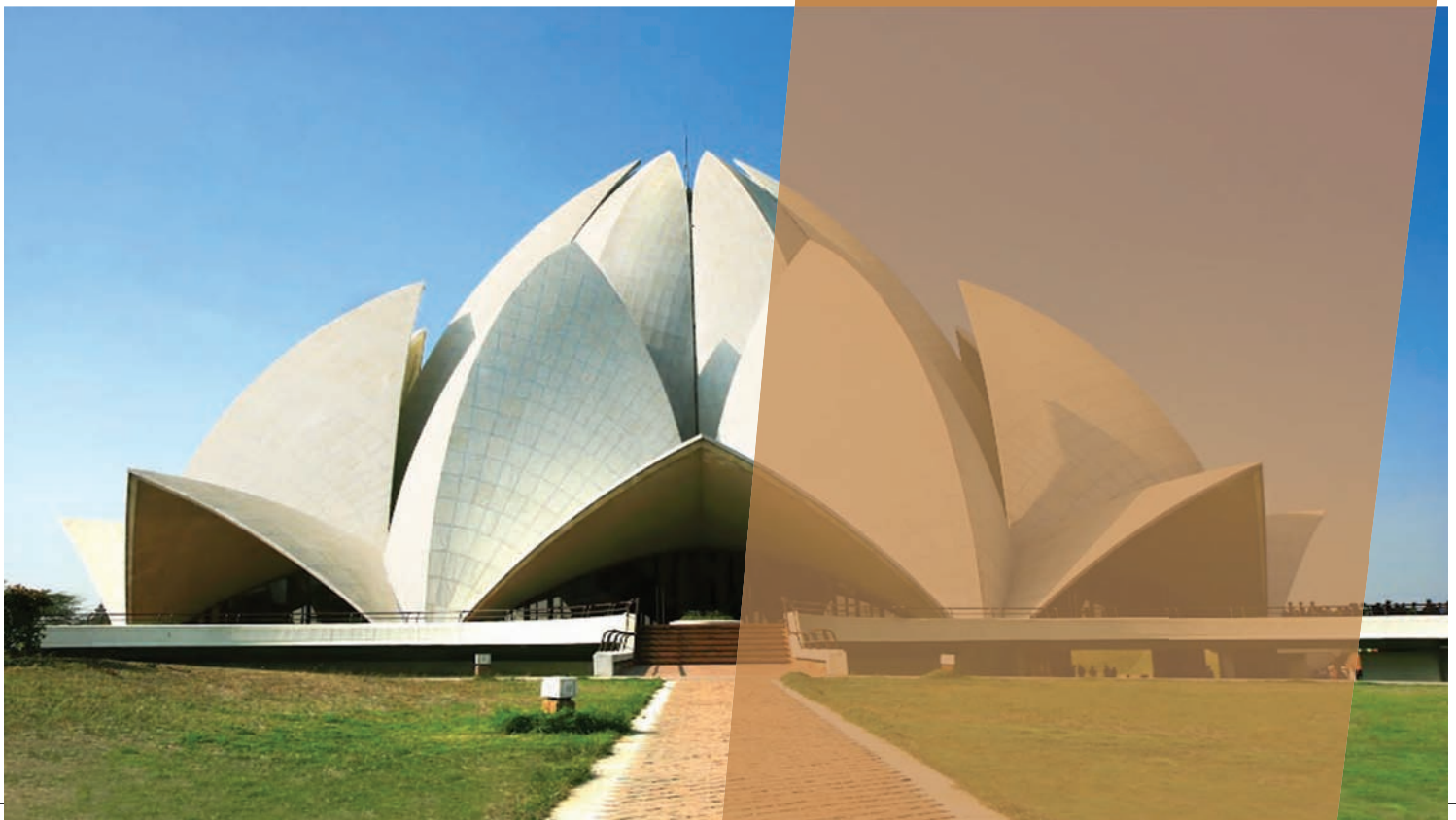
Major Submarkets of NCR are:

- **Gurgaon:** Gurgaon is located in the northern part of Haryana and is the main city of NCR of Delhi because it the home to major IT companies and provides the best infrastructure in terms of schools, roads, housing societies and medical facilities.
- **Noida:** Noida is one of the most modern cities of India with world class amenities and infrastructure. Noida is home to many big international as well as national companies like AgreeYa Solutions, GlobalLogic, EXL, Birlasoft, Impetus, STMicroelectronics, MtronPTI, Fiserv, Adobe Systems, TCS, , CSC, HCL, ATC Labs , Interra and Xansa.
- **Faridabad:** Faridabad is one of the main industrial cities of Haryana and comes under the region of Delhi & NCR. Faridabad or New Faridabad is the most preferred destination for industries, IT companies, corporate bodies and government departments.
- **Ghaziabad:** Ghaziabad has been hip and happening since last decade and has done a complete makeover by adding malls, hi-tech cities and golf courses to its new face.

- Total Area 51,109 km² (19,733 sq mi)

Population (2011)

- Population 46,049,032
- Density 900/km² (2,300/sq mi)



Delhi Commercial Trends

NCR Delhi (New Delhi, Gurgaon and NOIDA) witnessed approximately 8.7 mn sq. ft. of office space transactions in 2015. Delhi-NCR emerged as the top destination for corporate offices absorption in India thus attracting 30% of the total transacted space.

Approximately 8.6 million sq. ft of office space was added to NCR Delhi market in 2015 mostly concentrated in Gurgaon and Noida. CBD- Connaught Place and SBD- Nehru Place, Saket and Jasola witnessed a marginal increase in absorption and witnessed strong demand from corporates looking for smaller format office spaces. DLF Cyber City, Sohna Road, Udyog Vihar and Golf Course Road continued to remain the key locations that attracted increased interest from occupiers from the IT/ITES, e-commerce and consulting sectors.

In the last quarter of 2015, Grade A office supply in Delhi-NCR stood at 1.8 million sq. ft. The IT-SEZs accounted for 85% of this new supply, followed by commercial developments with 10% share.

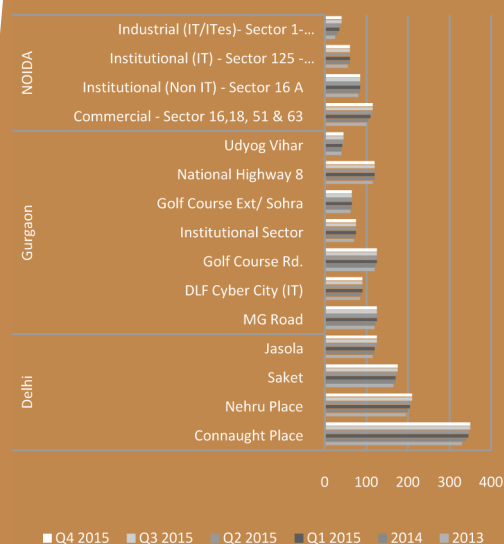
Rental values remained largely stable across micro-markets. Average asking rental per sq. ft per month varies between INR 35 – INR 70 in NOIDA, INR 60 – INR 125 in Gurgaon and INR 150 – INR 250 in Delhi CBD and SBD areas. Vacancy remained high at 10% with almost 11 million sft of space available in NCR Delhi particularly in Gurgaon and Noida markets. Rental values are expected to remain stable across submarkets.

2016 will see continuation of brisk commercial activity in NCR Delhi Realty Market. Most companies are firming up expansion and consolidation plans which is expected to drive the realty market in coming quarters.

Demand and Supply in commercial Market of NCR in million sft



Average Commercial Rental Rates in NCR Delhi in INR/ sft/ month



Major Deals in NCR Delhi Commercial Market				
COMPANY	Building Name	Area (SF)	Location	Lease/ Sale
Airbus	Bharti World Mark	35000	Aerocity	Lease
Amazon	Block A	15000	Mohan Co-operative	Lease
Flipkart	Independent Building	15,000	Mohan Co-operative	Lease
Britannica Encyclopaedia	Espire Campus	13,000	Mohan Co-operative	Lease
SMCC Construction	Salcon Rasvillas	12000	Saket	Lease
Foodpanda	Standalone	50,000	Sector-64, Noida	Lease
Adobe	GYS Global	40,000	Noida Expressway	Lease
Phronesis Researching & Consulting	Green Boulevard	11,250	Sector-62, Noida	Lease
Corodova	Standalone	50,000	Sector-65, Noida	Lease
Bookmyshow	Eight Square	8,000	Noida Expressway	Lease
Markit	Ambience Tower	90,000	NH - 8	Lease
OYO Rooms	Spaze Palazo	60,000	Southern Periphery Road	Lease
SMEC	Udyog Vihar	27,000	Udyog Vihar	Lease
Grey Orange	Orient Bestech Tower	130,000	NH-8	Lease
Boston Consulting Group	Building No 9A	30,000	DLF Cybercity	Lease

NCR Delhi Retail Trends

NCR - Delhi Retail market witnessed healthy transaction in year 2015 driven by the food & beverage and apparel segments with brands such as Mahabelly, Scullers and Urban Yoga, to name a few.

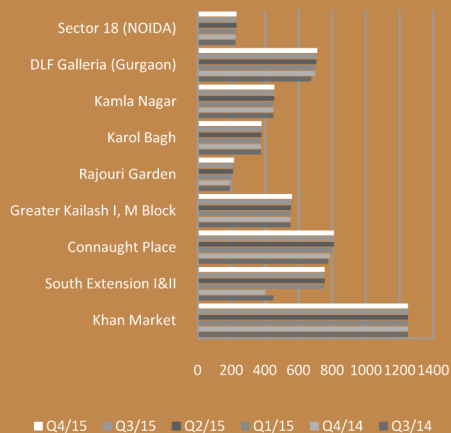
This year saw addition of around 4.2 million sq. ft of retail space to NCR market with almost 35% of this supply available in last quarter.

During year 2015, mall rentals remained stable across submarkets. With the increasing presence of international brands, the main street locations of West Delhi are becoming progressively attractive for retailers.

