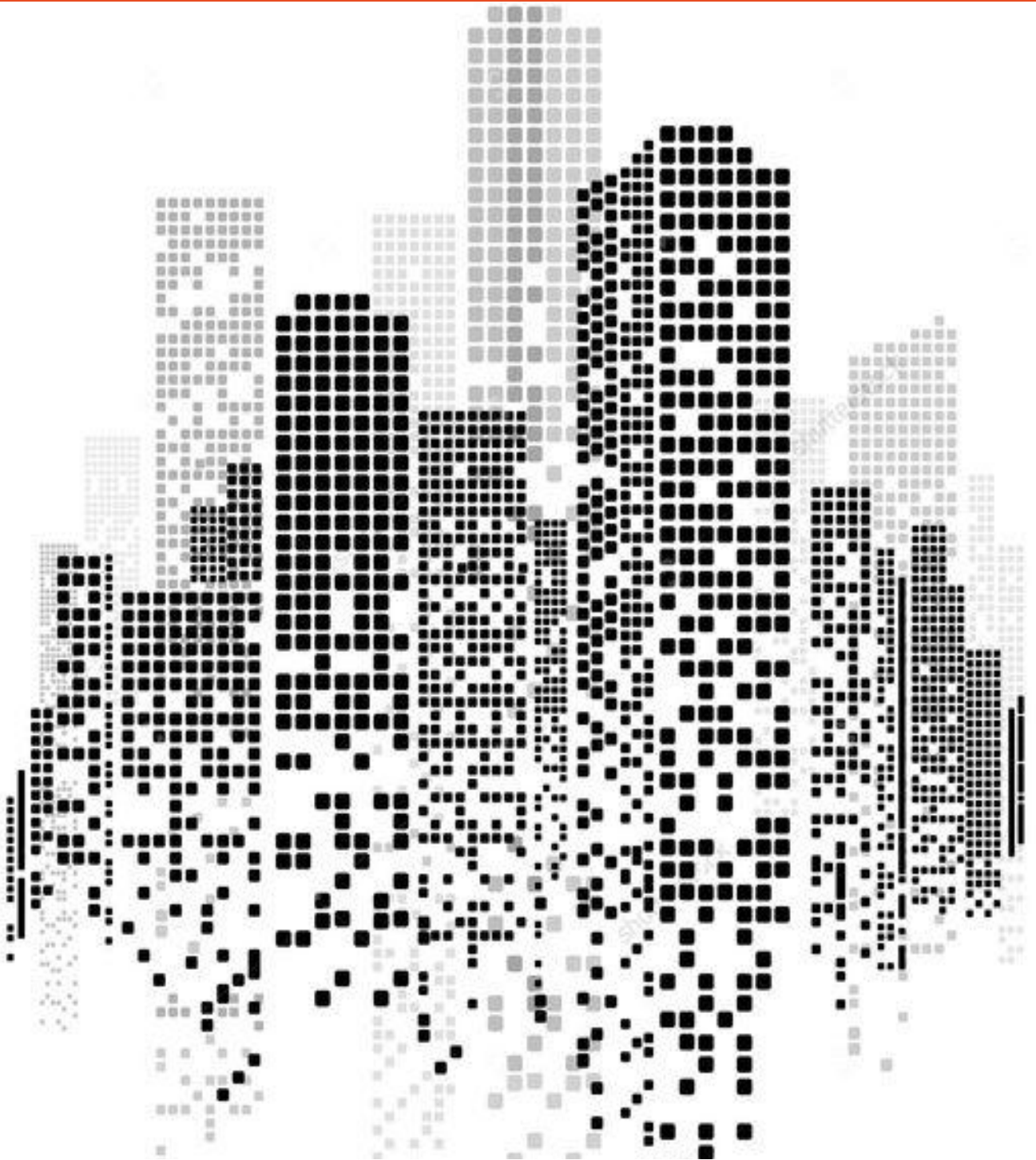


2017-H1



INDIAN REAL ESTATE



INDIAN REAL ESTATE

Moving towards a more Transparent Regime

The first half of the 2017 was positive for real estate. The policy reforms undertaken such as RERA and GST are expected to have positive implications on Real Estate. The recently implemented Real Estate and Regulation Act (RERA) has already started addressing the issue of non-transparency and affixes a level of accountability.

GST will be rolled out on 1st July, this is expected to improve the investor's and buyer's confidence in Real Estate. It replaces the multiple taxes levied by the central and state governments and will bring in transparency to real estate transactions. GST law will increase the margin in the hands of contractor/developer by removing all the above-mentioned taxes.

The benefits of investing in under-construction properties will outweigh the benefits of investing in ready-to-move-in homes under the new Goods and Services Tax (GST) regime. The actual GST rate on under-construction properties is 18 per cent. However, the effective tax on such properties would be 12 per cent as under the new regime developers will be allowed input tax credits.

The affordable housing sector, which is a major thrust area of the incumbent Government and is the cornerstone of its 'Housing for all by 2022' vision, will not be impacted by GST. The industrial and warehousing property sector should be the chief beneficiary of the implementation of the integrated GST. In long term, properties across segments are expected to be more affordable under GST.

Mr. Pawan Agarwal
Chairman, CIRIL

CIRIL is now in Chennai and we are proud to welcome Raheja Associates.

Team CIRIL



INDIAN ECONOMY

MID YEAR PERFORMANCE

The economic outlook of the Indian economy looks positive with the country expected to grow at more than 7.5% in FY18 before moving past the 8% trajectory in FY19. The global growth prospects also look positive with the main economies gradually ascending the growth ladder. The Indian economy is expected to embark on higher economic growth trajectory in FY18 owing to proactive measures taken by the government as well as favourable economic conditions expected to prevail during the course of the year.

The main driving forces in FY18 would be :

- Increased government spending in infrastructure,
- Pick up in private investment,
- Good monsoon
- Expected surge in consumer spending with pent up demand being satiated.
- The Goods and Services Tax (GST)

In a supplement to its Asian Development Outlook (ADO) 2017 report, ADB has retained India's growth projection at 7.4 per cent for 2017-18 and 7.6 per cent for fiscal 2018-19.

Moody's has affirmed the Government of India's Baa3 rating with a positive outlook stating that the reforms by the government will enable the country perform better compared to its peers over the medium term. Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalisation of profits, especially in sectors like automobiles and banks. India's foreign exchange reserves stood at US\$ 366.781 billion as on March 17, 2017 as compared to US\$ 360 billion by end of March 2016, according to data from the RBI.

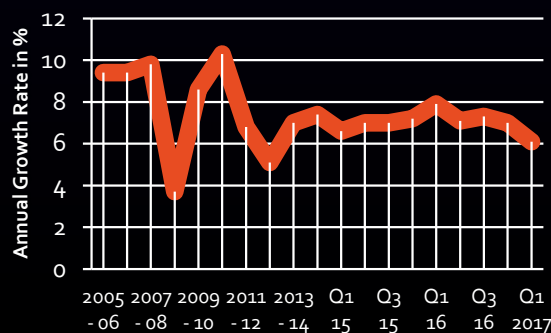
Indicators	FY17	FY 18 Expectation
GDP	7.10%	7.6% - 7.8%
GFCE (% of GDP)	26.90%	27.50%
Agriculture	4.40%	3% - 4%
Industrial Output	0.4%#	4% - 5%
CPI	4.50%	4.5% - 5%
WPI	3.70%	5%
Credit	4.40%	7% - 8%
Deposits	13%	11% - 12%
Exports	4.70%	8% - 10%
Imports	-0.17%	8% - 10%
FI/FPI	\$8 bn	\$15 - 12 bn
FDI	\$36 bn*	\$40 - 45 bn

April - Feb 2017#

April - Dec 2017*

Annual GDP Growth Rate

Growth Rate of GDP on basis of new definition



source: Mospi

POLICY REFORMS AND INVESTMENT INITIATIVES

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

INDIAN REAL ESTATE

MOVING TOWARDS MORE TRANSPARENCY

The Goods and Services Tax or GST will be rolled out on July 1 this year. The new tax seeks to transform India with its "One Nation, One Market, One Tax" principle by subsuming a host of indirect taxes and implementing a simpler tax on goods and services.

This will have a major impact on Real Estate. GST is expected to be a sentiment booster for the Real Estate industry and will seek to revive buyer and investor interest by bringing more transparency in taxation. As the perception of the sector is said to have improved, the prices are likely to drop around 1% - 3%. The goods and services tax (GST) is expected to bring the real estate sector partially under its ambit by taxing works contracts at 12 per cent, exclusive of stamp duty.

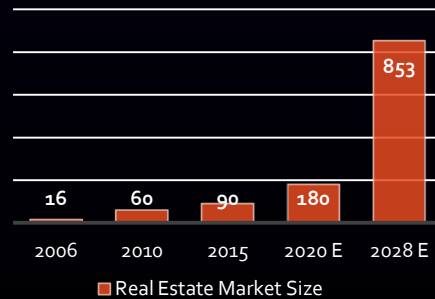
The sale of land and buildings may come under the ambit of GST in future. Construction of land and building will benefit from under new GST regime. Furthermore, reduced cost of logistics will result in reducing expenses as well. The input tax credits will also help increase profit margins and it will be a simpler tax to work with.

