

MARKETBEATS



2.30 msf
TOTAL LEASING
(H1 2019)

0.35 msf
SPACE LEASED BY
FIRSTCRY

0.18 msf
SPACE LEASED BY
ROLLS-ROYCE

WHAT'S NEXT

HIGHLIGHTS

Industrial leasing remains healthy

Leasing in quality warehouses & industrial sheds was recorded at 2.3 msf during the first half of 2019. Sectors such as manufacturing, e-commerce, automobiles and 3PL companies emerged as the major space takers during the period. More than 85% of the total leasing was concentrated in the Chakan and Talegaon submarkets as they continue to remain the most favored by occupiers. The overall capital values and warehousing rentals have remained stable across the submarkets.

Growing demand for BTS spaces

Limited availability of quality warehousing space & customized large requirements from occupiers led to increase in demand for Build to Suit (BTS) spaces during the first half of the year. Chakan, Talegaon submarkets recorded majority of the BTS transactions followed by Pune-Ahmednagar road submarket. FirstCry, Thyssenkrupp, Rolls-Royce, York Transport Equipment were the prominent occupiers who leased large BTS spaces. The overall growth momentum for BTS is expected to continue due to sustained demand for large spaces.

Capital values & rentals to remain stable

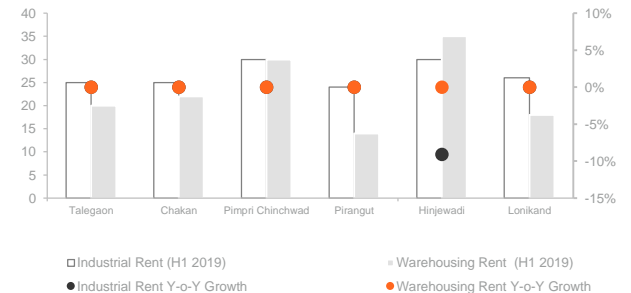
Going forward, we expect Talegaon and Chakan to continue to remain as preferred locations by the occupiers for warehousing & industrial sheds. Locations like Sanaswadi, Ranjangaon & Koregaon Bhima are also expected to gain traction, largely because of their competitive real estate prices, proximity to city limits & connectivity through Pune-Ahmednagar highway. Capital values and rentals are presently at their peak and are expected remain stable in the second half of the year due to steady demand-supply scenario.

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



Source: Cushman and Wakefield Research

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LAND RATES- JUNE 2019

Submarket	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
Talegaon	20	0.3	0.3	0.0%
Chakan	30	0.4	0.4	0.0%
Pimpri-Chinchwad	74	1.1	0.9	0.0%
Pirangut	30	0.4	0.4	0.0%
Hinjewadi	65	0.9	0.8	0.0%
Lonikand	25	0.4	0.3	0.0%
Sanaswadi	20	0.3	0.3	0.0%
Ranjangaon	16	0.2	0.2	0.0%
Khed	15	0.2	0.2	0.0%
Shirwal	12	0.2	0.2	0.0%

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

#Represents government owned serviced plots in industrial parks

Pimpri Chinchwad includes Bhosari; Lonikand also includes Phulgaon, Sanaswadi also includes Shikrapur, Kondhapuri and Koregaon Bhima

Percentage growth are in local currency; Y-O-Y – Year on Year

Conversion Rate: US\$1= INR 69.5 and Euro 1 = INR 79.1

SIGNIFICANT TRANSACTIONS

Buyer/Lessee	Seller/Lessor	Type	Submarket	Sale/Lease	Area (sf)
FirstCry	Global Group	Build to Suit	Chakan	Lease	353,000
Thyssenkrupp	Global Group	Build to Suit	Chakan	Lease	120,000
Rolls-Royce	IndoSpace	Build to Suit	Chakan	Lease	185,255
BigBasket	IndoSpace	Industrial Shed	Chakan	Lease	113,729
York Transport Equipment	Individual Land Owner	Build to Suit	Talegaon	Lease	1,80,000

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