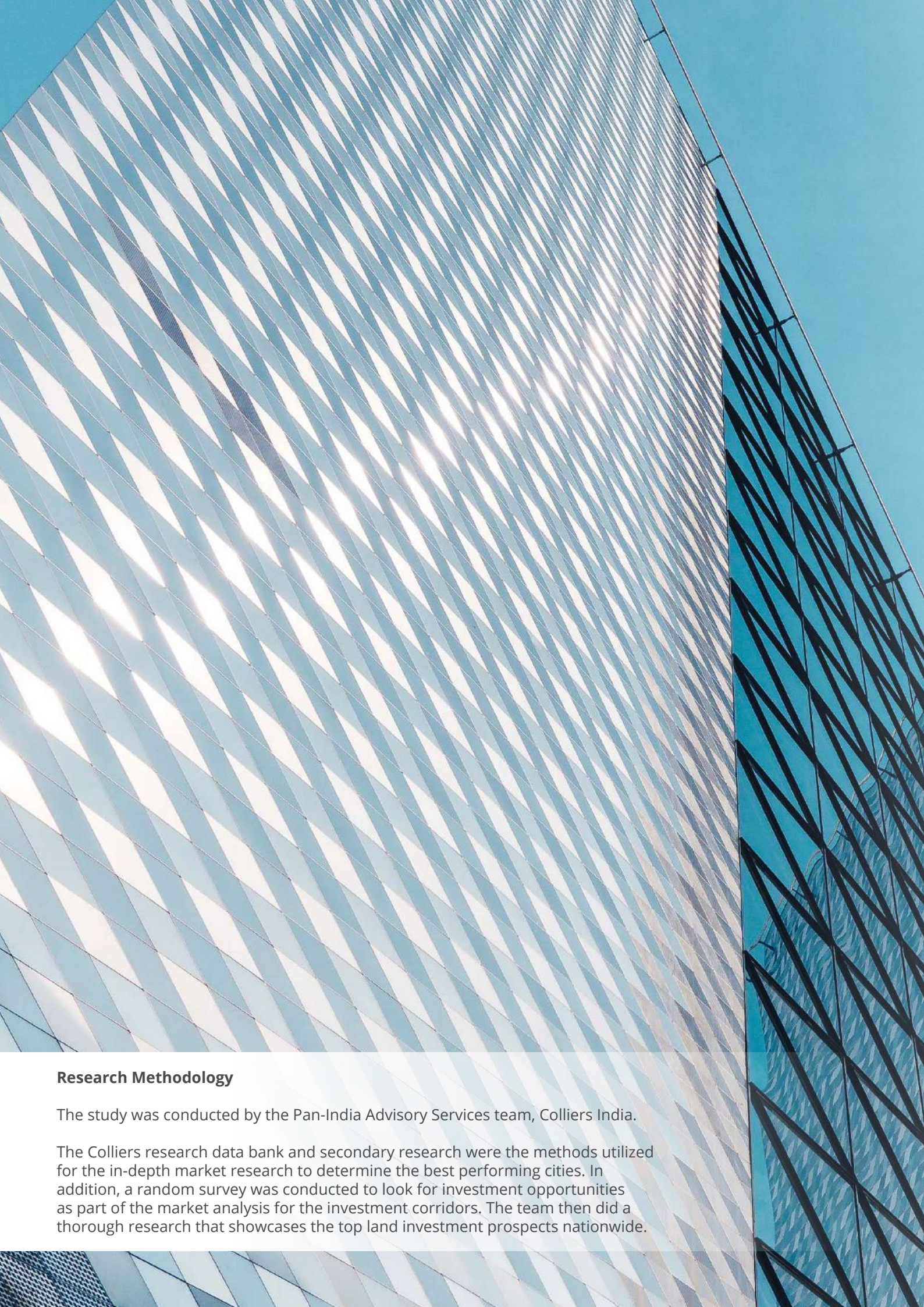




Top Investment Corridors in India





Research Methodology

The study was conducted by the Pan-India Advisory Services team, Colliers India.

The Colliers research data bank and secondary research were the methods utilized for the in-depth market research to determine the best performing cities. In addition, a random survey was conducted to look for investment opportunities as part of the market analysis for the investment corridors. The team then did a thorough research that showcases the top land investment prospects nationwide.

Executive Summary



Swapnil Anil Executive Director & Head Advisory Services, Colliers, India

India is gaining global recognition and evolving as a destination for international investments, owing to the growing entrepreneurial base, young population, skilled labor force and rapid infrastructure developments across the country. As a result, micro markets close to financial and industrial hubs have grown, and they are anticipated to gain more traction in the coming years. Holding Real Estate in these micro-markets is the key to securing and enhancing wealth for the savvy investors.