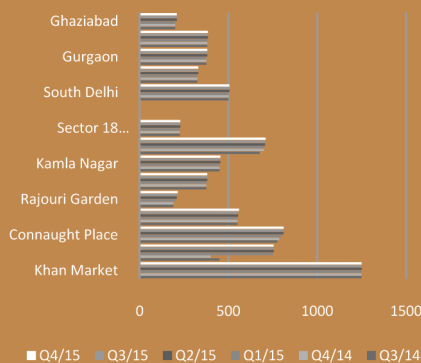
NCR - Delhi is expected to add 5 million sq. ft. of commercial space by end of 2016. Main street locations of South Delhi continued to witness high demand with Greater Kailash I and Lajpat Nagar witnessing the highest number of transactions. Robust demand and limited availability led to rentals increasing by 3% - 5% in the main street locations of Connaught Place, Rajouri Garden and Khan Market. Average rentals vary between Rs. 800 – Rs. 450 per sft/ month for main streets while for Mall the asking price is between Rs. 500 – Rs. 200 per sft/ month.

Retail markets of NCR Delhi are expected to witness sustained demand for quality retail space in 2016. Demand for quality space by international brands will drive the retail market.

Prime retail rents of Main Street in NCR Delhi in INR/ sft/ month



Prime retail rents of Malls in NCR Delhi in INR/ sft/ month



Significant Leasing Transaction in Retail Market

Prpoerty	Location	Tenant	Square Feet
Unity Mall	Janakpuri, Delhi	Shopper Stop	36,000 sq.ft
Standalone	Raj Nagar, Ghaziabad	Reliance Trendz	8,000 sq.ft
Standalone	C.P (Inner Circle)	Jack & Jones	2,000 sq.ft
Indirapuram Habitat Center	Ghaziabad	PVR Cinema	25,000 sq.ft
Unity Mall	Janakpuri, Delhi	Pantaloons	21,000 sq.ft
Omaxe Mall	Sohna Road, Gurgaon	Decathlon	25,000 sq.ft
Standalone	Ludhiana	Kapsons	33,000 sq.ft

NCR Delhi Industrial and Warehousing Trends

Huge consumer and manufacturing base is the biggest advantage of Delhi NCR for being one of the largest warehousing nodes in India. Almost all major warehousing national-level developers are present in Delhi NCR, including IndoSpace, NDR Warehousing, AS Cargo, Acorn and Arshiya.

Major developing industrial and warehousing locations are Pataudi, Dharuhera along NH 8, Farukh Nagar-Patli Road area near Manesar, and Neemrana. Delhi NCR commanding a huge catchment area observed strong demand for Industrial and Warehousing space in Q3 2015. Consistent demand levels ensure a 15% – 20% increase in rental across all micro - markets within this region during the past few months.

Delhi NCR's submarkets like Dwarka, Mundka, Tauru Road, Bilaspur, Patuadi Road, Sohna Road, NH-8 witnessed new supply of quality industrial and warehousing sheds. The rentals saw appreciation in most industrial and warehousing submarkets due to healthy demand by FMCG and e- commerce players.

Industrial and warehousing will be the major demand drivers in Delhi NCR market with policy boost provided by Make in India.

NCR Delhi Industrial and Warehousing Trends

Submarkets	Land rates in INR Mn/ acre	Industrial	
		Rents INR/sft/ month	Warehousing Rents INR/sft/ month
DELHI			
Mundka			15 - 25
Alipur			15 - 20
Near Airport/ Dwarka			20 - 35
Okhla / Mohan Cooperative		30 -100	30 - 50
Central Delhi			25 -60
NCR-UP			
Noida Phase-1	390-395	30-40	
Noida Phase-2	70-75	15-18	
Noida Phase-3	200-215	20-22	
Greater Noida	38-40	15-22	
Yamuna Expressway	18-20		
NCR-Haryana			
Faridbad	90-92	18-22	
Bilaspur			15-18
Dharuhera			13-15
Hasangarh			13-15
Kundali		18-22	
Palwal		14-15	
Ballabgarh		16-18	
IMT Manesar	75-77	18-22	
Bawal	20-22	15-18	
Rohtak	18-20		
NCR-Rajasthan			
Bhiwadi	35-40	15-17	
Khushkhera	22-25	14-15	
Neemrana	39-42	14-16	

Significant Land Transactions in Industrial and warehousing Market 2015

Property	Location	Tenant	Area in acres
Land	Ghaziabad	Gati	2
Land	Mundka, Delhi	Reliance Ltd	2
Land	Binola, Gurgaon	Safexpress	10

Significant Lease Transactions in Industrial and warehousing Market 2015

Warehouse	Dwarka	Flipkart.com	70,000
Warehouse	Mundka	Spear Logistics Pvt Ltd	1,00,000
Warehouse	Mundka	TCI	1,00,000
Warehouse	Mohan Cooperative, Delhi	Amazon.com	60,000
Warehouse	Luhari, Gurgaon	DHL	3,50,000

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. It has a population of about 8.42 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.

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.

The headquarters of several public sector undertakings such as Bharat Electronics Limited (BEL), Hindustan Aeronautics Limited (HAL), National Aerospace Laboratories (NAL), Bharat Heavy Electricals Limited (BHEL), Bharat Earth Movers Limited (BEML), Central Manufacturing Technology Institute (CMTI) and Indian Space Research Organisation (ISRO). Bangalore also houses several research and development centers for many firms such as ABB, Airbus, Bosch, Boeing, GE, GM, Google, Microsoft, Mercedes-Benz, Nokia, Oracle, Philips, Shell, Toyota and Tyco.

Bangalore’s IT industry is divided into three main clusters – Software Technology Parks of India (STPI); International Tech Park, Bangalore (ITPB); and Electronics City. Infosys and Wipro, India’s third and fourth largest software companies are headquartered in Bangalore, as are many of the global SEI-CMM Level 5 Companies.

- Total Area 709 km² (1274 sq mi)

Population (2011)

- BDA Area 8,425,970
- Metropolitan Area 8,728,905



Bengaluru Commercial Trends

Bengaluru saw second highest leasing activity after NCR Delhi with total absorption of around 7.7 million sq. ft in 2015. Outer Ring Road submarket accounted for almost 60% of the total Grade A leasing, followed by Suburban East (20%) and Peripheral submarkets (10%).

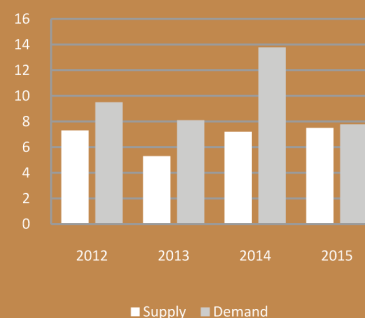
Year 2015 witnessed total supply Grade A supply of around 7.5 million square feet (msf). Almost 70% of this supply is concentrated in Outer Ring road and rest in peripheral market.

Vacancy remained stable at 9.0%. Rentals saw 10% – 15% appreciation in all major locations of CBD and off CBD areas. Outer Ring Road and Peripheral submarkets have emerged as the new office destination. These markets are expected to witness sustained demand for quality spaces which is likely to lead to a further appreciation in rentals. The city has a robust new supply pipeline of approximately 33 million sq. ft. in the next 3 to 5 years.

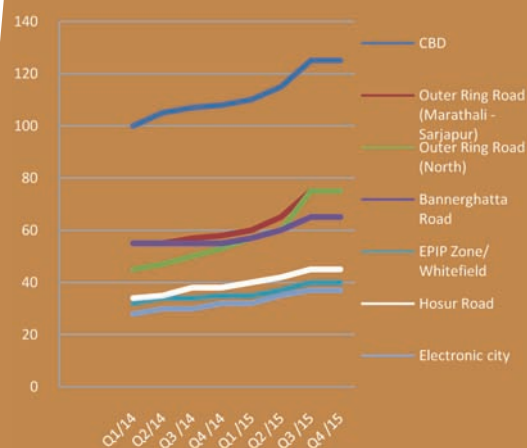
IT / ITeS sector continues to be the major demand driver accounting for 50% of the city's total absorption. E-commerce emerged as the second demand driver followed by BSFI.

2016 will see continued momentum in commercial realty of Bengaluru as most e-commerce and IT & ITeS companies have expansion plan.

Demand and Supply in Bengaluru commercial Market in million sft



Average Rentals in Bengaluru Commercial Market in INR/ sft/ month



Major deals in Bangalore commercial market 2015

Company	Building Name	Area in SF	Location	Lease / Sale
Genisys group	Prestige Shantiniketan	50,000	Whitefield	Lease
Tata Elxsi	Prestige Shantiniketan	1,00,000	Whitefield	Lease
Tredence	Silverline Tech park	20,000	EPIP, Whitefield	Lease
Razor Pay	SJR Ciber	15,000	Koramangala	LEase
I - Pass	Sjr, i Park	50,000	EPIP, Whitefield	Lease
Axa Business services	Mfar Manyata Tech Park	50,000	Outer Ring Road - Nagawara	Lease
Axa Business Centre	Office building	1,00,000	Whitefield	Lease

Bengaluru Retail Trends

Bengaluru saw moderate transaction activities in year 2015. Bengaluru saw absorption of around 2.5 million sq. ft. of prime retail space while the supply was approx. 2.8 million sq. ft. Due to moderate leasing activity and new supply, overall mall vacancy levels remained high at 13%.

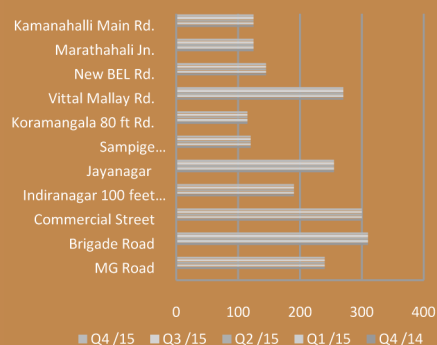
The rentals have remained stable in all major micro - markets. Average rentals of Mall vary between INR 125 – 450 per sq. ft per month in prime locations while rentals are between INR 80 – 200 per sq. ft. per month in outskirts.

The average rentals of High street vary between INR 125 – 325 per sq. ft. per month. Main Street saw to high demand from apparels and F&B brands. The majority of leasing activity in the malls was driven by e-commerce, food & beverage and apparel retailers.

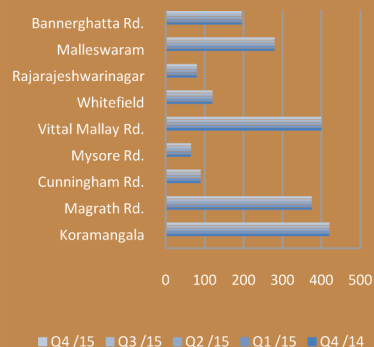
E-commerce and e-retailing giants such as Flipkart, Amazon, Snapdeal, etc., have been the major space takers in Bengaluru market. In 2015, Dmart have opened its 30,000 sq. ft retail outlet at R.T Nagar and has purchase 1 acre land at Sarjapur Road for future expansion.

Retail markets of Bengaluru is expected to bounce back after a year of sluggish demand in 2016. e- commerce and international departmental stores will be the major market driver in Bengaluru retail market.

Avg. Retail Rents in Main Street Retail in INR/ sft/ month



Avg. Retail rents in Mall, Bengaluru in INR/sft/ month



Tenant	Location	Area	Type	Lease / Sale
Maserati	M G Road - CBD	20,000 sft	Retail	Lease
Indian Kitchen	M G Road - CBD	14,000 sft	Retail	Lease
Nexa	Museum Road - CBD	6,500 sft	Retail	Lease
IDFC Bank	Residency Road -CBD	22,000 sft	Stand alone	Lease
Anand Diagnostics	off Infantry Road	65,000 sft	Stand alone	Lease

Bengaluru Industrial and Warehousing Trends

Bengaluru is considered as the most vibrant industrial and warehousing hub in India. Major 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 centres (such as Hyderabad, Chennai, Cochin and Mangalore), helping the warehousing industry in the city to grow.

Most of the warehousing zone is located in eastern and north-eastern quadrants of Bengaluru, namely Old Madras Road (OMR) and areas in its vicinity such as Soukya Road, Siddhalghatta Road and Chintamani Road.

Prominent occupiers include Decathlon, Kuehne + Nagel, Safexpress, DHL and Lifestyle Group. Bengaluru saw brisk demand for Industrial Land and Warehousing space in first two quarters of 2015. Major space demand is seen in e-retailing giants such as flipkart and Amazon. Bommasandra IDA, Bidadi IDA, Peenya IDA and Hosur Road submarkets emerged as most preferred location witnessing rental appreciation of 5% - 7% during 2015. Many small companies from sectors like pharmaceutical, automotive and textile also showed interest in these locations due to availability of good quality industrial space and its strategic location.

Industrial and warehousing demand will continue to grow in Bengaluru Sub markets in 2016.

Bengaluru Industrial and Warehousing Trends			
Industrial and warehousing Submarkets	Land rates in INR Mn/ acre	Industrial Rents INR/sft/ month	Warehousing Rents INR/sft/ month
Bengaluru Hardware Park	22 - 26		
Narsapura	13 - 16		
Bommasandra	45 - 50	20 - 25	15 - 20
Bidadi IDA	20 - 23	16 - 20	15 - 20
Dabaspet	16 - 20		
Harohalli	13 - 17		
Peenya IDA	120 - 130	25 - 30	
Hosur Rd.		18 - 22	15 - 25
Whitefield		15 - 25	16 - 25
Nelamangala		15 - 18	15 - 18

Warehouse Spaces transacted in 2015			
Location	Tenant	Area	Type
Nelamangala	Future Supply Chain	1,50,000	Lease
Bidadi	Mitsubishi	75,000	Lease
Nelamangala	ITC	60,000	Lease
Hosur Road	Caterpillar	1,25,000	Lease
Nelamangala	ITC	1,50,000	Lease
Bommasandra	DHL supply chain	70,000	Lease

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. The Chennai Metropolitan Area as recently as January 2015 has been ranked the fourth-largest economy in India, and the third-highest GDP per capita.

According to the provisional population results of 2011, the city had a population of 4,681,087, with a density of 26,903 per km² and the urban agglomeration had a population of 8,653,521.

Chennai’s economy of US\$58.6 billion PPP (US\$17 billion nominal GDP, 2010) is currently rated the fourth-largest economy in India. Chennai has a broad industrial base in the automobile, computer, technology, hardware manufacturing and healthcare sectors. The city also serves as the location of the Madras Stock Exchange, India’s fourth stock exchange, one of four permanently recognized by SEBI, and India’s third-largest by trading volume, ranked behind the Bombay Stock Exchange and the National Stock Exchange of India.

The city is base to around 30 percent of India’s automobile industry and 40 percent of auto components industry. A large number of automotive companies including Hyundai, Renault, Robert Bosch, Nissan Motors, Ashok Leyland, Daimler AG, Caterpillar Inc., Komatsu Limited, Ford, BMW and Mitsubishi have manufacturing plants in Chennai. Telecom and Electronics manufacturers based in and around Chennai include Nokia, Nokia Siemens, Motorola, Dell, Force10, Wipro, Zebronic, Foxconn and Siemens among others.

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.

Area

- Metropolis 426 km² (164.8 sq mi)
- Metro 1,189 km² (426 sq mi)

Population (2011)

- Metropolis 6,727,000
- Metropolitan Area 8,653,521



Chennai Commercial Trends

Chennai Commercial Real estate robust transaction activity in year 2015 witnessing total absorption of approx. 7.1 million sq. ft. The main demand continues to be driven by IT/ ITeS sectors followed by BFSI and Pharma. Ambattur saw maximum absorption of space.

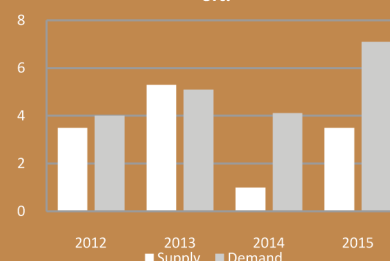
On the supply front, Chennai witnessed addition of around 3.5 million sq. ft of office space in year 2015. Healthy net absorption, coupled with limited supply infusion, led to drop in vacancies levels which stood at 14.2% at year end 2015.

Approximately 6 million sq. ft. of grade A office space is under various stages of construction and will be available in next 2-3 years. By submarket, peripheral market accounted for 45% of the transacted space followed by 30% in SBD, 20% in Off CBD and 5% in CBD.

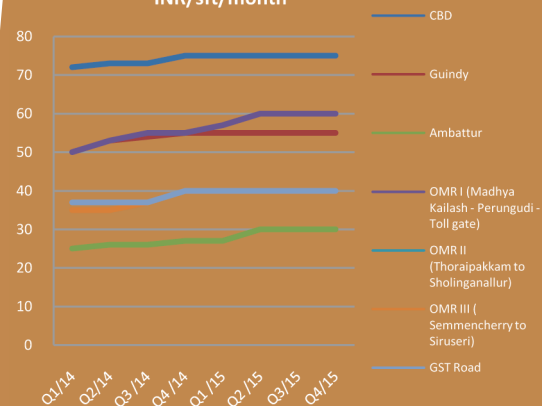
Rentals remain stable across most micro markets. In next quarter, there may be appreciation of rentals owing to limited supply of Grade A office space. Limited new supply in the short term, coupled with a strong pipeline of pre-committed spaces set for absorption and continual occupier interest, may bring down vacancy rates.

Chennai commercial is expected to continue its upward trend in 2016 with major corporates planning expansion of their facilities in Chennai.

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



Average Commercial Rentals in Chennai - INR/sft/month



Major Deals in Commercial Market

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Yes Bank	One India Bulls Park	450,000	Ambattur	Lease
Sutherland Global Services	Shriram - The Gateway	131,000	GST Road	Lease
IBM	DLF IT SEZ	65,000	Mount Poonamallee	Lease
Expeditors International India	Prestige Centre Court	18,000	Guindy, Vadapalani & MRC Nagar	Lease
The Bank of New York Mellon	DLF IT Park	63,000	Mount Poonamallee	Lease

Major Upcoming Projects in 2015

Project Name	Area (SF)	Location	Completion
Chennai One IT SEZ - South Tower (Phase II)	11,70,000	OMR II	Q1 2016
High Street Doshi	1,60,000	CBD	Q1 2016

Chennai Retail Trends

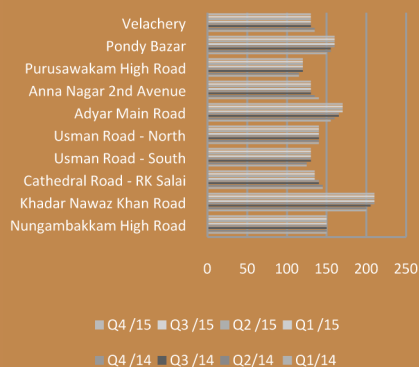
Chennai retail market saw limited transaction in 2015 with approx. 1.0 million sqft of retail space absorption. The rentals remained stable due to low demand and the limited number of new transactions. The prime reason behind limited leasing transactions was the modest availability of quality retail spaces.

Supply of quality retail space remained low throughout the year with total supply of approx. 2 million sq. ft. Main streets continued to witness strong demand from retailers across the apparels, jewelry and food & beverage segments, resulting in some high ticket price transactions. Anna Nagar 2nd Avenue, Nungambakkam High Road and Adyar Main Road witnessed expansion by some domestic retailers from the apparels, food & beverage and jewelry segments.

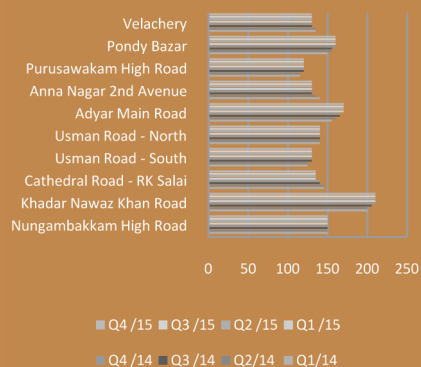
Most under-construction mall projects are expected to be completed in 2016 and 2017. Vacancy remained stable at 8.0%. Rental remained stable in all micro markets

Retail markets of Chennai is expected to pick up in 2016 as most of the under construction project will be available for leasing.

