

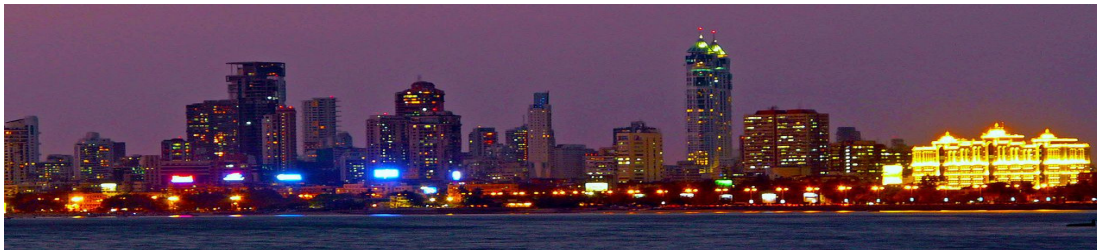
Commercial



INDIAN REAL ESTATE OVERVIEW

QUARTER 1 - 2015

INDIA RECKONING



Overview

The year 2014 has been a positive year for the real estate sector in terms of restoring investors' confidence and market sentiments. With stable government at center and many policy initiatives to boost investment, Real Estate market is poised to start its second innings in year 2015. As a second major contributor to the GDP,

the Real Estate sector is slated to grow at 30% over the next decade and is the second largest employer after agriculture. Viewed as an attractive as well as safe investment option, Real estate market is expected to continue its positive run with the additional support of the new rules and regulations by the government.

Economy

The Indian economy crossed the 1 trillion US dollar GDP mark in FY08 consequent to the high growth witnessed since the last decade (FY01-FY10). This year it is likely to cross 2 trillion US\$ mark. The Indian economy is expected to grow by 7.4% in FY15. The government estimated India's economic growth this financial year at 7.4 per cent, against 6.9 per cent in 2013-14, as the country changed its definition of gross domestic product (GDP) and the base year for calculation.

With inflation down, rupee stabilized, political stability, fiscal and the current account deficit no longer posing a threat, the economy is today at the cusp of a new dawn. The biggest contributing sectors to Indian GDP by "Gross Value Add" as reported by Ministry of Statistics (India) are: Financial, real estate and services (21%), Trade, hotels & communication (19%), Manufacturing (18%), Agriculture, forestry & fishing (16%), Public sector (13%).

Growth Indicators

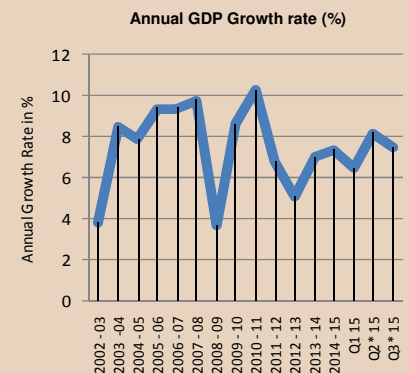
GDP Constant Prices in India increased to 26916.15 INR Billion in the fourth quarter of 2014 from 25600.39 INR Billion in the third quarter of 2014. The per capita net national income during 2014-15 is estimated to be Rs 88,538, up 10.1% as compared to Rs 80,388 during 2013-14 with the growth rate of 12.3%.

Business Confidence in India increased to 57.40 in the third quarter of 2014 from 53.70 in the second quarter of 2014 while Consumer Confidence in India increased to 129 in the

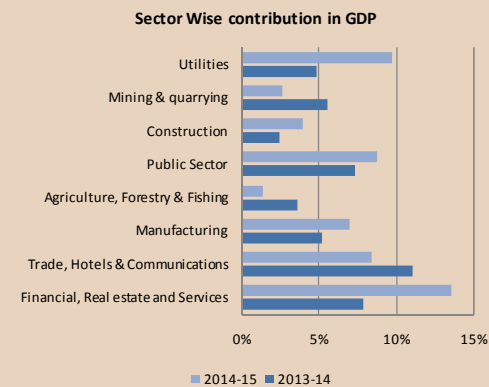
fourth quarter of 2014 from 126 in the third quarter of 2014. Consumer Confidence in India averaged 119.68 from 2009 until 2014.

Consumer Spending in India increased to 15338.82 INR Billion in the fourth quarter of 2014 from 14645.01 INR Billion in the third quarter of 2014. Foreign Exchange Reserves in India increased to 330213 USD Million in the week ended February 7th, 2015 from 327885 USD Million in the previous week. Foreign Exchange Reserves in India averaged 181145.53 USD Million from 1998 until 2015.

According to IMF, Indian economic growth will overtake Chinese in 2016.

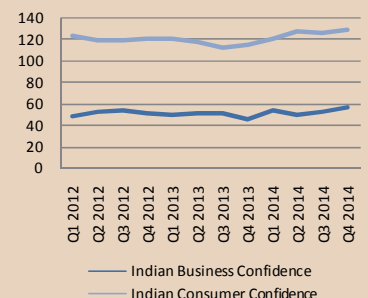


Growth of GDP on basis of new definition, Q1, Q2 & Q3 2015 on advance estimates source: Mospi



Source: http://dipp.nic.in

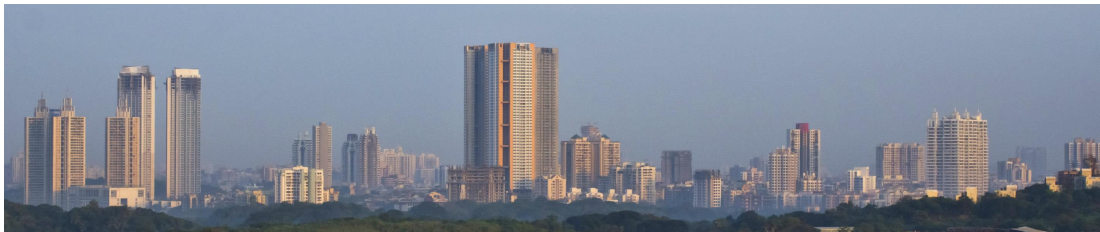
Indian Business and Consumer confidence



Source: NIELSEN

INDIAN REAL ESTATE

.....the growth story continues



Overview

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 period of 2007-2008 were the peaks the industry achieved with the entry of many new domestic realty players along with many foreign real estate investment companies.

However, the global meltdown and consequent recession had cascading effect on the sector with FDI inflow into real estate dropping significantly. The year 2010 again saw the sector getting life with focus on 'affordable housing' helping the sector tide over the financial crunch. India has huge potential to attract large FDI into real estate and the global real estate players are looking at emerging economies such as India for tapping opportunities in real estate.

Market Size

The Indian real estate market size is expected to touch US\$ 180 billion by 2020. The growth rate of the industry is at a compound annual growth rate (CAGR) of 19% for the period 2010-2014, with Tier I metropolitan cities contributing to almost 40% of this growth. 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. It is also expected to generate more than 17 million employment opportunities across the country by 2025. Due to rapid urbanization, positive demographics and rising income levels, the Indian real estate sector has attracted the core investors, with over US\$1.14 billion (INR7,705 crore) in last 3 years.

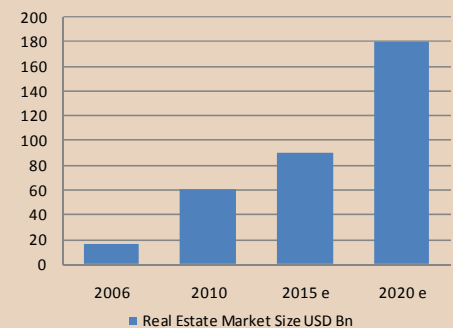
Market Drivers - Urbanisation, Economy and Self Demand

The prime movers that are leading to volume growth in Real Estate segment are population growth and urbanization. India's urban population as a percentage of total population was around 31.0 % in 2011 and is expected to rise to 40.0 % by 2030. Better wages and better standard of living is expected to result in an increase in urban population in India to above 600.0 million by 2031. India is also set to become the third largest economy in the world by 2030, according to latest estimates by a PricewaterhouseCoopers (PwC) report.

With economic growth and urbanization, India's Real Estate Market is expected to be driven by local markets (Tier I, II & III cities). The shortage of urban houses stood at 18.8 million units in 2012 and it is expected to grow at compound annual growth rate of 6.6% for 10 years till 2022. According to the 'White Paper - Indian Housing Industry' by research and consultancy firm RNCOS, the urban shortage will reach to 34.1 million units by 2022, mainly due to demand-supply gap and rising levels of income among the working class seeking to purchase houses.

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.

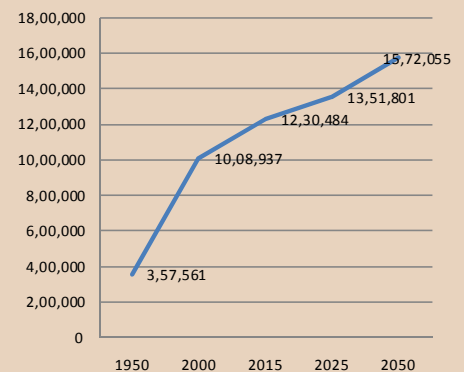
Real Estate Market Size USD Bn



Source: Investment commission of India, ASSOCHAM & CREDAI

According to Goldman Sach's report, "Dreaming with BRICs." by 2040, China will be larger than the U.S and by 2060, India may be larger than the U.S. According to Report, 25% of people in the world under the age of 25 are in India, and a full 80% of the population is under 45 years old which is a major advantage for economic growth.

Population of India (000)

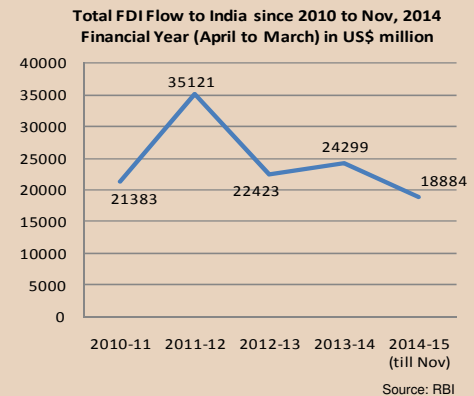


Source: World Bank

Foreign Direct Investment (FDI)

Currently, the real estate sector of India is the fourth biggest in respect of FDI inflows [the Government of India has allowed FDI of up to 100% in the development projects for township and settlements, and is constantly growing. FDI in the sector is estimated to grow to USD25 billion by year 2022. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

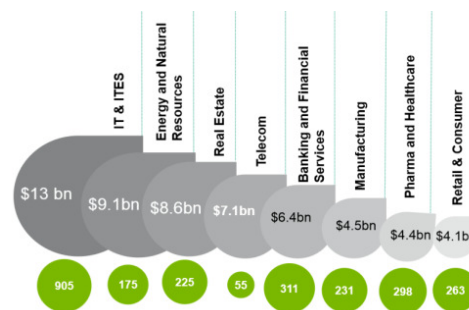
Foreign investment inflows are expected to increase by more than two times and cross the US\$ 60 billion mark in FY15 as foreign investors start gaining confidence in India's new government. Total FDI in the construction development sector during April 2000–Nov 2014 stood at around USD24.009 billion. As of Nov 2014, total cumulative inflows in the construction development sector accounted for 10% of total inflows in USD terms



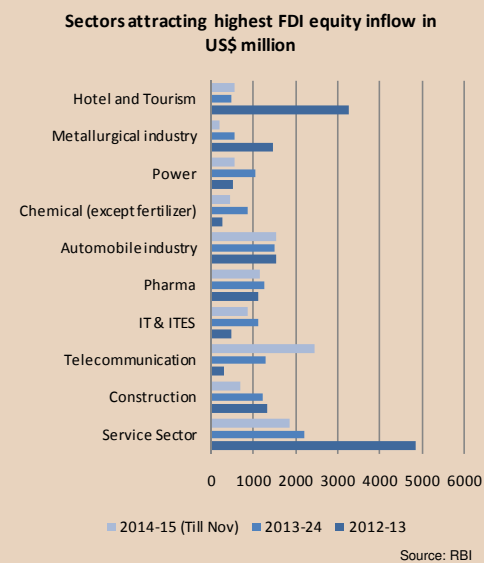
Private Equity Funds

PE investment in India is growing steadily since 2009, and stood at over USD 12 billion in 2014 across 459 deals. The higher level of PE investments was largely driven by increased interest in e-commerce, which has so far seen investments of over \$2,474 million in 48 deals as against \$553 million last year (in 36 deals).