Often known as the stabilizer in Investment Portfolios, Real Estate is one of the most underestimated assets. While equity, debt investments, and banking are touted to be the most rewarding investment avenues, subject to risk appetites, even in its most basic form like land, real estate investments at the right time and place have always proven to be a long-term game changer.

Colliers India's latest report, "**Top Investment Corridors in India**" intends to help investors learn about the upcoming micro-markets / corridors that can bring a pivotal shift to their financial growth journey. Moving beyond need-based investments, land can help grow and multiply wealth, and prove to be a source of steady income when monetized right. The industrial growth, infrastructure appraisal, government impetus, and tourism development are some of the defining parameters in the report.

Key Findings

The benefits of investing in Real Estate are numerous. With well-chosen assets, investors can enjoy predictable cash flow, excellent returns, tax advantages, and diversification—and it's possible to leverage Real Estate to build wealth. Real Estate investors generate income through rental income, appreciation, and profits generated by business activities that depend on the property.

“ Investing in land is like unleashing a gold mine in the coming years. Learning to monetize land for better yield and returns will prove beneficial in making this investment work for you ”

Emerging micro markets in India that are extensions of the real estate markets in metropolitan cities have been recognized as crucial investment micro-market / corridors for land investments.

Investment Corridors



MUMBAI

Neral - Matheran

5x

AHMEDABAD

Sanad - Nal Sarovar

3.5x

CHENNAI

ECR - Injambakkam - Kovalam

3.5x

HYDERABAD

Kompally - Medchal - Shamirpet

3x

KOLKATA

New Town- Rajarhat

2.5x

Ranking of the top 5 corridors

“ Real Estate Investments beyond primary needs are a beneficial wealth creating tool ”

Investing in land & monetizing it in rental format fetches **10 Times higher yield** than ready apartments. (Up to 15% for rental yield holiday homes)

Capital appreciation **5x wealth** generation
Expected return over next 10 years in land investments in these corridors

How could one monetize a land investment ?

The demand for land investments has never been higher than it is right now. As a collateral impact of Covid-19, weekend homes or a place to escape the bustle of the city are expanding rapidly.



Growth Value over the years

Higher Capital Appreciation + Higher Rental Yield



Minimum Land Requirement



Less Development time



Low Maintenance Cost



Low Investments

VS



High Returns

It is possible to target a wider investment base, making what was once a luxury and a dream more attainable and affordable. The shifting trends in home typology reflects that instead of magnificent villas, individuals are now looking for better and faster options like precasted cabins

Content

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02 Key Developing
Cities in India

03 Delineating Individual
cities & their investment
hot-spot

a) Mumbai

b) Ahmedabad

c) Chennai

d) Hyderabad

e) Kolkata

04 Summarizing Top 5
Investment Corridors
in India

05 Emerging Investment
Opportunity

06 Way Forward: Method
to monetize land as
rental income

Real Estate Investment : Major Intergenerational Wealth Creating Tool

Investments today are not just a need but are oriented towards creating wealth

People today seek to invest their money and develop several sources of income independent of their current employment. It is crucial for an investor to comprehend their selection and pick the right one. If one were to invest in land, there is a huge range of potential for monetization. The investor could just hold the land for long-term, build a structure on it to lease out, have a holiday property and can earn payouts from there too.

Returns in key formats of Investment



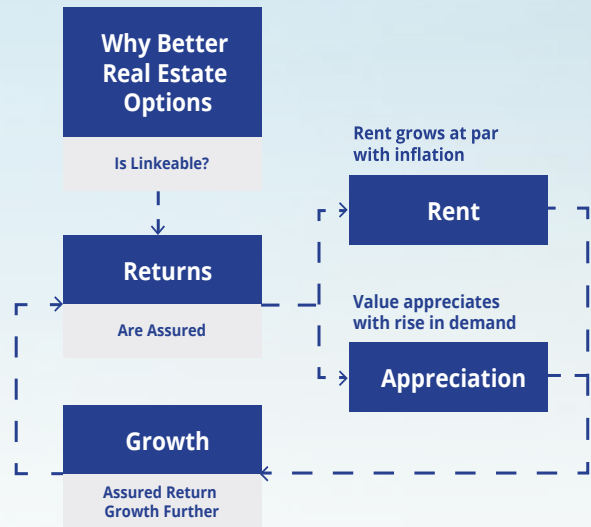
“

Investments in Real Estate are not erratic and don't aim for immediate profits. Land in particular is a long-term growth tool which can surpass inflation rates when timed right