Average Retail Rentals of Main Street Chennai in INR/ sft/month



Average Retail Rentals of Main Street Chennai in INR/ sft/month



Significant Leasing Transactions in Retail Market (Q3 2015)				
Tenant	Location	Property	Area(sqft)	Lease/sale
Pothys	Usman Road –South	Individual	70,000	Lease
Kalyan Jewellers	South Chrompet	Individual	14,000	Lease
Significant Project under construction				
Property	Developer	Location	Area (sqft)	Completion
Allied Grand Marina mall	OMR mall developers Pvt Ltd	Egattur, OMR	1.5 million	2016
Marg junction mall	Marg group	Karapakkam, OMR	1.83 mn	-
Gold souk grande	AGS group	Vandalur	0.8 million	-

Chennai Industrial and Warehousing Trends

Chennai has traditionally been a warehousing and industrial hub in south India. Due to international connectivity to all parts of world, Chennai has been home to biggest names in automobile and manufacturing industry. NH-5, Sriperumbudur - Oragadam and Sriperumbudur - Tiruvallur are the main industrial and logistic corridor in Chennai.

Auto and ancillary manufacturing units in Sriperumbudur and Oragadam are the primary drivers of warehousing Demand. Low availability/ supply of warehouses in these locations have pushed the rentals high in these corridors. 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.

One of the most promising warehousing corridors in Chennai is along the Periyapalayam Road in the Red Hills and Puzhal areas, with presence of large box warehouses, including one of the largest in India at 0.55 million square feet (single-box warehouse). Periyapalayam Road has registered the largest supply of Grades A and B warehousing supply in the city, with Periyapalayam Road in presence of major players across FMCG, e-retail and logistics 3PL, such as Hindustan Unilever and Future Supply Chain.

Demand for Grade A & B warehousing have led to 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 2016.

Chennai Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sq. ft/month	Warehousing Rents INR/sq. ft/month
NH 4 - Sriperumbudur - Oragadam SIPCOT	8 - 10	22 - 27	20 - 22
Sriperumbudur - Tiruvallur	13 - 15	18 - 20	20 - 22
NH 5 - Gummidipoondi SIPCOT	4 - 6	15 - 20	18 - 20
NH 5 - Red Hills - Gummidipoondi	15 - 18	18 - 22	15 - 17
Tada	7 - 8		
Ambattur		24 - 26	23 - 25
Poonamallee		25 - 30	
Maraimalai		23 - 25	20 - 23

Hyderabad Real Estate Trends

Hyderabad, the capital of newly formed state of Telengana is historically known as the “City of pearls”. Occupying 650 square kilometres (250 sq mi) along the banks of the Musi River, it has a population of about 6.8 million and a metropolitan population of about 7.75 million, making it the fourth most populous city and sixth most populous urban agglomeration in India.

With an output of US\$74 billion, Hyderabad is the fifth-largest contributor to India’s overall gross domestic product. Hyderabad houses leading Indian enterprises, such as Bharat Heavy Electricals Limited (BHEL), Nuclear Fuel Complex (NFC), National Mineral Development Corporation (NMDC), Bharat Electronics (BEL), Electronics Corporation of India Limited (ECIL), Defence Research and Development Organisation (DRDO), Hindustan Aeronautics Limited (HAL), Centre for Cellular and Molecular Biology (CCMB), Centre for DNA Fingerprinting and Diagnostics (CDFD), State Bank of Hyderabad (SBH) and Andhra Bank (AB).

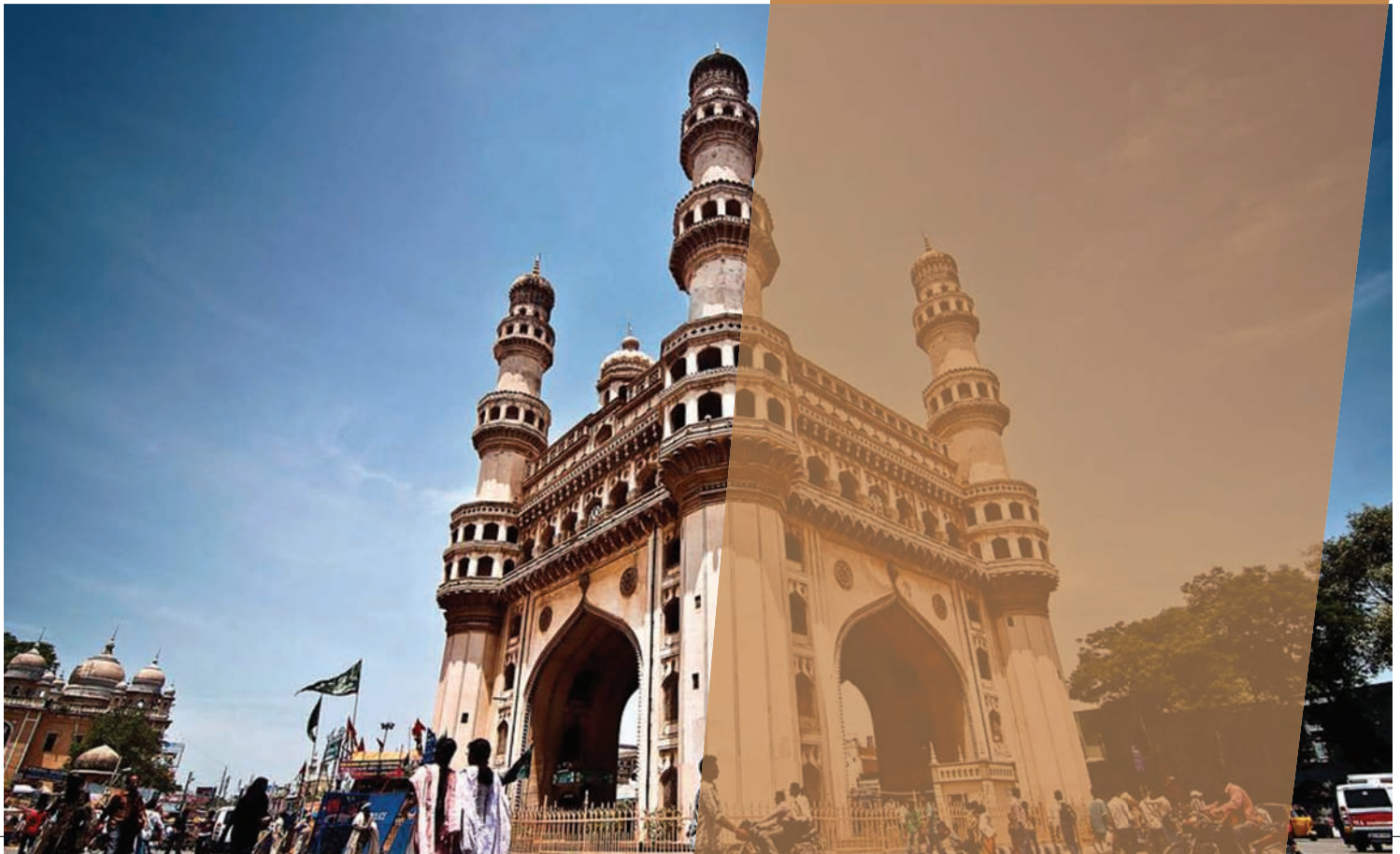
Hyderabad is a global centre of information technology, for which it is known as Cyberabad (Cyber City). The development of HITEC City, a township with extensive technological infrastructure, prompted multinational companies to establish facilities in Hyderabad. The city is home to more than 1300 IT and ITES firms, including global conglomerates such as Microsoft (operating its largest R&D campus outside the US), Google, IBM, Yahoo!, Dell, Facebook, and major Indian firms including Tech Mahindra, Infosys, Tata Consultancy Services (TCS), Polaris and Wipro. The city and its suburbs contain the highest number of special economic zones of any Indian city.

Area

- Metropolis 650 km² (250 sq mi)
- Metro 7,100 km² (2,700 sq mi)

Population (2011)

- Metropolis 6,809,970
- Metropolitan Area 7,749,334



Hyderabad Commercial Trends

Hyderabad real estate market saw healthy transaction activity in year 2015. Overall leasing activity was noted at 6.6 million square feet (mn sq. ft) highest since 2012. Nearly 70% of this was recorded in Suburban Madhapur and Gachibowli. The IT-ITeS sector continues to be the major demand driver. Market is also witnessing enquiries and pre- leasing activities.

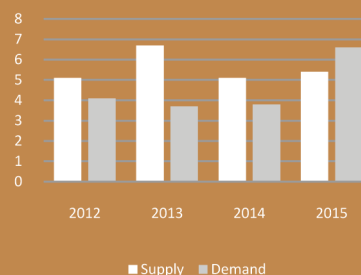
Hyderabad witnessed 5.4 million square feet (mn sq. ft) of new supply this year. The suburban submarket of Madhapur accounted for nearly 85% of this new supply.

Information Technology – Special Economic Zone (IT-SEZ) developments dominated the supply. Rentals have remained stable in all micro markets at around asking rent of Rs. 45 per sq. ft. Demand for office space is likely to be strong amidst improved sentiments.