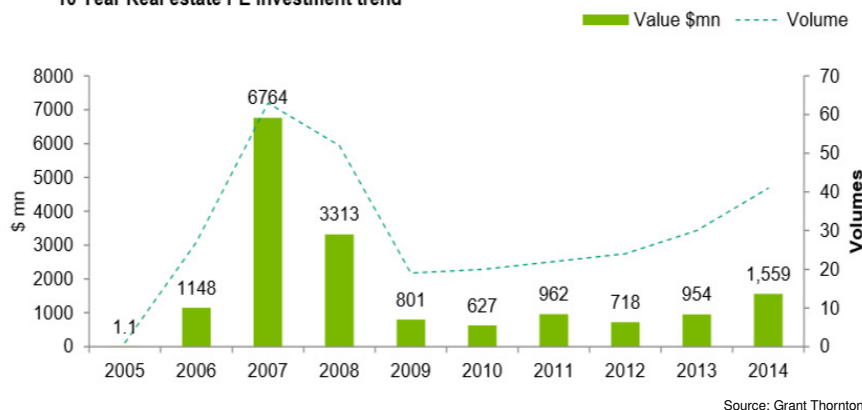
The government's decision to relax FDI norms in the construction sector is likely to attract private equity investments to the tune of up to \$ 3 billion in the real estate market in the next 2 years.



IT/ITES and retail & consumer sectors continue to see upward trend while banking and financial services (BFS), real estate and infrastructure (REI) and pharmaceuticals are expected to be attractive opportunities in 2015. Engineering and construction together witnessed \$1531 million of PE investments. Bengaluru reported maximum PE investments, followed by NCR, Pune and Mumbai.



10 Year Real estate PE investment trend



Key policy initiatives by Government

Much headway has been made in several policy reforms during the second half of 2014.

- SEBI codified REITS norms and the government announced the tax pass through. This will open doors for small players in Real Estate at national level.

Real Estate large investments (2012-2014)			
2014	Brookfield Property Partners - 6 IT Parks in India \$347mn	GIC - Reco Berry Pvt. Ltd - Nirilon Ltd \$114mn	Xander Group - Infinity Tech Park project \$108mn
2013	Blackstone - HCC Real Estate Ltd \$169mn	Red Fort Capital - Lotus Greens Developers \$161mn	IDFC Private Equity - BlueRidge Special Economic Zone \$83mn
2012	Blackstone - Embassy Property \$200mn	Morgan Stanley RE - Sheth Developer's Mumbai project \$90mn	Brick Eagle Capital - Xrbia Developers \$40mn
Infrastructure large investments (2012-2014)			
2014	Temasek, IDFC Alternatives - GMR Infrastructure \$183mn	KKR - GMR Holdings Pvt. Ltd \$164mn	Canada Pension Plan Investment Board - L&T Infrastructure Development Projects Ltd \$161mn
2013	AION Capital Partners - Jyoti Structures Ltd \$48mn	Macquarie SBI Infrastructure Investments Pte, SBI Macquarie Infrastructure Trust - GMR Jadoherla Expressways \$37mn	IDFC's India Infrastructure Fund - GMR Highways - GMR Diundurpet Expressways \$35mn
2012	Macquarie SBI Infrastructure Fund, SBI Macquarie Infrastructure Trust - Ashoka Concessions Ltd \$150mn	Airro Mauritius, a fund affiliated to JP Morgan - Nandi Economic Corridor Enterprises Ltd. \$65mn	Si India Infrastructure Fund Supreme Infrastructure India Ltd. BOT road projects \$61mn

Source: Grant Thornton

- To boost FDI inflow in construction and real estate sector, the Govt. has decided to reduce the minimum floor area to 20,000 sq mt from the earlier 50,000 sq mt. It also brought down the minimum capital requirement to USD 5 million from USD 10 million. In case of development of serviced plots, the condition of minimum land of 10 hectares has been completely removed.
- The Government of India has proposed to release the Real Estate (Development and Regulation) Bill which aims to protect consumer interest and introduce standardisation in business practices and transactions in the sector. The bill will also enable domestic and foreign investment flow into the sector.
- Revision of land acquisition act is expected to streamline the land acquisition bottlenecks and will protect interest of both land owners as well as investors. The Bill is aimed towards improving buyers' confidence, ensuring timely execution of projects by reducing delays. Developers will be required to put all project details on the website of real estate regulatory authority and they will get money from buyers only after taking all necessary clearances. This will protect the interests of stakeholders- lenders and investors, as it proposes to prevent the diversion of the funds and will bring in more transparency into the real estate sector
- 'Housing for all' is accorded its due importance. The Centre has rolled out the 'Sardar Patel Urban Housing Mission', which will ensure 30 million houses by 2022, mostly for the economically weaker sections and low income groups. To be built through public-private-partnership, interest subsidy and increased flow of resources to the housing sector, these houses are also aimed at creating slum free cities across the country. The Govt. has planned investment of about Rs. 50 lakh crore over the next few years for various initiatives including Housing for All (Rs. 22.50 lakh crore), urban infrastructure development (Rs. 16.50 lakh crore), urban sanitation (Rs. 62,000 crore) and building smart cities
- Smart City concept is gaining momentum. India signed three agreements with the US for developing smart cities in Ajmer, Allahabad and Visakhapatnam initially. The proposed 100 Smart Cities has the potential to create a new competitive landscape for the subcontinent that will be much more attractive for foreign direct investments by global multinationals. The total investment associated with the development of 100 smart cities in India could be far in excess of US\$1 trillion with a significant share of this investment likely to be from foreign government and private sector inflows.
- Tax reforms and GST is expected to be implemented in 2015. With one single levy, GST will replace several indirect taxes — excise, sales tax, service tax, entry tax and other local levies, thus, bringing in this critical tax reform measure.

Indian Real Estate - Strategic Advantage

- Good growth prospects supported by ongoing economic liberalization and strong domestic demand
- Stable financial system
- Strong external liquidity position
- High degree of political stability
- Vibrant, transparent and high-yielding capital markets
- High savings and investment ratios
- Strong and competitive private sector
- Low susceptibility to event risk
- Steadily rising government revenues
- Healthy sectoral diversity of economy
- Largely local currency denominated debt
- Conducive investment climate
- Strong financial regulatory framework
- High growth in exports
- Strong demographic advantage
- Highly educated work force
- Innovative society

According to Grant Thornton India's Dealtracker January 2015, the major activity seen in the M&A (Mergers and acquisitions) and PE markets are highlighted below:

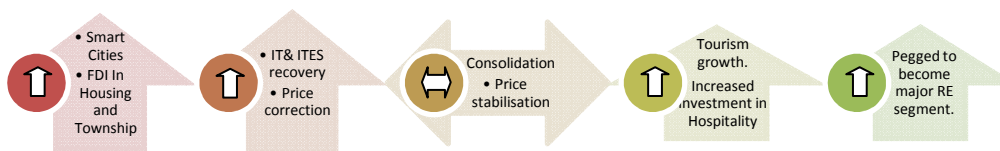
- In January 2015, the Indian deal market witnessed financial and strategic deals worth US\$ 3.4billion (118 deals), as against US\$ 1.6billion (87 deals) in January 2014, and US\$ 1.2billion (74 deals) in the corresponding month of 2013. However, January 2015 saw lower deal activity when compared to the previous month December 2014, which contributed 105 deals to the tune of US\$ 4billion.
- Inbound deals have seen a 238% increase in the deal value led by the Herman – Symphony deal worth US\$ 780million and 3 other deals over US\$ 100million each. There have not been too many big-ticket outbound deals, despite a jump in volume of 166% increase in volume.
- The upward trend in PE investment activity continued in January, with 74% higher deal values and 30% volumes compared to the corresponding month in the previous year.
- IT&ITES continued to lead both M&A and PE activity in India, M&A majorly driven by consolidation trends within the sector. While large deals in the sector were mainly in the IT consulting and IT solutions space, acquisition trend continued in the intensely robust e-commerce segment. PE players showed greater interest in IT & ITES (e-commerce in particular), which drove both values and volumes.
- The month saw big ticket investments from global PE players in the Indian hospital sector. BFS also witnessed renewed interest, with Ujivian Financial receiving close to US\$ 100million of funding, making it the single largest investment in a microfinance lender in India.

Real Estate PE News:

- Goldman inks \$300m realty JV with Nitesh.
- Aditya Birla realty fund invests \$25 million in Ozone Group.
- PE fund Brick Eagle buys affordable housing project for \$50 million.
- Milestone Capital Advisors to raise \$83 million for its 10th real estate fund .
- DLF to sell 50% stake in 4 projects to Private Equity firms for \$500 million.
- Portman Holdings to deploy upto \$250 mn in residential projects.
- New Vernon buys Chennai Business Park from Shapoorji for \$200 million.
- SSG Capital Management invests \$100 million in Emaar MGF.
- Westbridge Capital invests USD 16 million in Aptus Value Housing Finance.

Market Segments – Overview and outlook

Residential Market (Affordable, Mid segment and premium Housing, Land Market)	Commercial Space (IT & ITES, Industrial, Ware Housing, office space)	Retail Space (Mall, Multiplex, Super Market, Departmental Stores and Stand alone retail outlets)	Hospitality Space (Hotels, Restaurants, resorts, Guest houses and Service Apartments)	Industrial , Logistics and Warehousing Sector
<p>Fragmented market with few large players</p> <p>Demand of around 800,000 units in the seven major cities by 2015.</p> <p>Residential space supply of nearly 1.4 billion sq ft is expected to come by 2015 out of the planned supply of 2.1 billion sq ft across 10 major cities</p>	<p>Few players with presence across India</p> <p>A total supply of 445 million sq ft of office space planned in 10 major cities.</p> <p>Around 167 million sq ft would come up by end of 2015 with the demand being 66 million sq ft during the same period</p>	<p>FDI in multi-brand retail to boost demand.</p> <p>Fragmented market with few national players</p> <p>Of a total planned supply of 67 million sq ft across major cities, around 38 million sq ft would come up by end of 2015</p>	<p>A competitive market with many players</p> <p>Received investments by private equity funds worth USD11 million in 2013</p> <p>As of 31 December 2014, the country had more than 1,500 approved hotels with approx. 100,000 rooms</p>	<p>This is one of the fastest growing sectors driven mainly by e-commerce and e-retailing growth.</p> <p>2014 saw absorption of 17 Lakh sqft of space with projected demand of 104 million sq and expected investment of Rs.15,000-16,000 crore in 2015.</p>



CIRIL Focus - Major RE Markets in India

CIRIL Network is a membership-based premier owner-operated network of brokerage companies in India. Currently CIRIL network serves clients in more than 270 cities across India and have office in 15 cities across India i.e Delhi, Gurgaon, Mumbai, Bengaluru, Kolkata, Pune, Hyderabad, Ahmedabad, Surat, Noida, Chandigarh, Jaipur, Indore, Lucknow & Patna.

Keeping in view the positive RE trends for Year 2015, CIRIL bring in its first quarterly report for period Jan – Mar, 2015 tracking markets trends of commercial, retail, hospitality, land, industrial and logistic sectors.

INCENTIVES FOR REAL ESTATE

UNION BUDGET 2015-16

These are some of the measures announced in Budget 2-15-16 that has directly or indirectly impact on housing and Real Estate sector:

- Allocation of Rs 22,407 crore for housing development in the country. This would involve construction of 2 crore urban and 4 crore rural housing units across the country to realize the aim of 'housing for all by 2022'.
- Construction of 6 crore toilets under the 'Swachh Bharat Abhiyan'.
- Allocation of Rs 4173 crore for water resources in the country.
- Introduction of the 'Benami Transaction Bill' in order to curb black money in the property market. Prohibition of acceptance of an amount of more than Rs 20,000 in cash for any property deals.
- Allocation of Rs 70,000 crore for development of infrastructure- roads, rail and agriculture.
- Tax free bonds for infrastructure for roads, rail etc will bring low cost additional debt funds along with Budget funds.
- Proposal to overhaul the capital gains taxes to pave way for the listing of Real Estate Investment Trusts (REITs) in the country.
- Allocation of Rs 1200 crore for the development of the Ahmedabad-Mumbai industrial corridor.

Most of the RE players view this budget as disappointing for the real estate sector as the industry was hoping that the Budget would incentivize the developers for creating affordable housing besides various reliefs in taxation and reduction of rates for home loan to revive the sluggish market.

The Budget 2015-16 also did not highlight anything new about the plan for '100 smart cities' in the country, which was a major disappointment.

The only comfort to be derived is that the Union Government has set a target of 6 crore new housing units by 2022, 2 crore in urban and 4 crore in rural areas to provide shelter to every houseless person. The government has allocated Rs 4,000 crore to the National Housing Bank (NHB) for housing for the urban poor as well as Rs 8,000 crore to enable rural housing.