In Real estate sector, there is a huge percentage of each project expenditure goes unrecorded on the books currently. GST will cut down this percentage due to cloud storing of invoicing. Real estate sector will also benefit with new tax law having a positive effect on all ancillary industries.

MARKET SIZE

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

Real Estate Market Size



MARKET DRIVERS



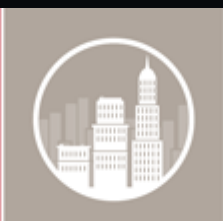
URBANISATION

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



POLICY SUPPORT

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



GROWING ECONOMY

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



INCREASING HOUSEHOLD INCOME

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



EASIER FINANCING

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

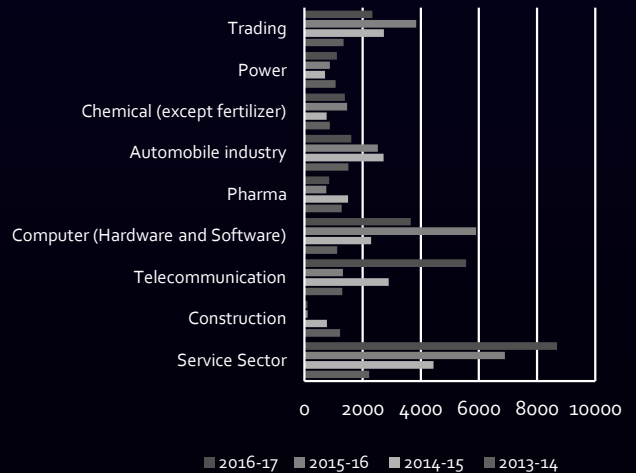
FOREIGN DIRECT INVESTMENT IN INDIAN REAL ESTATE

India ranked fourth in developing Asia for FDI inflows as per the World Investment Report 2016 by the United Nations Conference for Trade and Development.

According to Department of Industrial Policy and Promotion (DIPP), the total FDI investments India received during April 2016-March 2017 rose 8 per cent year-on-year to US\$ 60.08 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

Data for April 2016-March 2017 indicates that the services sector attracted the highest FDI equity inflow of US\$ 8.69 billion, followed by telecommunications – US\$ 5.56 billion, and computer software and hardware – US\$ 3.65 billion. Most recently, the total FDI equity inflows for the month of March 2017 touched US\$ 2.45 billion.

Sector attracting highest FDI equity inflow in US\$ million



- UAE-based firm, DP World, having previously invested US\$ 1 billion in India, is planning to invest another US\$ 1 billion in India's infrastructure sector along with logistics and container terminals.
- Xander Group Inc. and APG Asset Management NV have purchased an Information Technology (IT) Special Economic Zone (SEZ) in South Chennai from Shriram Properties and Infrastructure Pvt. Ltd and SUN-AREA Property Partners for a consideration of approximately US\$ 350 million.
- Developers from China and Japan will invest US\$ 3-4 billion in India's real estate sector over the next three years owing to positive regulatory reforms taken by the Government of India such as implementation of the Real Estate Investment Regulatory Act, as per Mr Christian Ulbrich, Chief Executive Officer (CEO), JLL Inc.
- Walmart, global retail giant, plans to open 50 new cash-and-carry stores in India over the next three to four years and locate half of the stores in Uttar Pradesh and Uttarakhand while creating over 40,000 jobs in the two states.
- Altico Capital, a non-banking finance company (NBFC), has teamed up with American private equity firm KKR & Co LP to invest Rs 435 crore (US\$ 65.25 million) in a 66-acre residential township, being developed by SARE Homes in Gurgaon.
- Gurgaon-based property search aggregator Square Yards Consulting Pvt Ltd has raised US\$ 12 million from the private equity arm of Reliance Group for strengthening its team and expanding its presence to more than 25 countries.
- Rising Straits Capital plans to raise US\$ 100 million to capitalise its real estate-focused non-banking financial company (NBFC), Rising Straits Finance Co. Pvt. Ltd.
- A joint venture between Dutch asset manager APG Asset Management and real estate asset platform Virtuous Retail, has acquired a portfolio of three shopping malls for US\$ 300 million, and has committed an additional US\$ 150 million as equity capital to expand the portfolio.
- Macquarie Infrastructure and Real Assets (MIRA) and Tata Housing Development Co. Ltd have entered into a 70:30 partnership to invest Rs 1,400 crore (US\$ 210 million) and Rs 600 crore (US\$ 90 million) respectively in high-end residential property projects, starting with four major cities of Mumbai, NCR, Bengaluru and Pune.
- Qatar Holdings LLC, a subsidiary of Qatar Investment Authority, has committed to invest US\$ 250 million in the affordable housing fund of Arthveda Fund Management Pvt Ltd.
- Piramal Realty, the real estate division of Piramal Group, plans to invest Rs 1,800 crore (US\$ 270.14 million) in an eight acre project named Piramal Revanta in Mulund, Mumbai.

PRIVATE EQUITY AND VENTURE CAPITAL INVESTMENTS IN INDIA

India continued to be an attractive destination for investments, as funds allocated to India has increased by 8% over the previous year. Global and domestic private equity funds have pumped in around \$11.3 billion in the country for the first half of the current year ending June 30, making it the record highest foreign direct investment into the country.

Private Equity firms invested about \$5.44 Billion across 117 deals during the quarter ended March 2017 while for the quarter ended, June 30, 2017, the investment amount of \$5.4 billion was made. These figures take the total investments in the first six months of 2017 to a record \$11.34 Billion.

The largest investment reported during H1, 2017 was the \$1.4 billion investment by SoftBank in One 97 Communications, the parent company of mobile payments service Paytm. The market witnessed 10 PE investments worth \$100 million - twice that during the same period last year.

Tata Technologies and Aegis BPO, IT & ITeS companies accounted for 49% of the PE investment value pie in H1, 2017 attracting almost \$2.6 billion across 68 transactions. Led by the Warburg Pincus investment in ICICI Lombard, BFSI companies came in next attracting \$689 million across 12 PE investments, followed by Logistics companies which attracted \$536 million across four transactions (led by CPPIB's \$500 million investment in Indospace Core).

PE funds have put in \$2.5 billion across 29 deals in real estate in the first half (H1) of 2017, which is 61 per cent higher than the corresponding period of 2016, according to data collated by Venture Intelligence. That points to robust optimism ruling the residential market. Around half of the deals closed in H1 are residential and the rest are commercial, unlike two years ago, when 100 per cent of the deals were residential.

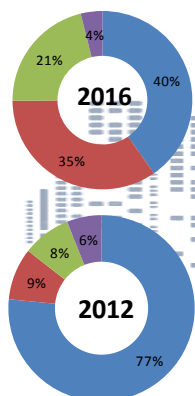
Contrary to PE Investment, VC Investment saw slowdown. At 78 deals worth \$275 million, Q2, 2017 is lowest quarter for VC investments in the last 3 years.

Venture Capital investments slid to 78 deals worth \$275 million during the three months ending June 2017. The investment activity in Q2'17 was 25% lower compared to the same period in 2016 (which witnessed 104 investments worth \$309 million). The activity level was 7% lower compared to the immediate previous quarter (which witnessed 84 deals worth \$349 million).

IT & ITeS companies attracted 54 investments worth \$180 million (69% of the activity pie) - down 33% compared to the same period in 2016. Top tech investments included e-commerce search software company Unbxd, insurance marketplace Coverfox, logistics tech company Fortigo and edtech company Unacademy. Financial Services firms - led by OneAssist and Ummeed Housing Finance- attracted 4 investments worth \$25 million.

MODE OF EXIT % OF TOTAL

Public Market sales Strategic Sale
Secondary Sale Buyback



PE/ VC INVESTMENTS AND EXITS

Investments

Year	No. Of Deals	Amount \$ (M)
2006	396	7,420
2007	532	14,567
2008	487	10,028
2009	310	3,974
2010	421	8,382
2011	549	10,605
2012	535	9,549
2013	497	7,645
2014	566	11,239
2015	785	16,608
2016	672	15,329
2017 YTD	157	7,065

Exits

Year	No. Of Deals	Amount \$ (M)	As % of Investment
2006	96	2,753	37.1
2007	152	3,865	26.53
2008	88	1,807	18.02
2009	132	2,358	59.34
2010	204	6,310	75.28
2011	144	3,814	35.96
2012	170	5,574	58.93
2013	160	4,880	63.83
2014	228	5,314	47.28
2015	276	9,767	58.13
2016	238	8,123	52.99
2017 YTD	64	3,426	48.49

Source: Venture Intelligence

INDIAN REAL ESTATE IN PATH OF REFORMS

H1, 2017 continued the positive momentum of 2016. The policy reforms initiated in year 2016 such as Benami Property Transaction Prohibition Act, RERA and GST are creating the right environment for transparency and accountability in Real Estate Sector.

Various states have also finalised and set up regulator for the sector and developers are expected to focus more on deliveries than new launches to reduce inventory levels. Home buyers will benefit immensely with affordability set to increase and home loan rates trending downwards.

Looking at the reforms, Indian real estate developers have shifted gears and accepted fresh challenges. Real estate developers are increasingly adopting to industry norms and becoming professional driven industry.

