INDIA
RESIDENTIAL
JULY TO DECEMBER 2017

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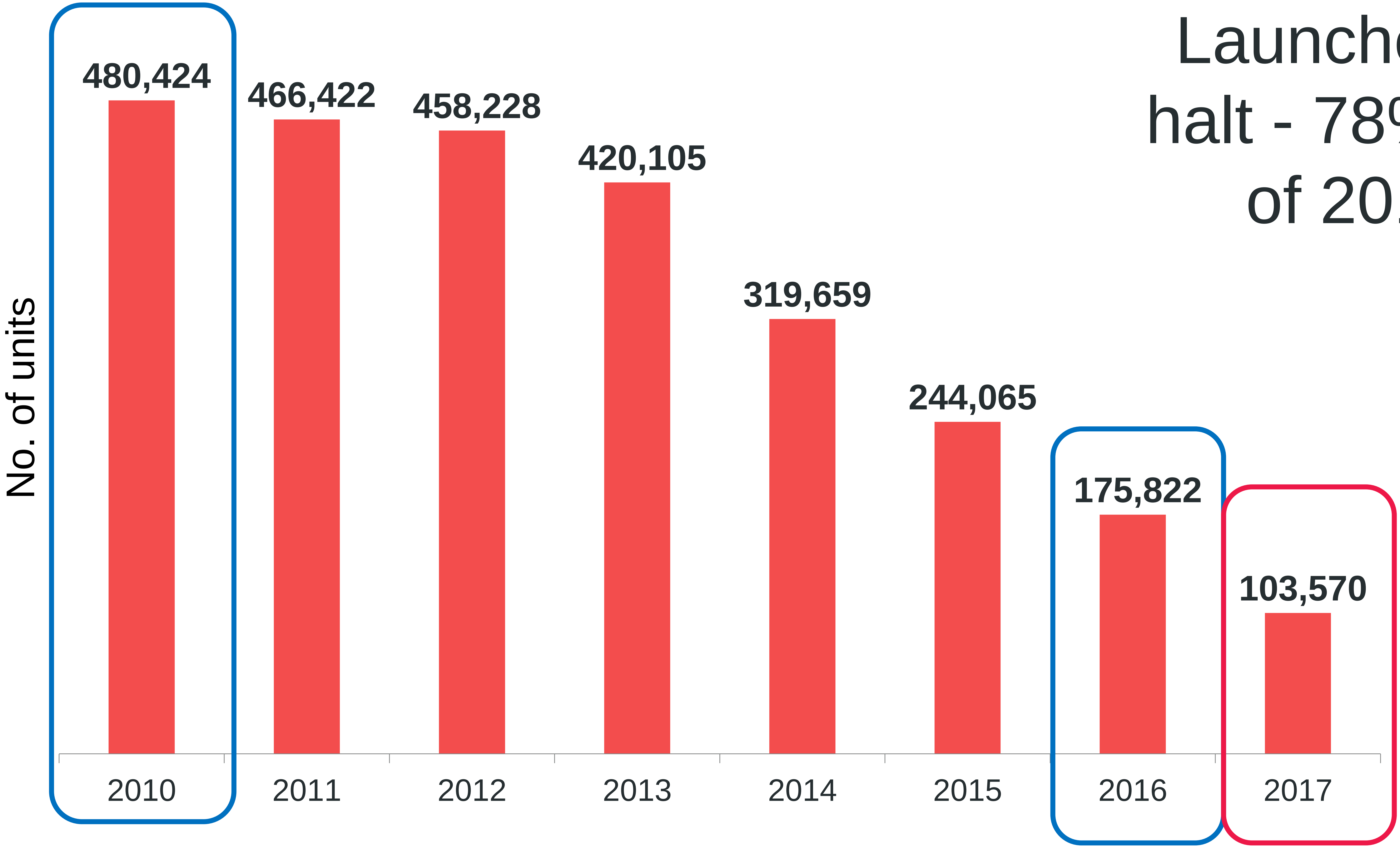
RESIDENTIAL RECAP H1 2017

Unsold inventory, RERA pressures derail India residential market

Yearly launches

Mumbai, NCR, Pune, Bengaluru, Chennai, Hyderabad, Kolkata, Ahmedabad

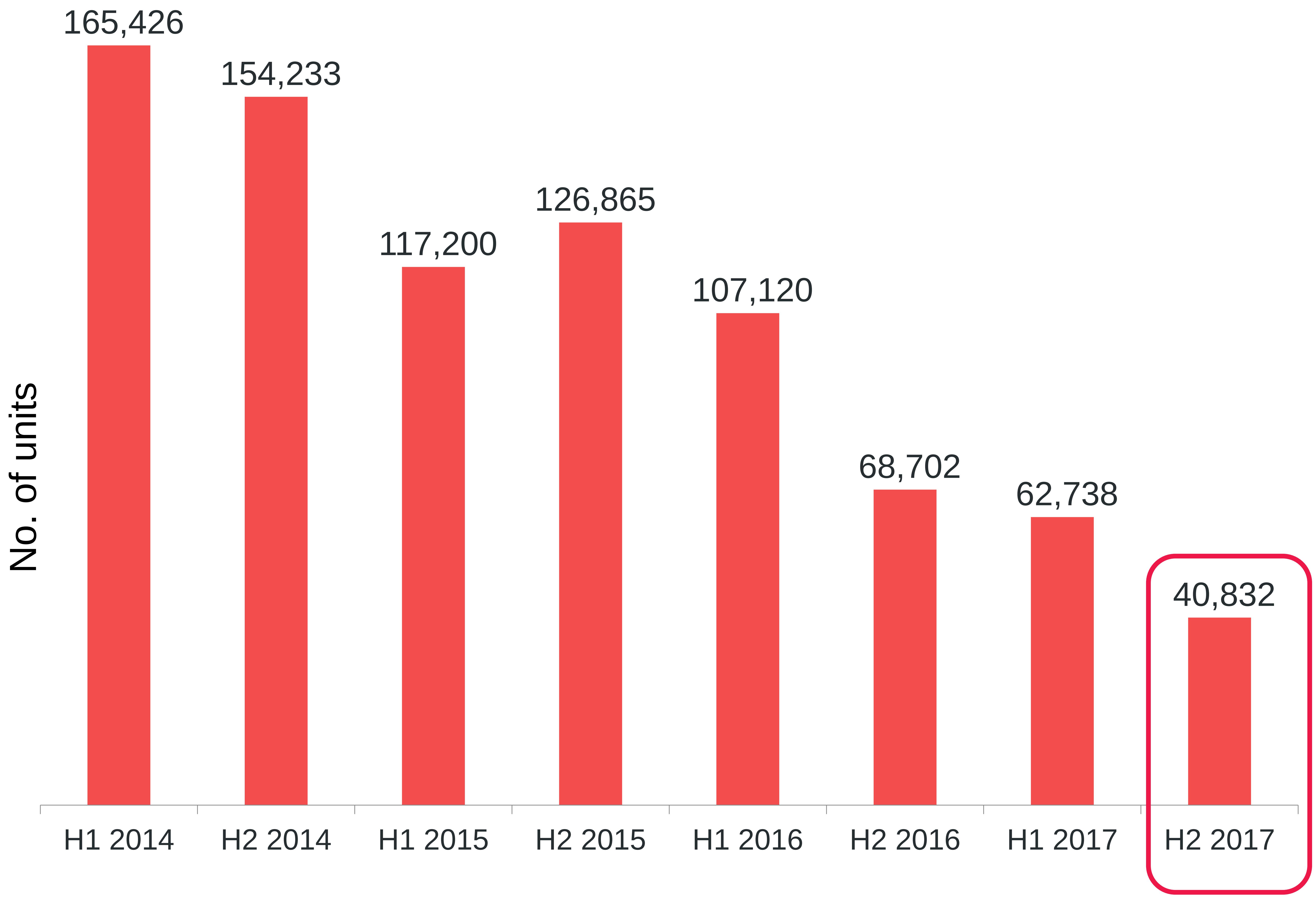


Launches come to a grinding halt - 78% down from the high of 2010 and 41% less YoY

