

MARKETBEATS



8-15%

GROWTH IN WAREHOUSING RENTS (YoY)

4-10%

GROWTH IN INDUSTRIAL RENTS (YoY)

1.9 msf

WAREHOUSE TRANSACTIONS (H2 2018)

WHAT'S NEXT

HIGHLIGHTS

Warehousing on a steep growth curve

The rapidly growing e-commerce sector is fueling the need for quality warehouses in the region. Flipkart, Grofers, BigBasket and Amazon leased large warehousing spaces (above 100,000 sf) in H2 2018. The year noted a phenomenal 2.8 msf of warehousing transactions, with large leases accounting for three-fourths of the recorded deals. Tauru Road, Farrukhnagar, Pataudi Road and Gopalpur in Haryana were areas that witnessed maximum activity.

Strengthening of warehousing and Industrial rents

Heightened demand for warehousing spaces, coupled with limited space availability is pushing rental growth with key locations, largely around Gurgaon and peripheries recording double-digit growth on a YoY basis. Industrial rents were also higher by around 7-8% YoY with markets like IMT Manesar, Bawal, and Kundli in Haryana aiding the rental growth as they continued to see healthy demand for industrial sheds.

Land rates edging up with interest of organised players

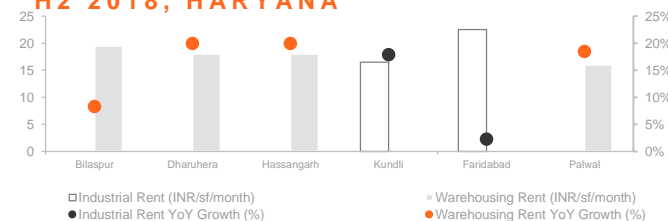
Demand from developers and end-users for developing captive warehousing and logistics spaces is giving a slight push to land rates in this asset class, even as other asset classes are seeing stability in land values. Land rates across markets in Haryana, Rajasthan and Uttar Pradesh noted an average rise of 5-7% on a YoY basis.

ECONOMIC INDICATORS

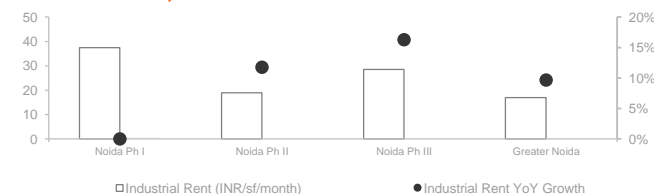
	2017	2018	2019 Forecast
GDP Growth	6.2%	7.6%	7.2%
CPI Growth	3.3%	4.5%	5.0%
Consumer Spending	5.9%	7.5%	7.3%
Govt Final Consumption Expenditure	14.2%	2.6%	16.6%

Source: Oxford Economics

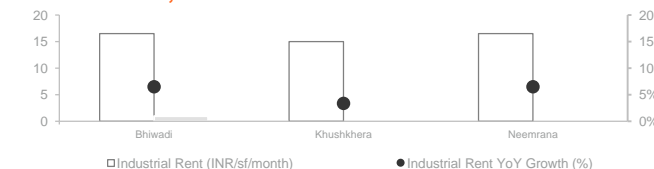
INDUSTRIAL AND WAREHOUSE RENTS H2 2018, HARYANA



H2 2018, UTTAR PRADESH



H2 2018, RAJASTHAN



A Cushman & Wakefield Research Publication

DATA INTO ACTION

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**DATA
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LAND RATES-DECEMBER 2018

Submarket	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
DELHI NCR - HARYANA				
Faridabad**	75	1.1	0.9	7.1%
Manesar**	70	1.0	0.9	12 - 15%
Bawal	32	0.5	0.4	0%
Rohtak#	31	0.4	0.4	2.0%
DELHI NCR - UTTAR PRADESH				
Noida Phase I	324	4.6	4.0	0%
Noida Phase II	81	1.1	1.0	7.2%
Noida Phase III	212	3.0	2.6	5.0%
Greater Noida	47	0.7	0.6	7.0%
Yamuna Expressway#	24	0.3	0.3	9.1%
DELHI NCR - RAJASTHAN				
Bhiwadi**	30	0.4	0.4	0%
Khushkhera	26	0.4	0.3	7.1%
Neemrana	42	0.6	0.5	0%

Note: Quoted land rates for serviced industrial land parcels are mentioned

***Land rates calibrated historically*

#Represents primary land rates by Infrastructure Development Corporation of respective states

Khushkhera includes Khushkhera, Tapukara and Chaupanki

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	Corporate	Warehouse	Tauru Road	Lease	280,000
Spear Logistics	Corporate	Warehouse	Farukhnagar	Lease	200,000
BigBasket	Corporate	Warehouse	Sadrana, Chandu	Lease	150,000
Grofers	Corporate	Warehouse	Gopalpur	Lease	100,000