Quarterly Snapshot

Mumbai



Commercial Market Trends

Mumbai Commercial Real Estate market is in road of recovery after two years of lull. In year 2014, the total annual absorption of 5.46 mn sft. New supply added to the Mumbai market during 2014 was 3.3 million sq ft which is much below annual average supply of 8 million sq ft in last five years. Approximately 7.4 million sq ft of vacant Grade A office space is available for lease or sale in the Mumbai office market. The first quarter of this year saw absorption of 0.25 mn sft in Mumbai commercial office market with negligible new supply. Housing.com took 1.5 lakh sft in Hiranandani complex while trafigure took 1 lakh sft in One BKC.

Vacancy rate remained stable at is 19.5 % in most micro markets. The average rental varies between Rs. 70 – Rs. 350 per sft depending on the location. The rental witnessed an avg. 4% YoY increase in 2014 despite lower absorption levels due to limited new supply and lack of quality office space. Around 3.5 million sq ft of new Grade A office space is expected to completed in 2015. Around 10 mn sft of office space is under construction and will be available in next 2-3 years. Demand for space in 2015 will be from E Commerce companies, BPO and Software Development, along with the BFSI and Pharma sectors.

Major Deals in Mumbai Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Essel Group	Marathon Futurex complex	2,20,000	Lower Parel	Sale
Bank of America	One BKC	1,30,000	Bandra Kurla Complex	Lease
Bright Star Investments	Hoechst House	37,210	Nariman Point	Sale
Housing.com	Hiranandani complex	1,50,000	Powai	Lease
Trafigure	One Bkc	1,00,000	Bandra kurla Complex	Lease
Taj Hotels	Express Towers	32,000	Nariman Point	Lease
Major Upcoming Projects in 2015				Completion
Godrej BKC	Godrej Properties	10,20,000	BKC	2015
Seawood Grand Central Tower I & II	L & T Infrastructure	13,50,000	Navi Mumbai	2015
Lodha Codename Business Class	Lodha Group	12,60,000	Thane	2015

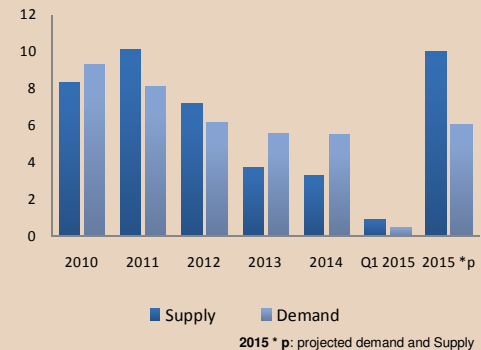
Retail Market Trends

There is no fresh supply of Mall space in Mumbai Retail market this quarter. Most of the new supply is expected towards end of 2015. Transaction activity in Mumbai malls were limited throughout last year due to lack of quality space. Occupancy levels in quality malls remains high while majority of the vacancy is concentrated in lower quality malls. Overall mall vacancy for the city is stable at 15.4%. Linking road and Colaba Causeway command rentals between Rs. 650 – Rs. 750 per sft per month, while Thane, Vashi and Chembur SBD command average rental between Rs. 250 – Rs 400 per sft per month.

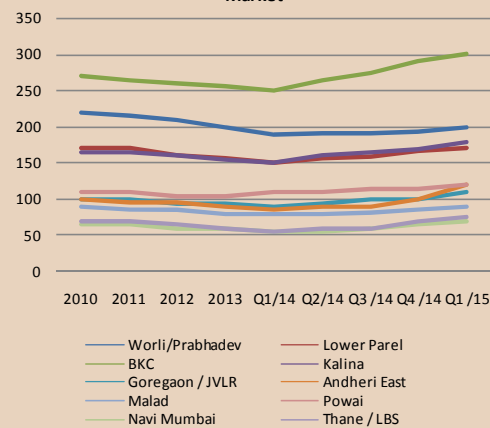
Rentals for malls are stable eastern locations but witnessed slight increased in Goregaon, Vashi and Lower Parel to high demand from apparels, lifestyle and F&B segments. Limited supply kept mall rentals stable in all other locations of the city.

Foreign F&B brands continued to expand their presence in suburban locations of the city. Main-streets in Mumbai continue to witness vibrant activities driven mainly by F&B and lifestyle demand for space. The average rental in Malls varies between Rs. 750 – Rs. 250 per sft depending on the location.

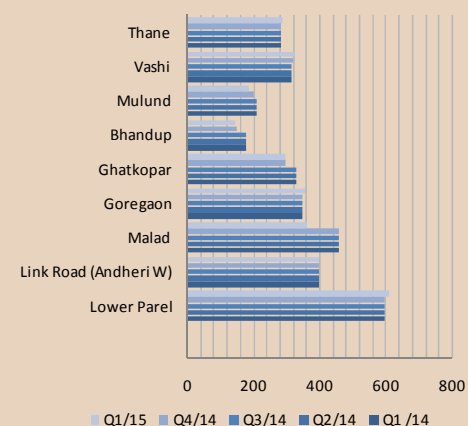
Demand and Supply in Mumbai Commercial market in million sft



Average Rental Trends in Mumbai Commercial Market



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



Significant Leasing Transaction in Retail Market (Q4 2014 and Q1 2015)			
Property	Location	Tenant	Square feet
Infinity Mall	Link Road (Andheri)	Burger King	2,000
Standalone	Colaba Causeway	William Penn	1,200
Major Upcoming Projects in 2015		Completion	
Lodha Mall	Dombivli	Q4 2015	5,00,000
Grand Central	Seawoods	Q2 2016	11,00,000

Hospitality Trends

Mumbai being the Financial Capital of India is the largest hotel market in the country. Mumbai has remained top hospitality investment destination since last decade. Successfully absorbing the increase in supply over the last three years, the city-wide occupancy has been 64% in year 2014.

At present, Mumbai is suffering from demand – supply mismatch as supply has outpaced demand. Over 10,000 keys are planned to enter the Mumbai market between 2015 and 2018, significantly adding to rooms' inventory and placing pressure on potential gains in Occupancy and ARR.

Majority of the new supply expected to enter the Mumbai market is located in BKC, Andheri, Juhu and Santa Cruz. Average Room Rates (ARRs) are expected to be largely flat while occupancies are estimated to improve in 2015. The government initiative to drive tourism through several strong policy initiatives could bring in stronger demand, supporting the industry over the next 12-18 months. The newly opened Terminal 2 and the proposed convention centre currently being developed near the domestic airport are further expected to augment Airline and MICE demand for the city. Mumbai Hospitality market outlook is positive.

Industrial and Warehousing market Trends

Mumbai witnessed healthy demand for industrial and warehousing sheds from third party logistics players, FMCG and pharmaceutical majors. To further give boost to this growing sector, Mumbai Metropolitan Regional Development Authority (MMRDA) has also proposed various infrastructure projects that are likely to push up industrial and warehousing demand in the region.

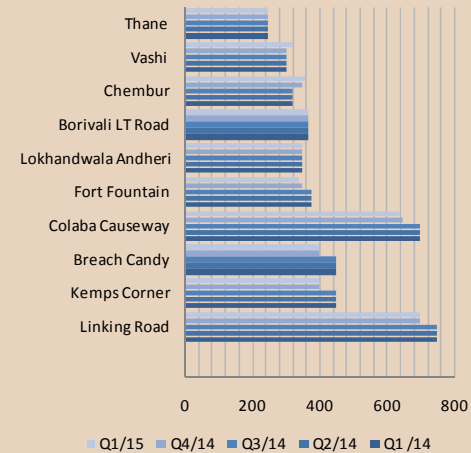
Stable demand from e-commerce, Fast Moving Consumer Goods (FMCG), pharmaceuticals, textile and consumer electronics companies and availability of space in Bhiwandi, Panvel and Uran have kept rentals stable across all warehousing locations but is expected to increase in 2015.

Owing to high land prices in Bhiwandi and Panvel, the Western Suburbs and Nashik on NH-3 are emerging as new warehousing zone.

Industrial land prices remain high along Thane-Belapur Road due to its strategic location and proximity to Mumbai and number of commercial office complexes. Industrial land parcels in peripheral locations like Rasayani Patalganga and Penkhopoli Road have witnessed higher preference from manufacturing units due to lower prices and better infrastructure, connectivity to National Highway (NH)-04 and NH-17. The rentals in industrial belts are expected to remain stable in all micro markets in 2015.

- E – retailing giant Jabong picked up 120,000 sq ft in Gurgaon, Mumbai.
- Office space absorption by e-retailing firm in Mumbai grew from no absorption in 2013 to 27,000 sq ft in 2014.

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



Hotel Industry in Mumbai

Categories	
Existing Supply	13022
Proposed Supply	7896
Increase in Future Supply	43%
Active development of supply	72%
Luxury	21.40%
Upscale	0.00%
Mid-market	53.10%
Budget	25.60%
Extended Stay	0.00%
Occupancy	64.20%
ARR	6360
RevPAR	4000

RevPAR: revenue per available room
Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

Mumbai Industrial and Warehousing Trends

Submarkets	Industrial Rents		Warehousing Rents
	Land rates in INR Mn/acre	INR/sft/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

Quarterly Snapshot

NCR Delhi



Commercial Market Trends

NCR Delhi (New Delhi, Gurgaon and NOIDA) witnessed approximately 6.2 million sq ft. of office space transactions during 2014. The absorption was concentrated in the submarkets of Delhi like Okhla and Mohan Cooperative Industrial Area (25%), CBD (20%), Jasola (15%), Saket (5%) and other locations such as Aero City, Vasant Kunj, Pitampura and Bhikaji Cama Place.

In NCR, Gurgaon and Noida cities witnessed higher absorption in 2014 than in 2013. The IT/ITeS sector continued to have the highest share in demand (45%), followed by BFSI (20%) and manufacturing (10%). Total supply of office space in 2014 was around 8.7 million sq.ft.

Q1 2015 transaction of around 1.5 million sft of office space transaction while supply is negligible. Total supply predicted for year 2015 is approx. 10.2 mn sq.ft with major supply expected in Q4 2015 and Q1 2016. Gurgaon will remain the preferred office destination in NCR to be followed by Noida. The leasing profile will be dominated by IT/ITes companies, especially in SEZ. The Delhi office market is now in recovery mode after the general elections. The market witnessed 2% avg. increase YoY in rentals. Capital values increased by 3% YoY, indicating market revival. Vacancy remained high at 19% with almost 14.5 million sft of space available in NCR Delhi particularly in Gurgaon and Noida markets.

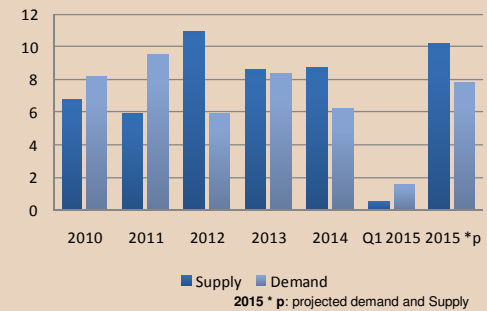
Major Deals in NCR Delhi Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Snapdeal	A-28, Mohan Co-operative	1,15,000	Delhi	Lease
Godfrey Philips	Omaxe Square	1,11,483	Jasola, Delhi	Lease
Axis bank	Parsvnath Redfort Capital	55,500	Connaught Place, Delhi	Lease
SBI Bank	Parsvnath Redfort Capital	41,000	Connaught Place, Delhi	Lease
Vodafone	Mohan co-operative	35,000	Delhi	Lease
Aditya Birla Group	Parsvnath Redfort Capital	24,000	Connaught Place, Delhi	Lease
Nagarro Software	Udhog Vihar	4,10,000	Gurgaon	Lease
Evalueserve	DLF Silokhera	50,000	Gurgaon	Lease
Vistara Airlines	One Horizon Centre, Golf Course Rd.	34,000	Gurgaon	Lease
GE India	DLF Building 9	21,000	Gurgaon	Lease
Jabong.com	Udhog Vihar	1,20,000	Gurgaon	Lease
Indigo Airlines	Sector 44	75,000	Gurgaon	Lease
TCS	Sohna Road	40,000	Gurgaon	Lease
Kronos Solutions	Sector 62	1,20,000	NOIDA	Lease
Safenet India	Sector 125	70,000	NOIDA	Lease
iGate Global Solutions	Infospace SEZ, Sector 135	62,000	NOIDA	Lease
Indian Express Group	Sector 10	60,000	NOIDA	Lease
Lava Mobiles	Sector 58	60,000	NOIDA	Lease
Pinelabs	Infospace, Sector 62	45,000	NOIDA	Lease
IntelliGrape Software	Logix Technopark, Sector - 127	30,000	NOIDA	Lease