High unsold inventory, RERA & GST compliance and lacklustre demand

Half-yearly launches

Mumbai, NCR, Pune, Bengaluru, Chennai, Hyderabad, Kolkata, Ahmedabad

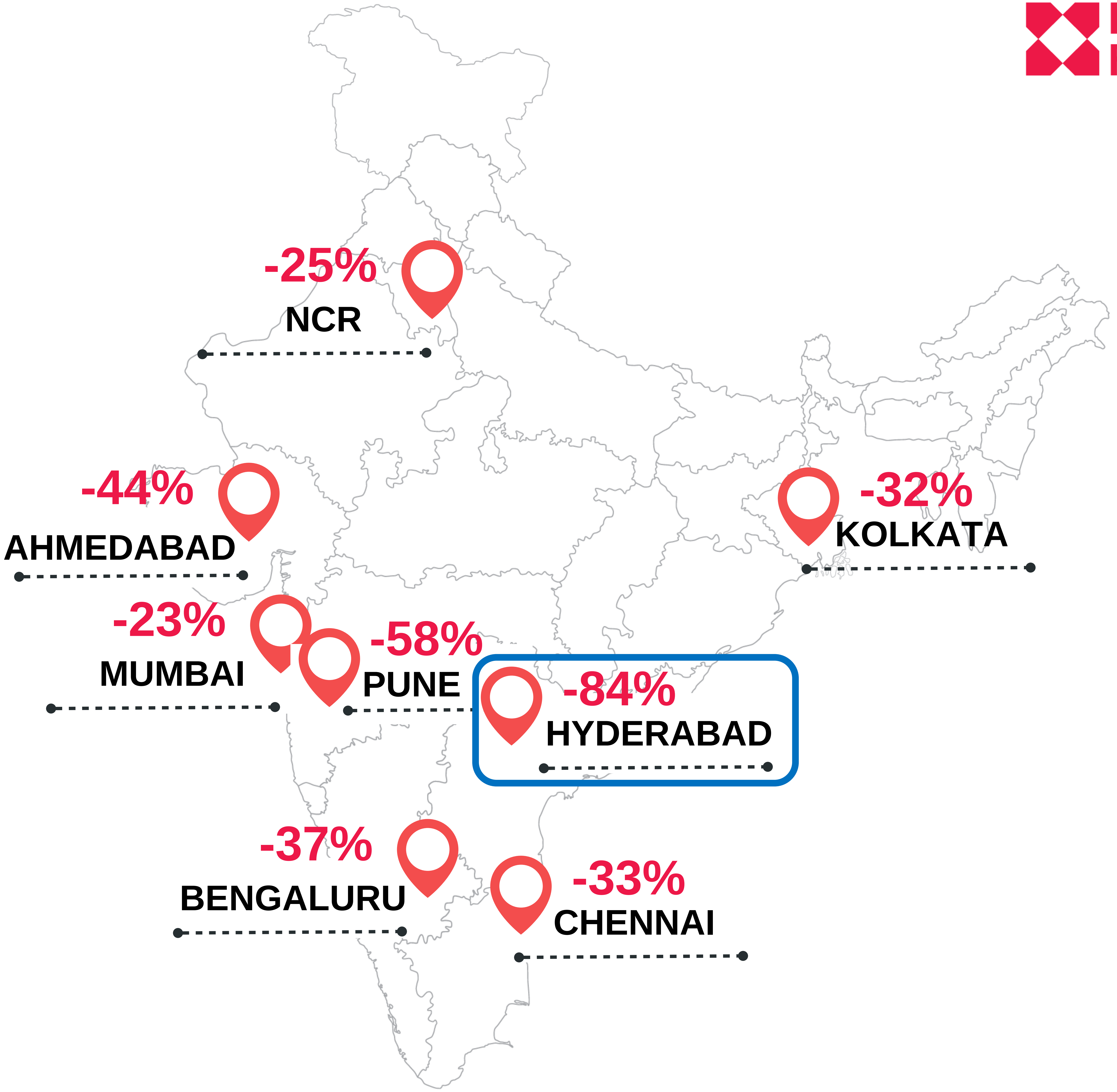


Launches below demonetisation-hit H2 2016 - down 41% YoY

City-wise half-yearly launches – Hyderabad worst hit

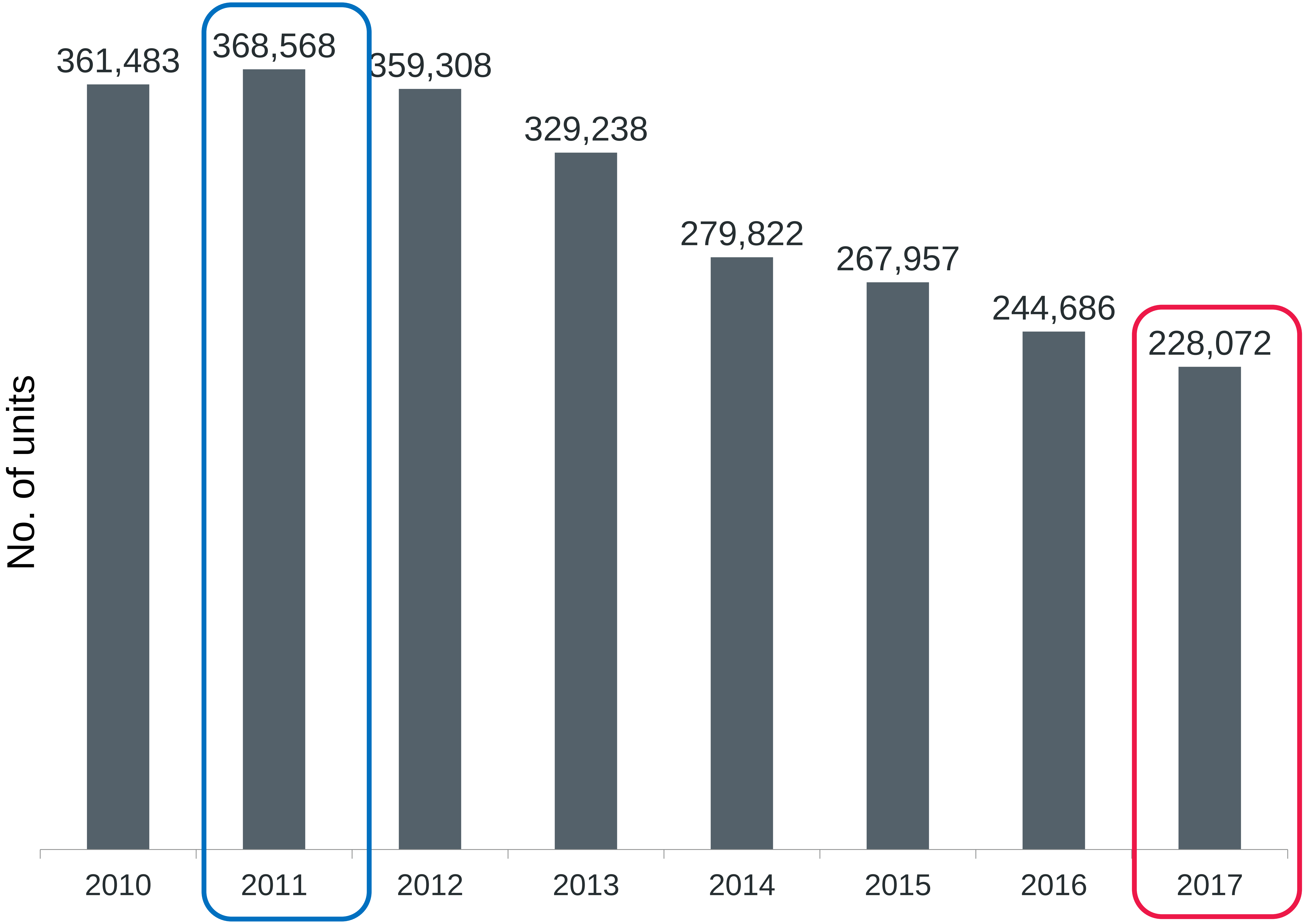
- All markets experienced a YoY fall – India wide launches down by 41%