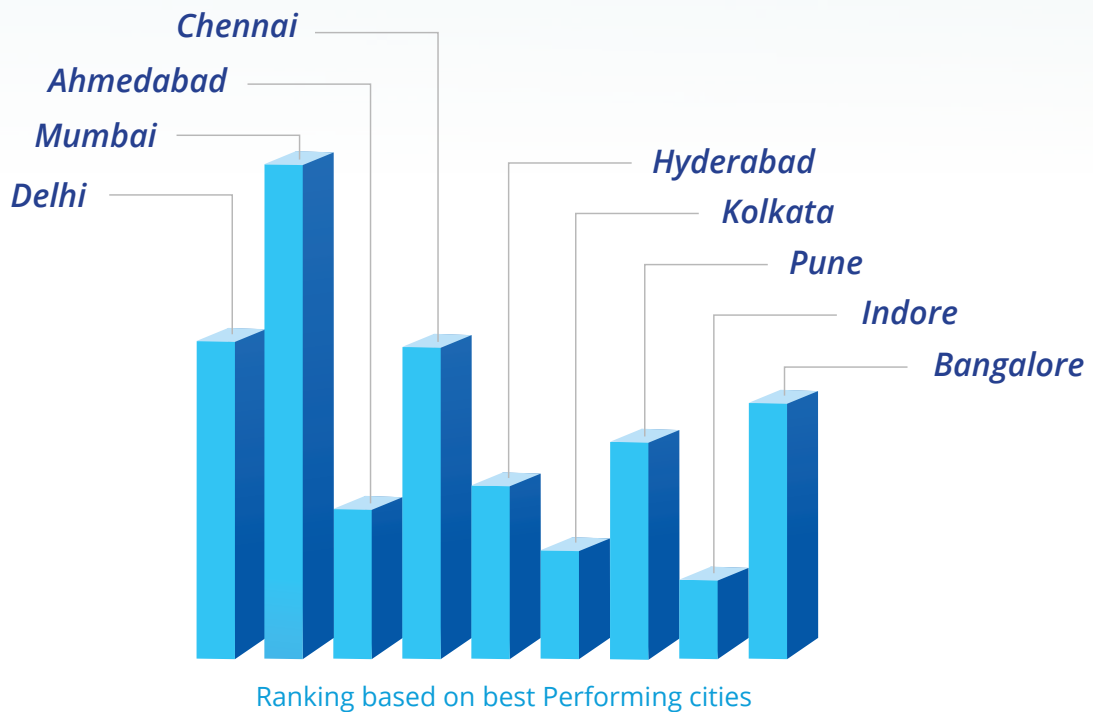
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Real estate demand

Despite high inflation rates, rising interest rates, uncertain economic conditions and global market slowdown, 2022 witnessed robust growth in core real estate assets. As the impact of economic headwinds continue, we expect overall demand to see some moderation during 2023 in certain sectors such as the commercial office segment, affordable and mid-housing. However, the Indian economy continues to be resilient, supporting growth across sectors such as data centers, industrial and warehousing, high-end and luxury housing, and second homes.