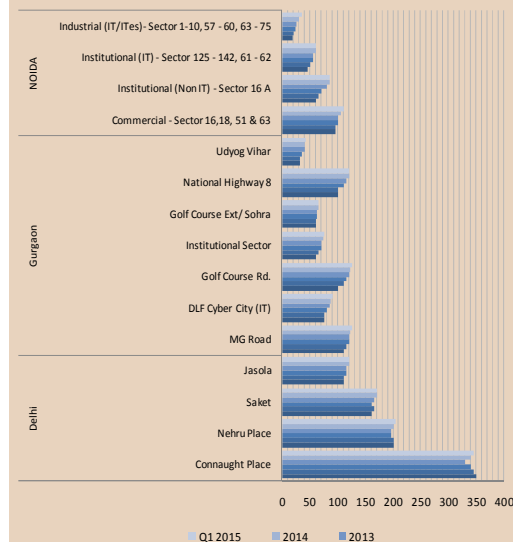
Major Upcoming Projects in 2015 and 2016

Project Name	Area (SF)	Location	Year
NBCC Plaza	80,52,128	Kidwai Nagar	2016
RPS Infinia	10,00,000	Mathura Road	2015
NBCC Plaza	12,37,000	Okhla	2016
Vatika Mindspace	10,00,000	Mathura Road	2015
Bharti World Mark	15,00,000	Delhi	2015
Business Club	7,00,000	Golf Course Extension Rd	2015
Parsvnath IT Park Technica	6,95,000	Sohna Road	2015
Unitech Infospace, Phase 2 Building 7	4,50,000	National Highway 8	2015
Delhi One	20,00,000	DND Flyway	2015
Mist Avenue	10,00,000	Sector 143	2015
I Thum	1,500,000	Sector 62	2016

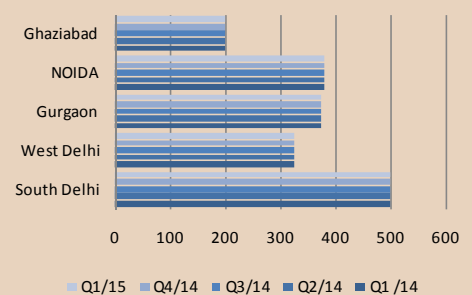
Demand and Supply in commercial Market of NCR in million sft



Average Rentals of Commercial Market in NCR Delhi in INR/ sft



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



Retail Market Trends

Q1 2015 saw no new infusion of retail space. Malls in locations such as Sohna Road and Golf Course Road in Gurgaon, Indirapuram in Ghaziabad and Pari Chowk in Greater Noida saw healthy absorption by F&B, apparels and spa & salon retailers. Overall vacancy levels remained 19% in most micro markets. With no new supply scheduled to come online, the overall mall vacancy level is expected to register a further decline whilst rental values are expected to remain stable.

NCR is expected to 7 million sft 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 2.6% in the main street locations of Connaught Place, Rajouri Garden and Khan Market. Average rentals vary between Rs. 800 – Rs. 450 per sft per month for main streets while for Mall the asking price is between Rs. 500 – Rs. 200 per sft per month.

Significant Leasing Transaction in Retail Market (Q4 2014 and Q1 2015)

Location	Tenant	Square feet
South Delhi	Burger King	3,000
Connaught Place	Natural Ice cream	2,300
Connaught Place, Inner Circle	Adidas	2800
Jungpura	Inox Multiplex	12,000
Lajpat Nagar	Wills Lifestyle	2000
Golf Course Road, Gurgaon	KFC	2,500
MG Road, Gurgaon	Kalyan Jewellers	7500
Major Upcoming Projects in 2015		
Mall of India	NOIDA	19,00,000
Capitol	Paschim Vihar	2,00,000

Hospitality Trends

NCR Delhi is feeling the impact of oversupply that has outpaced demand. Over 16,000 keys are planned to enter the market between 2015 and 2018 in NCR Delhi significantly adding to rooms' inventory and placing pressure on Occupancy and ARR. As of 2013-14, the total organized inventory in the Delhi-NCR was 20,411 keys, up almost 3,000 from 19,491 in 2012-13. The market is also dominated by the Luxury and Upper Upscale segments that combined account for 36% of supply. The Upscale segment accounts for 27% of supply, while the midscale segment (mostly concentrated in the Gurgaon micro-market) accounted for 29%. The budget segment, at 8% is the smallest segment.

The demands for rooms are primarily from business and transient segment, contributing over 70% of occupancy.

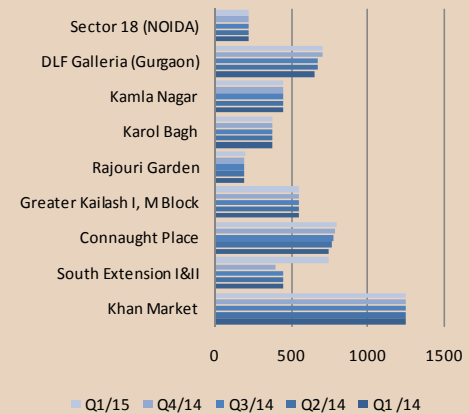
By 2017 there will be addition of another 3,000 keys. While the Luxury, Upper Upscale and Upscale segments will continue to be prominent, supply in the midscale, economy and budget categories will see visible increases in the period ahead, as newer geographies are covered. During 2014, the occupancy for the market was 49.4% and is one of the markets that saw the most additions to supply in 2013-14, which had a resultant impact on both occupancy and ARR in Delhi-NCR.

Industrial and Warehousing market Trends

Delhi observed strong demand for industrial and warehousing space in year 2014. Consistent demand levels ensured a 10-11% rental increase across all micro-markets within this region during this period. In NCR's, Bawal submarket, IMT Manesar, Greater Noida, Noida Phase and Noida's Phase II submarket witnessed new supply of quality industrial sheds leading to a rental appreciation..

The rentals witnessed increases in the range of 10–15% over the past two year in NCR. The highest increase is witnessed in the Hassangarh submarket, primarily due to availability of new and superior quality warehouses. Bilaspur – Pataudi (NH-8) submarket is also witnessing brisk activity due to better quality warehouse infrastructure. While rental values in the Palwal submarket declined due to low demand from occupiers and existing high vacancies.

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



NCR Delhi Hospitality Trends

Categories	Delhi	Gurgaon	NOIDA
Existing Supply	12025	5190	1119
Proposed Supply	5355	3268	2406
Increase in Future Supply	45%	63%	215%
Active development of supply	71%	54.00%	70%
Luxury	8.40%	18.40%	10.40%
Upscale	31.60%	11.80%	55.40%
Mid-market	37.00%	44.70%	10.60%
Budget	18.40%	17.70%	23.60%
Extended Stay	4.70%	7.30%	0.00%
NCR Delhi Hotel Performance			
	2013	2014	2015 * p
Occupancy	54.00%	49.40%	45.00%
ARR	7,429	7,578	7,775
RevPAR	3,480	3,400	3,380

RevPAR: revenue per available room
Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

NCR Industrial and Warehousing Trends

Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
NCR - UP			
NOIDA Phase I	390 - 395	35 - 40	
NOIDA Phase II	70 - 75	15 - 18	
NOIDA Phase III	200 - 215	20 - 25	
Greater NOIDA	38 - 40	15 - 18	
Yamuna Expressway	18 - 20		
NCR - Haryana			
Faridabad	90 - 92	18 - 22	
Bilaspur			15 - 18
Dhanuhara			13 - 15
Hassangarh			13 - 15
Kundli		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	

Quarterly Snapshot

Bengaluru



Commercial Market Trends

Bangalore, the IT capital of India, is the only market which has seen steady growth of commercial demand. The city tops the chart with about 45% share in the pan India absorption in 2014. IT / ITeS sector accounts for 70% of the city's total absorption of around 13.8 million sq ft in 2014. The market has benefitted from both the increased demand from the IT/ITeS sector and the booming Indian e-commerce sector. The most significant deals in 2014 include the 3.8 million sq ft office space taken by e-commerce giant Flipkart, which alone contributed about 25% in the city's total absorption. The vacancy remained stable at 13% but is expected improve due to healthy demand of commercial space.

The country's IT capital is expected to see the highest office space absorption among the key cities of India in 2015. Outer Ring Road is the most preferred micro-market with more than 50% of the total absorption, followed by Whitefield 20% and the CBD 10%. The city has a robust new supply pipeline of approximately 33 million sq ft in the next 3 to 5 years.

With Flipkart is looking to add another 2 million sq ft to its existing office space in Bengaluru and Amazon is looking to lease another 1.3 million sq ft. Bangalore Commercial RE scenario looks positively bullish with growing demand from both IT & ITES and e-commerce segment.

Major Deals in Bengaluru Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Flipkart	Embassy Tech Village	38,00,000	Outer Ring Road	Lease
Wipro	Divyansree Technopark	5,00,000	Whitefield	Lease
Mercedes Benz	Embassy Group	2,66,000	Whitefield	Lease
Flipkart	Pardhanni Wilshire	2,36,000	Outer Ring Road	Lease
Continental	Golden Supreme Tech Park	2,00,000	Electronic City	Lease
Accenture	Divyansree Technopark	1,50,000	Whitefield	Lease

Major Upcoming Projects in 2015

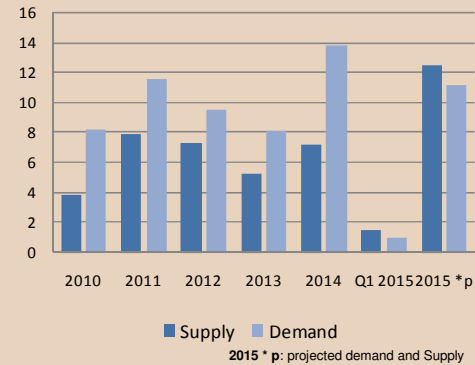
Salarpuria Aura	Salarpuria Developers	4,00,000	Outer Ring Road	Q1 2015
Prestige Platina (Block 1)	Prestige Group	3,50,000	Outer Ring Road	Q2 2015
Prestige Platina (Block 2 & 3)	Prestige Group	5,50,000	Outer Ring Road	Q3 2015

Retail Market Trends

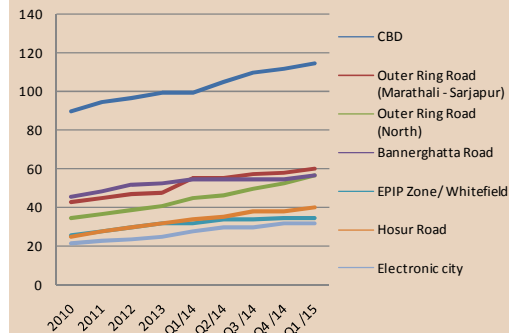
While the rentals remain stable, Bengaluru witnessed no additional supply of Mall space in Q1 2015. Approx. 300,000 sf of Mall Space came up in Bengaluru in the year 2014. End of the 2015 is expected to see addition of 7 new malls admeasuring around 3 million sq ft. The overall mall vacancy is 9.3%. The demand-supply equilibrium is expected to keep the rentals stable.

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 rentals in most main streets have remained stable during this year. 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.

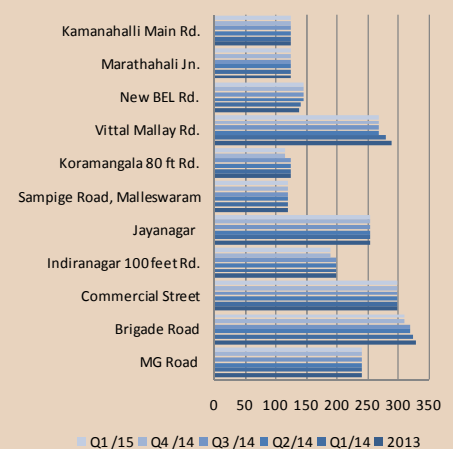
Demand and Supply in Bengaluru commercial Market in million sq ft



Average Rentals in Bengaluru Commercial Market in INR/ sq ft/ month



Avg. Retail Rents in Main Street Retail in INR/ sq ft/ month



Few micro markets such as Vittal Mallya Road, Brigade Road and Indiranagar 100 Feet Road

witnessed a 5% -10% corrections in its rentals during 2014.

