

MARKETBEATS



12.5%

GROWTH IN WAREHOUSING RENT IN ASLALI (YoY)

INR 25

INDUSTRIAL RENT IN CHANGODAR (INR/SF/Month)

INR 24 MN/ACRE

LAND RATES IN SANAND & CHANGODAR

WHAT'S NEXT

HIGHLIGHTS

Land rates remain stable

The submarket of Becharaji witnessed buoyant demand for land parcels driven by auto ancillary parts suppliers in the backdrop of the Maruti Suzuki plant expansion. However, capital values for land continued to remain steady in the second half of 2018, despite sustained demand, owing to sufficient availability of land parcels.

Consumer goods sector driving Warehousing demand

Warehousing demand was driven by consumer goods sectors, as well as e-commerce and automobile. Demand for warehousing space has continued to increase in Aslali submarket during the second half of 2018, amidst limited supply. As a result, warehousing rentals rose 12.5% YoY in the submarket. In the Kheda submarket, warehousing rentals rose 4% YoY, led by increased demand from consumer goods companies. Prominent lessors in Kheda during H2 2018 include D-Mart and HUL who leased 400,000 sf and 250,000 sf respectively. Rentals in most other submarkets remained stable due to slow demand and adequate supply.

Sturdy demand for industrial sheds

Companies from the automobile, pharmaceutical and engineering sectors continued to drive demand for industrial sheds in Becharaji and Changodar. However, rentals remained range-bound across key markets in the second half of 2018 due to steady demand-supply scenario.

ECONOMIC INDICATORS

	2017	2018	2019 Forecast
GDP Growth	6.2%	7.6%	7.2%
CPI Growth	3.3%	4.5%	5.0%
Private Final Expenditure	5.9%	7.5%	7.3%
Govt Final Expenditure	14.2%	2.6%	16.6%

Source: Oxford Economics

INDUSTRIAL AND WAREHOUSE RENTS - H2 2018



Source: Cushman and Wakefield Research

A Cushman & Wakefield Research Publication

DATA INTO ACTION

Rohan Sharma

 Director
 Research Services
 Tel: +91 99104 84222
 Rohan.sharma1@cushwake.com

LAND RATES - DECEMBER 2018

Submarket	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
Sanand	24	0.34	0.3	0%
Changodar	24	0.34	0.3	0%

*Note: Quoted land rates for serviced industrial land parcels are mentioned
 # Represents government owned serviced plots in industrial parks
 Percentage growth are in local currency; Y-O-Y – Year on Year
 Conversion Rate: US\$1= INR 70.5 and Euro 1 = INR 80.3*

SIGNIFICANT TRANSACTIONS

Buyer/Lessee	Seller/Lessor	Type	Submarket	Sale/Lease	Area (sf)
D-Mart	Sumar Logistics	Warehousing	Kheda	Lease	400,000
Emar	Mascot Industrial Park	Industrial Shed	Becharaji	Lease	300,000
HUL	Soheb Momin	Warehousing	Kheda	Lease	250,000

**DATA
INTO
ACTION**

 A Cushman & Wakefield
 Research Publication

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value by putting ideas into action for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with 48,000 employees in approximately 400 offices and 70 countries. In 2017, the firm had revenue of \$6.9 billion across core services of property, facilities and project management, leasing, capital markets, advisory and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

www.cushmanwakefield.com