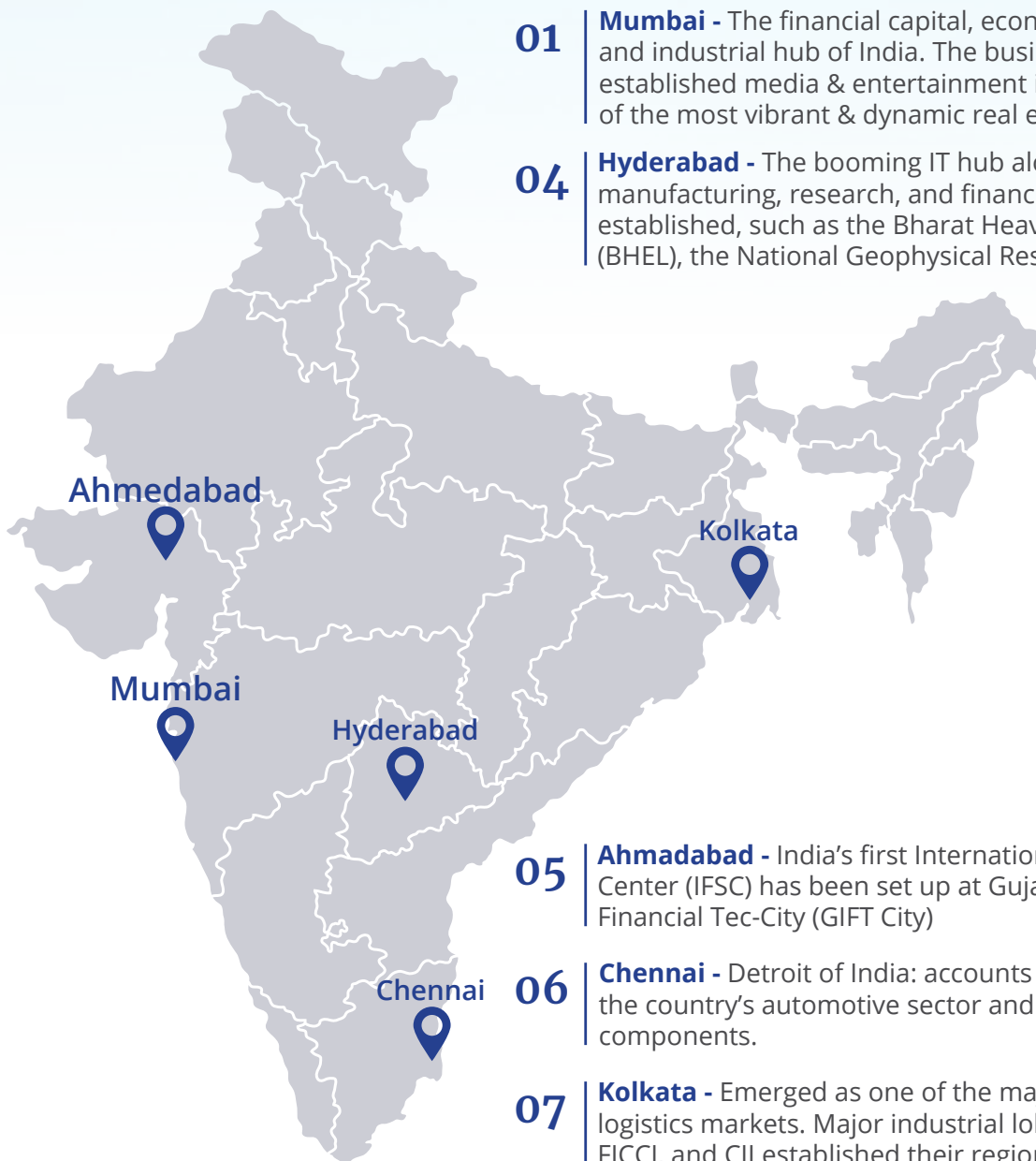


Ranking for real estate market in key cities of India



Identifying growth triggering cities of India

Several key factors are taken into consideration while delineating cities - including employment, infrastructural development, regional connectivity, accessibility to healthcare and educational facilities, safety and security, environmental sustainability, good governance, and socio-political stability.



01 | **Mumbai** - The financial capital, economic powerhouse, and industrial hub of India. The business hub, with an established media & entertainment industry. Having one of the most vibrant & dynamic real estate market.

04 | **Hyderabad** - The booming IT hub along with major Indian manufacturing, research, and financial institutions getting established, such as the Bharat Heavy Electricals Limited (BHEL), the National Geophysical Research Institute, etc.

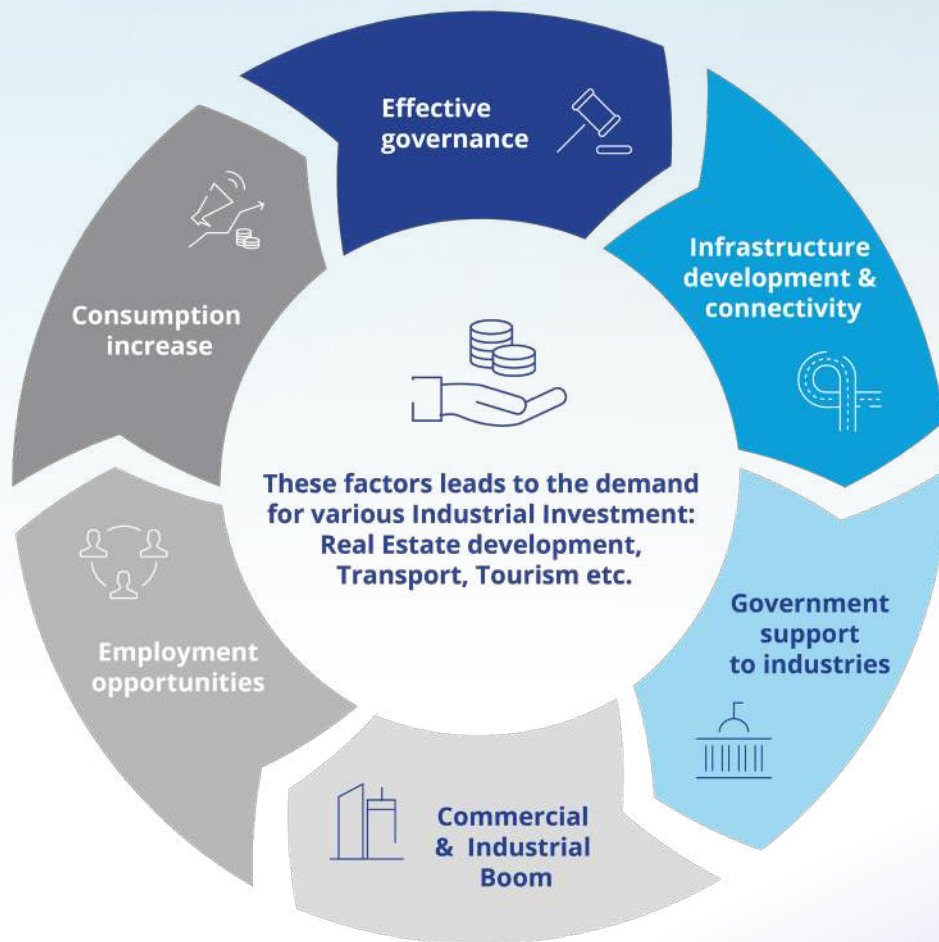
05 | **Ahmadabad** - India's first International Financial Services Center (IFSC) has been set up at Gujarat International Financial Tec-City (GIFT City)