- Hyderabad saw the maximum fall in launches at 84% YoY while other IT/ITeS sector dominated markets of Pune, Bengaluru and Chennai fell by 58%, 37% and 33% YoY respectively



Yearly sales

Mumbai, NCR, Pune, Bengaluru, Chennai, Hyderabad, Kolkata, Ahmedabad

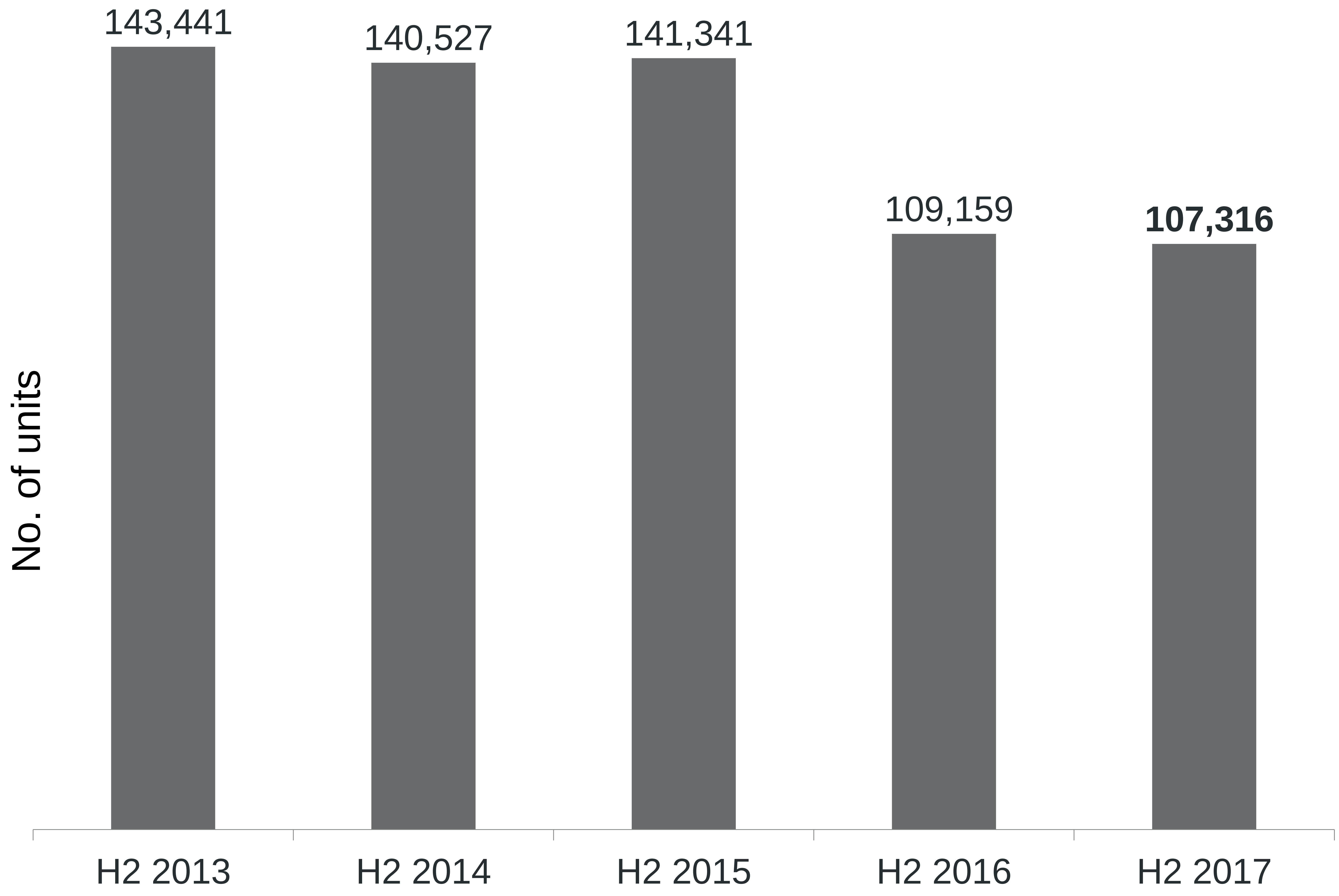


Sales volume hit seven-year low; 38% down from peak of 2011

Sales were down 7% YoY

