

# MARKETBEATS



**3-5%**

GROWTH IN WAREHOUSING RENTS (Y-O-Y)

**7-8%**

GROWTH IN INDUSTRIAL RENTS (Y-O-Y)

**2.8 msf**

WAREHOUSE TRANSACTIONS (H1 2019)

## WHAT'S NEXT

## HIGHLIGHTS

### Growth momentum in warehouse leasing remains unabated

E-commerce and logistics players continued to lead the growth of warehousing sector in the city, while retailers and consumer durable manufacturers were among other demand drivers. Amazon, Firstcry, Delhivery, DB Schenker, Rhenus Logistics, Yusen Logistics, Voltas leased large warehousing spaces (above 100,000 sf) in H1 2019. The first half of 2019 noted a robust 2.8 msf of warehouse transactions, equivalent to the leasing in entire 2018 demonstrating the persistent growth in warehousing. Tauru Road, Farukhnagar, Pataudi Road and Dharuhera in Haryana were the most active for warehouse leasing transactions.

### Warehousing and Industrial rents increase

Warehousing rents in the Tauru, Bilaspur Kalan, Pataudi corridor increased by 5.3% y-o-y backed by healthy demand. Industrial rents recorded an average 7% y-o-y increase, with higher growth rates in IMT Manesar and Ballabhgarh in Haryana.

### Development of organized spaces to augur well for the logistics space

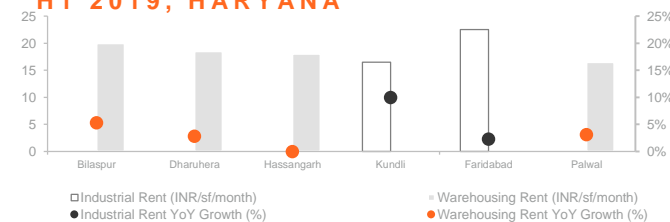
While greenfield development of industrial and logistics spaces continues through infusion of private equity investment, the sector also witnessed acquisition of a large industrial park in Haryana by IndoSpace during H1 2019. Consolidation activity is on the cards with growing presence of large organized players.

## ECONOMIC INDICATORS

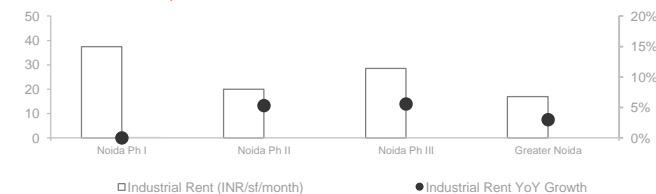
|  | 2017  | 2018 | 2019 Forecast |
|--|-------|------|---------------|
| GDP Growth                               | 7.2%  | 6.8% | 7.0%          |
| CPI Growth                               | 3.6%  | 3.5% | 3.4%          |
| Consumer Spending                        | 7.4%  | 8.1% | 7.1%          |
| Government Final Consumption Expenditure | 14.2% | 9.2% | 15.0%         |

Source: Oxford Economics, Central Statistics Office

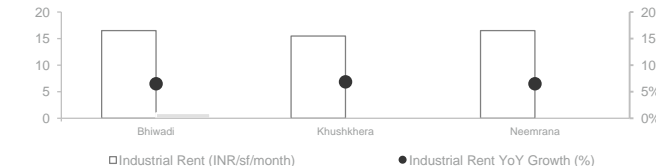
## INDUSTRIAL AND WAREHOUSE RENTS H1 2019, HARYANA



## H1 2019, UTTAR PRADESH



## H1 2019, RAJASTHAN



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**LAND RATES-JUNE 2019**

| Submarket                        | INR MN/ACRE | US\$ MN/ACRE | EURO MN/ACRE | Y-O-Y Change |
|----------------------------------|-------------|--------------|--------------|--------------|
| <b>DELHI NCR - HARYANA</b>       |             |              |              |              |
| Faridabad**                      | 81          | 1.2          | 1.0          | 15.6%        |
| Manesar**                        | 90          | 1.3          | 1.1          | 35 - 50%     |
| Bawal                            | 40          | 0.6          | 0.5          | 25%          |
| Rohtak#                          | 31          | 0.5          | 0.4          | 2.0%         |
| <b>DELHI NCR – UTTAR PRADESH</b> |             |              |              |              |
| Noida Phase I                    | 324         | 4.7          | 4.1          | 0%           |
| Noida Phase II                   | 81          | 1.2          | 1.0          | 7.2%         |
| Noida Phase III                  | 212         | 3.1          | 2.7          | 5.0%         |
| Greater Noida                    | 47          | 0.7          | 0.6          | 8.0%         |
| Yamuna Expressway#               | 26          | 0.4          | 0.3          | 8.3%         |
| <b>DELHI NCR - RAJASTHAN</b>     |             |              |              |              |
| Bhiwadi**                        | 40          | 0.6          | 0.5          | 20 - 30%     |
| 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 69.55 and Euro 1 = INR 79.1

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 Research Publication

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**SIGNIFICANT TRANSACTIONS**

| Buyer/Lessee       | Seller/Lessor | Type      | Submarket                 | Sale/Lease | Area (sf) |
|--------------------|---------------|-----------|---------------------------|------------|-----------|
| <b>DB Schenker</b> | Corporate     | Warehouse | Badli                     | Lease      | 250,000   |
| <b>Delhivery</b>   | Corporate     | Warehouse | Pataudi Road              | Lease      | 220,000   |
| <b>Amazon</b>      | Corporate     | Warehouse | Jamalpur – Panchgaon Road | Lease      | 200,000   |
| <b>Firstcry</b>    | Corporate     | Warehouse | Farukhnagar               | Lease      | 180,000   |