06 | **Chennai** - Detroit of India: accounts for 30 percent of the country's automotive sector and 40 percent of auto components.

07 | **Kolkata** - Emerged as one of the major warehousing and logistics markets. Major industrial lobbies, such as the FICCI, and CII established their regional offices

Ranking based on Population census 2011

Factors that influence the growth of a city



An increase in capital expenditure on infrastructure investment by 33 percent, i.e., INR 10 lakh crore for 2023–24. Growth in real estate is expected to elevate in line with the strengthening of regional infrastructure

—Budget 2023



Mumbai

The fastest growing city of India, the city that never stops

Mumbai, being the financial capital of India, has the highest value for all types of Real Estate properties. Mumbai's Real Estate is undoubtedly exorbitant and offers a plethora of opportunities for Real estate investments. The Mumbai's real estate market has expanded geographically through the years as communities have expanded and several locations have gained importance. Therefore, there are more alternatives to invest in the city's more expensive districts.

Real Estate Market

Mumbai's real estate market is characterized by high property prices, limited land availability, and the growing population, which creates significant demand for housing and commercial spaces.

Infrastructure development is the primary driver of city growth

Multiple economic nodes

Previously, Mumbai was the central hub for many businesses. Now, these hubs are centralized in multiple places. Thane, Airoli, Navi Mumbai, Bhiwandi, etc.

The city's real estate is categorized into various regions and localities, each with its own price range and market dynamics. In recent years, the state government have been working on various infrastructure projects to improve connectivity and ease congestion in Mumbai.

Land: As the city is expanding, the locations such as Vasai Virar, Bhiwandi, Neral-Matheran, are the key hot-spots, led by availability of Non-Agricultural large land parcels along key upcoming infrastructure developments and presence of branded developers. Land investment has higher return compared to other asset classes where the average ticket sizes are high with minimal returns.

Affordability

The suburbs and the periphery are currently the areas that are taken into consideration in terms of affordability due to the increasing prices in the centre metropolis and land unavailability.



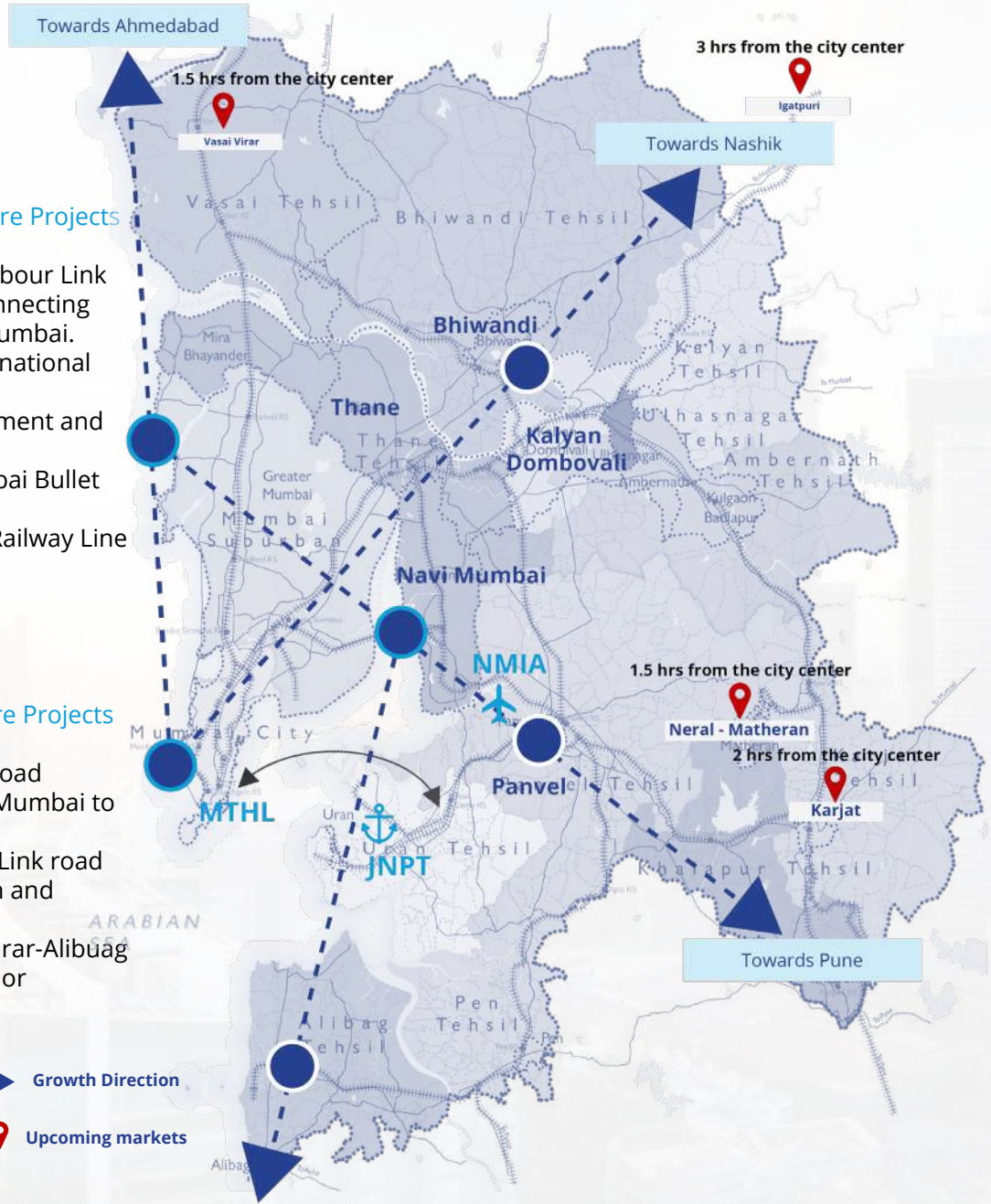
Mumbai

Upcoming Infrastructure Projects

- Mumbai Trans Harbour Link 22km link from connecting Mumbai to Navi Mumbai.
- Navi Mumbai International Airport (NMIA)
- JNPT Port Development and SEZ developments
- Ahmedabad-Mumbai Bullet Train Project
- Panvel-Matheran Railway Line

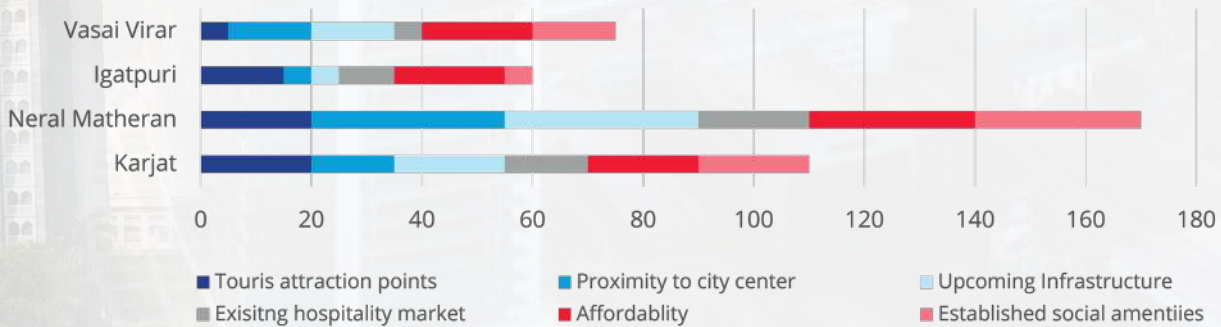
Proposed Infrastructure Projects

- Proposed coastal road connecting North Mumbai to South Mumbai
- Proposed Mulund Link road connecting eastern and western suburbs
- The 126 km long Virar-Alibaug Multi-Modal Corridor



- Key anchor nodes
- ▶ Growth Direction
- Secondary nodes
- 📍 Upcoming markets

Weightage as per the triggers that impact appreciation of the market



The Neral-Matheran corridor is more appealing to investors than other areas of the city due to the presence of key developers with sizable residential projects, proximity to the city centre, and well-established social amenities with an advantage of nature and pleasant climate

Neral - Matheran

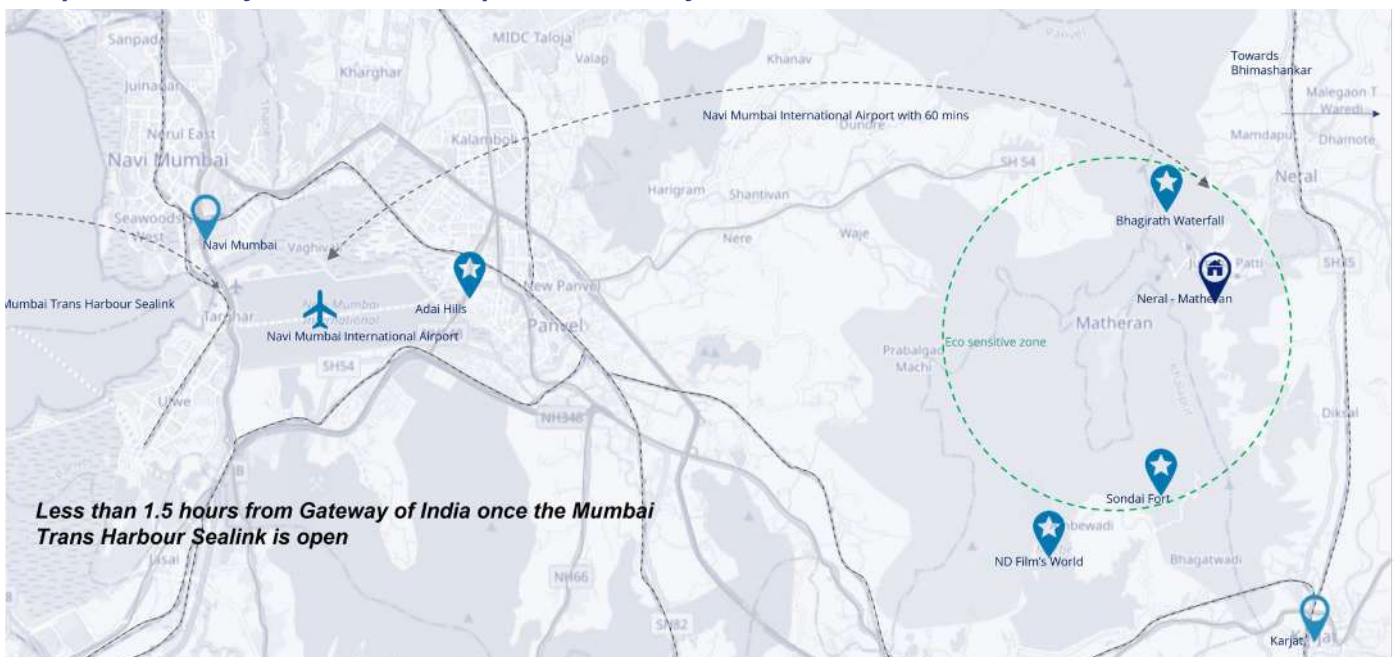
Neral- Matheran is a part of MMR, the micro market is gaining attraction because of its unique natural geographic setting. It is a most important railroad junction, with trains arriving from Mumbai and Pune to the nearby and very treasured hill station of Matheran.

- Navi Mumbai Airport Influence Notified Area (NAINA) & its surrounding region is expected to see incredible growth as a modern city due to its planned development.
- New economic hubs like Thane, Navi Mumbai SEZ, Industries in Badlapur & Ambernath, increase footfall towards the outskirts of the Mumbai
- Neral-Matheran being a most admired tourist destination, hence the hotel and tourism sectors account for the majority of the local hotel management industry's revenue.

Key Attractions to the market

- Matheran ESZ: A no - vehicle zone. A region where the noise and bustle of the city disappeared. The harsh blare of honking cars was replaced by the sound of the birds and the sounds of hooves. The pollution replaced by the clean crisp air of the forests.
- Bhimashankar Wildlife Sanctuary : Home to large number of endemic species.
- ND Flim studio: Bollywood theme park & a shooting location.
- Other tourism spots in and in vicinity of the Neral-Matheran area are Blue Bulb, Neral-Matheran Toy Train, Rambag Point, Panorama Point, Hart Point, etc
- Other impacting influencers are: Panvel Bhimashankar Road connector; Proposed Jio University; Neral station & State highway connector

