

## MARKETBEATS

9-15%

AVERAGE GROWTH IN LAND  
PRICE BOMMASANDRA (YOY)

0.6 msf

WAREHOUSING SPACE  
LEASED BY FLIPKART

10%

GROWTH IN WAREHOUSE RENT  
IN SOUKYA ROAD (YOY)WHAT'S  
NEXT

## HIGHLIGHTS

## Warehousing rentals rise in select locations

Demand for warehousing space remained healthy, driven by e-commerce and retail sectors during the latter half of 2018. Some of the top warehousing lessees include Decathlon and Flipkart in a logistics park in Soukya Road. In Soukya Road, rentals rose 10% on a YOY basis, led by heightened demand by the e-commerce sector. In Tumkur Road submarket, spanning from Nelamangala to Dabaspet, rentals rose 5% YoY, led by demand from the FMCG and electronics sector. Quality warehousing space of approximately 0.8 msf is currently under construction in proximity to Nelamanagala.

## National Developers looking to enter the city

Prominent national developers are looking to enter the Bengaluru warehousing and logistics market, driven by the sector's potential and the city's strategic location driving demand in a post-GST scenario. At the same time, developers in the city are upscaling existing spaces by providing enhanced facilities, such as provisions for crane facility, clear height of 10-12 metres and above, fire hydrants, etc.

## Companies scouting for land parcels

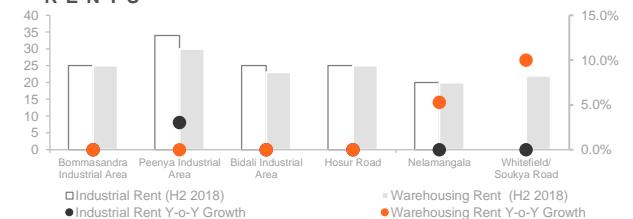
Land prices rose in the range of 9-15% YoY in Bommasandra. Companies are looking for land parcels in the Narsapura-Hoskote belt in the East, Attibele in the South, and Tumkur Road in the West, to develop integrated warehousing and industrial parks.

## ECONOMIC INDICATORS

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

Source: Oxford Economics

## INDUSTRIAL AND WAREHOUSING RENTS



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### LAND RATES – DECEMBER 2018

Submarket	INR MN/ACRE	US MN/ACRE	EURO MN/ACRE	Y-O-Y Change
KIADB Hitech Zone	26	0.37	0.33	0.0%
Narsapura	15	0.22	0.19	0.0%
Bommasandra*	152-100	216-1.42	1.90-1.25	9.4%-15.0%
Bidadi	35	0.49	0.43	14.3%
Dabaspet	25	0.35	0.31	0.0%
Harohalli	15	0.21	0.19	0.0%
Peenya*	174-152	2.47-2.16	2.17-1.90	11.1%-12.9%

Note: Land rates in Bommasandra and Peenya are provided in a range due to difference in rates along the highway and interiors.  
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)
Flipkart	Allcargo	Warehousing	Soukya	Lease	600,000
Decathlon	Allcargo	Warehousing	Soukya	Lease	800,000
ProConnect	Rajdhani Group	Warehousing	Tumkur Road	Lease	45,000
Ecom Express	Individual	Warehousing	Tumkur Road	Lease	30,000
UL India	Individual	Warehousing	Whitefield	Lease	12,000

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