Significant Leasing Transactions in Retail Market (Q4, 2014 and Q1 2015)			
Property	Location	Tenant	Area
Standalone	Jaynagar	Kalyan Jewellers	10,000
Standalone	Koramangala	Kalyan Jewellers	9,800
Standalone	Jaynagar	Sultan Jewels	12,000
Standalone	Koramangala	SYRA Partners	12,500
Significant Project under construction		Area	Completion
ETA Namma Mall		Binnypet	3,20,000
Vaishnavi Mall		Tumkur Rd.	2,00,000
VR Mall		Mahdevapura, Whitefield	6,20,000

Hospitality Trends

Bengaluru being the IT Capital of India has historically seen a high percentage of upscale room supply; however, this is now changing with an increasing number of Economy and Budget hotels having recently commenced operations. With their no frills service-design and low cost of operations, these hotels are ideally suited to cater to low-paying IT/ITeS demand which the city thrives on. The 2013/14 fiscal saw the addition of around 1350 branded rooms in Bengaluru micro market. According to HVS India report for the hotel industry, Bengaluru is expected to surpass Delhi in terms of the number of hotel rooms by 2018 and become the main hotel market in India.

However, in spite of such a large increase in supply, occupancy actually grew by 6% in 2013/14 over 2012/13. Average room rates, however, have shown decline, dropping by approximately 9% over the previous year. This may primarily be attributed to new supply being of a lower positioning coupled with average rate pressures being faced by older hotels.

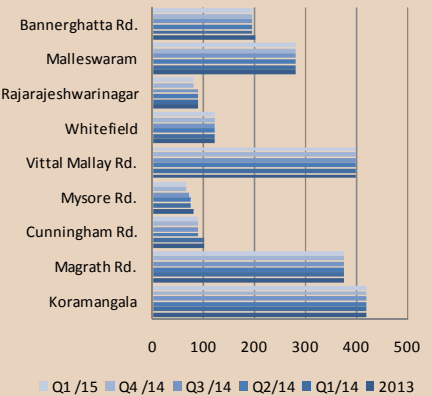
Future supply for Bengaluru is estimated to be approximately 7,000 hotel rooms of which only 66% is being actively developed. With overall business sentiment in the city anticipated to further improve in the coming year.

Industrial and Warehousing market Trends

Bengaluru saw brisk demand for Industrial Land and Warehousing space in year 2014. Major space demand is seen ne 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 the year 2014. 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.

Karnataka Government is coming up with a logistics park in close proximity to the Bangalore International Airport to facilitate cargo and container movement, which is expected to boost demand along the Northern Corridor of Doddaballapur, Bagalur, Devanahalli and Bellary Road. Bangalore is likely to attract strong demand for warehouse space from 3PLs, FMCG firms and retail majors in the coming months. BTS facilities will continue to remain the preferred mode of development for warehouses.

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



Categories	Bengaluru
Existing Supply	9877
Proposed Supply	6911
Increase in Future Supply	70%
Active development of supply	66%
Luxury	18.90%
Upscale	26.50%
Mid-market	24.90%
Budget	17.60%
Extended Stay	12.10%
Occupancy Rate (OR)	58.70%
Average Room Rent (ARR)	INR 5427
RevPAR	INR 3212

RevPAR: revenue per available room
 Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

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

Quarterly Snapshot

Chennai



Commercial Market Trends

Chennai witnessed improved occupier sentiment as leasing activities gained momentum in 2014. Around 4.2 million sq ft of office absorption is seen in the Chennai Commercial Market driven by IT/ ITeS sectors followed by BFSI and Pharma. Guindy and OMR emerged as the most preferred suburbs.

Nearly 223,400 sf of new supply entered Chennai Market in Q1 2015, mainly in the CBD. Most of the new supply is expected to hit market at end of 2015. The available supply of Chennai Grade A office property market remained at approximately 5.8 million sq.ft

By submarket, OMR accounted for 50% of the available supply, followed by Ambattur 25% and CBD 15%. Approximately 10 million sq ft of grade A office space is under various stages of construction and will be available in next 2-3 years.

Q1 saw absorption of around 0.7 million sft, mostly concentrated in OMR – Rajiv Gandhi Salai (RGS) submarkets. The vacancy level remained stable at 16% despite the strengthening in leasing activity. Despite improved demand, rents and capital values for Grade A office space remained stable across all micro markets.

Major Deals in Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Accenture	Sriram Gateway SEZ	2,20,000	GST Road	Lease
BNP Paribas	Center Point - 2	1,80,000	Guindy	Lease
TCS	Ramanujam IT SEZ	1,09,000	OMR	Lease
Capgemini	Prestige Cyber Towers	75,000	OMR	Lease
TCS	DLF IT Park	73,000	Guindy	Lease
Societe Generate	DLF IT Park	73,000	Guindy	Lease
Ford	SP Info City	67,000	OMR	Lease
Thinksoft	Prince Info City	56,000	OMR	Lease

Major Upcoming Projects in 2015

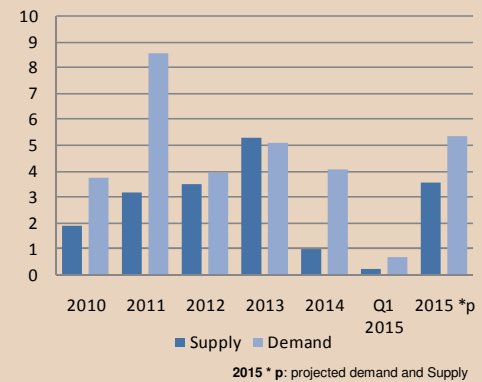
Project Name	Area (SF)	Location	Completion
SP Info City - Block C	9,50,000	OMR - RGS	Q2 2015
Ramanujam IT City - Block E	5,50,000	OMR - RGS	Q4 2015

Retail Market Trends

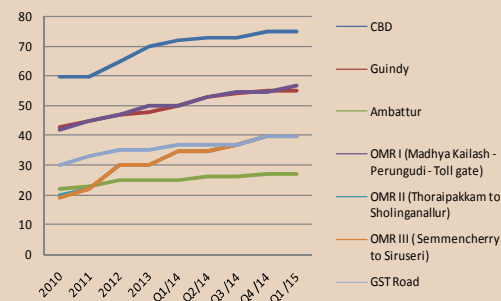
Since last one year, Chennai has not witnessed any new mall supply. New Mall supplies are expected to hit market at end of 2015. Overall mall vacancy level stood at 7%. Mall rentals have remained stable across most submarkets except Chennai - CBD 1 which witnessed rental appreciation due to low availabilities of quality space and high demand from apparels and food & beverage (F&B) retailers.

Stable demand and steady rentals are observed in most main streets retail corridors. Avg. rental varied between Rs.120 – Rs. 300 per sft/month depending on the location. Mall rentals is expected to remain stable but is set to decrease in the wake of limited demand from retailers in next quarter. Some malls in the submarkets of CBD - I and Chennai - South may continue to witness a slight rental uptick due to high demand from F&B and apparels retailers.

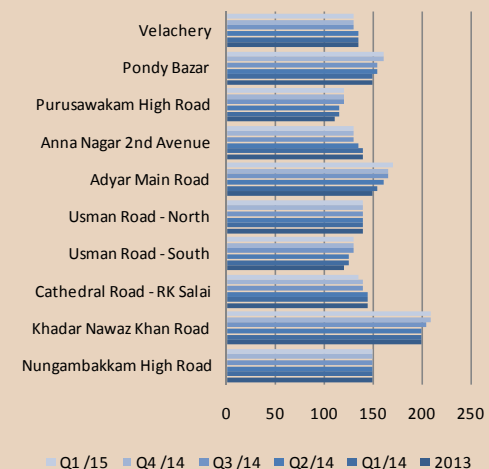
Demand and Supply trends in Chennai commercial Market in MN sft.



Average Commercial Rentals in Chennai - INR/sft/month



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



Significant Leasing Transactions in Retail Market (Q4, 2014 and Q1 2015)

Property	Location	Tenant	Area
Standalone	Chrompet	Sarvana Stores	1,60,000
Standalone	Velachery	The Chennai Silk	75,000
Standalone	T Nagar	Kalyan Jewellers	40,000
Significant Project under construction			Completion
Gold Souk	Vandalur	5,00,000	Q4 2015
The Palladium	Velachery	2,50,000	Q1 2016

Hospitality Trends

Chennai recorded the highest decline in RevPAR (16.0%) in 2013/14 when compared to 2012/13 primarily due to the slowdown in the manufacturing industry, particularly automobile sector. Steep decrease in both average rate and occupancy (9.2% and 7.5% respectively) resulted in the sharpest RevPAR drop that the city has witnessed in the last five years. After having witnessed a hefty increase in supply in 2012/13 (29.1%), the city continued to expand its supply base and recorded a double-digit growth (12.2%) in second consecutive year. CBD, which has the highest concentration of independently run hotels, saw a significant drop in ARR accompanied by a marginal decrease in occupancy.

In contrast, Guindy, which witnessed the largest influx of supply, saw erosion in both occupancy and average rates leading to a sharp decline in RevPAR.

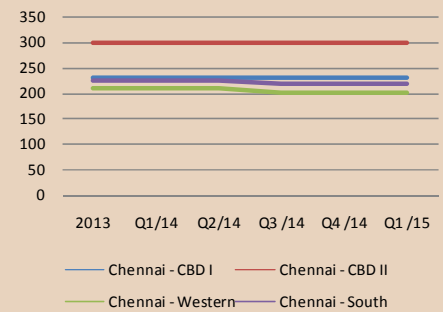
Chennai's hotel market is expected to become more competitive with around 3,100 new rooms entering the market over the next two-to-three years. Hotels are expected to focus more on occupancy than average rates across all micro-markets in the short-to-medium term. A majority of this supply (60%) is presently under construction along the OMR belt and is likely to keep the city's occupancy and average rate growth muted over the next two-to-three years.

Industrial and Warehousing market 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. Demand from manufacturing companies and logistics players along NH - 5 (Red Hills – Gummidipoondi) and Tada had led to 15% - 20% rental appreciation. Sriperumbudur-Tiruvallur increase in land values by 12% -15%.

Warehouses in Sriperumbudur-Oragadam, Sriperumbudur-Tiruvallur and Red Hills-Pereiyapalayam saw 5% - 12% year-on-year rental appreciation due to buoyant demand from automobile players and electronics occupiers.

Most submarkets are expected to maintain stable warehousing rentals, with select locations like Poonamallee and Ambattur witnessing slight appreciation in warehousing rentals over the year. Manufacturing rents will remain steady across submarkets.

Average Retail Rentals of Malls in Chennai in INR/sft/month

Chennai Hospitality Trends

Categories	Chennai
Existing Supply	7105
Proposed Supply	3885
Increase in Future Supply	55%
Active development of supply	80%
Luxury	3.90%
Upscale	5.30%
Mid-market	46.00%
Budget	37.90%
Extended Stay	6.90%
Occupancy Rate (OR)	55.00%
Average Room Rent (ARR)	INR 4942
RevPAR	INR 2741

RevPAR: revenue per available room
 Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

Chennai Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
NH 4 - Sriperumbudur - Oragadam SIPCOT	8	20 - 25	20 - 22
Sriperumbudur - Tiruvallur	13	18 - 20	20 - 22
NH 5 - Gummidipoondi	4	15 - 18	18 - 20
NH 5 - Red Hills - Tada	15	16 - 20	15 - 17
Ambattur	7	24 - 26	23 - 25
Poonamallee		25 - 30	
Maraimalai		23 - 25	20 - 23

Quarterly Snapshot

Hyderabad



Commercial Market Trends

Hyderabad's real estate market is finally reviving back, with the wait-and-watch approach, adopted by buyers / tenants following the division of Andhra Pradesh, being gradually replaced by optimism. The net absorption in the Q1 2015 is recorded at approximately 1.5 million square feet (sft) with peripheral markets of Pocharam, Madhapur and Gachibowli witnessing maximum absorption. IT/ITeS sector continued to remain the highest demand driver. KRC Mindspace (Building 12B) added supply of around 750,000 sft of Grade A office space in Q1 2015. Around 10 million sft of Grade A office space is in different stages of construction in Hyderabad micro-markets and is expected to be available in next 2-3 years.

Rentals continued to remain nearly stable across all submarkets. However, lower vacancy levels and comparatively higher demand contributed to marginal increase in rentals for the suburban micro-market of Madhapur.

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. 40 per sft. Demand for office space is likely to be strong amidst improved sentiments next year. Thus, although the All Grade vacancy levels across some submarkets might record an increase, Grade A vacancy levels are expected to decline in the upcoming quarter.