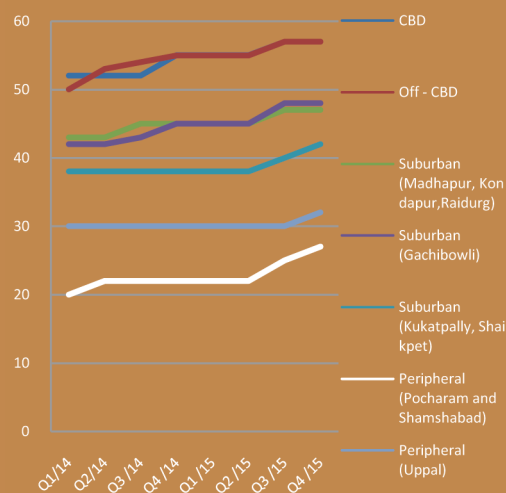
Due to revival of demand, Hyderabad saw rental appreciation in select submarkets. Suburban (Gachibowli) noted rentals appreciation due to steady demand and limited availability of quality space. With a massive increase in leasing activity and limited supply, the overall vacancy dipped to 12.5%. Healthy leasing and influx of new supply is likely to result in further increase in rentals in these submarkets in first quarter 2016.

Hyderabad commercial will continue its upward trend in terms of both leasing and rentals in 2016.

Demand and Supply Trend in Hyderabad Commercial Market in MN sft



Average Commercial Rental trends in Hyderabad Market in INR/sft/month



Major Deals in Commercial Market 2015

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Accenture	Mantri Cosmos	234,000	IT Corridor	Lease
IBM India	Divyasree Orion Block 7	46,000	IT Corridor	Lease
Karvy & Company	Ramky Selenium	52,000	Gachibowli	Lease
Megasoft Limited	Cyber Gateway Block A	27,000	IT Corridor	Lease
Qualcom	Raheja Mind Space	8,00,000	Hi tech City	Lease
Fernandez Hospitals	Laxmi Cyber Point	1,00,000	Banjara Hills	Lease
Deloitte	Divyasree Orion	90,000	Hi tech City	Lease
Qualcomm	Raheja Mindspace	3,80,000	Gachibowli	Lease
Regus	Standalone	10,000	Uppal	Lease

Hyderabad Retail Trends

Year 2015 saw addition of approx. 0.5 million sq. ft of retail space in Hyderabad Retail Market. Leasing activity has been brisk with many upcoming malls witnessing pre-leasing activities particularly upcoming L&T Metro Malls receiving a chunk of pre-leasing commitments.

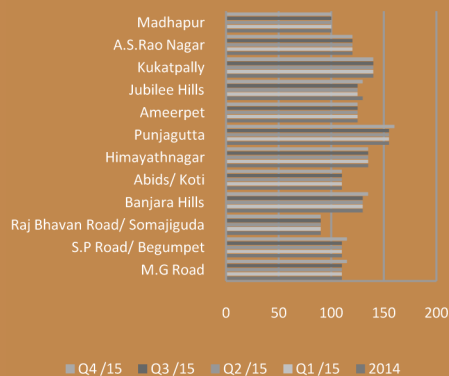
Mall rentals held steady in 2015. Transactions were concluded primarily in the apparels, food & beverage (F&B) and electronics segments in malls situated in Madhapur and Kukatpally. Total transactions witnessed in Malls are around 2.17 million sq. ft this year.

L&T Metro has announced plans to develop the largest mall of Hyderabad opposite Raheja Mindspace. City witnessed launch of two hypermarkets by Spencer's at L.B Nagar (30,000 sq. ft) and Ramathapur (35,000 sq.ft). Retailers like Zara and Waren Tricomi made their debut in 2015

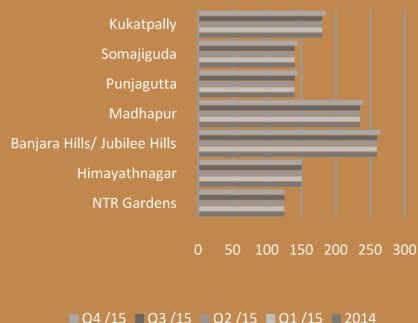
Malls rentals are expected to rise. Leasing activity is expected to further improve in 2016 with availability of new mall supply in Gachibowli area. Considering the dearth of supply and the healthy enquiries for malls in Madhapur and Banjara Hills by apparels and F&B retailers, rentals may escalate in the first quarter of 2016.

Retail markets of Hyderabad is expected to see healthy growth of pre-leasing activities in 2016. Most of the under construction project which were deferred last year are expected to get completed this year due to revival of leasing activities.

Average Retail Rental of Hyderabad Main Street in INR/ sft/ month



Avg. Retail Rentals of Malls in Hyderabad in INR/sft/month



Significant Leasing Transactions in Retail Market			
Property	Location	Tenant	Area
L&T Metro malls	Various upcoming Malls	Anchors tenants and multiplexes	21,00,000
New Building	L B Nagar	Spencer's	30,000
New Building	A. S. Rao Nagar	Pantaloons	24,000
SLN Terminus	Gachibowli	Spar	40,000
New building	Ramanthapur	Spencer's	35,000
Significant Project under construction		SQ. FT	Completion
L&T Metro constructing malls across the city		various sizes	2016 - 18
Maruthi Infinity Mall	Chandanagar	1,95,000	Q1 2016

Hyderabad Industrial and Warehousing Trends

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

Hyderabad also has huge industrial base located in peripheral areas such as Jeedimetla, Kothur, Uppal, Shamshabad, Kompally and Gundlapochampally.

Shamshabad and Kothur recorded a decent appreciation in industrial shed rentals due to increased demand by vendors of companies operational in these locations. Proximity to the airport, lower rentals and availability of land parcels have led to large, organized warehousing development in the Mahabubnagar area.

In Kompally and Gundlapochampally, warehousing rentals have increased due to the high demand and existing low rental base. Kothur and Patancheru are likely to witness an uptrend in land capital values due to increase in enquiries from manufacturing companies. Industrial shed rents for most, and warehousing rents for all submarkets are expected to hold steady except Shamshabad and Kothur which is seeing healthy demand. Warehousing rentals are expected to hold steady in all submarkets.

Around 1.0 million sq. ft of warehousing space was absorbed in Hyderabad market in year 2015.

Industrial and warehousing demand will continue to grow in along major industrial and warehousing corridors of Hyderabad in 2016 particularly in Shamshabad and Kothur areas.

Hyderabad Industrial and Warehousing Trends			
Industrial and warehousing Submarkets	Land rates in	Industrial Rents	Warehousing Rents
	Mn/acre INR	ft/month INR/sq.	ft/month INR/sq.
Medchal	25 - 28	13 - 16	
Shamirpet	6 - 10		
Fab City	8 - 12		
Kothur Moulali,	5 - 10	12 - 15	
Nacharam	46 - 50	17 - 21	
Uppal	44 - 48		
Patancheru	20 - 25	13 - 17	
Balanagar		15 - 18	
Kompally			13 - 15
Sanathnagar			16 - 23
Gundlapochampally			11 - 15
Shamshabad		12 - 16	

Significant Leasing Transactions in Industrial and Warehousing Market - 2015

Property	Location	Tenant	Area
Existing Building	Kondlakoya	Dabur India	75,000
Existing Building	Kompally	Ratnadeep	80,000
Existing Building	Kondlakoya	Airtel	67,000
Existing Building	Kondlakoya	Nestle	70,000

Kolkata Real Estate Trends

Kolkata, located on the east bank of the Hooghly river, is the principal commercial, cultural, and educational centre of East India, while the Port of Kolkata is India's oldest operating port and its sole major riverine port. As of 2011, the city had 4.5 million residents; the urban agglomeration, which comprises the city and its suburbs, was home to approximately 14.1 million, making it the third-most populous metropolitan area in India.

Kolkata is the main commercial and financial hub of East and North-East India and home to the Calcutta Stock Exchange zones of any Indian city. Kolkata's GDP in 2014 was INR 1.84 trillion (equivalent to INR 1.8 trillion or US\$27 billion in 2016), according to a collaborative assessment by multiple universities and climate agencies.

Kolkata is home to many industrial units operated by large public- and private-sector corporations; major sectors include steel, heavy engineering, mining, minerals, cement, pharmaceuticals, food processing, agriculture, electronics, textiles, and jute. Information technology became a high-growth sector in Kolkata starting in the late 1990s; the city's IT sector grew at 70% per annum—a rate that was twice the national average.

Adoption of the "Look East" policy by the Indian government; opening of Sikkim's Nathu La mountain pass, which is located on the border between India and China, to bi-directional international trade; and the interest shown by South-East Asian countries in expanding into Indian markets are factors that is expected to benefit Kolkata in future.

Area

- Metropolis 205 km² (79.15 sq mi)
- Metro 1,186.67 km² (728.45 sq mi)

Population (2011)

- Metropolis 4,496,694
- Metropolitan Area 14,112,536



Kolkata Commercial Trends

Year 2015 saw moderate transaction activity in Kolkata Commercial Market with total absorption of approx. 1.15 million sq. ft. Salt Lake submarket accounted for 50% of the total Grade A net absorption, followed by Rajarhat (35%). A number of existing occupiers from the IT-ITeS and telecom sectors expanded their operations in the city this year.

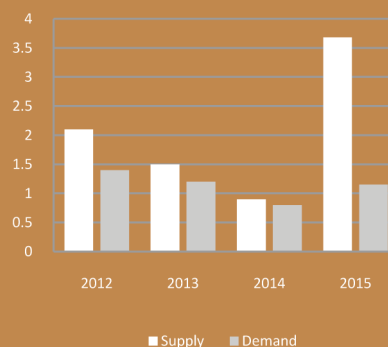
The city saw significant supply of grade A office space in second half of 2015. The total supply for year 2015 is approx. 3.68 million sq. ft. Godrej Genesis opened in Sector V adding 1.3 mn sq. ft to the market. Merlin Acropolis also became operational located at Rash Behari connector. Some under-development projects are anticipated to prolong the completion time due to the current excess inventory availability in the market.

Due to surge of supply, the commercial rentals saw stagnation / marginal decline in most micro - markets. Salt Lake sub market reported the highest decline in rentals due to high vacancy levels and new supply coming at lower price points. Vacancy level increased to 35%.

