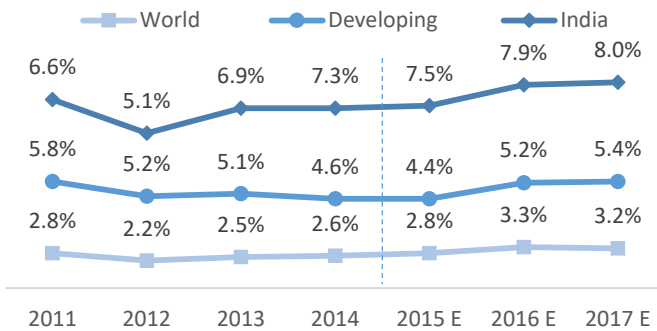
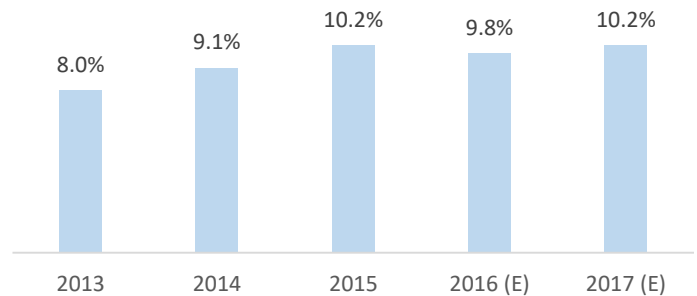