Major Deals in Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Accenture	DivyaSree Orion (Block 7)	4,80,000	Madhapur	Lease
Birla Soft	TSI Block - 2.1	70,300	Gachibowli	Lease
Dr. Reddy's Laboratories	Cyber Spazio	17,000	Banjara Hills	Lease
AP Space Application Centre	Naspur House	15,000	Himmaytnagar	Lease
Shore Infotech	Independent building	25,000	Kavuri Hills	Lease
Major Upcoming Projects in 2015				Completion
KRC Mindspace (Building 12B)		7,50,000	Madhapur	Q2 2015

Retail Market Trends

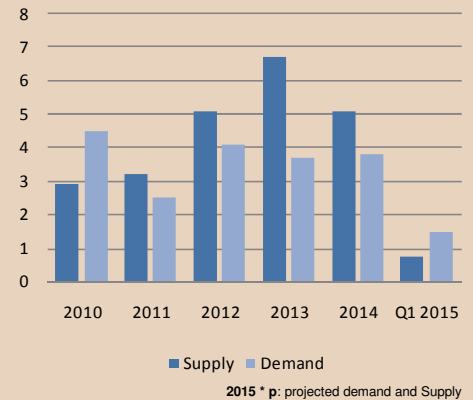
Q1 saw addition of approx. a million sft of retail space in Hyderabad Retail Market. Forum Mall, which opened in Kukatpally towards 2014 end, has been received well by the end-users. Existing malls like Inorbit are investing in significant retrofits to give the entrance sections a better look and help keep maintain their leadership position. L&T Metro has announced plans to develop the largest mall of Hyderabad opposite Raheja Mindspace.

Mall rentals held steady. In Q1 2015, mall rentals remained stable across all micro-markets due to

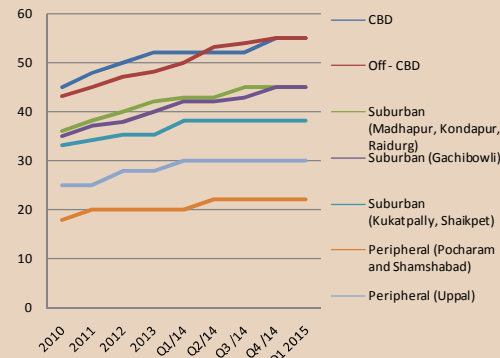
limited transactions and low churn. Reduced footfalls in select high streets / malls in Himayathnagar and Banjara Hills and poor availability of quality spaces resulted in poor leasing activity during this quarter. Transactions were concluded primarily in the apparels, food & beverage (F&B) and electronics segments in malls situated in Madhapur and Kukatpally.

International coffee chain, Starbucks opened its first outlet in the city at GVK one Mall. Rentals across main streets remained stable due to moderate demand. Apparels and F&B brands leased spaces in main streets such as Jubilee

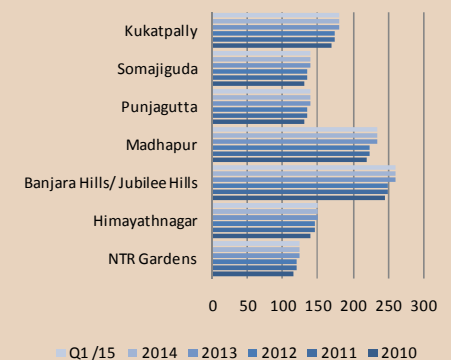
Demand and Supply Trend in Hyderabad Commercial Market in MN sft



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



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



Hills, Banjara Hills and Madhapur. Malls rentals are expected to rise. 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 next quarter.

Significant Leasing Transactions in Retail Market (Q4, 2014 and Q1 2015)

Property	Location	Tenant	Area
Manjeera Trinity Mall	Kukatpally	e-Zone Future	5,000
Standalone	Jubilee Hills 36	Planet Fashion	4,300
Local Developer	Hyderguda	D'mart	10,000
Local Developer	A. S. Rao Nagar	Pai Electronics	9,000
GVK One	Banjara Hills	Starbucks	4,000
Local Developer	Road No. 36, Jubilee Hills	Sachdeva Sports	1,500
Significant Project under construction		SFT	Completion
Maruthi Infinity Mall	Chandanagar	1,95,000	Q4 2015
SLN Lumbini	Kothaguda	1,50,000	Q1 2015

Hospitality Trends

For this sector 2014/15 has been the turnaround year post formation of Telengana. City is witnessing revival with conferences, tourism and business trips etc. seeing significant improvement. Hyderabad Hospitality market witnessed a 7.5% growth in occupancy. Average rates in Hyderabad, however, continue to witness year-on-year decline. Hotels have opted to adopt volume-based strategies especially in the wake of the slowdown in demand. Furthermore, approximately 60% of the recently opened supply in the city is spread across the midmarket, budget and economy segment of hotels. This has led to a further lowering of market wide average rates.

Hyderabad is slated to add approximately 2,900 hotel rooms over the next five years of which approximately 78% are under active development. The occupancies in the city in 2013-14 are around 53%. The year gone by saw the mega Conference of Parties being held at Hyderabad International Convention Centre, billed as one of the biggest conventions to be held in the country. However, the occupancy levels were average to low due to political instability and Telengana movement. The situation improved in 2014. Hoteliers are optimistic about Hyderabad hospitality sector in year 2015 and are expecting improvement in both occupancy and ARR.

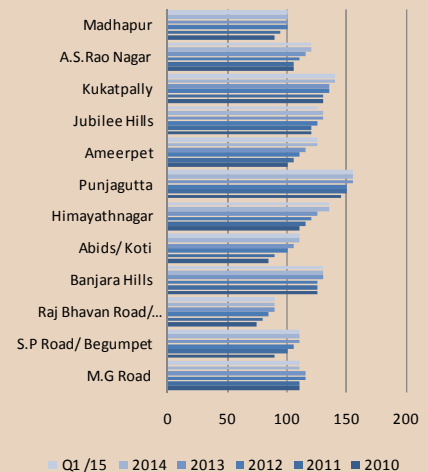
Industrial and Warehousing market Trends

Hyderabad has a huge industrial base located in peripheral areas such as Jeedimetla, Kothur, Uppal, Shamshabad, Kompally and Gundlapochampally. Multiple factors like frequent power cuts and limited plots with inadequate infrastructure in most submarkets of Hyderabad has led to low transactions despite the moderate demand; thus keeping the land capital values static in most submarkets. While three submarkets maintained stable rentals, 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 city has resulted in persistent demand in Uppal, which recorded an increase in industrial shed rentals.

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.

Leasing / sale activities in Genome valley for biotech / pharma companies remained static with low / medium range of deals happening on this side.

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



Hyderabad Hospitality Trends

Categories	Hyderabad
Existing Supply	5900
Proposed Supply	2893
Increase in Future Supply	49%
Active development of supply	78%
Luxury	0.00%
Upscale	6.20%
Mid-market	49.30%
Budget	39.00%
Extended Stay	5.50%
Occupancy Rate (OR)	53.00%
Average Room Rent (ARR)	INR 4437
RevPAR	INR 2353

RevPAR: revenue per available room

Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

Hyderabad Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/month
Medchal	23 - 26	11	
Shamirpet	7		
Fab City	8		
Kothur	6	12	
Moulali, Nacharam	46 - 50	17	
Uppal	44 - 48		
Patancheru	20 - 25	13	
Balanagar		15	
Kompally			13
Sanathnagar			16
Gundlapochampally			11
Shamshabad		11	

Quarterly Snapshot

Kolkata



Commercial Market Trends

The Kolkata office market continually remains subdued for the second consecutive year as a result of the policy level issues, with total absorption of around 0.8 million sq ft of Grade A office in 2014. Due to weakening demand and policy level stagnancy, many developers deferred their projects and only around 0.9 million sq ft of Grade A office space was added to the city. Most of the projects completed this year are located in Sector V/New Town. The vacancy level remained stable at 22%.

Around 15 million sq ft of office space is under development and will be available in next 2 – 3 years. Year 2015 is expected to remain stagnant until the city receives a boost at the policy level. The market will remain tenant favourable and rents may decline further in peripheral locations due to robust under-construction developments in the pipeline. However, rents for prime office spaces located in the CBD will remain unaltered due to consistent demand and limited supply in these locations.

Major Deals in Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Accenture	Unitech Infospace	77,144	PBD	Lease
Regus	The Legacy	17,000	Park Street	Lease
ACC	Infinity Think Tank	10,000	Sector V	Lease
Abzoba	Infinity Benchmark	9,000	Sector V	Lease
Made Easy Education	Apeejay Artistry	7,250	SBD	Lease
Aegis Software	Eospace	16000	Rajarhat	Lease
HP	DLF IT Park I	11,500	Rajarhat	Lease
NSN	Godrej Waterside	50,000	Sec V	Lease
Bandhan Bank Ltd	Godrej Waterside	36,000	Sec V	Lease
Mega Calibre	I Space ii	32,000	Rajarhat	Outright

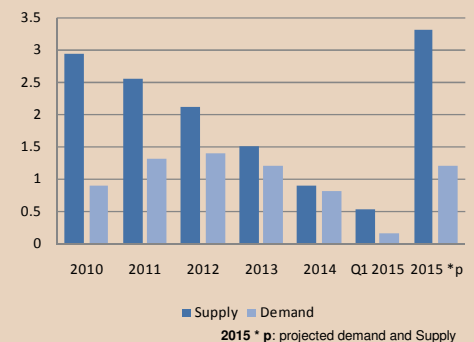
Major Upcoming Projects in 2015	Completion
PS Srijan Corporate park	Q1 2016
Unitech Infospace (Block C1 and C2)	Q12015
Godrej Genesis	Q1 2016
Eco Intelligent Park	Q4 2015
Ambuja Ecosuite	Q4 2015
Ideal Unique Centre	Q3 2015
Mani Casadona	Q3 2015

Retail Market Trend

Kolkata retail sector has witnessed improved retail activity in 2014 as compared to 2013. Market is expecting to add around 1 mn sqft of new Mall supply in 2015. The demands for high street properties have seen significant growth from all segments of retailers in the last year and the same trend is continuing. Rajdanga Main

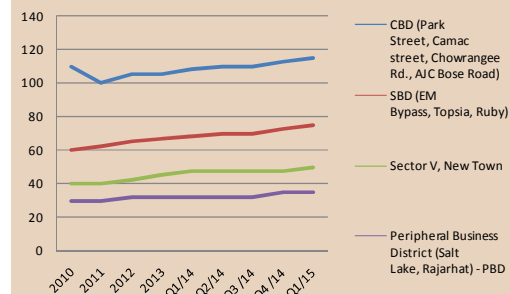
Road, EM Bypass (from Science City to Prince Anwar Shah Road connector), NSC Bose Road, Rash Behari Avenue, etc are emerging as new high street destinations in Kolkata. Product lines in the categories of Automobiles, Jewellery, Food & Beverages, Regional level garment operators have seen Maximum movement in Retail Expansion in the last year. Inspite of

Demand and Supply Trends in Kolkata Commercial Market in Mn sft

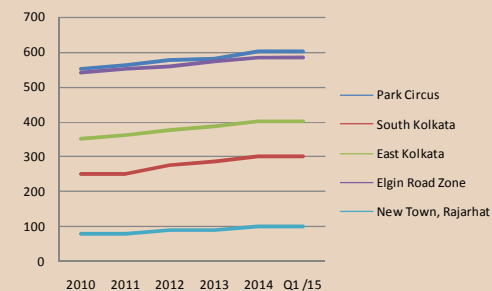


2015 * p: projected demand and Supply

Average Commercial Rentals in Kolkata in INR/sft/month



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



saturation in the demand of shopping malls and existing Mall vacancy levels in Kolkata there is still significant demand for proper organised shopping mall in some strategic locations like Barrackpore Trunk Road (B.T. Road), Diamond Harbour Road (D.H. Road) and Garia Area. High street retail transactions are expected to remain the main focus in the year 2015. The organized

retail is gradually spreading in the outskirts of Kolkata in locations like Madhyamgram, Barasat, Sodepur, Narendrapur, Sonarpur, Baruiপুর, Barrackpore, Kalyani, Kanchrapara, Konnagar, Sreerampore Chandanagar, Rishra, etc. The overall leasing and outright activity is expected to further improve in 2015.