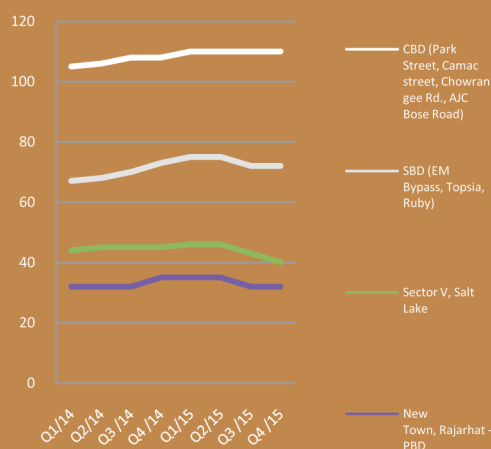
Considering the moderate demand and increase in enquiry level in the market, net absorption is expected to improve going forward. Rentals are likely to remain stable / negligible movement due to increase in supply in the next quarter. We anticipate that the rents will remain on the same levels in CBD locations however SBD like Salt Lake and New Town may witness resistance due to the consistent increase in supply of Grade A office spaces.

Kolkata commercial will experience stagnancy of rentals for a while due to the current difference / rippling effect of 2015 between demand and supply gap of office spaces in 2016.

Demand and Supply Trends in Kolkata Commercial Market in Mn sft



Average Commercial Rentals in Kolkata in INR/sft/month



Major Deals in Kolkata Commercial Market

CLIENT	Building Name	Area (SFt)	Location	Lease/ Sale
Aakash Institute	23 Circus Avenue	13,000	Circus Avenue	Lease
Cerner Corporation	Martin Burn Business Park	67,000	Sector V	Lease
Birla Sunlife	PS Arcadia Central	3,880	Camac Street	Lease
Davco Engineering	Infinity Think Tank	11,000	Sector V	Lease
Abhiska Enterprise	Godrej Waterside	25,000	Sector V	Lease
Ola Cabs	Infinity Think Tank	10,000	Sector V	Lease
Capgemini	Unitech Infospace	30,000	New Town	Lease
Value Labs	Ecospace	9,000	New Town	Lease
Janlakshmi Financial Services	Globsyn Crystal	4,000	Sector V	Lease
Serco Global	Godrej Waterside	24,000	Sector V	Lease
Emerson	PS Srijan Corporate Park	8,000	Sector V	Lease
Major Upcoming Projects		Area (SFt)	Location	Completion
Rudramani		1,00,000	E.M. Bypass	Q1 2016
Ideal Unique Centre		6,00,000	E.M. Bypass	Q1 2016
Corporate Park		9,00,000	New Town	Q1 2016
Mani Casadona		13,00,000	New Town	Q1 2016

Kolkata Retail Trends

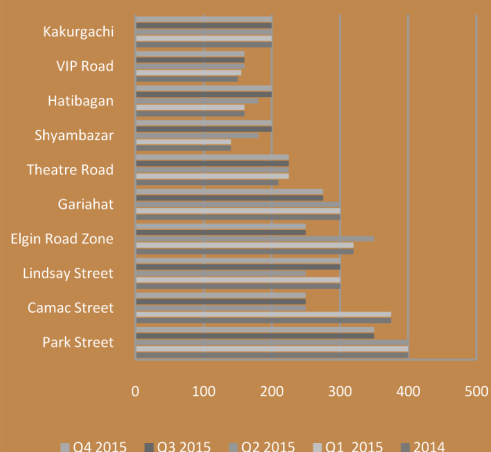
Year 2015 was a good year for Kolkata retail market. High street property transactions are growing by leaps and bounds in Kolkata. New emerging areas on high street are Rajdanga main road, EM Bypass (Particularly from Science City to Garia connector), NSC Bose Road, Kankurgachi etc. Major transactions are seen in categories of Automobile, Jewellery and Fine dining restaurants. Spa & wellness centers, Diagonistic centers, Educational Training institutions etc are gradually becoming integral part of overall retail market.

Neighbourhood Centers with Anchor, Multiplex, F&B and selective few vanilla retailers within the total size range of approx. 80,000 sq ft to 1,50,000 sq ft of space is becoming a trend for outskirts Kolkata market. Potential outskirts area for Neighbourhood Retail centers are Mahestala, Barracpore, Amtala, Sreerampore, Konnagar etc.

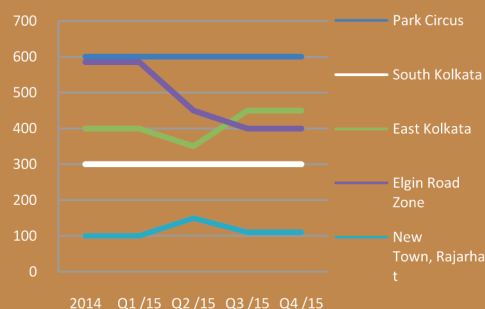
Rentals in high street formats are seeing price appreciation while rentals remained stable in malls. Construction quality, track record of the developer and flexibility in the mindset of the developer are becoming main parameters in selecting standalone properties by the lessee or buyer. Premium brands are queueing up for their entry in Kolkata market. TGIF Restaurant, Mexican Multiplex chain CINEPOLIS, ZARA, Kalyan Jewellers, etc, to name a few.

Healthy Retail space transaction is expected in 2016 in Kolkata. Demand for high street properties will drive the retail markets in Kolkata.

Avg. Retail Rentals of High Street in Kolkata in INR/sft/month



Avg. Retail Rentals of Malls in Kolkata in INR/sft/month



Significant Leasing/Outright Transactions in Retail Market

Property	Location	Tenant/ Purchaser	Area
Destination Mall	Indira Gandhi Sarani, Konnagar	Future Group	9000 sqft
Standalone	New Alipore	Spencer's	9500 sqft
Standalone	AJC Bose Road	BC Jain Jewellers	9500 sqft
Ideal Unique Centre	EM Bypass, Kolkata	Mercedes Benz	13,780 sqft
Standalone	Sodepur crossing on B.T. Road	Spencers' Retail	22000 sqft
Standalone	Barrackpore	Big Bazaar	25000 sqft
PS Residency	57 Sarat Bose Road	Pantaloons	16729 sqft
Significant Project under construction		SQ. FT	Completion
Forum Rangoli	Howrah	3,00,000 sqft	Q3 16

Kolkata Industrial and Warehousing Trends

Major industrial and warehousing pockets in Kolkata are Bombay Road, Old Delhi Road, Taratala, Budge Budge, Madhyamgram, Barasat, and B.T. Road. Bombay Road and

Kolkata industrial and warehousing market witnessed an appreciation of 5% -10% in most micro markets due to increased demand from warehousing developers/ landlords. Select locations like Dhulagarh in the Bombay Road submarket and Dankuni in Old Delhi Road submarket have witnessed steady demand from the chemical, E-commerce, electrical and electronics, and logistic segment. All the areas have witnessed a 5%– 9% yearly rise in rentals. Capital values for land likely to see appreciation due to persistent demand.

Due to demand from garments industry, E-commerce industry and logistic company, there will be a strong demand for quality warehousing spaces in all submarket areas especially in NH 2 and NH 6 in coming quarters.

Industrial and warehousing demand will continue to grow in along major industrial and warehousing corridors of Kolkata in 2016 particularly along Bombay Road, Old Delhi Road and Taratala.

Kolkata Industrial and warehousing Trends		
Industrial and warehousing Submarkets	Land rates in INR/ Mn./acre	Warehousing rents INR /sq. ft/month
Bombay road NH 6	18-36	13-20
Delhi Road		
NH 2	15-30	15-18
Madhyamgram and Barasat		
	15-30	14-17
Taratala and Budge Budge Area		
	30-60	18-23

Significant Lease Transactions in Industrial and warehousing Market			
Property	Location	Tenant	Area in sq. ft
CIPL	Dhulagarh	NCML	32,500
PJR Infra	Dhulagarh	JLL	40,000
Individual	Sreerampore	Amazon	83,000
Srijan Industrial Logistic park	Bombay Road	Sukkhhar Enterprise Pvt. Ltd	25,566
B K D Complex	Madhyamgram	Instakart (Flipkart associate)	6500
Project under construction	Location	Area	Completion
Srijan Industrial Logistic Park	Bombay Road, NH6	24 Lac Sq. Ft.	Q2, 2016
Respect Industrial Hub	Andul, Howrah	11 Acres of Land	Phase II - 2017

Pune Real Estate Trends

Pune is considered the cultural capital of Maharashtra. Pune is one of the fastest growing cities in the Asia-Pacific region. The 'Mercer 2015 Quality of Living rankings' evaluated local living conditions in more than 440 cities around the world where Pune ranked at 145, second in India after Hyderabad(138). It also highlights Pune among evolving business centers and emerging 9 cities around the world with citation "Hosts IT and automotive companies".

Pune has the eighth largest metropolitan economy and the sixth highest per capita income in the country.

The automotive sector is prominent in Pune. It is home to the Automotive Research Association of India, which is responsible for the homologation of all vehicles available in India. All sectors of the automotive industry are represented, from two-wheelers and autorickshaws to cars, tractors, tempos, excavators and trucks. Automotive companies like Tata Motors, Mahindra & Mahindra, Mercedes Benz, Force Motors (Firodia-Group), Kinetic Motors, General Motors, Land Rover, Jaguar, Renault, Volkswagen, and Fiat have set up greenfield facilities near Pune, leading The Independent to cite Pune as India's "Motor City". The industrial township of Pimpri Chinchwad, adjacent to the main city, is dotted with over 4,000 manufacturing units.

Pune is also a growing IT Hub. The Hinjewadi IT Park by MIDC houses the IT sector in Pune. Hinjawadi IT Park encompasses an area of about 2,800 acres (11 km²). The estimated investment in the project is INR 600 billion (US\$9.0 billion). The IT sector employs more than 70,000 people.

Area

- Metropolis 710 km² (270 sq mi)

Population (2011)

- Metropolis 3,115,431



Pune Commercial Trends

Pune witnessed one of the major commercial transactions this year. In one of the largest commercial realty transactions, a Siemens India group company has leased an entire building with 3.5 lakh sq ft office space at Cummins India Campus in Pune. Total net absorption this year reached around 2.65 million sq. ft.