## Key Macro Highlights

**Consistently strong economic growth, Expected to be ~ 7%-8% over the next few years**

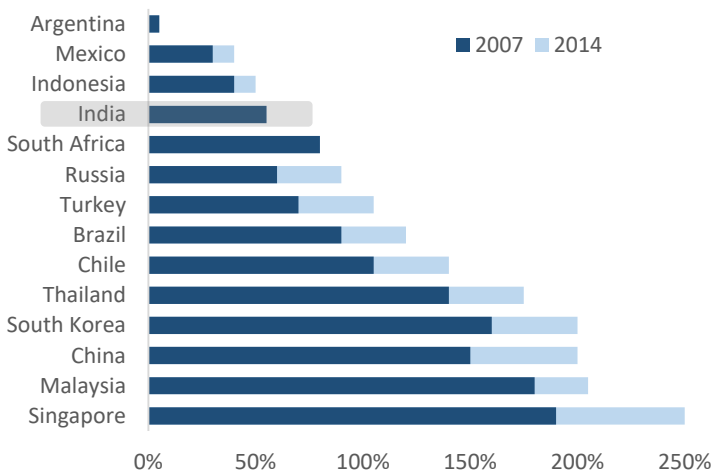


**Service sector growth outstrips GDP creating significant job and 10 M new urban population every year**



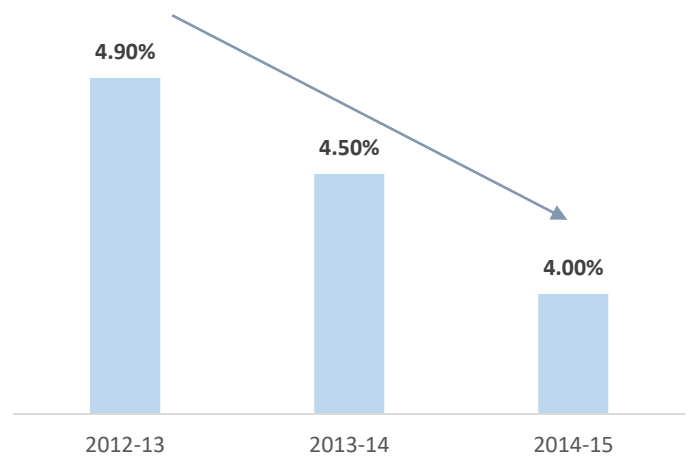
Source: Morgan Stanley Research, Oct'15

**India' low leverage will protect it against capital outflows, as Fed increases interest rates**



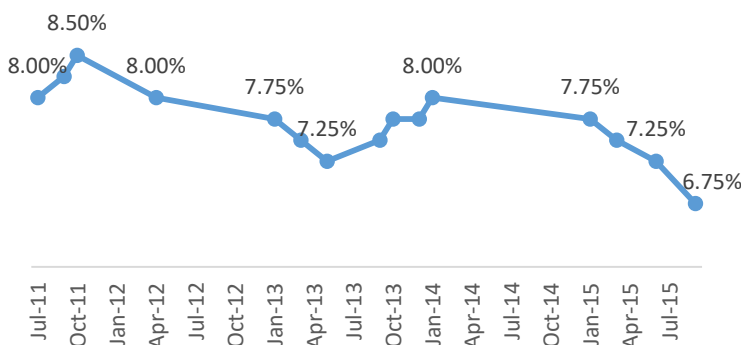
Source Rising Straits Research

**Fiscal Deficit as a % of GDP declining consistently due to lower commodity costs**



## Economic Policy Tailwinds

**Softening Interest Rates spurring growth**



**Key Policy Initiatives**

- Increased spending on Infrastructure - \$15.8 Bn allocated to 100 Smart Cities development
- Make in India initiative to grow manufacturing sector
- Unified Goods & Services Tax bill being tabled in parliament
- Digital and e-governance pushed India 12 spots higher on ease of doing business index
- Financial inclusion – Banking for all – 200 Mn new accounts in last 14 months

## Real Estate related Policies

### Affordable Housing

- Policy to support housing for all by 2022 – 75<sup>th</sup> year of Indian independence.
- States approve land and facilitate sales

### Easing FDI norms

- No minimum area or capitalization restrictions
- Investment allowed at any stage
- Lock-in norms relaxed

### Real Estate Bill

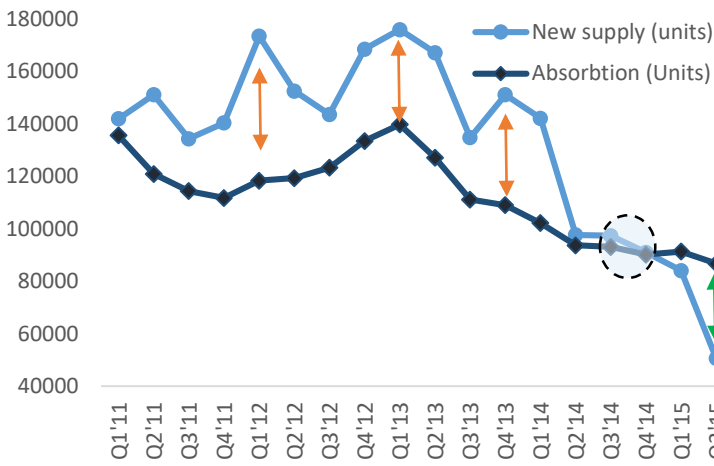
- Establish a central regulator.
- Escrow of 50% of customer advances for project completion
- Single window clearance for approvals

### REIT / InvIT

- Clear guidelines set-up
- Tax concessions to be finalised for developing buoyant REIT market