Source: CIRIL Research. This is as per best of our Market Information and subject to any subsequent cancellation

Significant Leasing Transactions in Retail Market (Q4, 2014 and Q1 2015)			
Property	Location	Tenant	Area
Standalone	New Town (Near City Center II)	Central (Future Group)	1,00,000
Park Center	Park Street	Barbeque Nation Restaurant	10,000
Woodburn Central	Woodburn Street	Mark & Spencers	16,000
Southcity Mall	Barasat	Big Bazaar	36,000
Avani Riverside Mall	Howrah	MAX Fashion	10,000
Standalone	Elgin Road	Indian Jems and Jewellery	5,500
Forum Mall	Elgin Road	TGIF Restaurant	3,500
Acropolis Mall	Rajdanga Main Road	Anita Dogra Designer	4,000
Standalone	Camac Street	Tanique Jeweller	8,000
Standalone	Gariahat	Sriniketan	5,000
LIC Building	ESPLANADE	Rrliance Trends	10,000
Diamond Plaza	Jessore Road	Restaurant	8,000
Standalone	Camac Street	Arvind Store	4,200
Significant Project under construction		SFT	Completion
Merlin Acropolis	Rajdanga Main Road	3,00,000	Q2 2015
Forum Rangoli	Howrah	3,50,000	Q3 2015

Hospitality Trends

Kolkata is the only city in the country that has recorded improved occupancy levels in the last 3 years in spite of increase in supply during the same period. This shows strong growth in new room night demand coupled with previously unaccommodated demand that was being catered to by the unorganized sector of hotels. Average room rate growth, however, has been muted. Therefore, in order to maintain previous occupancy levels, older hotels have dropped average rate. While areas like Salt Lake have seen a spurt of commercial development and the setting up new offices, other periphery areas like Rajarhat (New Town) remain untapped. There have been plans of developing a large world-class convention centre in Rajarhat; however,

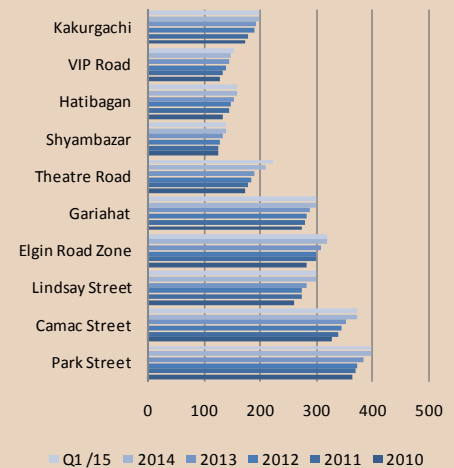
currently there has been no progress on this project. Future supply for the city is estimated to be approximately 2,500 hotel rooms of which 72% are under active development. Among these, Novotel has recently launched its new hotel project in Kolkata while Swissotel is operational. A large percentage of this new supply is upscale in nature and, therefore, the city now faces a situation of being over-supplied in this segment. Given the nature of demand in the city which primarily stems from the low paying PSU and IT/ITeS segments, Budget and Economy hotel developments are the need of the hour. There will be pressure on both occupancy and average rate for Kolkata in the short term with the entry of six new hotels over the next 2-3 years.

Industrial and Warehousing market Trends

Major industrial and warehousing pockets are in Kolkata Bombay Road and Old Delhi Road. Bombay Road and Old Delhi Road witnessed an appreciation of 10% -12% 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 pharmaceutical, agro products

and logistics segment. They have witnessed a 6% – 9% yearly rise in rentals. Capital values for land likely to see appreciation due to persistent demand. The traditional warehousing and industrial hub, Howrah is another industrial and logistic hub located on other side of River Ganga. This area is also seeing brisk activity particularly from FMCG due to its strategic location.

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



Kolkata Hospitality Trends

Categories	Kolkata
Existing Supply	2243
Proposed Supply	2584
Increase in Future Supply	115%
Active development of supply	72%
Luxury	17.40%
Upscale	35.00%
Mid-market	25.30%
Budget	22.30%
Extended Stay	0.00%
Occupancy Rate (OR)	72.00%
Average Room Rent (ARR)	INR 5639
RevPAR	INR 4058

RevPAR: revenue per available room
Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

Kolkata Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Warehousing Rents INR/sft/month
Bombay Road - NH 6	18 - 48	13 - 20
Old Delhi Road - NH 2	18 - 30	13 - 18

Quarterly Snapshot

Pune



Commercial Market Trends

The Pune market remained robust in 2014, witnessing office space transaction of around 4.91 mn sq ft. The demand is driven by IT/ITeS sector (85%) followed by BFSI and Engineering. Approximately 5.2 million sq ft of new supply was added to the Pune office market mainly concentrated in Hinjewadi, Yerwada, Hadapsar, Kharadi, Kalyani Nagar, Viman Nagar and parts of Aundh and Baner. There is a healthy demand of space in SEZ where vacancies are 5%. With healthy absorption and limited supply, the overall vacancy levels is at 19%.

Average rentals of commercial property in Pune vary between Rs. 35 – Rs 80 per sft/month depending on the location. Rentals have seen upward trend in the Off-CBD-I, Off-CBD-II and Suburban-West submarket due to limited supply of Grade A space. Approximately 9 million sq ft is expected to hit the market in the next three years. This significant supply addition may lead to a slight increase in vacancies despite prospects of an improvement in net absorption. Transaction activity is expected to maintain its good run.

Major Deals in Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
HSBC	Business Bay	5,05,000	Yerwada	Lease
Cognizant	Wadhawa IT Park	1,50,000	Hinjewadi	Lease
Emc2	Blue Ridge	1,20,000	Hinjewadi	Lease
Citi Bank	EON	60,000	Kharadi	Lease
UBS	commerzone	54,000	Yerwada	Lease
Rockwell Automation	Embassy Tech Zone Mississippi	50000	Hinjewadi	Lease
Accenture	SP Infocity	2,00,000	Fursungi	Lease
Deutsche Bank	Business Bay - Phase II	1,35,000	Yerwada	Lease
Geometric	Blue Ridge	40,000	Hinjewadi	Lease
Tata Technologies	Blue Ridge	80,000	Hinjewadi	Lease

Major Upcoming Projects in 2015

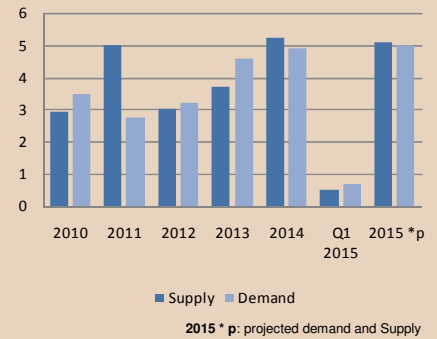
			Completion
Nyati Corporate Park	2,80,000	Yerwada	Q2 2015

Retail Market Trends

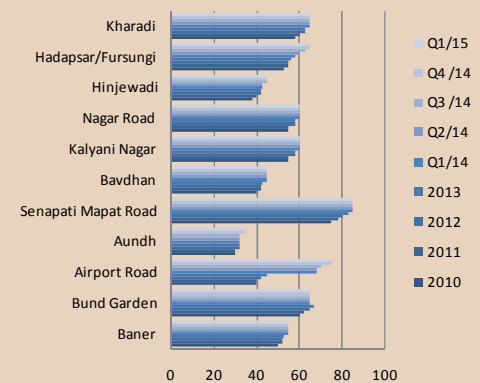
Pune saw supply of 500,000 sf retail space with opening of two new malls in 2014. Buoyant transaction activity was noted in malls across the city resulting in a dip in the overall city mall vacancy to 23.0% during 2014. Two major departmental stores started operations in malls located in Hadapsar and Pimpri. 4 malls, adding up to 1.14 msf of gross leasable area is expected to open this year.

Malls situated in Hadapsar witnessed high demand from retailers across all segments leading to nearly 30% yearly increase in mall rentals. Upcoming Xion mall at Hinjewadi saw pre-commitment of space by major brands such as Big Bazaar, Brand Factory, ezone, esquare, d mart, Reebok, subway, adidas, etc. Out of 3,00,000 sq ft of mall space, 90 % have been given to major brands; possession would be by July 2015.

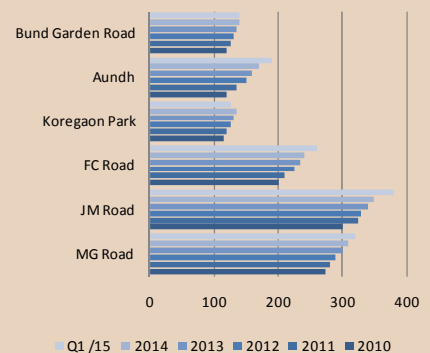
Demand - Supply Trends in Pune Commercial Market in MN sft



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



Avg. Retail Rentals of Main Street Pune in INR/Sft/month



Prime main streets such as Aundh, JM Road, FC Road and MG Road continued to be preferred choice of occupiers during the year and recorded 3-12% year-on-year rental growth due to the high demand and limited availability. While Koregaon Park Main Street and Malls located in this area

witnessed rental drop of 7% - 10% during this year, due to limited retailer demand and declining importance of this location. The leasing activity will be dominated by lifestyle brands during this year in Pune comprising of a mix of apparels, jewellery, footwear and accessory stores. .

Major Deals in Retail Market (Q4 2014 and Q1 2015)

Property	Location	Tenant	Area
City One Mall	PCMC	Pimpri Central	60,000
Seasons Mall	Hadapsar	Shoppers Stop	50,000
Individual	MG Road	Chocolate Fashion Store	3,500
Xion	Hinjewadi	Big Bazaar, Brand Factory, ezone, esquare, d mart, Reebok, subway, adidas	2,70,000
Elpro	Chinchwad	Reliance	1,50,000
Standalone	Sinhagad Road	Future Group	20,000
Significant Project under construction			SFT
Xion	Hinjewadi	3,00,000	Q2 2015
Westend Mall	Aundh	4,00,000	Q4 2015

Hospitality Trends

This increase in demand has been mainly seen in the MICE, Commercial and Extended-Stay segments. The city has successfully established itself as a popular MICE destination for large-scale corporate events and weddings in the country over the past few years. Also, despite the slowdown in the auto-manufacturing sector, Commercial and Extended-Stay segments saw strong increases owing to the rising IT/ITeS sector especially in the city's eastern and western parts. Several large companies are choosing to set up their back office operations in Pune, owing to the availability of large floor plates in commercial buildings, lower rentals when compared to Mumbai and good connectivity.

Healthy growth in demand (15.8%) has aided the city's hotels to grow their occupancy base with minimal rate correction despite increasing supply. On the supply front, Feb 2015 saw opening of third Hyatt Place hotel in Pune. Hyatt Place Pune/Hinjewadi, which is strategically located at the entrance of the fast-growing IT city of Pune. Hilton Worldwide will open its first Conrad hotel in Pune. The 310 room hotel would have around six dining options, a large ballroom and conference and event facility. Pune is expected to add around 2500 keys in next two-three years. Considering over 50% of the proposed supply is planned in Hinjewadi. Over the next 2 - 3 year occupancy and rate pressure will shift to the west before stabilizing.

Industrial and Warehousing market Trends

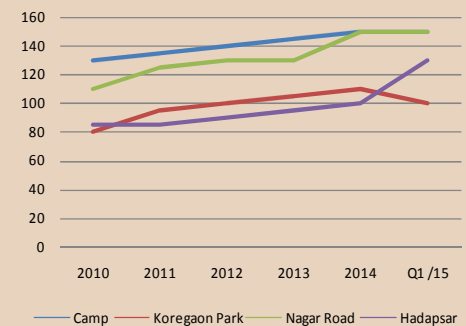
The eastern industrial belt comprising Lonikand, Sanaswadi and Ranjangaon witnessed moderate transaction activity due to relatively affordable rates. Adequate availability of land in the secondary markets has kept the capital values under pressure in locations like Chakan, Talegaon and Khed despite the prevalent demand. Shirwal witnessed an increase in enquiries due to its relatively low base of capital values and ample availability of land.

The industrial shed rentals continued to remain steady across locations due to the stable demand and adequate supply across all the industrial submarkets. Demand for industrial sheds is focused on Chakan, Sanaswadi and Ranjangaon submarkets.

Demand for warehouses was mostly from automobile, auto-ancillary, pharmaceuticals and Fast Moving Consumer Goods (FMCG) companies. Due to moderate demand, the warehousing rentals across all submarkets continued to remain stable.

Capital values for land in Pune are expected to increase in future. In a big boost to manufacturing industry, Mars International India, a wholly owned subsidiary of leading global chocolate maker Mars Inc finalized 37 acres of land in Khed, near Pune. It is a greenfield project with proposed investment of Rs 1,005 crore and will generate direct employment opportunities for over 200 people and indirect employment opportunities to over 1,000 people.