Half-yearly sales

Mumbai, NCR, Pune, Bengaluru, Chennai, Hyderabad, Kolkata, Ahmedabad

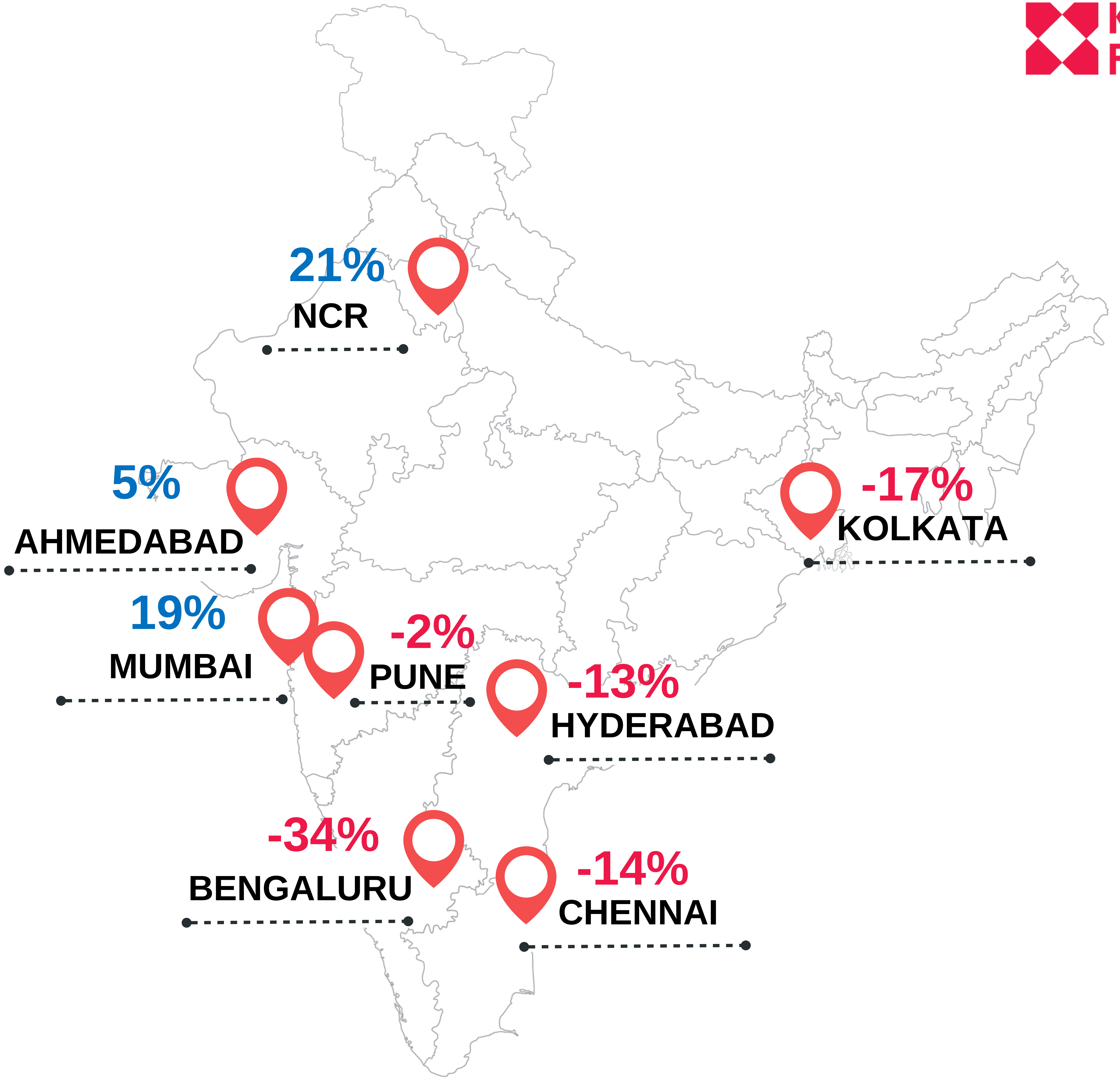


Half yearly sales marginally below the demonetisation-hit H2 2016

H2 2017 sales struggle across markets – Bengaluru down by 34%

India wide sales down by 2% in H2 2017

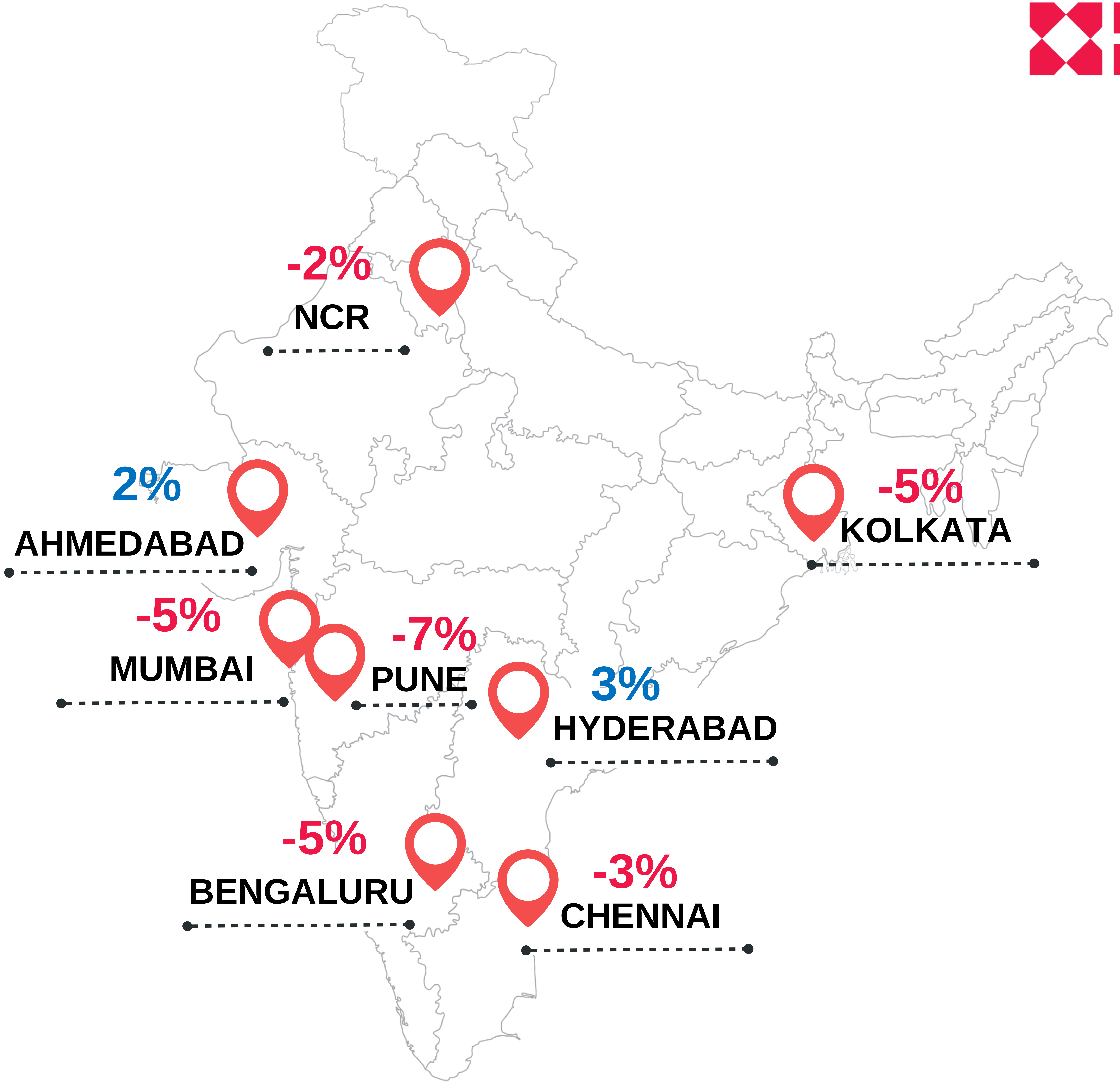
Mumbai and NCR see a spike over demonetisation-hit 2016