Investor's and buyer's confidence in Real Estate investment is expected to have long term positive impact across all real estate segments in coming 2 years.



Commercial Office space

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



Retail Sector

- H1, 2017 saw transaction of around 6.5 million sq. ft of retail space across major markets
- The supply of retail space was around 2.5 million sq.ft
- With relaxed FDI norms, retail saw entry of institutional investors
- Due to limited supply in major markets, the rental saw appreciation.



Industrial and Warehousing sector

- Industrial and warehousing saw brisk activity in H1, 2017 with total cumulative supply reaching 100 million sq. ft
- The total supply added in H1, 2017 is around 5 million sq. ft
- E-commerce sector is the major demand drive in this segment
- Make in India initiative have triggered off industrial growth across the country

POLICY REFORMS IN REAL ESTATE

1. Real Estate (Regulation and Development) Act, 2016
2. The Benami Transactions (Prohibition) Amendment Act, 2016
3. 100% deduction in profits for affordable housing construction
4. Interest subsidy for first-time homebuyers
5. Change in arbitration norms for construction companies
6. Service tax exemption on construction of affordable housing
7. Dividend Distribution Tax exemption for SPVs to REITs
8. Implementation of Goods and Services Tax structure (GST)
9. Currency demonetisation
10. Permanent Residency Status for foreign investors

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

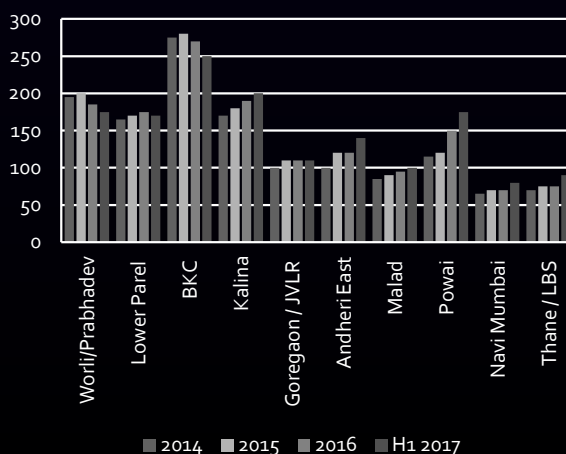


MUMBAI COMMERCIAL REAL ESTATE TRENDS

H1, 2017 saw healthy leasing activity in Mumbai Commercial Markets. Leasing activity remained concentrated in locations like Andheri, Navi Mumbai, Central suburbs and BKC. Mumbai office market saw total absorption of around 2.3 million sq. ft in H1, 2017. Banking and financial services sector remained the major demand drivers accounting for 28% of total absorption of the Mumbai leasing market followed by healthcare and pharmaceutical sector (22%) and technology sector (20%).

Mumbai market witnessed supply of around 1.5 million sq. ft of commercial space in H1, 2017. Major projects such as Times Square Tower D, Rustomjee Central Park, Codename Smash Hit, Gigaplex Tower 3, etc., are slated for completion in 2017, which will add around 4 million sq ft in upcoming months. Grade A average rentals across most markets remained stable and the vacancy levels remained at 18.0%,

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



Major Deals in Mumbai Commercial Market - H1 2017

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
We Work	Enam Sambhav	1,90,000	Bandra	Lease
ICICI Prudential	Crescenzo	35,000	Bandra	Lease
Novartis India	Inspire	1,00,000	Bandra	Lease
FCB Ulka	Chibber House	80,000	Andheri	Lease
Bisleri	Bisleri Compound	80,000	Andheri	Lease
General Mills	Prudential House, Spectra & Venture	1,84,120	Powai	Lease
FIS Global	Fairmount	80,000	Powai	Lease
Samsung	Oberoï Commerz II	1,10,000	Goregaon	Lease
Sony	Interface	21,450	Malad	Lease
ICICI Lombard	I-Think Technology	28,000	Thane	Lease
Dawat -E- Hadiyah	Fort House	1,50,000	Fort	Sale
Sobo school	Kodak House	36,000	Fort	Sale
Indian Express Media Group	Mafatlal Centre	15,645	Nariman Point	Sale
Fork Media Pvt.Ltd.	Art Guild House	10,614	Kurla	Lease
IDFC Bank	K. Raheja Corp	1,80,000	Juinagar	Lease
Phadke Lab	Mahalaxmi Industrial Estate	20,000	Mahim	Lease
Paytm-One97 Communication	Enterprise Centre	15,000	Vileparle	Lease
Tata Consulting Engineers	Empire Tower	90,000	Navi Mumbai	Lease

MUMBAI RETAIL REAL ESTATE TRENDS



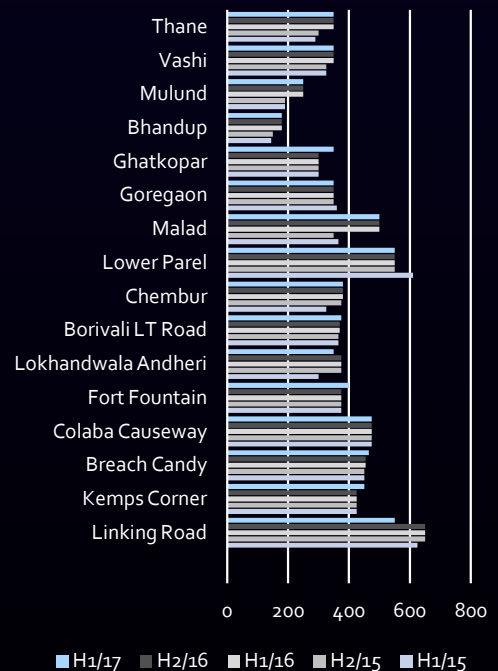
Mumbai retail market witnessed supply of nearly 0.4 million sq. ft of leasable space. Mumbai, which has seen a sluggish supply of malls over the last few years, is also expected to see supply of 2.3 million sqft by end of 2017. Among the malls scheduled to open in 2017 is the L&T Seawoods Mall in Navi Mumbai. In 2016, Blackstone Group LP agreed to buy 1 million sq. ft of retail space in L&T Realty Ltd's Seawoods project in Navi Mumbai for Rs1,450 crore.

Retail rentals remained stable across most micro markets. Leasing activity saw brisk momentum with retailers across F&B and apparel segments expanding their footprint in select malls. Kemps Corner / Breach Candy, Colaba Causeway and Fort / Fountain saw appreciation of rentals by 1% due to healthy demand.

Major Deals in Mumbai Retail Market - H1 2017

Property	Location	Tenant	Square feet	Lease/ Sale
Mohit Heights	Andheri	Sukho Thai Spa	1,160	Lease
Ahura Center	Andheri	HDFC Bank	2,190	Lease
HI-Tide	Juhu	Yes Bank	1,200	Lease
Bharat Bhavan	Khar	Linen Club	1,350	Lease
Sethna	Marine Lines	Wrap n Weft	2,000	Lease
Manek Plaza	Santacruz	Axis Bank	3,000	Lease
Jay Apt	Santacruz	ICICI Bank	620	Lease
Shiv Hem	Santacruz	Sattva	1,000	Lease
Kartar Bhavan	Colaba	Syndicate Bank	3,000	Lease
Lodha The Park	Lower Parel	HNI	2,600	Sale
Sunder mahal	Churchgate	TBZ	2,400	Lease

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



MUMBAI INDUSTRIAL AND WAREHOUSING TRENDS

Mumbai Industrial and Warehousing segment continues to strengthen its position as a demand segment in H1, 2017. E-commerce players and 3PL companies continued to be the demand drivers and prominent occupiers of warehousing space in the region accounting for 70% of the total space take-up during H1, 2017. Engineering and manufacturing firms and electronics companies were other major demand drivers

There was a strong increase in demand for warehousing space across the Mumbai particularly in Bhiwandi, Mankoli and Padgha along NH 3 and State Highway 35 (SH 35). Demand for industrial space picked up with leasing activity concentrated across the Trans Thane Creek (TTC) industrial area.

Mumbai Industrial and Warehousing Rentals in NR/sft/month

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

Major Deals in Mumbai Ind. & Warehousing Market - H1 2017

Property	Location	Tenant	Square feet	Lease/ Sale
Saidhara Complex	Bhiwandi	Amazon	1,25,000	Lease
United Park	Mahape	Amazon	3,000	Lease
Shreerang Engineering	Nerul	Hilti India Pvt Ltd	4,060	Lease

NCR DELHI together forms conurbation or metropolitan

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



Commercial



Retail



Ind. & Warehousing

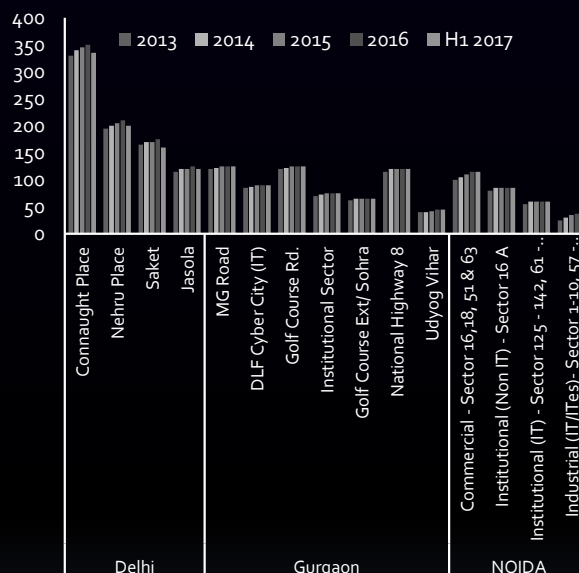
NCR DELHI COMMERCIAL REAL ESTATE TRENDS

H1, 2017 saw subdued leasing activity in NCR Delhi Commercial Markets. Delhi, Gurugram and NOIDA together saw absorption of around 2 million Grade A office space. Total supply recorded in these markets accounts to approx. 1 million sq. ft. In Delhi, the emerging commercial hub Aerocity continued to attract tenants due to greater availability of Grade A quality buildings and affordable rents compared to other micro-markets. Gurugram remained the most stable leasing market within NCR region.

Technology firms continued to be the leading driver of demand and contributed around 45% of the overall transaction volume in H1, 2017. Co-working space/shared workspace and business centre have become the most proffered formats of leasing in NCR due to affordability factor.

NCR Delhi is expected to add around 5 million sq. ft of grade A office space by end of 2017. Rentals in Delhi micro market saw correction by 8%-15% while in Gurugram and NOIDA it remained stable.

Average Commercial Rental Rates in NCR Delhi In INR/ Sft/ Month



Major Deals in NCR Delhi Commercial Market - H1 2017

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Indiabulls	ASF Towers	36,000	Udyog Vihar, Phase - 4	Lease
Spice Jet	Plot 690-691	34,000	Udyog Vihar, Phase - 5	Lease
Macquarie Global Services	DLF Cyber Green	35,000	Cyber City	Lease
Fiserv	Spaze Itech	40,000	Sohna Road	Lease
Chegg India	Corporate One	32,000	Jasola	Lease
Hipad India Pvt Ltd	Standalone	1,60,000	Sector 63, Noida	Lease
Citibank	Logix CyberPark	60,000	Sector-62, Noida	Lease
Technip	World Trade Tower	50,000	Sector 16, Noida	Lease
Kalpataru Power Transmission Limited	Okaya Business Center	48,000	Sector-62, Noida	Lease
ICCS	Standalone	46,000	Sector-3, Noida	Lease
Global Logic	Blackstone Oxygen Park	45,000	Sector 144, Noida	Lease
Innovaccer	Candor Techspace	30,000	Sector-62, Noida	Lease
Pearl Academy	Independent Building	1,00,000	Rajouri Garden	Lease
Azure Power	Bharti Worldmark	63,000	Aerocity	Lease
Chegg India Pvt. Ltd.	Copia Tower	32,000	Nehru Place	Lease

* Transaction above 30,000 sq. ft is shown in the table

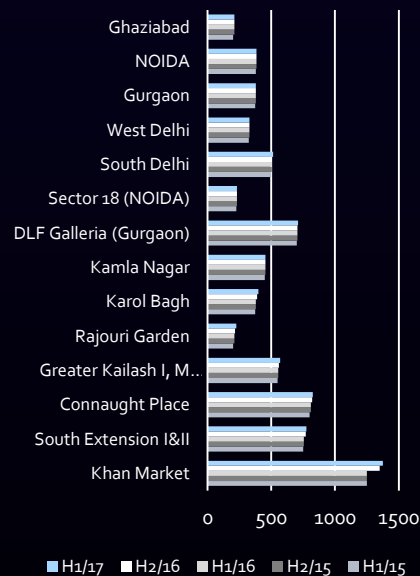
NCR DELHI RETAIL REAL ESTATE TRENDS



NCR Delhi retail market witnessed sustained demand owing to entry of many global brands in H1, 2017. The total retail space absorption witnessed during the first half of this year is around 0.5 million sq. ft. In terms of supply, only 0.2 million sq.ft of space was added. By end of 2017 another 0.2 million sq. ft of retail space is expected to be added. Among the malls scheduled to open in 2017 is Pioneer Park Phase II at Gurugram.

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

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



Major Deals in NCR Delhi Retail Market - H1 2017

Property	Location	Tenant	Square feet	Lease/ Sale
City Mall	Sector - 20, Rewari,	Carnival	24, 000	Lease
Omaxe Mall	Greater Noida	Barbeque Nation	4, 594	Lease
DLF Grand Mall	Gurugram	Barbeque Nation	6, 000	Lease
Ambience Mall	Gurugram	Nike	3, 600	Lease
South Extension II	New Delhi	Tanshiq	12, 000	Lease
South Extension II	New Delhi	Nalli Sarees	16, 000	Lease
Anupam Complex	Saket	Bikanerwala	4, 000	Lease
Noida Sec - 18	Noida,	Kaya Skin Clinic	6, 000	Lease
Ramphal Chowk	Dwarka	Pantaloons	8, 000	Lease
Ajmal Khan Road	Karol Bagh	Burger King	2, 800	Lease

NCR DELHI INDUSTRIAL AND WAREHOUSING TRENDS

Presence of large consumer and manufacturing base in NCR Delhi continues to be the demand driver in Industrial and warehousing segment in NCR Delhi. Leasing activity remained robust in the NCR, with close to 1 million sq. ft. in H1, 2017 of modern warehousing space being leased across the region. Demand continued to shift towards modernized Pre-engineered Building (PEB) facilities along the NH-8 in areas such as Pataudi, Taru Road and Binola, followed by the industrial areas of Mundka (Delhi), Dadri (Ghaziabad) and Greater Noida. E-commerce and consumer durable players dominated the overall absorption activity in the NCR.

Major Deals in NCR Delhi Ind. & Warehousing Market - H1 2017

Property	Location	Tenant	Square feet
Standalone	Patuadi Road, Gurugram	Berger Paints	45,000
Standalone	Hero Honda Chowk, Gurugram	Panasonic	30,000
Standalone	Faridabad	Federal Mougal	1,00,000
Standalone	Mundka, Delhi	Mahindra Logistics	35000
Standalone	Mundka, Delhi	KD Supply Chain	200000
Standalone	Alipur, Delhi	Mother Dairy	35000
Standalone	Sonepat, haryana	Amazon.in	70000
Standalone	Saidpur, Sonepat	Rackitt Benkizer	30000
Standalone	Dasna, Ghaziabad	Spear Logistics	75000

**NCR Delhi Industrial and Warehousing
Rentals in NR/sft/month**

Submarkets	Land	Industrial	Warehousing
NOIDA Phase I	390-395	35 - 40	36 - 40
NOIDA Phase II	70-75	15 - 18	16 - 18
NOIDA Phase III	200-215	20 - 25	21 - 25
Greater NOIDA	38-40	15 - 18	16 - 18
Yamuna Expressway	18 -20	15 - 20	18 - 25
Kundli	25 -30	18 - 22	19 - 22
Mundka	30 -60	20 -30	15 - 30
Alipur	25-50	18-25	13 - 20
IMT Manesar	75-77	18 - 22	19 - 22
Bawal	20-22	15 - 18	16 - 18
Faridabad		18-25	18-20
Gurgaon(Pataudi - Bilaspur)		18-22	10 -18
Palwal		15-20	13 -15
Ballabhgarh		16-18	20-22
Rohtak	18-20		15-16
Bhiwadi	35-40	15-17	
Khushkhera	22-25	14-15	
Neemrana	39-42	14-16	

BENGALURU

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



Commercial



Retail



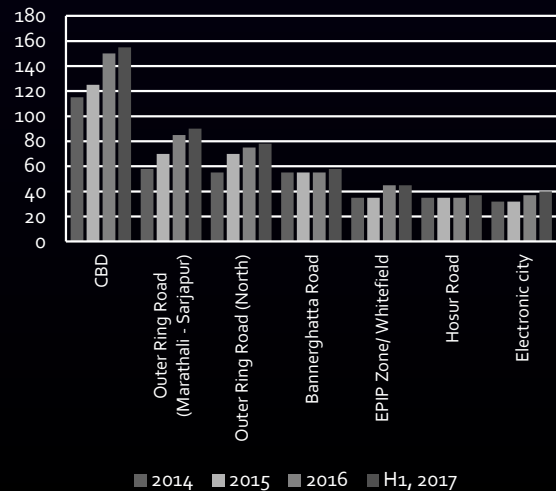
Ind. & Warehousing

BENGALURU COMMERCIAL REAL ESTATE TRENDS

Bengaluru remained the most preferred office location attracting overall occupier interest across nine key Indian cities. Around 3.6 million sq. ft of office space was absorbed during H1, 2017. Outer Ring Road continued to account for a major share in the total leasing volume accounting for 55%, followed by SBD (15%). CBD (10%) and other micromarkets (30%). IT & ITeS remained the major demand driver with 70% share in the overall leasing volume. Around 3 million sq. ft of Grade A office space become operational in H1, 2017. by end of the year another 8 million sq.ft is expected to be added to commercial market. Most of these supply is concentrated in ORR.

Rental saw appreciation of 3% - 5% in all major micro markets. Highest rental appreciation was observed in Outer Ring Road followed by CBD and SBD due to increasing interest from small and mid-sized occupiers. Vacancy level remain as low as 2% - 5% in few micro markets.