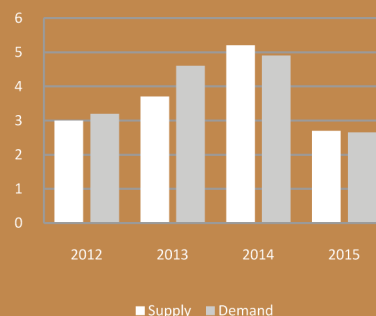
Pune saw biggest investments in recent times coming its way - a \$5 billion (Rs 32,000 crore) in five years from the global leader in contract manufacturing electronics, the Taiwan-based Foxconn or Hon Hai Precision Industry Co Ltd, which counts iPhone, BlackBerry and PlayStation among its clients. The proposed project — a semiconductor manufacturing plant — promises direct employment to 50,000 people.

Pune witnessed nearly 2.7 million sq. ft of new supply in 2015 with majority of the supply coming into the market in last quarters of 2015. Majority of supply is concentrated in western locations of Suburban West (35%) and Off-CBD West (30%) submarkets. Average rentals largely remained stable across all submarkets, except in Off-CBD West, where they appreciated by 3% year on year due to healthy leasing activity. Vacancy levels remained stable at 15.0%.

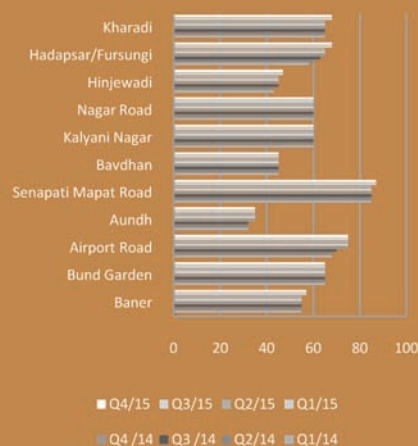
Around 0.3 million square feet (msf) of supply is expected in the next quarter. Almost 35% of this supply has been pre-committed by consulting and e-commerce companies. With steady leasing activity and limited supply, the rentals are expected to appreciate in coming quarters.

Pune commercial market is expected to witness robust demand and supply in 2016.

Demand - Supply Trends in Pune Commercial Market in MN sft



Pune Commercial Rental Rates in INR/sft/month



Major Deals in Commercial Market 2015

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Globant	Blueridge	90,000	Hinjewadi	Lease
Vista	RBS Tower	34,000	Shivajinagar	Lease
Kentar	Tech park one	30,000	Yerwada	Lease
Siemens	Cummins (Panchshil Tech park)	3,50,000	Balewadi	Lease

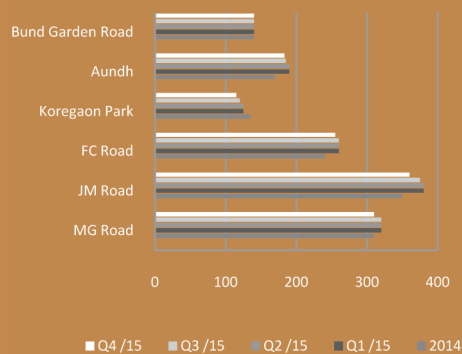
Pune Retail Trends

Pune saw decline in retail transaction this year particularly in Retail malls located at Camp, Koregaon Park and PCMC which witnessed exits from a couple of food & beverage and apparel retailers. Total transaction of 0.56 million sq. ft was witnessed in year 2015. Few malls at Nagar Road and Camp witnessed notable leasing activity mainly by apparel and book store retailers.

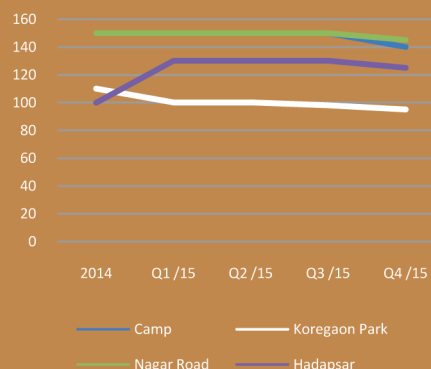
Pune retail market saw addition of nearly 1.9 million square feet of retail space in 2015. The last quarter saw addition of 75% of this supply spread across four malls. Overall mall vacancy levels remained high at 20%. Rental values across most main streets remained stable except Aundh that saw a 3% - 5% decline year on year in 2015. Koregaon Park and PCMC also saw decline in rentals compared to the previous quarter

Retail rentals are expected to stabilize in 2016. In terms of transactions, retail market will see moderate activity in 2016. Demand for high street properties will drive the retail markets in Pune.

Avg. Retail Rentals in High Street of Pune in INR/sft/month



Avg. Retail Rentals in Malls of Pune in INR/sft/month



Major Deals in Retail Market 2015

Property	Location	Tenant	Area
Amanora	Magarpatta	Dunkin Donuts	2000 sq. ft
Phoenix Market City	Viman Nagar	Crosswords	10000 sq. ft
Phoenix Market City	Viman Nagar	Forever 21	12000 sq. ft
SGS Mall	Camp	Pantaloons	20,000 sq. ft
Phoenix Market City	Viman Nagar	Home Center	15,000 sq. ft

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 has the presence of players such as Mahindra Logistics, Nippon, Bosch, and Safe Express.

The Chakan-Talegaon area emerged as preferred warehousing location in the city. Proximity to large-scale manufacturing units and easy connectivity with Mumbai, as well as the presence of large-scale organised warehousing parks has helped positioned Chakan-Talegaon as the prime warehousing area of the city.

Pune saw one of the biggest investments in recent times coming its way - a \$5 billion (Rs 32,000 crore) in five years from the global leader in contract manufacturing electronics, the Taiwan-based Foxconn or Hon Hai Precision Industry Co Ltd, which counts iPhone, BlackBerry and PlayStation among its clients. Maharashtra Industrial Development Corporation (MIDC) is in process of allotting the 1,500 acres required for the plant at Talegaon

Another major upcoming project is of Hyosung T&D India, a subsidiary of the South Korean major Hyosung Corp., which will set up its Greenfield manufacturing facility in Khed City on 14 acres of land near Pune..

Industrial and warehousing demand will continue to grow in along major industrial and warehousing corridors of Pune in 2016 particularly along Chakan-Talegaon area.

Pune Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sq. ft./month	Warehousing Rents INR/sq. ft./month
Telegaon	20 - 22	25 - 27	18 - 20
Chakan	30- 33	25 - 27	20 - 23
Pimpri Chinchwad	52 - 54	28 - 32	28 - 32
Pirangut	30 - 32	23 - 25	13 - 15
Hinjewadi	50 - 54	34 - 36	30 - 36
Lonikand	25 - 28	25 - 28	15 - 20
Sanaswadi	20 - 22	22 - 25	13 - 16
Ranjangaon	16 - 18	20 - 23	13 - 15
Khed City	15 - 17		18 - 13
Shirwal	13 - 14	19 - 23	16 - 22
Wagholi			16 - 20

Major Deals in Industrial and Warehousing Market - 2015

Property	Location	Tenant	Area	Lease/Outright
Land	Khed City	Hyosung T&D India	14 Acres	Outright
Land	Talegaon	Foxconn	1500 Acres	Lease
Land	Chakan	Intorq	2 Acres	Outright
Warehouse	Chakan	Tata Motors	2,00,000 sq ft	Lease
Warehouse	Bhamboli	Bosch	2,00,000 sq ft	Lease
Built to Suit	Pirangut	Vulkan Technologies	1 Acre	Lease
Land	Ranjangaon	Exotech Zanini	3 Acres	Outright

Ahmedabad Real Estate Trends

Ahmedabad is the commercial capital of Gujarat. With a population of more than 6.3 million and an extended population of 7.2 million, it is the sixth largest city and seventh largest metropolitan area of India.

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. The gross domestic product of Ahmedabad was estimated at US\$119 billion in 2011. The RBI ranked Ahmedabad as the seventh largest deposit centre and seventh largest credit centre nationwide as of June 2012.

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.

The information technology industry has developed significantly in Ahmedabad, with companies such as Tata Consultancy Services opening offices in the city. India's leading cyber-security firm Cyberoam also has its R&D center located in Ahmedabad.

Area

- Metropolis 464.16 km² (179.21 sq mi)

Population (2011)

- Metropolis 5,570,585



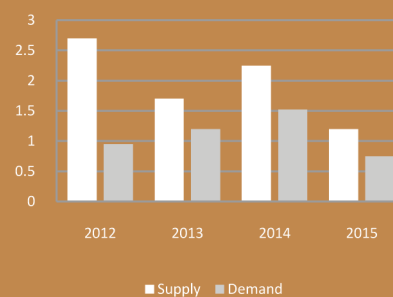
Ahmedabad Commercial Trends

Ahmedabad office market witnessed total absorption of around 0.75 million sq. ft in year 2015. Majority of the leasing activity was concentrated in the suburban business district of S.G. Highway (60%). The IT-ITeS sector continues to dominate the leasing activity with a 35% share, followed by BFSI (20%) and consulting (20%) sectors. Ahmedabad witnessed marginal supply of retail space 2015 of approx. 1.2 million sq. ft, as all developments scheduled to be completed this year were deferred due to construction delays.

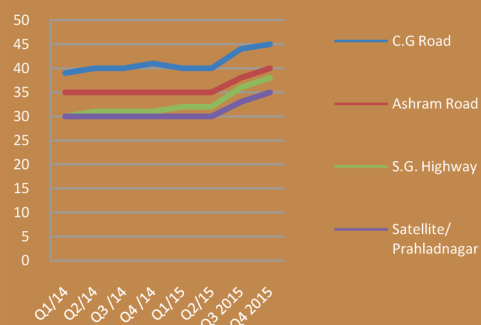
Due to limited supply and healthy demand, the rentals across key submarkets grew between 5% –10% this year. Around 1.5 million square feet (msf) of supply is expected to become operational in first quarter of 2016 which may raise vacancy levels from the present level of 8%. Due to sustained demand suburban markets of S.G. Highway and Satellite / Prahaladnagar may lead to a marginal uptick in rentals here.

Ahmedabad commercial market is expected to see healthy demand of IT & ITeS space in year 2016. The rentals are expected to stabilize in long term as supply catches up with the demand.

Demand - Supply Trends of Ahmedabad Commercial Market in Mn sft



Avg. Commercial Rentals of Ahmedabad in INR/sft/month



Major Deals in Ahmedabad Commercial Market 2015

CLIENT	Building Name	Area (Sft)	Location	Lease/ Sale
Investor	Individual House	22,500	Mithakali	Sale
Tata Motors	West Gate	20,000	S.G Highway	Lease
Fullerton INDIA	Amrapali Lakeview	10,000	Vastrapur	Lease
IDFC Mutual Fund	Sun Square	20,000	Navrangpura	Lease
Regus	Earth Arise	14,000	S.G Highway	Lease
Kotak Mahindra Bank	Venus Amadeus	35,000	Jodhpur	Lease
Investor	First One	20,000	Vastrapur	Sale
Investor	Amrapali Lakeview	10,000	Vastrapur	Sale
Investor	Privillon	10,000	Iscon Circle	Sale
PWC	Shapath V	26,000	S.G Highway	Rent

Major Upcoming Projects in 2016 - 17	Area (Sft)	Location	Completion
Shivalik Shilp II	1,50,000	Bodakdev	2017 Q3
Mondeal Heights	6,50,000	S.G Highway	2016 Q1
Maruti Vertex	1,00,000	Bodakdev	2016 Q1
Palladium	96,000	Prahaladnagar	2016 Q2
Shilp Aaron	1,50,000	Bodakdev	2016 Q1
Titanium One	2,50,000	S.G Highway	2016 Q1

Ahmedabad Retail Trends

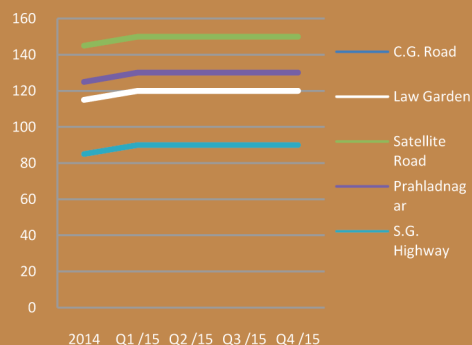
Ahmedabad saw brisk transaction activity in main-street format in year 2015. Limited availability of quality mall space kept the transaction activity in Ahmedabad low in most micro markets with retail segment witnessing total absorption of approx. 0.35 million sq. ft. The demand was mainly driven by apparel retailers, which continued to strengthen their presence across various locations such as C.G. Road and S.G. Highway.

Overall mall vacancy high at 30%. Despite high vacancies, rentals for these malls remained steady during through out 2015. Some domestic brands such as Jaipur Jewellers and Kitchen Express opened their first stores in the city. Banks, apparels and lifestyle brands expanded footprint in prominent main-streets such as C.G. Road, Satellite Road and Prahladnagar. However, currently availability at prime main-streets such as C.G. Road, Satellite, Law Garden and Prahladnagar remains low. Rentals across all major main-streets remained stable.

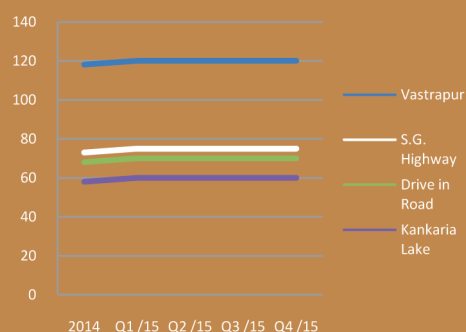
Mall rentals remained stable in S.G. Highway, Kankaria Lake. High demand (considering the high level of enquiries) from apparels, food & beverage and lifestyle brands for prime main streets such as C.G. Road, Satellite Road and Prahladnagar, coupled with limited quality space availabilities, may lead to rental appreciation next quarter.

Retail transactions are expected to remain moderate in 2016. Demand for high street properties will drive the retail markets in Ahmedabad.

Avg. Retail Rentals of Main Street Ahmedabad in INR/sft/month



Avg. Retail Rentals of Malls in Ahmedabad in INR/sft/month



Significant Transactions in Retail Market 2015

Property	Location	Client	Area (In Sq.ft)	Lease/Sale
Satkar	C.G Road	Jaipur Jewellers	7,500	Lease
Swapneel V	Navrangpura	Royal Enfield	6,000	Sale
Maruti Crystal	S.G Highway	Mr. Egg Restaurant	2,000	Lease
Commercial Complex	C.G Road	Dangee Dums (opened 12 retail outlets in Ahmedabad)	18,000	Lease
Gala Mart	South Bopal	Hind Market	15,000	Lease
Mondeal Retail Park	S.G Highway	My My	25,000	Sale
Heritage Complex	C.G Road	Shobha Asar	7,000	Sale
Venus Amadeus	Jodhpur	Jewel World	7,000	Sale
Venus Bernicia	Jodhpur	Nexa	18,000	Lease
Mondeal Square	S.G Highway	Nexa	12,000	Lease
Mondeal Retail Park	S.G Highway	D'Décor	12,500	Lease

Ahmedabad Industrial and Warehousing Trends

Ahmedabad has a very strong industrial and manufacturing base. It is the commercial capital of Gujarat and the second largest industrial center in western India after Mumbai. Most industries are located in Naroda, Vatva, Sanand and Changodar.

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. Land capital values as rental value have remained stable across the market due to stable supply by GSIDC.

Increased demand from the manufacturing sector has led to industrial shed rentals increasing by 10% - 15% in Sanand and Changodar on a year-on-year (y-o-y) basis. Significant under-construction supply has also kept the warehouse rents stable in Kheda.


Land capital values are anticipated to witness uptrend in 2016. With improving economic sentiments and focus on Ahmedabad as a manufacturing destination, capital values for industrial land are expected to appreciate. Industrial shed rents and warehousing rents are expected to rise across all submarkets.

Industrial and warehousing demand will remain robust in major industrial and warehousing corridors of Ahmedabad in 2016 particularly along Sanand, Bavla and Changodar corridors.

Ahmedabad Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
Sanand	24 -25	20 -24	13 -18
Changodar	23 -25	25 -27	15 -20
Aslali			13 -16
Kheda			13 -15

MARKET OUTLOOK - 2016

 COMMERCIAL	 RETAIL	 INDUSTRIAL & WAREHOUSING	
			MUMBAI
			NCR Delhi
			BENGALURU
			CHENNAI
			KOLKATA
			HYDERABAD
			PUNE
			AHMEDABAD
 POSITIVE	 STABLE	 NEGATIVE	



CIRIL Network is a membership-based premier owner-operated network of brokerage companies in India. Our members are highly motivated, entrepreneurial-minded commercial real estate professionals who are leaders in their respective markets. Currently CIRIL network serves clients in more than 270 cities and have offices in 16 cities across India i.e Delhi, Gurgaon, Mumbai, Bengaluru, Kolkata, Pune, Hyderabad, Ahmedabad, Surat, Noida, Chandigarh, Jaipur, Indore, Lucknow, Patna, Bhubaneswar.



Corporate Real Estate Consultancy Services

We help corporate real estate professionals and business professionals uncover opportunities for business at reduced real estate risks, costs and improve productivity for continued success.



Office Services (Both Tenant & Landlord Representation Services)

CIRIL team excels in the local market sector with comprehensive capabilities across all industries, rigorous due diligence processes, we collaborate with our clients to help them accelerate their success.



Industrial and Land

Our core business is the acquisition and disposition of land, logistics & industrial properties on behalf of landlords, buyers & tenants. We provide complete support on documentation, due diligence and negotiations.



Retail Services

Retail Leasing comes with a dual responsibility to ensure profit for the lessee and value for the land owner. Through our specialized consultancy services, we guide our clients in choosing the best alternative.



Investment Services

We provide our clients with specialized and efficient service encompassing reports and analysis on markets, details of developers, pros and cons of particular sites, future trends and investment security.



Land Acquisition Services

We help meet the needs of developers, private and institutional equity funds, venture capital funds, high net worth individuals and other investors for land acquisition and joint ventures.



Sure Shot Suggestions

No. 2A, Gomes Society, Ground floor, TPS III, 4th Road, Santacruz East, Mumbai - 400055

Web: www.sureshotsuggestions.com

Tel: 022 2612 0394, 022 2612 1799

Email: sanjay@sureshotsuggestions.com



Realistic Realtors

315-316, 3rd Floor, Time Tower, M.G. Road, Gurgaon - 122002

Web: www.realisticrealtors.com

Tel: 0124 470 7000

Email: info@rrpl.net



Silverline Realty

106/107, Barton Centre, 84, M.G. Road, Church Street, Shanthala Nagar, Ashok Nagar, Bengaluru - 560001

Web: www.silverlinerealty.com

Tel: 080 4082 8888

Email: info@silverlinerealty.com



NK Realtors

9, Elgin Road, 4th Floor, Kolkata - 700020

Web: www.nkrealtors.com

Tel: 033 4040 1010, 6620 1010

Email: sales@nkrealtors.com



City Estate Management

F/F, 101, Sankalp Square, Opp. Abhinav Colony, Drive In Road, Memnagar, Ahmedabad - 380052

Web: www.cityestatemanagement.com

Tel: 079 2749 1404/5, 2749 8978

Email: admin@cityestate.co.in



Property Terminus

Mezzanine Floor, A Wing, MCCA Tower, Senapati Bapat Road, Pune - 411016

Web: www.propertyterminusindia.com

Tel: 020 2563 5550, 2563 5551

Email: info@propertyterminusindia.com



Trinity Partners

Suite 204, Nest Building, 907 / 912 Kapadia Lane, Somajiguda, Hyderabad - 500082

Web: www.trinitypartners.co.in

Tel: 040 4015 0085, 6452 4560

Email: info@trinitypartners.co.in



Disclaimer: CIRIL Network 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 Network disclaims any and all liability that could arise directly or indirectly from the reference, use, or application of information contained in this report. CIRIL Network 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.