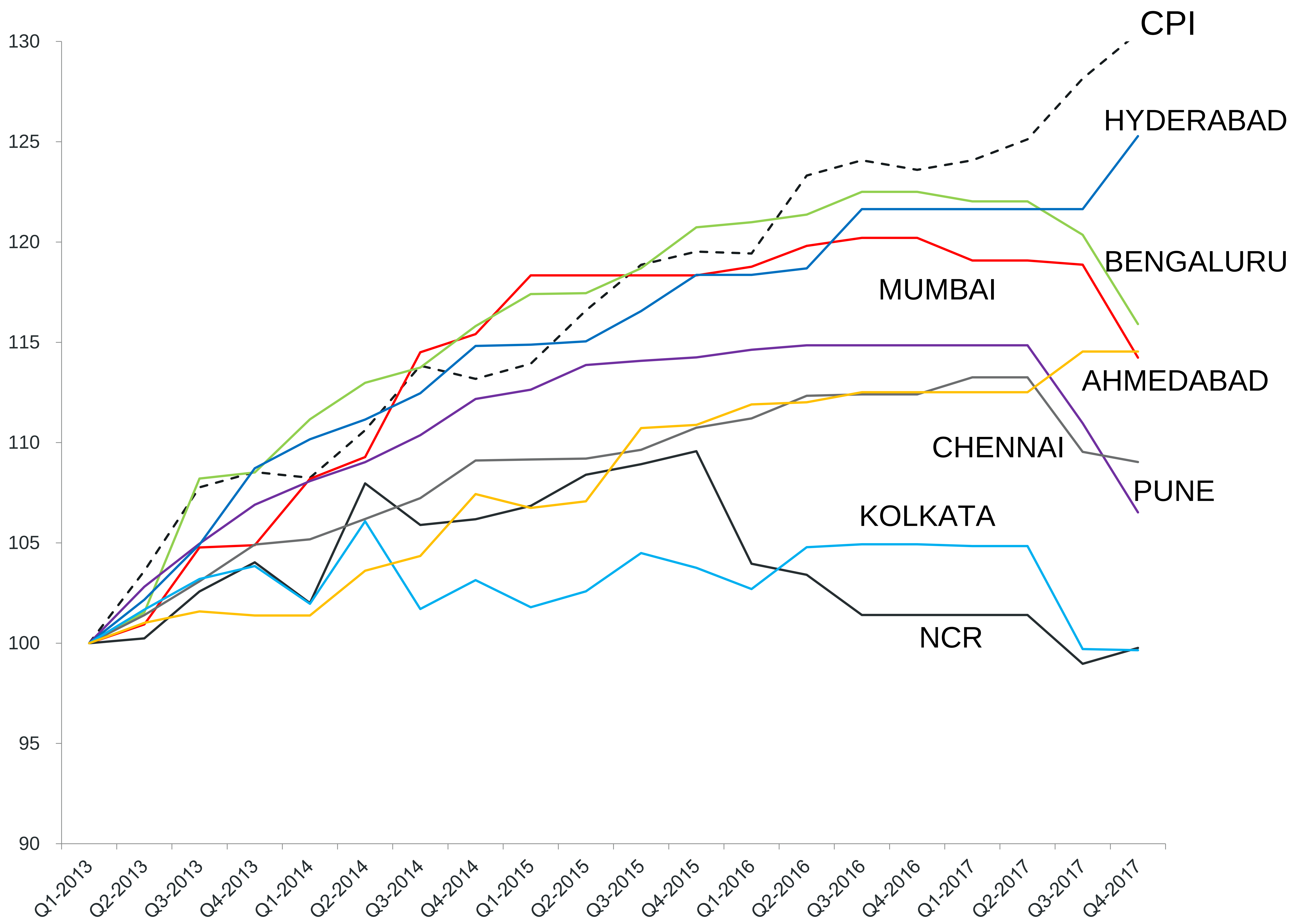
First time price drop in major cities

As an exception, prices marginally higher in Ahmedabad and Hyderabad

'Effective' price discount of **10-15%** in cities like Mumbai, NCR, Pune and Kolkata



Prices against retail inflation



Kolkata and NCR show maximum divergence

Pune price has fallen sharply

Mumbai and Bengaluru also experience a perceptible decline

Meltdown in market volumes continue

Launches and sales see a de-growth in Bengaluru, Hyderabad records decadal low in launches

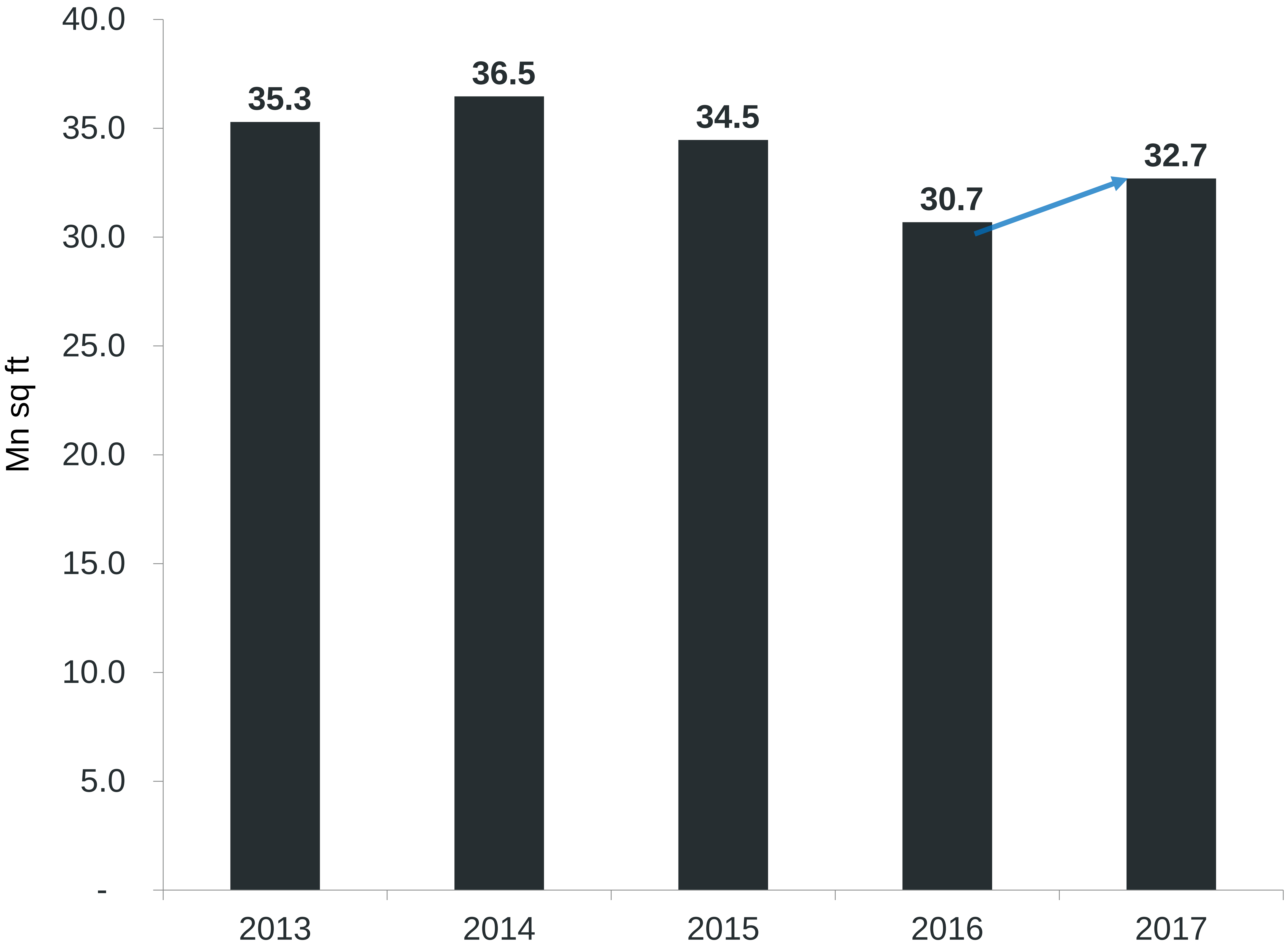
Developers buckle to market realities, price crack evident across cities