Bengaluru Commercial Market Rental Trends in INR/sft/month



Major Deals in Bengaluru Commercial Market - H1 2017

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Microsoft	Prestige Ferns Galaxy	5,80,000	Marathahalli ORR	Lease
Google	Bagmane Constellation Business park	2,40,000	K R Puram ORR	Lease
Nokia	Embassy Manyata	1,70,000	Nagawara ORR	Lease
Uber	RGA Techpark	4,70,000	Sarjapur Road	Lease
Unisys	RGA Techpark	3,00,000	Sarjapur Road	Lease
KPMG	RMZ Eco World	7,60,000	Marathahalli ORR	Lease
Lowe's Services India	Embassy Manyata Techpark	1,20,000	Nagawara ORR	Lease
State Street Golbal Service	RMZ Eco World	1,49,000	Marathahalli ORR	Lease
HGS	AMR Techpark	50,000	Hosur Road	Lease
MSG Global	Pritech park	31,000	Marathahalli ORR	Lease
Automated Work flow Pvt Ltd	Phoenix Citadel	20,000	CBD	Lease
Deolite	Prestige Trade Tower	1,60,000	CBD	Lease

* ORR – Outer Ring Road

BENGALURU RETAIL REAL ESTATE TRENDS



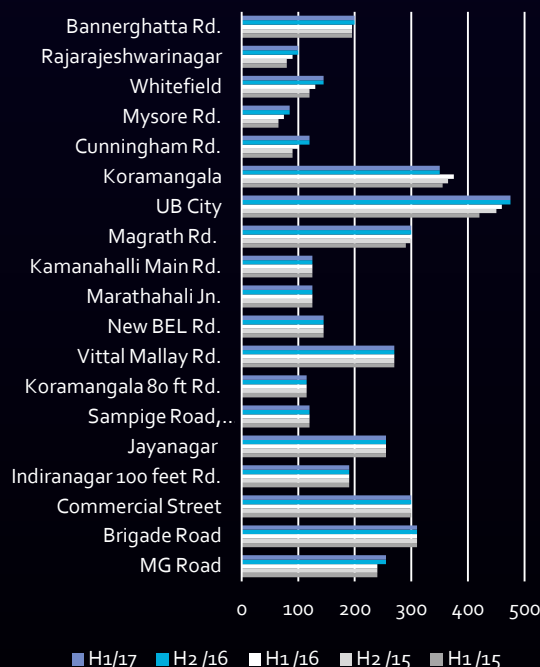
Bengaluru retail segment saw few big deals in H1, 2017. Around 2.2 million sq. ft. of prime retail space was absorbed. Due to good leasing activity and limited supply, overall mall vacancy levels remained low at 11%. By end of this year five Malls are expected to be operational in Bengaluru (2 million sq. ft)

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.

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

Major Deals in Bengaluru Retail Market - H1 2017				
Property	Location	Tenant	Square feet	Lease/ Sale
Stand alone	Hosur Road	LG	5,000	Lease
Independent Property	Sarjapur Road	Dmart	30,000	Lease
Stand alone	SBD	Amba Bajaj	5,000	Lease
Spectrum Mall	Bannerghatta Road	Central	1,25,000	Lease
Spectrum Mall	Bannerghatta Road	Cinopolis	37,000	Lease

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



BENGALURU INDUSTRIAL AND WAREHOUSING TRENDS

Bengaluru has become one of the major warehousing markets in the country due to presence of e-commerce and e-retailer players. The total warehousing space requirement in the city is estimated to be around 80 mn sq. ft. in next two years while upcoming supply is around 60 mn sq. ft.

Manufacturing sector is the biggest demand drivers with absorption of 60 mn sq. ft. In warehousing segment. Nelamangala – Dabaspete cluster and T Begur to Dabaspete region is emerging as new Industrial and warehousing corridor. Rentals in most of the micro-markets are seeing appreciation due to robust demand and will continue its sustained performance.

Major Deals in Bengaluru Ind. & Warehousing Market - H1 2017			
Property	Location	Tenant	Square feet
RKV Logistic Park	Anekal - Attibele Road	DHL	300000
RKV Logistic Park	Anekal - Attibele Road	Adithya Birla	150000
RKV Logistic Park	Anekal - Attibele Road	Puma	100000
RKV Logistic Park	Anekal - Attibele Road	Voda fone	100000
I Log	Hosur Road	Singhal Granites	100000

Bengaluru Industrial and Warehousing Rentals in INR/sft/month

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

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



Commercial



Retail



Ind. & Warehousing

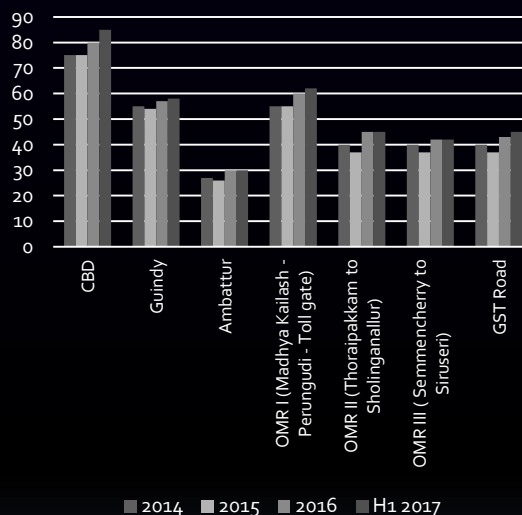
CHENNAI COMMERCIAL REAL ESTATE TRENDS

H1, 2017 saw healthy leasing activity in Chennai Commercial Markets with total transaction of approx. 2.2 million sq. ft of Grade A office space. The OMR-Pre Toll areas and Central Business District (CBD) emerged as the most preferred locations accounting for 50% of the total market absorption. Large deals were sealed in the Navalur, Sholinganallur and Pallavaram-Thoraipakkam Road regions. The IT/ITeS sector (50%) continues to be the largest consumer in the Chennai office space market despite the manufacturing and other service sectors gaining share in recent times.

Around 1 million sq. ft of commercial space was added in H1, 2017. By end of 2017, another 2.5 million is expected to be added to this inventory. About 75% of the upcoming new supply will be concentrated in the city's SEZs, whereas the remaining 25% will be concentrated in Off CBD and OMR-Pre Toll locations.

Sustained leasing activities have kept rentals stable in most micro markets. Few pockets such as OMR- Pre Toll, CBD and Off – CBD areas have seen rental appreciation in H1, 2017 by 3% - 8%. The vacancy level remained stable at 12%.

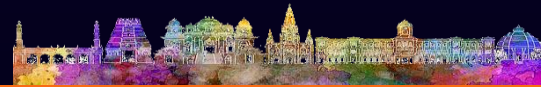
Chennai Commercial Market Rental Trends in INR/sft/month



Major Deals in Chennai Commercial Market - H1 2017

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Wells Fargo	Chennai One Magnum	123,000	OMR-Post Toll	Lease
Renault Nissan	Ascendas Cybervale	120,000	GST Road	Lease
Amazon	SP Info City	67,200	OMR-Pre Toll	Lease
IBM	DLF IT SEZ	61,466	MPH Road	Lease
Shriram Value	Independent Building	40,000	CBD	Lease
Valeo India	Cee Dee Yes IT Park	200,000	Navalur	Lease
XM Software	DLF IT SEZ	63,000	Manapakkam	Lease
Kone Elevators	One India Bulls	50,000	Ambattur	Lease
HDFC Bank Ltd.	Nelson Tech Park	50,000	Aminjikarai	Lease
Paragon Digital	Tyche Towers	46,000	Taramani	Lease
Amazon	Ramanujam IT Park	1,48,000	Taramani	Lease
Astra Zeneca Pharma	Ramanujam IT Park	1,00,000	Taramani	Lease
SBI	KRM Centre	17,000	Chetpet	Lease
Westminister	Independent building	58,000	Nungambakkam	Lease

CHENNAI RETAIL REAL ESTATE TRENDS



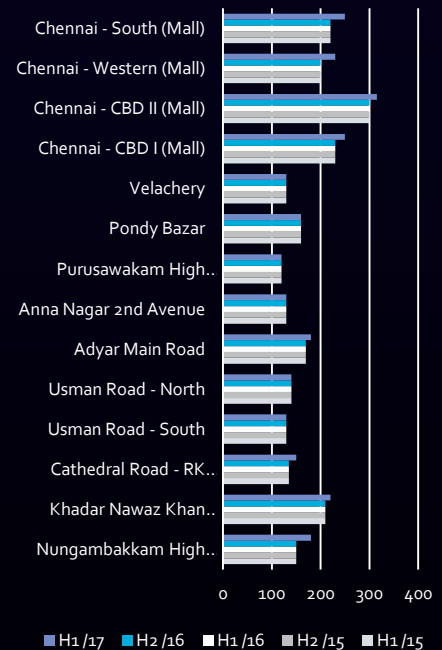
The Chennai Retail market is in path of recovery after subdued leasing activities in last two years due to limited supply of quality retail space. Chennai added around 0.8 million sq. ft of retail space in H1, 2017 and is set to add another 2.0 million sq.ft of retail space by end of 2017. Chennai retail micro markets have revived with transaction of approx. 05 million sq. ft. Retail real estate has seen a return of investor interest as demand outgrew fresh supply and the e-commerce euphoria waned

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. Main streets saw healthy leasing activity at key locations such as Anna Nagar, TTK Road, Nungambakkam, and Thoraipakkam. Both domestic and international brands like Café Coffee Day, Fabindia, Nike, Tea Trails, Ramraj, Limelite, etc. leased spaces at main streets during 2016.

Major Deals in Chennai Retail Market - H1 2017

Property	Location	Tenant	Square feet	Lease/ Sale
Express Avenue Mall	Royapettah	Adidas	10,100	Lease
Express Avenue Mall	Royapettah	Forever 21	10,100	Lease
Standalone	Adyar	Ritu kumar	3000	Lease
Brigade Vintage	Perungudi OMR	Decathlon	25,000	Lease

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



CHENNAI INDUSTRIAL AND WAREHOUSING TRENDS

Chennai saw sustained activity in warehousing and industrial segment.. Chennai saw close to 0.7 mn sq. ft of leasing Industrial and warehousing segment in H1, 2017. Leading occupiers leasing space are e-Commerce, engineering and manufacturing, and 3PL companies. Leasing activity was largely concentrated across projects such as Indospace and Kailash Logistics.

Rentals in most of the micro - markets remained stable during H1, 2017. 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.

Major Deals in Chennai Ind. & Warehousing Market - H1 2017

Property	Location	Tenant	Square feet
ONE HUB	OMR	Yamaha Music Instrument	28 Acres of land

Chennai Industrial and Warehousing Rentals in
INR/sft/month

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

HYDERABAD

, the capital of newly formed state of Telangana is historically known as the “City of pearls” . With an output of US\$74 billion, Hyderabad is the 5th contributor to India's overall gross domestic product. The city is home many IT and ITES firms, including global conglomerates such as Microsoft (operating its largest R&D campus outside the US), Google, IBM, Yahoo!, Dell and Facebook. The city and its suburbs contain the highest number of special economic zones of any Indian city.



Commercial



Retail



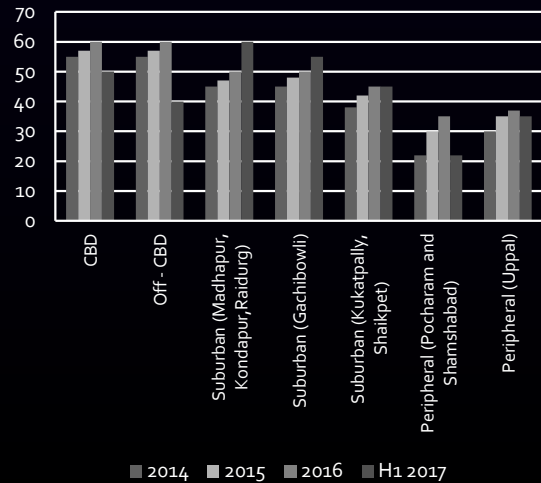
Ind.& Warehousing

HYDERABAD COMMERCIAL REAL ESTATE TRENDS

Driven by IT & ITeS sector, Hyderabad commercial markets witnessed healthy leasing with approx. 2.2 million sq. ft of commercial Grade A office in H1, 2017. Hyderabad witnessed supply of around 2.5 million sq.ft in first half of the year. Another 3 million sq.ft is expected by end of 2017. Commercial Hubs such as Hitech City, Madhapur, Gachibowli, Kondapur and Financial district continues to be the preferred location for investors.

Overall rents remained stable across all micro-markets in H1, 2017. Rentals across the few commercial pockets such as Gachibowli and Financial district are seeing appreciation due to high demand. Pre-leasing activity is seen in most upcoming construction. The vacancy rates across major micro – markets remain low at 4% - 8% due to supply crunch and high demand. Hyderabad is expected to remain robust in terms of both demand and supply for year 2017.

Hyderabad Commercial Market Rental Trends in INR/sft/month



Major Deals in Hyderabad Commercial Market - H1 2017

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Amazon	Avance SEZ	6,00,000	Madhapur	Lease
GAP	Waverock	84,000	Gachibowli	Lease
Purple Yo	Navayuga Building	30,000	Madhapur	Lease
AWFIS	SS Tech Park	20,000	Gachibowli	Lease
EPAM	Salarpuria IT Park	2,50,000	Madhapur	Lease
Karvy	APSFC	1,00,000	Gachibowli	Lease
Synchrony	Salarpuria IT Park	2,50,000	Madhapur	Lease
ZF India	Palnadu Aster	1,25,000	Gachibowli	Lease
GE	Salarpuria IT Park	32,000	Madhapur	Lease
AWFIS	N Heights	38,000	Hitech City	Revenue Share
Servicenow	Knowledge City	1,36,000	Hitech City	Lease
TATA AIG	Imperial Tower	50,000	Ameerpet	Lease
JP Morgan	Knowledge City	46,000	Hitech City	Lease
Smart Drive	My Home Tycoon	30,500	Begumpet	Lease
Deloitte	Sarvottam Care	50,000	Madhapur	Lease

HYDERABAD RETAIL REAL ESTATE TRENDS



Hyderabad saw revival of retail demand in H1 2017. Eight new malls covering 2.6 million sq. ft will open in Hyderabad by this year end. This new supply is expected to trigger of leasing activity in Hyderabad which went through a period of lull due to non availability of quality retail space.

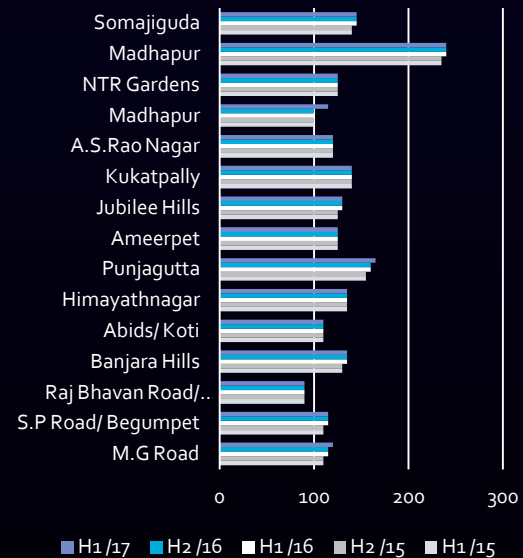
Hyderabad retail market witnessed transaction of 0.35 million sq. ft in H1, 2016 against a supply of nearly 1 million sq. ft. Large retailers, including global brands such as H&M, Forever21 and GAP, and domestic players such as Reliance, Shoppers Stop and Central have expansion plan in Hyderabad.

Rentals have remained stable across all major micro-market. Owing to new supply and demand from retailer, the rentals are expected to appreciate in future.

Major Deals in Hyderabad Retail Market - H1 2017

Property	Location	Tenant	Square feet	Lease/ Sale
Standalone	Tirumalgi	Brand Factory	25000	Lease
Standalone	Himayatnagar	West side	20000	Lease
Standalone	Panjagutta	Bata	3000	Lease
Standalone	Parkline (Sec'bad)	South India Shopping Mall	3000	Lease
Standalone	Kharkhana	Vacs	5000	Lease
Standalone	Jubilee 36	Star Buses	30000	Lease

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



HYDERABAD INDUSTRIAL AND WAREHOUSING TRENDS

The Hyderabad Ind. & Warehousing market witnessed strong increase in leasing activity in H1, 2017, driven by small to medium sized space take-up by 3PL, FMCG, e-Commerce and pharmaceutical companies. Majority of the leasing activity was concentrated across independent warehouses.

Shamshabad has emerged as a preferred e-commerce destination due to proximity to airport. The Medchal area saw appreciation of rentals due to steady demand and sustained leasing activities. Industrial and warehousing demand will continue to grow in along major industrial and warehousing corridors of Hyderabad in 2017 particularly in Medchal, Shamshabad and Kothur areas

Hyderabad Industrial and Warehousing Rentals in INR/sft/month

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

KOLKATA is the main commercial and financial hub of East and North-

East India and home to the Calcutta Stock Exchange. 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.



Commercial



Retail



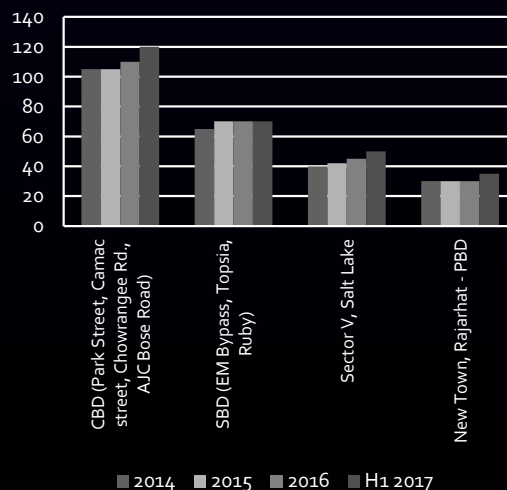
Land & Warehousing

KOLKATA COMMERCIAL REAL ESTATE TRENDS

H1, 2017 saw healthy leasing activity in Kolkata Commercial Markets with leasing of approx. 0.5 million sq. ft of commercial space. This excludes a large pre-commitment by Technology major Cognizant which has opted for a built to suit (BTS) facility of 0.36 million sq ft (33,445 sq m) in Candor Tech space SEZ in the New Town area. Leasing activity remained concentrated in locations like Salt Lake Sector V, New Town and Rajarhat. Technology firms were the primary contributor of the overall demand accounting for 50% of the absorption followed by automobile firms (35%). Around 0.2 million sq.ft of Grade B commercial was added in H1, 2017. The scheduled completion of Technopolis 2 measuring 1.2 million sq ft was deferred until 2018 due to subdued demand

City-level vacancy remained high at 25%, primarily due to high vacancy rate of almost 40% in peripheral markets. This has kept the rentals flexible and affordable. Kolkata commercial rentals saw correction in the range of 2 to 5%.