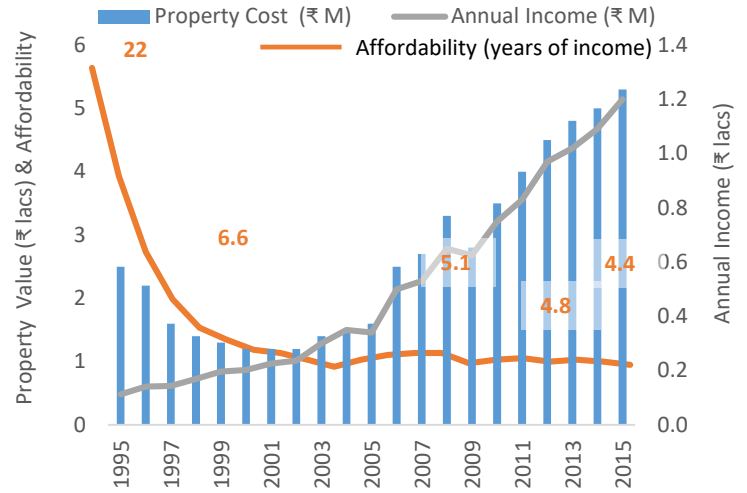
## Residential Segment Trends

**New Supply to Absorption finally correcting after 3 years**



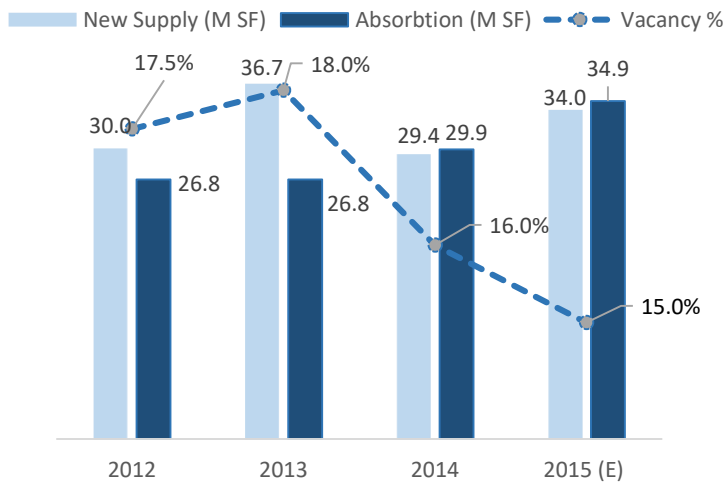
Source JLL, Knight Frank, Rising Straits Research

**Affordability (Avg Price of Unit / Avg Income) – Positive Trend**

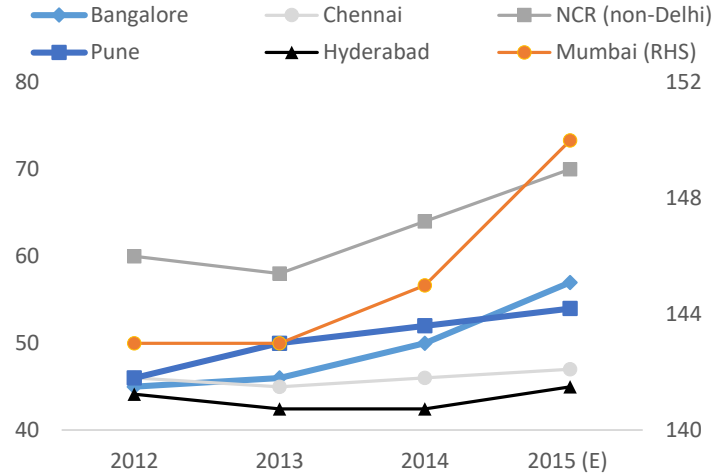


## Office Segment Trends

**Office vacancy rates are at multi-year lows**

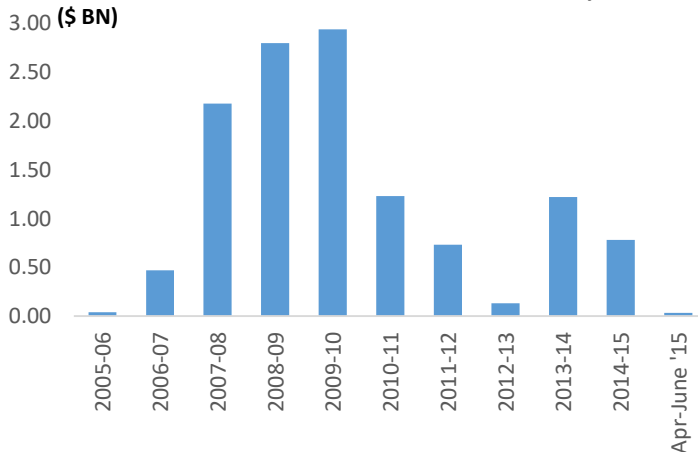


**Average Rental (INR / Sq ft) going up based on Q3 2015 estimates due to lack of new starts in last 24 months**



## Significant Scarcity of Capital – Opportunity to provide execution capital

**FDI investments have been low in RE recently**



Source Knight Frank Research

**Drop in bank lending with Reserve Bank of India restrictions and tepid capital markets creating dislocation and opportunities**