OFFICE RECAP H1 2017

Industry headwinds, supply crunch affected India's largest occupier – IT/ITeS, office transactions took a hit

Yearly new completions

Mumbai, NCR, Pune, Bengaluru, Chennai, Hyderabad, Ahmedabad

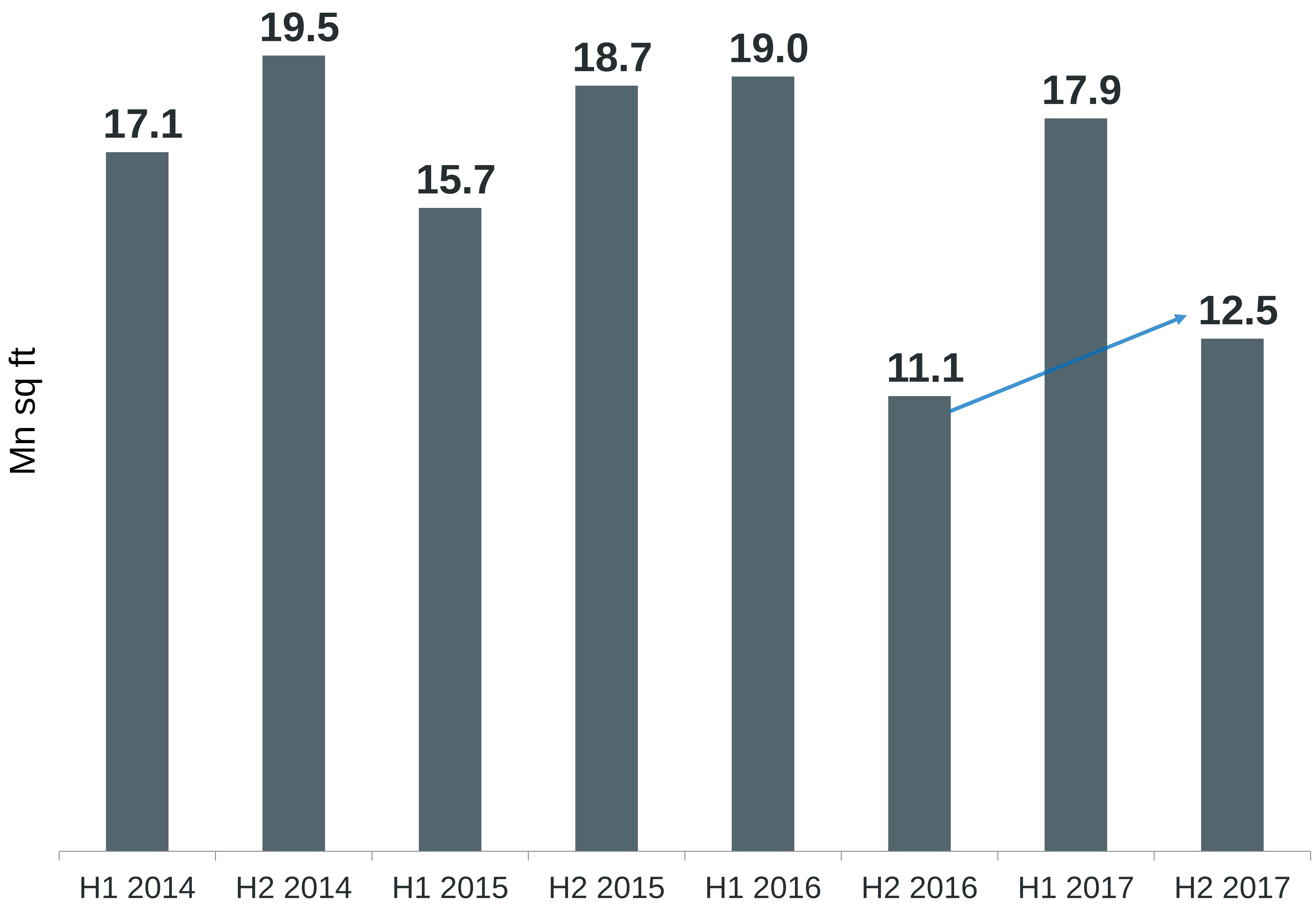


New completions were up 7% YoY but not at par with occupiers' demand

Ahmedabad included 2016 onwards

Half-yearly new completions

Mumbai, NCR, Pune, Bengaluru, Chennai, Hyderabad, Ahmedabad

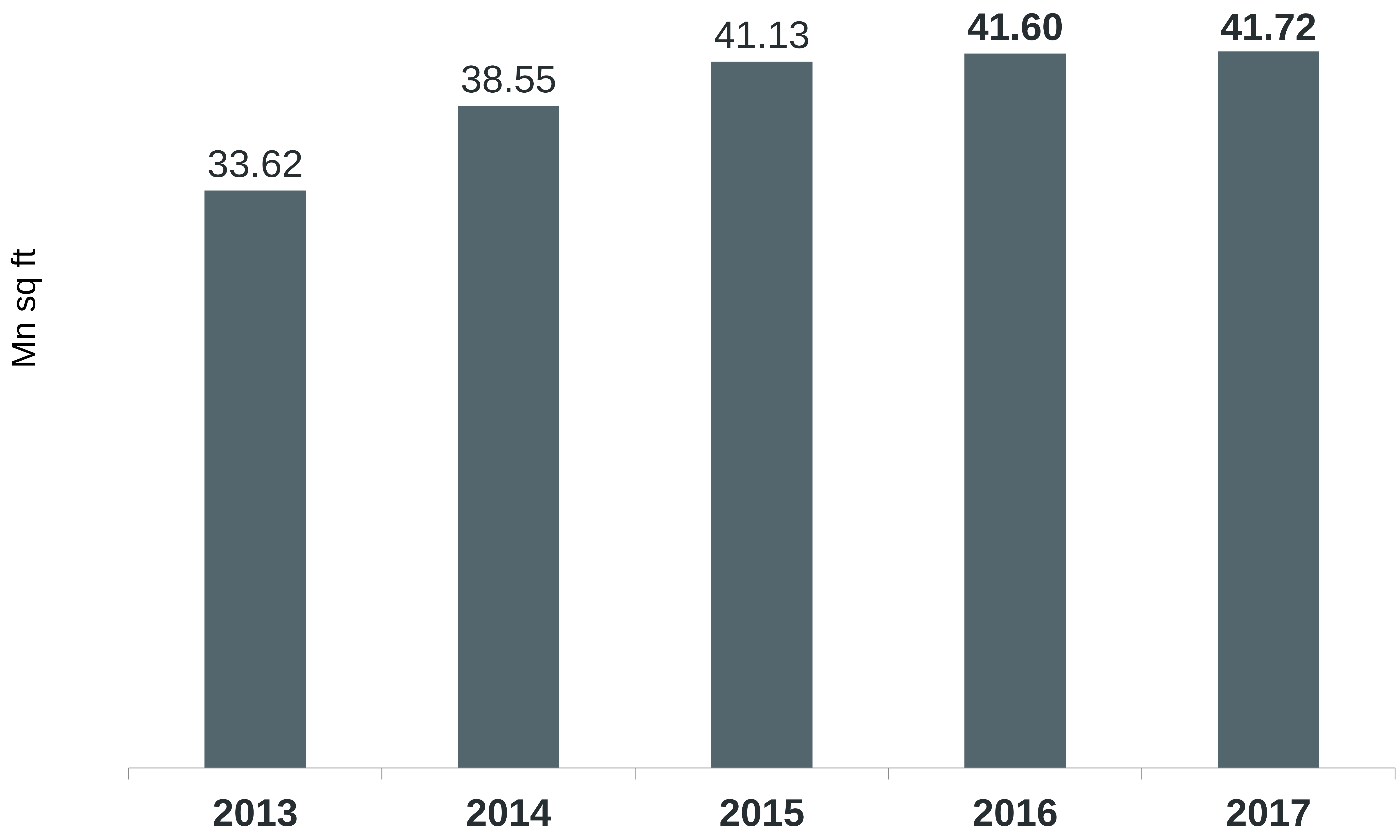


New completions up 13% YoY in H2 2017

Ahmedabad included 2016 onwards

Yearly transactions

Mumbai, NCR, Pune, Bengaluru, Chennai, Hyderabad, Ahmedabad

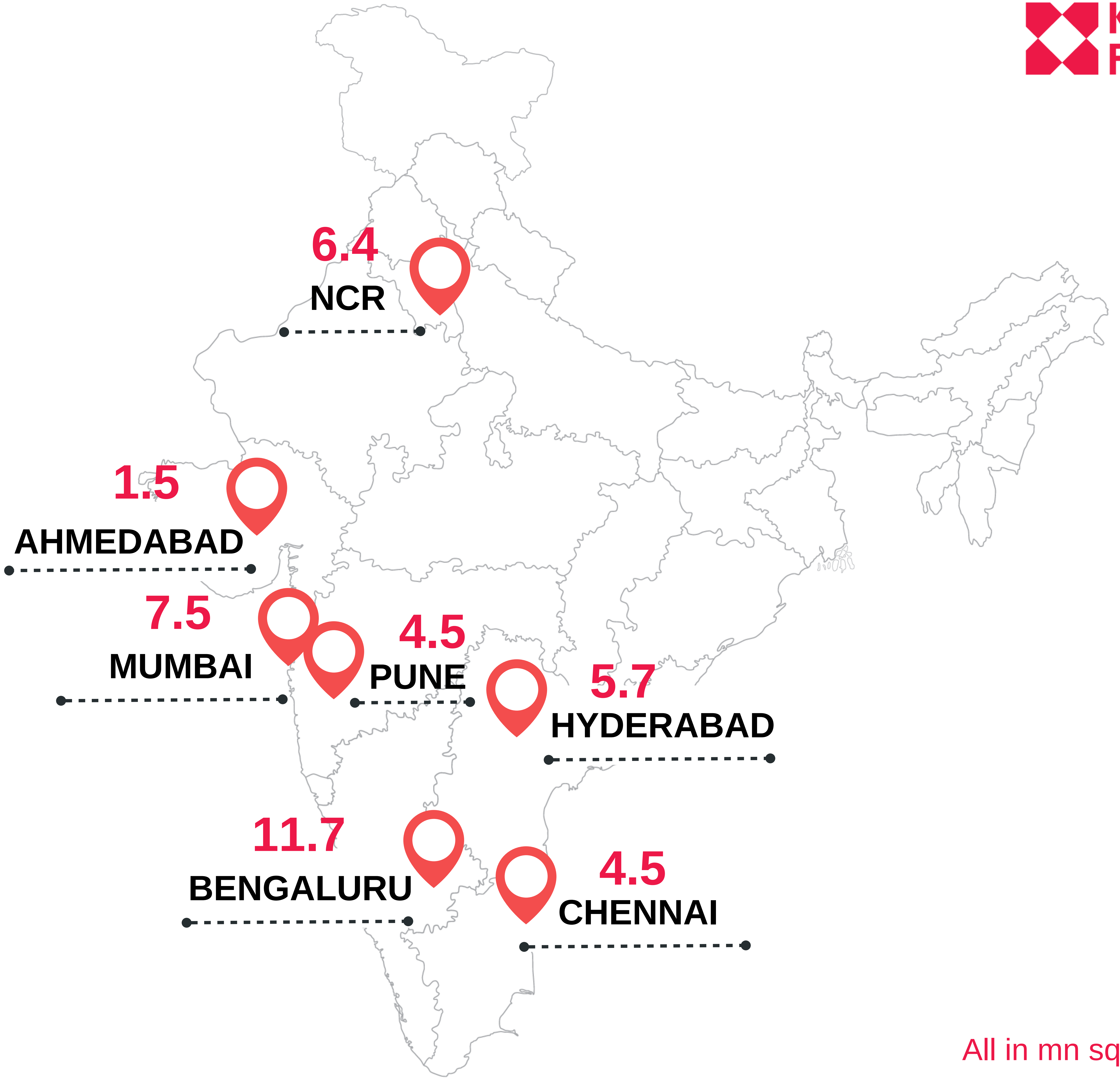


Transactions maintained a steady momentum

Technology sector headwinds and supply crunch responsible for subdued growth

Ahmedabad included 2016 onwards

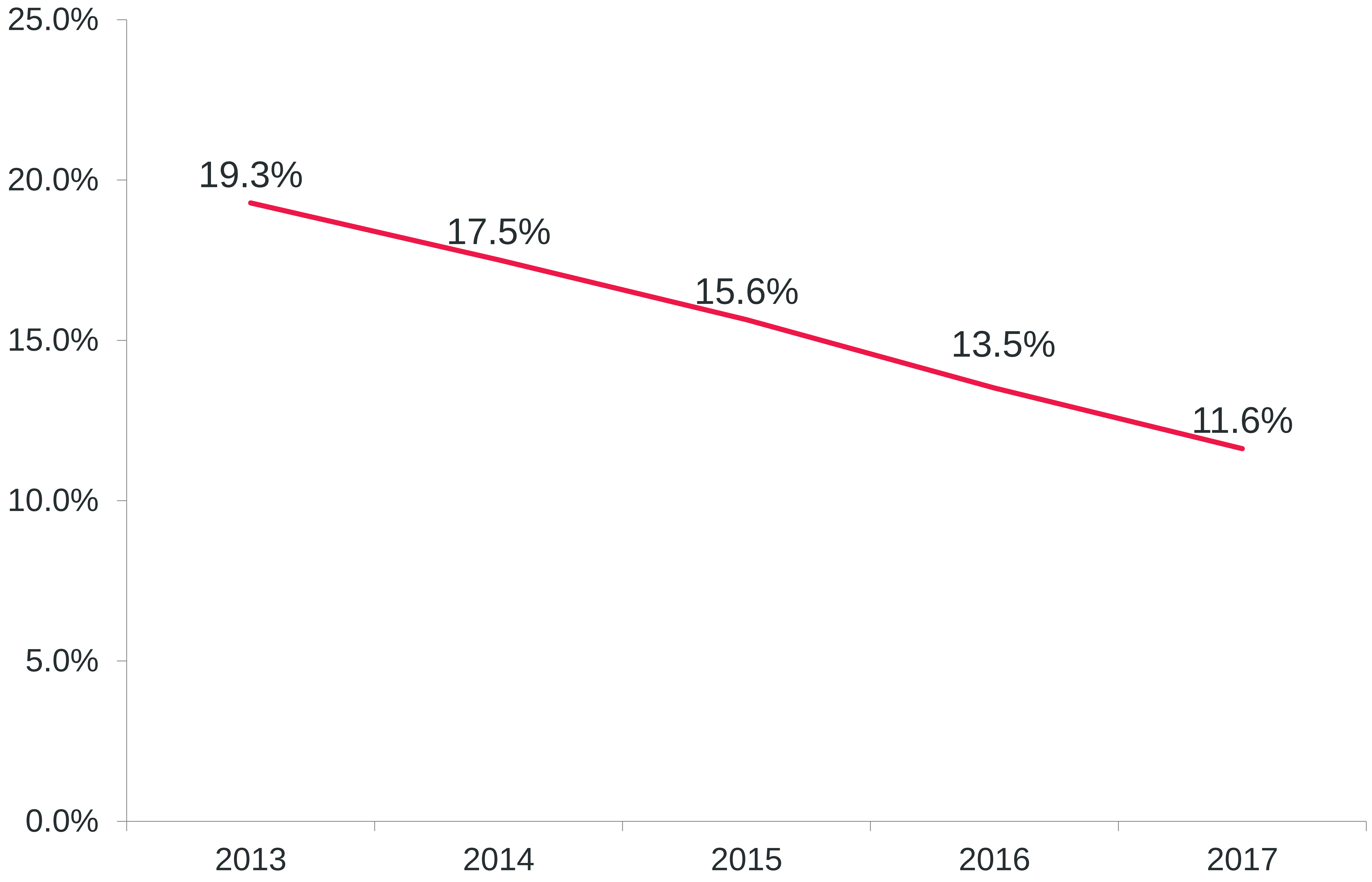
Major cities record robust transactions in 2017, Bengaluru maintains its lead



Ahmedabad included 2016 onwards

All in mn sq ft

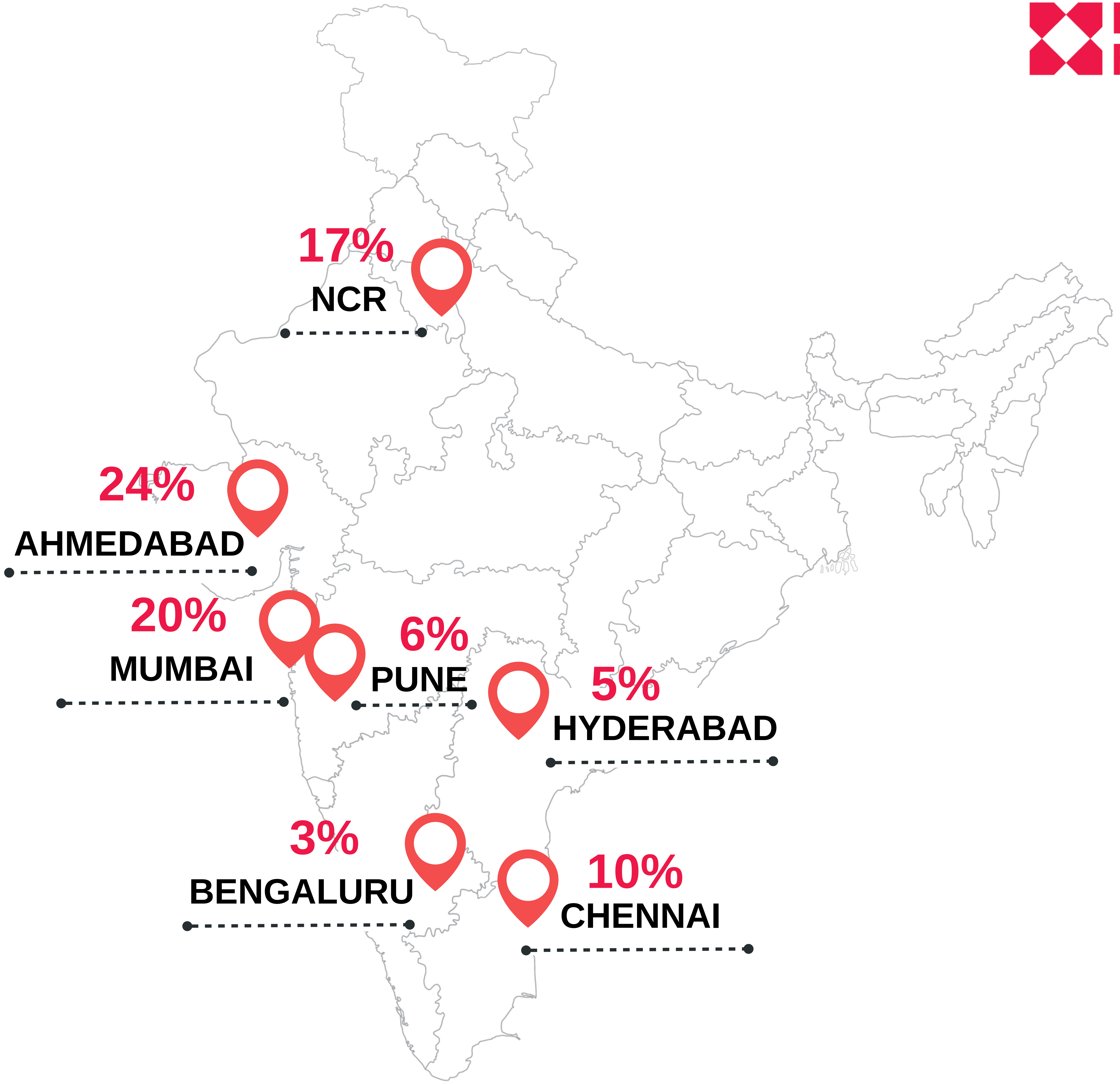
Vacancy



Vacancy hits five-year low

Vacancy levels continue their steady decline in the face of inadequate supply

Tech-driven markets show single digit vacancy; Bengaluru at the lowest



Co-working service providers - an emerging trend; IT/ITeS share declines

Co-working service providers take up 1.3 mn sq ft approximately across Mumbai, NCR, Pune and Bengaluru

Industry	H2 2017	H2 2016
BANKING, FINANCIAL SERVICES & INSURANCE	14%	14%
IT/ITeS	36%	49%
MANUFACTURING	15%	17%
OTHER SERVICES (INCL CO-WORKING)	36%	21%

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Office market feels pressure as headwinds for IT/ ITeS persist

Other services sectors (especially co-working) emerge as new gainers

Vacancy levels continue to plummet