Kolkata Commercial Market Rental Trends in INR/sft/month



Major Deals in Kolkata Commercial Market - H1 2017

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
Cox & King	Kankaria House	12,000	CBD	Lease
Alkem Pharma	Elgin Road	6,000	SBD	Lease
Kotak Life	Sunny Tower	5,500	SBD	Lease
TATA Steel	Technopolish	16,000	Sec V	Lease
Ushacom	Godrej Waterside	18,000	Sec V	Lease
AWFIS	Globsyn	27,000	Sec V	Lease
Ascent Business Solutions	Symsis Tower	5,801	Sec V	Lease
Tech Mahindra	PS Srijan TechPark	33,000	Sec V	Lease

KOLKATA RETAIL REAL ESTATE TRENDS



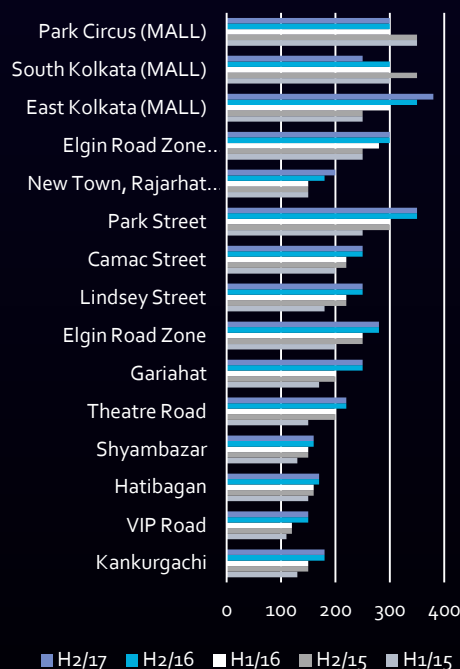
Kolkata retail market saw continued momentum of healthy transaction in H1, 2017. Approximately 0.2 million sq. ft. of retail space was absorbed in first half of the year. In supply front, H1, 2017 saw addition of around 0.1 million sq. ft. of retail space. Kolkata witnessed mid to small space take up during H1, 2017 particularly driven by high street transactions due to non availability of mall space. Most transactions on high streets were by retailers belonging to the apparel, jewellery and QSR segments. The total supply of retail space is pegged at 0.3 million sq.ft by the end of the year.

Rentals are stable for both – the organized segment as well as high streets, a trend which is likely to continue till end of 2017. Retail formats such as Neighbourhood Centers, Multiplex, F&B, etc., have become the preferred investment segments in Kolkata.

Major Deals in Kolkata Retail Market - H1 2017

Property	Location	Tenant	Square feet	Lease/ Sale
Park Mansions	Park Street	Hard Rock Cafe	4,500	Lease
Godrej Genesis	Sec 5, Salt Lake	Maruti Nexa	5,200	Sale
Park Mansions	Park Street	Star Buck Cafe	1,500	Lease
Standalone	Hatibagan	FBB	24,000	Lease
Standalone	Barrackpore	FBB	14,100	Lease
Ideal Unique Center	E.M. Bypass	Maruti Nexa	16,000	Sale
Ideal Unique Center	E.M. Bypass	MRF	9,500	Sale
Standalone	NSC Bose Road	Brand Factory	21,000	Lease
Standalone	Baranagar	Shree Venkatesh Films	4,000	Lease
Standalone	NSC Bose Road	DAMRO Furniture	4,000	Lease
Commercial	Esplanade	Central	45,000	Lease
Commercial	New Town	Big Bazaar	35,000	Lease

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



KOLKATA LAND AND WAREHOUSING TRENDS

Kolkata industrial and warehousing market witnessed an appreciation of 5% -10% in most micro markets due to increased demand from warehousing developers/ landlords. The micro market of Dhulagarh, Sankrail and Uluberia along NH-6 witnessed close to 60% of overall transaction activity. Domestic companies from the electronics, 3PL, e-Commerce and media sectors were the major occupiers of space. No new project completions were witnessed; however, close to 360,000 sq. ft. of space is currently in the final stages of completion and is expected to be completed by end of 2017.

Major Deals in Kolkata Land & Warehousing Market - H1 2017

Property	Location	Tenant	Square feet
Srijan Industrial Logistic Park	Bombay Road	Philips	25,000
Srijan Industrial Logistic Park	Bombay Road	Punjab Hydraulics	17,000
Srijan Industrial Logistic Park	Bombay Road	Cryogenic Fire Securities	10,000
PJR	Dhulagarh	CNF - Cement	13,000
Abakash Industrial Park	Basanti Highway	Individual - Leather	28,000
Standalone	Dhulagarh	Exide Industries	37,000

Kolkata Land and Warehousing

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

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



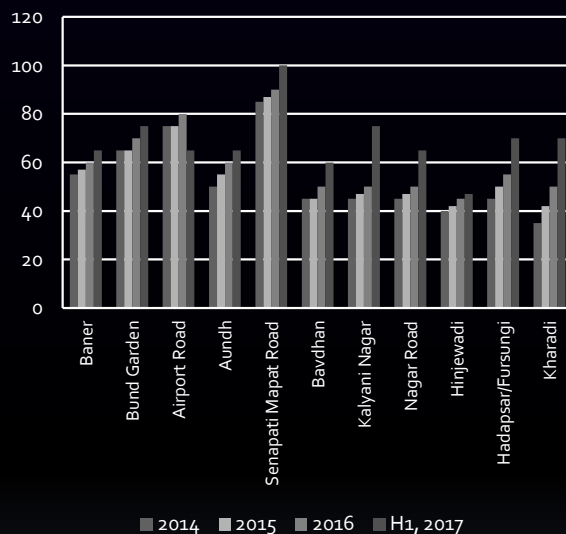
PUNE COMMERCIAL REAL ESTATE TRENDS

Pune commercial real estate continued to see moderate transaction activities in H1, 2017. Market witnessed moderate transaction activity with total absorption of approx. 1.8 million sq. ft due to shortage of quality space. H1 2017 recorded 1.7 mn sq.ft. However, a significant portion of these were small projects with a leasable area of less than 0.1 mn sq.ft, which are not the demand segment for city's top occupier industry.

This supply crunch is expected to impact the absorption number adversely at least till mid of 2018 as most of the new projects are likely to see completion by 2018. The technology sector continue to be the major space demand driver accounting for 60% share in net absorption followed by engineering & manufacturing (15%) and consulting (14%). Kharadi remained the most preferred location for investors.

Due to non availability of space, rentals in most micro markets saw appreciation by 3% - 8%. The key micro markets contributing to the increase in rents were Hadapsar, Fursungi, Kharadi and Senapati Bapat Road. Vacancy remained low at 6% - 8%. The market transaction is expected to remain stagnant in year 2017.

Pune Commercial Market Rental Trends in INR/sft/month



Major Deals in Pune Commercial Market - H1 2017

CLIENT	Location	Area (SF)	Lease / Sale
Fiserv India	Nagar Road	2,55,000	Lease
TIAA Global Business	Kharadi	1,32,000	Lease
Red Brick Offices	Magarpatta	40,000	Lease
Consultadd Services	Magarpatta	30,000	Lease
Awfis	Baner	20,000	Lease
Awfis	Vimannagar	20,000	Lease
Ferrero India	Kharadi	50,000	Lease
Ujjivan Small Finance Bank	Kharadi	26,000	Lease

PUNE RETAIL REAL ESTATE TRENDS



Pune retail transaction is continuing its dream run. H1 2017 was leasing of around 0.5 million sq. ft of space. Pune is receiving considerable investment attention from global retail players. Many international brands are planning to expand their footprint in near future.

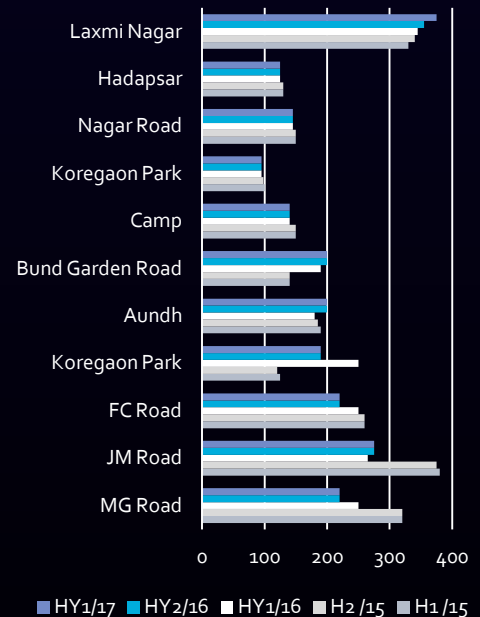
Driven by sectors like automobiles, IT/ITeS, agro and food processing, Pune retail saw addition of 0.2 million sq. ft in H1, 2017. Major supply is slated to come up in 2018 with completion of Westend Mall in Aundh and The Pavilion Mall on S.B Road.