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



Pune Hospitality Trends

Categories	Pune
Existing Supply	6159
Proposed Supply	2620
Increase in Future Supply	43%
Active development of supply	72%
Luxury	21.40%
Upscale	0.00%
Mid-market	53.10%
Budget	25.60%
Extended Stay	0.00%
Occupancy Rate (OR)	58.30%
Average Room Rent (ARR)	INR 3837
RevPAR	INR 2330

RevPAR: revenue per available room
 Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

Pune Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Land rates in INR Mn/acre	Industrial Rents INR/sft/month	Warehousing Rents INR/sft/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	34 - 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		
Shirwal	13 - 14	19 - 23	
Wagholi			16 - 20

Quarterly Snapshot

Ahmedabad



Commercial Market Trends

Ahmedabad office market has been showing healthy absorption trend since last two years and is expected to continue the trend in 2015 with select companies from automotive and manufacturing companies having executed the transactions. Ahmedabad witnessed a total net absorption of 1.5 million sft in 2014, mostly concentrated in submarkets of Prahladnagar (40%), Bopal (30%) and S.G. Highway (25%).

IT-ITeS sector had the highest share in leasing activity at 60% followed by BFSI sector at 35%. Despite healthy transaction activity, high supply

resulted in vacancy levels increasing to 32% in 2014. Rental values continue to be stable in most micro markets. Approximately 240,000 sf of Grade A space become operational in S.G. Highway Q1 2015.

Going forward, healthy transaction activity and limited under-construction pipeline could result in declining vacancy levels in the coming year. With limited land availability in Prahladnagar, Bopal is expected to emerge as an alternate commercial office destination due to its connectivity and proximity to existing business districts and residential hubs

Major Deals in Commercial Market (Q4 2014 and Q1 2015)

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
TATA AIA Life Insurance	Turquoise	13,000	C.G. Road	Lease
Mizuho Bank	Commerce House V	7,000	Prahladnagar	Lease
Qatar Airways	Iscon Elegance	12,000	Prahladnagar	Lease
InfoStretch Solutions Pvt. Ltd	Individual Building	51,000	S.G Highway	Lease
SNL Finance	Acropolis	54,500	S.G Highway	Lease

Major Upcoming Projects in 2015

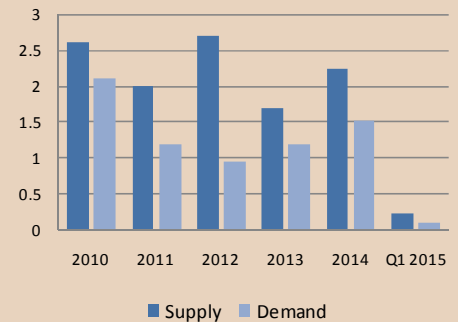
Project Name	Area (SF)	Location	Completion
Mondeal Heights	3,40,000	S.G. Highway	Q2 2016
K158	1,50,000	Bodakdev	Q1 2016
Merlin Pentagon	1,00,000	Ashram Road	2016
Shilp Aaron	1,50,000	Bodakdev	Q4 2015

Retail Market Trends

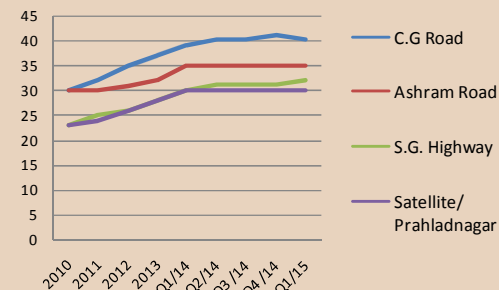
Limited availability of quality mall space kept the transaction activity in Ahmedabad low. Overall mall vacancy increased to 31%. Despite rising vacancies, rentals for these malls remained steady during 2014. Ahmedabad saw brisk transaction activity in main-street format. Some domestic brands such as Tisva and Satyug Gold 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 over the last one year.

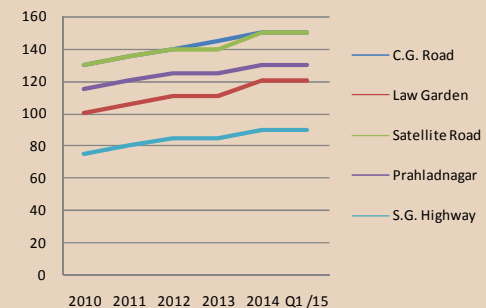
Demand - Supply Trends of Ahmedabad Commercial Market in Mn sft



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



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



With persistent high vacancy levels, Mall rentals may decline 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 in these areas.

Property	Location	Tenant	Area
Venus Amadeus	Satellite Road	Suvarnakala	4,500
Gulmohar Mall	S.G Highway	Global Desi	1,400
Signature	S.G Highway	BMW	15,500
Safal Solitaire	S.G Highway	Ford	8,500
Ganesh Meridian	S.G Highway	Fiat	15,000
Shapath Hexa	S.G Highway	Audi	11,000
Arved Plaza	132ft Ring Road	PVR Cinema	50,000
4D Square	Chandkheda	PVR Cinema	35,000
Iscon Elegance	Prahladnagar	SBI Bank	16,000
Shapath V	Prahladnagar	Hyundai	8,500
Commerce House V	Prahladnagar	Usha International Ltd	8,500
Mondeal Retail Park	Prahladnagar	Contis Techno Pvt Lts	8,000
Mondeal Retail Park	Prahladnagar	Hilti India Pvt Ltd.	7,000
Significant Project under construction		SFT	Completion
Applewoods Galleria	Bopal	1,60,000	Q1 2016

Hospitality Trends

Ahmedabad witnessed a 12.1% increase in supply in 2013/14 over the previous year. Despite this double-digit growth in supply, the city maintained its occupancy level as a result of robust growth in demand. Demand in Ahmedabad is generated mainly in the Commercial segment from the traditional CBD areas of Ashram Road and CG Road together with several Grade A office spaces that have developed along SG Highway. The city also caters to a fair quantum of Extended Stay demand emanating from the growing industrial

clusters of Sanand-Bol and Changodar located on the western periphery of the city. The city's hotels also cater to demand from the MICE segment generated by large-scale conventions such as the Vibrant Gujarat Summit and related events held at Mahatma Mandir in Gandhinagar. Ahmedabad is adding supply of 1,372 over the next few years. It is expected that both occupancy and average rates to remain under pressure in the short term. In the long term, as supply pressure eases and the city continues to exhibit strong demand growth.

Industrial and Warehousing market Trends

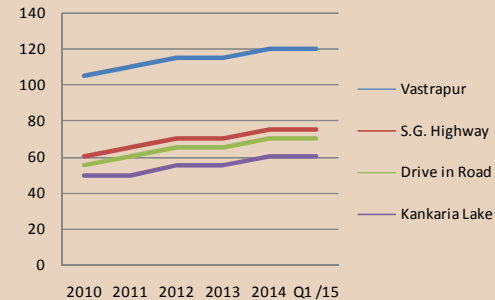
Ahmedabad has a very strong industrial and manufacturing base. It is the commercial capital of Gujarat and the second largest industrial center in western India after Mumbai. Most industries are located in Naroda, Vatwa, Sanand and Changodar. Despite the high demand for industrial land, the capital values have remained stable over the last year. This was because of the adequate supply that came into the market as Gujarat Industrial Development Corporation (GIDC) continued to allot fresh land parcels.

Sanand and Changodar has emerged as industrial and warehousing hubs due to lack of industrial land availability and limited secondary transactions in older GIDC estates in Naroda and Vatwa.

With the presence of multinational companies like Ford, Tata Motors, Nestle and Bosch, preference for Sanand remains high. 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 2015. 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.

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



Ahmedabad Hospitality Trends

Categories	Ahmedabad
Existing Supply	2777
Proposed Supply	1372
Increase in Future Supply	49%
Active development of supply	86%
Luxury	0.00%
Upscale	43.40%
Mid-market	43.50%
Budget	0.00%
Extended Stay	13.10%
Occupancy Rate (OR)	54.20%
Average Room Rent (ARR)	INR 3614
RevPAR	INR 1959

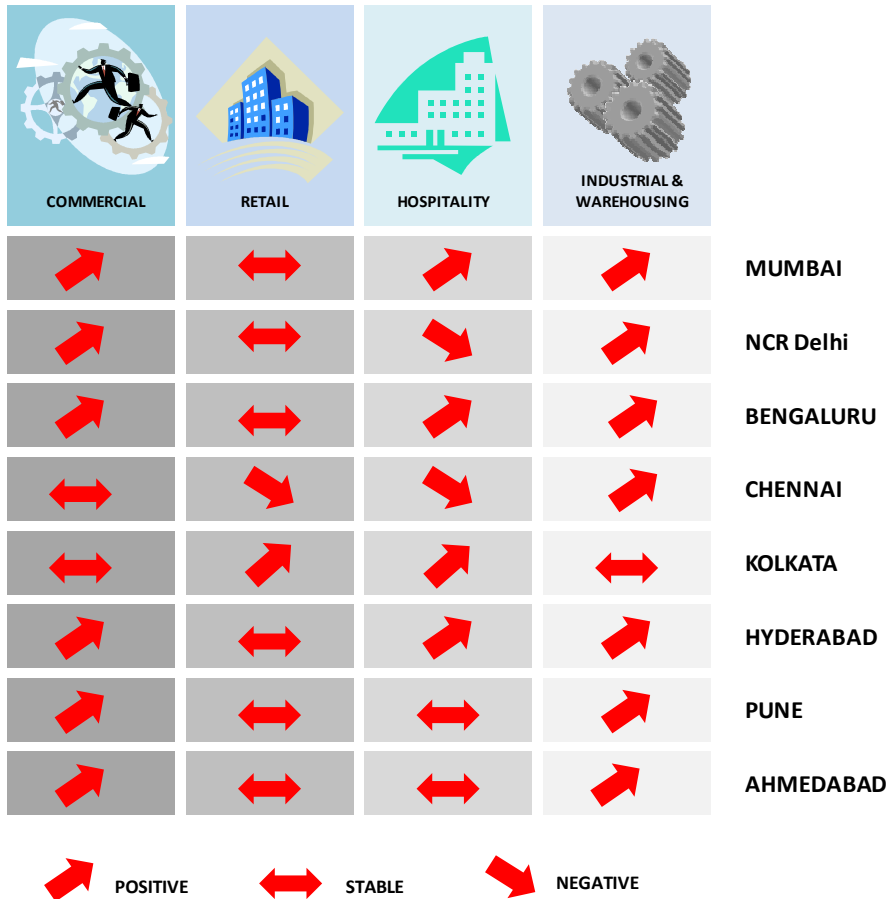
RevPAR: revenue per available room
Source: HVS Report – Hotels in India – Trends and Opportunities, 2014

Ahmedabad Industrial and Warehousing Trends

Industrial and warehousing Submarkets	Industrial Rents		Warehousing Rents
	Land rates in INR Min/acre	INR/sft/month	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

2015 -16



Commercial Realty and Industrial & Warehousing sector is expected to see positive trends in coming years due to Global recovery of IT & ITES Sector and booming e-commerce segment. While retail and hospitality sector in most micro-market will remain stable in year 2015. India with its improved economic conditions and government measures to provide better infrastructure and housing has regained its investor confidence and business confidence. Government proposals to relax guidelines for foreign investment, implementation of REITs, and increased funding for affordable housing and infrastructure projects, these are all expected to offer the much needed impetus.

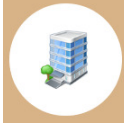
In long run, increasing demand for information technology and back-office space, emergence of new segments such as e-commerce, and special economic zones will play a big role. Commercial real estate will be the biggest gainer from introduction of REITs. However, unavailability of funds at lower rates of interest continues to plague real estate developers in India. Even through Union Budget 2015 did not announce any measure to benefit either demand or supply in the real estate sector and with additional increase in service tax market, the Market remain hopeful and have a positive outlook for coming years with REITs expected to boost investment.

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Mumbai 400055

www.sureshotsuggestions.com

Tel - 022 2612 0394, 022 2612 1799

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www.silverlinerealty.com

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NK Realtors

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www.nkrealtors.com

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City Estate Management

F/F, 101, Sankalp Square,
Opp. Abhinav Colony, Drive In Road,
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www.cityestatemanagement.com

Tel - 079 27491404/5, 079 27498978

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Property Terminus

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

www.propertyterminusindia.com

Tel - +91-20-25635550 / 1

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Trinity Partners

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

www.trinitypartners.co.in

Tel - +91-40-401-500-85 & +91-40-645-245-60

Email - info@trinitypartners.co.in

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