

	Warehouse	Industrial
LEASING in msf (H2 2022)	6.14	0.02
AVG RENTALS in INR/sf/month	24.0	26.4
LAND VALUE Avg. Y-o-Y growth	8%	8%

Strong Leasing Momentum in H2, largely concentrated around Bhiwandi

In the second half of 2022, warehousing sector saw healthy leasing activity of around 6 msf, about 32% growth over H1 2022. It was majorly driven by large scale lease transactions (>300,000 sf deals) by 3PL and retail sectors. These large deals constitute 31% of the total H2 2022 lease volume. Bhiwandi was the most prominent corridor during H2 2022 with limited leasing activity witnessed at Panvel and Uran sub markets. Rentals across Bhiwandi, Thane Belapur Road and JNPT Uran exhibited an annual growth of 10-14% in 2022.

The annual leasing volume stood at 10.8 msf which is almost double of that in 2021. 3PL and Retail sector drove the annual leasing volume primarily in Bhiwandi and Taloja sub markets. 3PL, Chemical and Engineering & Manufacturing sectors drove the annual leasing activity across Panvel, Uran and TTC-MIDC sub markets.

The land value in Panvel submarket have seen an 18% growth during the year mainly driven by upcoming International Airport project and this submarket is in close proximity to the cargo terminal in this project. Land values in Thane Belapur road witnessed a 14% increase majorly due recent land transaction by data centre occupiers.

Lodha Green Digital Infrastructure has acquired 8 acre land parcel in suburban area of Kurla as a part of its INR 300 crore investment in developing first-of-its-kind organised in-city warehousing space in city. The need for in-city warehouses is further expected to grow with demand from e-retailers for setting-up last mile delivery centres. Submarkets such as Taloja and Panvel is likely to emerge as alternate destination for occupiers aspiring to move out of old facilities in Bhiwandi.

Industrial transactions relatively muted in H2; infra development augurs well for JNPT-Uran markets

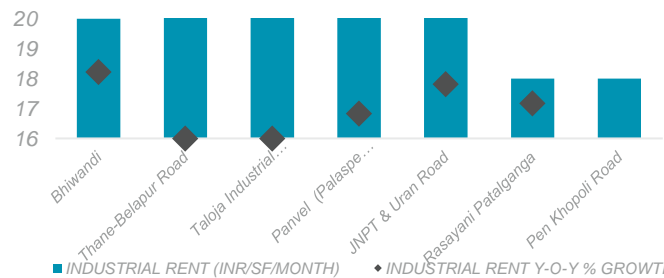
For H2 2022, the industrial sector saw limited volume of leasing activity. 2022 witnessed space take ups in Taloja submarket by two prominent life science companies for its R&D centre and consumer packaging & drug delivery services. Apart from Taloja, TTC MIDC and JNPT-Uran Road submarkets are active clusters for industrial activities in the city. In terms of rentals, JNPT-Uran Road submarket witnessed an uptick of 8-9% over the previous year. With improving connectivity in the location and numerous projects in pipeline (Navi Mumbai Airport, NAINA, DMIC etc), Taloja, JNPT-Uran corridor is likely to become a prominent manufacturing hub.

ECONOMIC INDICATORS Q4 2022

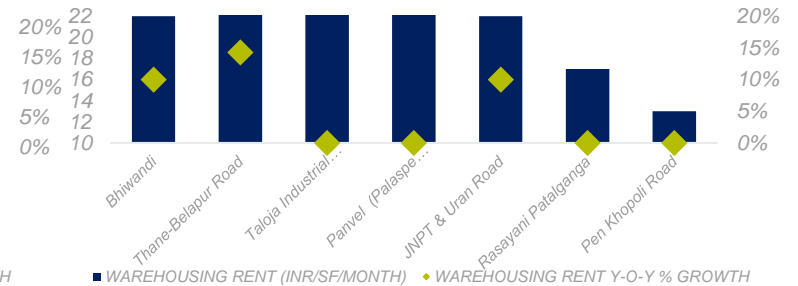
	2021	2022	2023 Forecast
GDP Growth	8.7%	6.8%	6.1%
CPI Growth	5.3%	6.7%	5.0%
Consumer Spending	6.3%	7.5%	7.2%
Govt. Final Expenditure Growth	10.8%	9.7%	8.5%

Source: Oxford Economics, RBI, IMF

INDUSTRIAL RENT / Y-O-Y GROWTH



WAREHOUSING RENT / Y-O-Y GROWTH



KEY WAREHOUSING SUBMARKETS - AVERAGE RENTALS AND LAND RATES – December 2022

SUBMARKET	WAREHOUSE RENT		LAND RATES			
	INR/SF/MONTH	Y-O-Y Change	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
Bhiwandi	22	10.0%	25	0.30	0.30	0 %
Thane Belapur Road	40	14.3%	250	3.04	2.99	14 %
Taloja Industrial Estate	30	0.0%	100	1.22	1.20	-17%
Panvel (Palaspe Phata)	24	0.0%	65	0.79	0.78	18 %
JNPT & Uran Road	22	10.0%	25	0.30	0.30	0 %
Rasayani Patalganga	17	0.0%	25	0.30	0.30	25%
Pen Khopoli Road	13	0.0%	18	0.22	0.22	0%

KEY INDUSTRIAL SUBMARKETS - AVERAGE RENTALS AND LAND RATES – December 2022

SUBMARKET	INDUSTRIAL RENT		LAND RATES			
	INR/SF/MONTH	Y-O-Y Change	INR MN/ACRE	US\$ MN/ACRE	EURO MN/ACRE	Y-O-Y Change
Taloja	30	0.0 %	90	1.09	1.08	-25 %
JNPT & Uran Road	24	9.1 %	25	0.30	0.30	0 %
TTC MIDC	50	0.0 %	250	3.04	2.99	14 %

Note: quoted industrial and warehousing rents are historically corrected to reflect accurate market conditions.

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= 82.3 INR and Euro 1 = INR 83.6

SIGNIFICANT INDUSTRIAL / WAREHOUSE TRANSACTIONS H2 2022

Lessee	Lessor	Type	Submarket	Area (sf)
Mahindra Logistics	Shakti Logistics Park	Warehouse	Bhiwandi	650,000
Croma Retail	Welpsun One Park	Warehouse	Bhiwandi	600,000
DHL Supply Chain	K Square Park	Warehouse	Bhiwandi	330,000

SIGNIFICANT LAND TRANSACTIONS H2 2022- L&I SECTOR LAND TRANSACTIONS

Buyer	Seller	Type	Submarket / Location	Area (acre)
Lodha Green Digital Infrastructure	NA	Industrial / Warehouse	Kurla Suburban	8

Arun P Nair

Manager, Research Services

+91 22 67715555 /arun.nair@cushwake.com

Suvishesh Valsan

Director, Research Services

+91 22 67715555 /suvishesh.valsan@cushwake.com

cushmanwakefield.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 50,000 employees in over 400 offices and approximately 60 countries. In 2021, the firm had revenue of \$9.4 billion across core services of property, facilities and project management, leasing, capital markets, and valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

©2022 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy..