

1H FY23

In pursuit of winning strikes!



FLUX

MARKET MONITOR FOR CAPITAL
FLOWS IN INDIAN REAL ESTATE

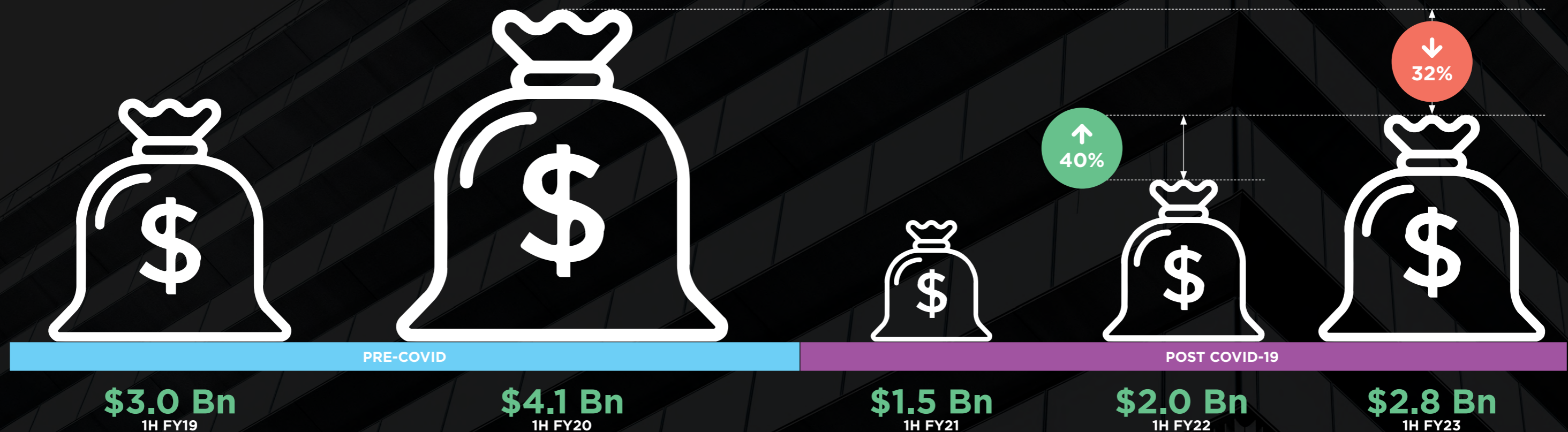
A RETROSPECTIVE

PE Investments in Indian Real Estate



Investor confidence in Indian real estate is increasing steadily as a reflection of improvement in the Indian economy and state of real estate industry.

PE investments registered **an increase of 40%** in 1H FY23 as compared to 1H FY22.



All transactions in USD (\$) unless otherwise stated
Numbers rounded off to the nearest 100
FY = Financial Year (1st April - 31st March)

Source: ANAROCK Capital Market Research

TOP 10 PE DEALS

1H FY23

\$ Debt \$ Equity

	Asset Class	Capital Provider	Recipient	Location	Deal Size
1	Commercial	Canada Pension Plan Investment Board (CPPIB)	Tata Realty & Infrastructure Ltd. (TRIL)	Multiple	\$ 700 Mn
2	Commercial	Brookfield	Bharti Enterprises	NCR	\$ 660 Mn
3	Commercial	Axis AMC	Tishman Speyer	Multiple	\$ 188 Mn
4	Commercial	Capitaland Investment	Capitaland Development	Chennai	\$ 177 Mn
5	Residential	Bain Capital	TARC (Anant Raj)	NCR	\$ 175 Mn
6	Commercial	Brookfield	IL&FS	MMR	\$ 137 Mn
7	Land	Brookfield	Larsen & Toubro (L&T Metro Rail)	Hyderabad	\$ 129 Mn
8	Mixed Use	Credit Suisse	Adani Properties	Multiple	\$ 101 Mn
9	Mixed Use	Varde Partners	Omaxe Group	Multiple	\$ 57 Mn
10	Residential	HDFC Capital	Signature Global	NCR	\$ 52 Mn

SHARE OF TOP 10 PE DEALS



1H FY22



1H FY23

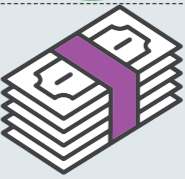
\$ Top 10 PE Deals Total PE Investment

Top 10 deals accounted for 86% of the total value of PE investments in 1H FY23 as compared to 80% in 1H FY22.

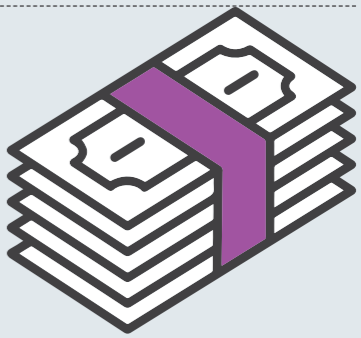
AVERAGE TICKET SIZE

Average ticket size has shifted to \$121 Mn in 1H FY23 from \$75 Mn in 1H FY22 and \$106 Mn in 2H FY22.

This is largely due to investor focus shifting more towards multi-city deals and deployment by JV platforms.



1H FY22



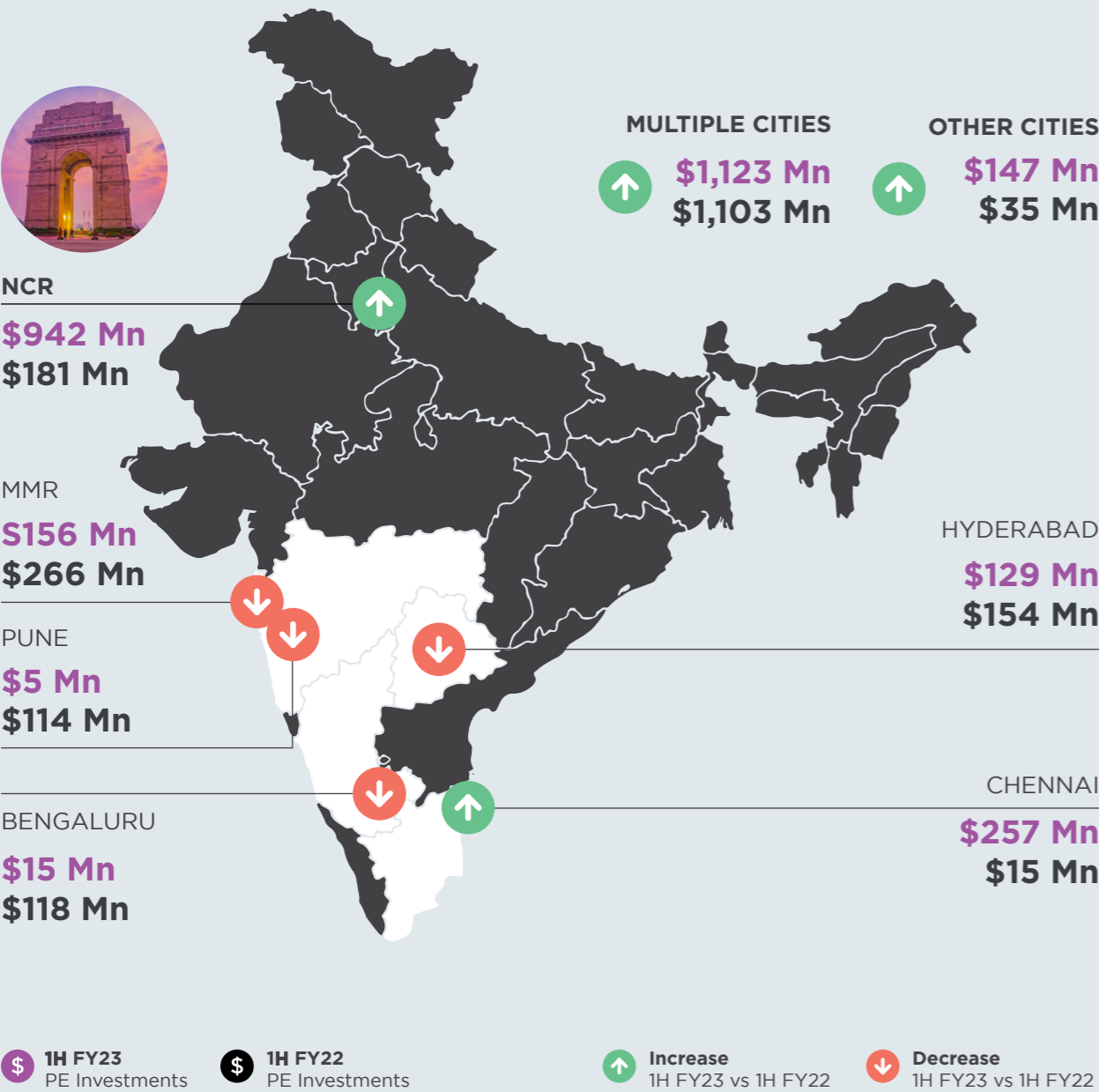
1H FY23

MOVEMENT OF CAPITAL INFLOW

Investment focus was strong in MMR in H1 & H2 FY22 by PE investors. However, it has shifted to other regions in 1H FY23.

NCR witnessed a strong increase in capital inflows in PE.

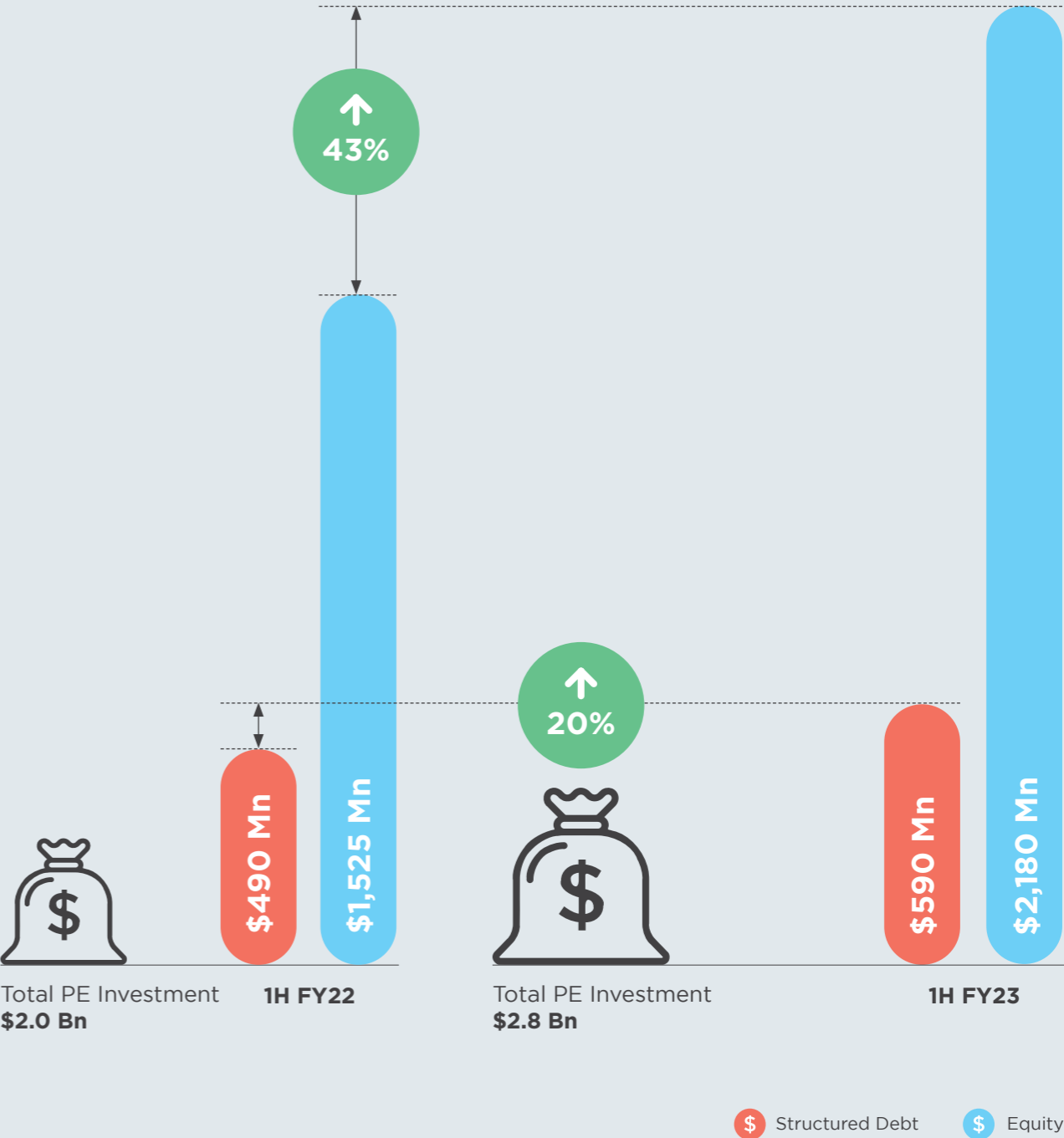
From \$181 Mn in 1H FY22 and \$590 Mn in 2H FY22 to \$942 Mn in 1H FY23. There is a 60% rise in investments in NCR in 1H FY23 compared to H2 FY22 due to JV platform deals like (Brookfield & Bharti Enterprises) and (Bain Capital + TARC).



EQUITY VS DEBT FUNDING

Equity investments in RE have witnessed considerable increase; 43% higher in 1H FY23 compared to the same period last year. The same number for debt funding is at 20%.

Equity investment is preferred by PE investors which is visible from the fact that their share in RE continues to be healthy at 79%, 300 bps higher than 1H FY22.



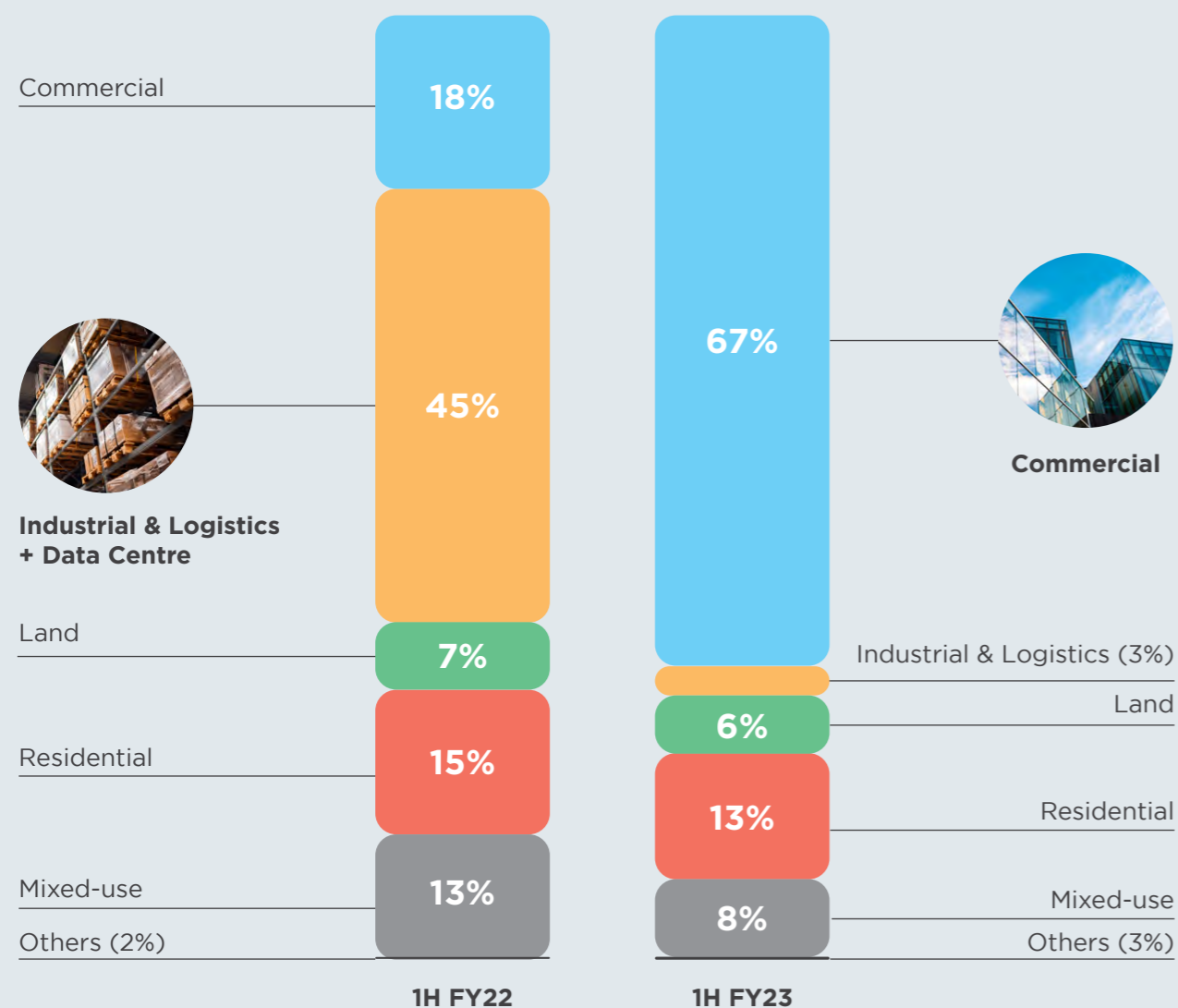
NOTE: City specific PE investments are higher than the number suggests. However, they are part of the portfolio deals (multiple cities) where the bifurcation amongst the cities is not available.

All transactions in USD (\$) unless otherwise stated; Rounded to the nearest 5
FY = Financial Year (1st April - 31st March)
Source: ANAROCK Capital Market Research

ASSET CLASS-WISE FUNDING

Post pandemic, demand and confidence in commercial sector has seen a meaningful recovery. PE investments in this space was \$1,862 Mn in H1 FY23, which is almost equivalent to the investment during whole last year. **Commercial space is being preferred by PE investors** and this is visible from the fact that its investment share in total RE has increased from 18% and 56% in 1H FY22 and 2H FY22 to **67% in 1H FY23**.

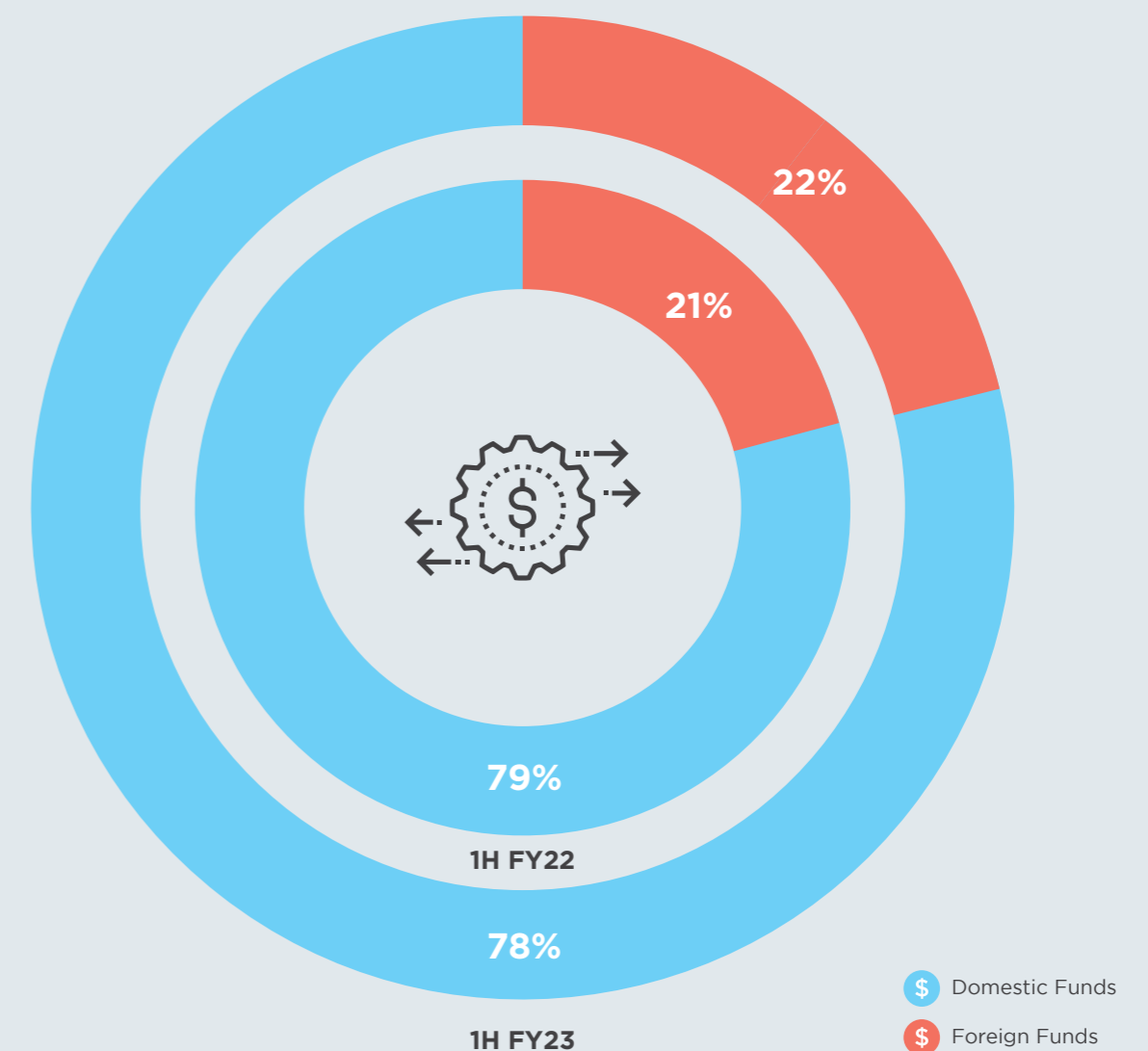
The demand in residential sector has remained healthy at \$372 Mn in 1H FY23, resulting in it being 2nd most preferred among all asset classes. The same was \$378 Mn and \$390 Mn in 1st half and 2nd half of FY22 respectively.



DOMESTIC VS FOREIGN FUNDING

Investments by foreign investor continue to remain around 78% in 1H FY23 indicating strong confidence in Indian RE.

Domestic investments increased by 45% and foreign investments increased by 36% of the total capital inflows in Indian RE in 1H FY23 compared to 1H FY22.



KEY TAKEAWAYS



01

With many corporates moving from WFH model to hybrid model, **demand and confidence in the commercial space has regained and this is expected to continue for next few quarters.**

03

Strong e-commerce demand and buoyancy in manufacturing sector is expected to keep the momentum in industrial and logistics sector.



1H FY23



02

Demand for residential sector is rising due to homeownership sentiments, work-from-home and hybrid work policies post pandemic. This will continue to keep residential space in investor's focus zone.

04

Investments in retail space expected to remain subdued for next few quarters until physical shopping comes back to promising level.



ANAROCK CAPITAL'S KEY DEALS in

1H FY23

COMMERCIAL OFFICE JV PLATFORM

FY23 **]]**

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ANNOUNCEMENT

ANAROCK Capital advised **TATA Realty & Infrastructure Ltd. (TRIL)** on its joint venture (JV) with **Canada Pension Plan Investment Board (CPPIB)**

Congratulations to our clients for creating potentially **one of India's largest JV platforms in commercial office space**, with an aggregate equity value of **~USD 700 Mn.**



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LAND MOU

FY23 **]]**

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INVESTMENT BANKING

ANNOUNCEMENT

ANAROCK Capital is proud to have advised **Shriram Properties** for entering into a **MOU** with Asia Pacific logistics specialist - **LOGOS** for the **sale of a 90-acre land parcel** in Shriram Grand City at Uttarpara, **Kolkata**

Through this investment, LOGOS plans to develop a state-of-the-art, **Logistics Park** with **2.2 Mn sf** of industrial & warehousing space within the integrated township.

Congratulations to our clients!



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ANAROCK CAPITAL'S KEY DEALS in

1H FY23

WAREHOUSE SALE

FY23

JUST TRANACTED

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INDUSTRIAL & LOGISTICS

Our **success** has a new address!

VAPI SOUTH GUJARAT

We've has successfully **SOLD** a **prime Grade-A, industrial warehouse** with **100,000*sf of BUA**, to a one of **India's leading manufacturer of beverages & soft drinks** (client)

Transaction Execution Team:



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WAREHOUSE LEASING

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VALUES OVER VALUE

Strengthening our **deal footprint** in NCR

ANAROCK Industrial & Logistics in collaboration with our **Retail team**, has successfully leased **3.09 lakh sf** of **Grade A**, warehousing space within Gurugram's **ESR Sohna Logistics Park, NCR** for one of India's prime retailer - **Tata Croma**.



This space within ESR Logistics Park will be **Tata Croma's biggest distribution center in North India**.

Congratulations to both our clients on this flagship transaction.

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#JUST TRANACTED

WAREHOUSE LEASING

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INDUSTRIAL & LOGISTICS

Collaboration is the key to success!

ANAROCK **Industrial & Logistics** in collaboration with ANAROCK **Retail**, has successfully leased a prime **warehousing space** in **Bhiwandi, MMR** for a **3PL company**.



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ANAROCK CAPITAL'S KEY DEALS in

1H FY23

WAREHOUSE LEASING

DC ADVISORY

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INDUSTRIAL & LOGISTICS



Make Way for Team I&L!

We're happy to announce that **ANAROCK I&L** has successfully **leased 10,500 sf of warehousing space** for an **Automobile client** in **South Bengaluru**

Transaction executed by:



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anarock.com

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Stronger Coverage in Hyderabad!



We've successfully leased **30,500 sf** of **Grade A** warehousing space to one of **Asia's largest 3PL** client in **North Hyderabad**

Transaction executed by:




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Our DC Advisory success story travels overseas

ANAROCK's DC team has successfully facilitated a **DC COLOCATION** requirement for an **Indian fintech enterprise** in **INDONESIA** ...

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1H FY23



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1H FY23

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Watch **Anuj Puri** & **Jeff Binswanger** talk to the industry leaders in a **KNOWLEDGE SESSION** on **INDIA'S DATA CENTER EXPLOSION**

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ANUJ PURI
Chairman
ANAROCK Group

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FRANK G. BINSWANGER, III (JEFF)
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DEVI SHANKAR
President
Industrial & Logistics | Data Center
ANAROCK Capital



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Our dedicated team of experienced and trustworthy professionals understand and align your business goals with the best opportunities prevalent.

Our bespoke Real Estate Investment Banking solutions, not only **'Connect Asset to Capital'**, but ensure that your financial journey is seamless and hassle-free.

Want to talk business?

Connect with our team of industry experts!



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About ANAROCK

ANAROCK is India's leading independent real estate services company with a presence across India and the Middle East. The Company has diversified interests across the real estate lifecycle and deploys its proprietary technology platform to accelerate marketing and sales.

The ANAROCK services suite includes Residential Broking & Technology, Retail (in partnership with Vindico), Commercial, Investment Banking, Hospitality (in partnership with HVS), Land Services, Industrial and Logistics (in partnership with Binswanger), Investment Management, Research, Strategic Advisory & Valuations and Project Management Services (in partnership with Mace), Flexi Spaces (in partnership with myHQ & Upflex) and Society Management Services (acquisition of ApnaComplex, India / ANACITY, EMEA).

ANAROCK has a team of over 1,800 certified and experienced real estate professionals who operate across all major Indian and Middle East markets. ANAROCK also manages over 80,000 established channel partners to ensure global business coverage. Our assurance of consistent ethical dealing with clients and partners reflects our motto - Values Over Value.

For more information, please visit www.anarock.com

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