The rental landscape has changed quite a lot in 2017, with quality malls seeing considerable with rental increments while others displayed slower or no growth. Overall average rental remained stable across markets. Major retail destination such as Koregaon Park and Hadapsar, the leasing activity was dominated by apparel retailers with brands such as Max, Central and H&M expanding their footprint in the city. F&B operators were the prominent occupiers of space across high streets.

Major Deals in Pune Retail Market - H1 2017

Tenant	Location	Square feet	Lease/ Sale
Dmart	Kothrud	40,000	Sale
Croma	Kothrud	13,000	Lease
Pantaloons	Kothrud	13,000	Lease
Sky Moto	SB Road	10,000	Lease
Brand Factory	Solapur Road	20,000	Lease
Landmark Group	Wakdevadi	6,500	Lease
Vijay Sales	Paud Road	5,000	Outright

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



PUNE INDUSTRIAL AND WAREHOUSING TRENDS

Pune witnessed strong demand for warehousing space during H1, 2017 with total transaction of 1.2 million sq. ft. Pune Ind. & warehousing markets are driven by engineering and manufacturing sector companies and 3PL operators. Investment activity by High Net-worth Individuals (HNIs) and domestic companies for industrially zoned land parcels also witnessed growth across locations such as Chakan, Sanaswadi and Hinjewadi. Rental values continued to remain stable across micro-markets. The large consumer and manufacturing base and affordable prices have helped Pune become a major warehousing location.

Major Deals in Pune Ind. & Warehousing Market - H1 2017

Property	Location	Square Feet	Lease/ sale
Kawasaki	Chakan	1,15,000	Lease
JCB	Talegaon	20,000	Lease
Faith Automation	Chakan	35,000	Lease
SIAC- SKH India	Chakan	55,000	Lease
GKN Land Systems	Chakan	21,000	Lease

Pune Industrial and Warehousing

Submarkets	Land Rates in Cr/ acre	Ind. & Warehousing in INR/ sq.ft/month
Talegaon	2-3	16-24
Chakan	2-3	16-30
Pimpri Chinchwad	8-10	25-35
Pirangut	3-4	16-22
Hinjewadi	8-10	25-35
Lonikand	2-4	14-18
Sanaswadi	2.5	14-20
Ranjangaon	1.5-2	18-22
Khed City	1.7	17-26
Shirwal	1.5	12-16
Wagholi	3.5	18-25

AHMEDABAD

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



Commercial



Retail

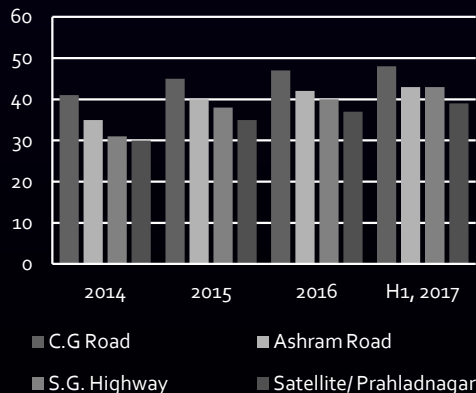


Ind. & Warehousing

AHMEDABAD COMMERCIAL REAL ESTATE TRENDS

Ahmedabad was brisk commercial space transaction amounting to 0.6 million sq. ft (approx). Grade A leasing activity was dominated by the banking, financial services and insurance (BFSI) sector (50%). Majority of the leasing activity was concentrated in the suburban business district of S.G. Highway (50%). Ahmedabad witnessed supply of approx. 0.4 million sq. ft, in H1, 2017. Major micro markets have huge inventory of vacant space which have lead to correction of rentals. Around 1.0 million sq. ft of commercial space is expected to be added to the existing supply. This is expected to further increase the vacancy levels to 40%. Rentals are expected to decline further due to demand - supply mismatch.

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



Major Deals in Ahmedabad Commercial Market - H1 2017

CLIENT	Building Name	Area (SF)	Location	Lease/ Sale
SNL Finance	BTS	3,80,000	Prahladnagar	lease
SNL Finance	Campus Corner II	30,000	Prahladnagar	lease
IT Co.	Timberwood Center	10,000	Prahladnagar	lease
Lending Cart	The First	30,000	Vastrapur	lease
Club Mahindra	Amrapali Lakeview	7,000	Vastrapur	lease
Country Club	Amrapali Lakeview	5,000	Vastrapur	lease
Tata Projects	Magnet Park	6,500	Vastrapur	lease
IDFC Bank	Sun Square	50,000	CG Road	lease
Xotika Fitness	Zion Prime	12,000	Thaltej	lease
Zee News	Venus Atlantis	23000	Prahladnagar	lease
Macquiere	Indraprasth Corporate Park	6,500	SG Highway	lease
Iplex Business Center	Brooklyn Tower	6500	SG Highway	lease
Indiabulls	Westgate	4500	SG Highway	lease
ARQ Analytical Data Solutions	Amrapali Lakeview	14300	Vastrapur	lease
Azista Industries	Magnet Park	22000	SG Highway	lease
Adarsh Credit & Housing Co-Op Soc.	Zodiac Square	26000	SG Highway	lease
India Cement	Iscon Elegance	3322	Prahladnagar	lease
US Based It Co.	Iscon Elegance	26000	Prahladnagar	lease
Motif	BTS	1,60,000	Prahladnagar	Lease
Larenon	Tatva Soft House	7000	Bodakdev	Lease
PuniskaPharma	Palladium	22000	Prahladnagar	Lease

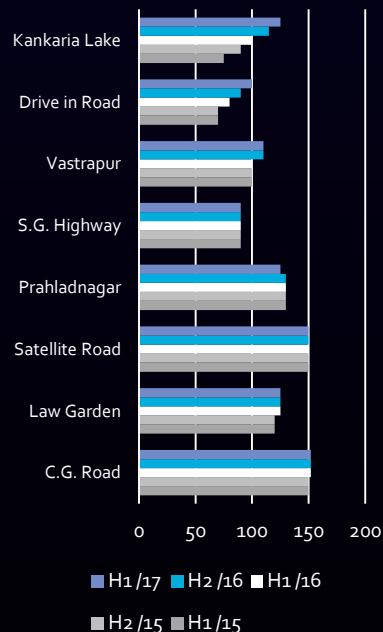
AHMEDABAD RETAIL REAL ESTATE TRENDS



Ahmedabad continued its healthy run in H1, 2017. Around 0.25 million sq.ft of retail space was absorbed while supply was in tune of 0.1 million sq. ft. The demand was mainly driven by apparel retailers, which continued to strengthen their presence across various locations such as C.G. Road and S.G. Highway. Due to robust transaction activities, vacancy rate declined to 30% and may decline further as no major supply is expected in this market by end of 2017. Rentals remained stable in most micro markets.

Major Deals in Ahmedabad Retail Market - H1 2017				
Property	Location	Tenant	Square feet	Lease/ Sale
Standalone	Bodakdev	Rootcraft	25000	Lease
Safal Pegasus	Prahladnagar	RBL Bank	2000	Lease
K 158	Sindhubhavan Road	ICICI Bank	3000	lease
Asian Square	Sindhubhavan Road	Apple	2000	lease
Amrapali Axiom II	Bopal	Damy Royal Group	3,500	lease
Mondeal Square	Prahladnagar	Golden Times	2700	lease
Shivalik 3	Drive in Road	Sugar n Spice Restaurant	4250	lease
Vitthal Plaza	Naroda	Miraj Miniplex	12500	lease
Safal Pegasus	Prahladnagar	RBL Bank	2,400	lease
Galaxy Bazaar	Vastrapur	Next	3,000	lease
Ten 11	CG Road	Soch	4000	Lease
Iscon Emporio	Satellite	Pantaloons	20000	lease
Vivan Square	Jodhpur	Iconic Fashion	30000	lease
Vivan Square	Jodhpur	Forever 21	20000	lease
Pavillion Mall	Nikol	Rajhans Cinema	33000	lease
Kunj Mall	Nikol	Osia Hyper Market	33000	lease
Westside	Chandkheda	Sun Grace	15000	lease
3rd Eye Vision	IIM Road	Nexa	10,000	Lease
Solitaire	Vastrapur	Kotak Mahindra Bank	3,400	Lease
Titanium One	S.G Highway	Pepperfry Experience Studio	4,500	Lease

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



AHMEDABAD INDUSTRIAL AND WAREHOUSING TRENDS

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

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

Major Deals in Ahmedabad Ind. & Warehousing Market - H1 2017			
Property	Location	Square Feet	Lease/ sale
Astral Pipes	Sarkhej	25000	Lease
Amul	Aslali	30000	Lease
CRC Documents Storage	Sanand	20000	Lease
UHC Pharma	Bavla	25000	Lease

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

Submarkets	Industrial	Warehousing
Sanand	20 -24	15 -18
Changodar	25 -27	18 -25
Aslali		13 -16
Kheda		13 -15


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