The part of the city that serves as a peaceful holiday location



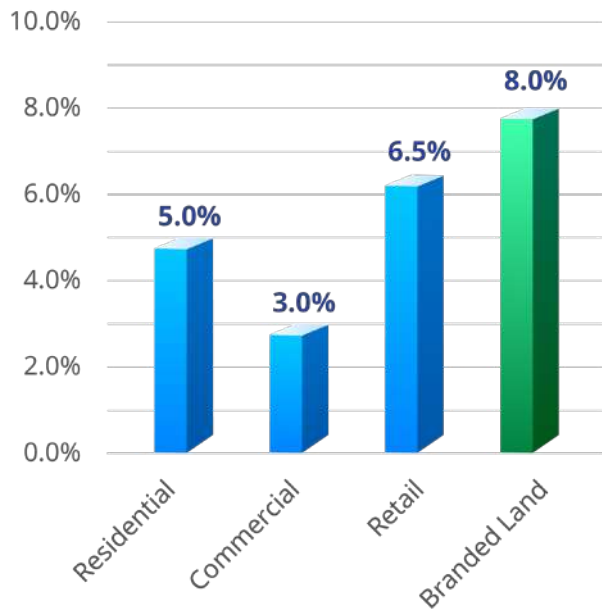
Source : Colliers

“Neral-Matheran provides an excellent scenic experience, emersed in nature away from the hustle & bustle of the congested urban setup, making it a perfect location for a weekend getaway”

Connectivity

- Nearest airport - Navi Mumbai International Airport (NMIA) set to open soon.
- The State Highway connects Neral to Karjat, NH4, Panvel and Badlapur.
- The nearest railway station is the Neral Railway Station
- It lies close to Shelu Railway and the Badlapur – Khopoli Highway.
- MSRTC & western railway provides fast connectivity to Mumbai and Pune.
- Upcoming Trans Harbour Link (MTHL)

Average YoY Capital Appreciation



15%

Annual rental yield for holiday home

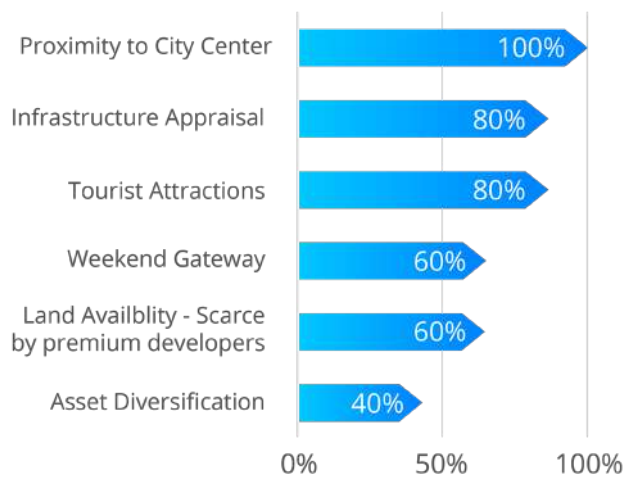
28%

Average YoY ROI on time sharing basis for holiday home for over 10 years

5X

Expected returns over next 10 years in land investments

Why this is a preferred Investment Location ?



Source : Colliers

Available Investment options in the Market

Price (INR Cr.)	Apartment	Villa/ Bungalow	Commercial	NA Land
0 - 0.5	✓			✓
0.5 - 1		✓		
1 - 2				
2 - 4				
>4				

High Low

Neral – the foothills of Matheran has been looked up as an opportunity for land investment to build holiday homes which also are income generators in the form of home-stays or short-term rentals



Ahmedabad

Home to India's first international financial services center.

The City is home to more than seven million people, making it the fifth most populous and the seventh largest city in the country. The Gujarat government has worked to establish the Ahmedabad-Gandhinagar stretch as a fintech-city called the 'Gujarat International Finance Tec-City' or GIFT city - India's first International Financial Services Center (IFSC). Ahmedabad is the nucleus of the Gujarat industrial region and is a base for some of the biggest industrial names as well as several commercial and educational institutions of global importance.

Real Estate Market

Residential Real Estate in Ahmedabad includes apartments, villas, and independent houses, and people are investing in land for weekend homes

Key growth drivers for the expansion of City

Residential market

The Real Estate market in Ahmedabad has been dynamic and promising. With a thriving economy and rapid urbanization, the city has witnessed steady growth in the real estate sector. Residential properties continue dominating the market, catering to the rising demand for affordable and luxurious apartments.

as the city is expanding towards Sanand and Gandhinagar. Industrial Real Estate is significant in Ahmedabad for investment in land as well, with several industrial zones and estates accommodating manufacturing and other industrial activities. Commercial real estate in Ahmedabad has also seen substantial growth, with various office spaces, retail outlets, and malls being developed in different parts of the city.

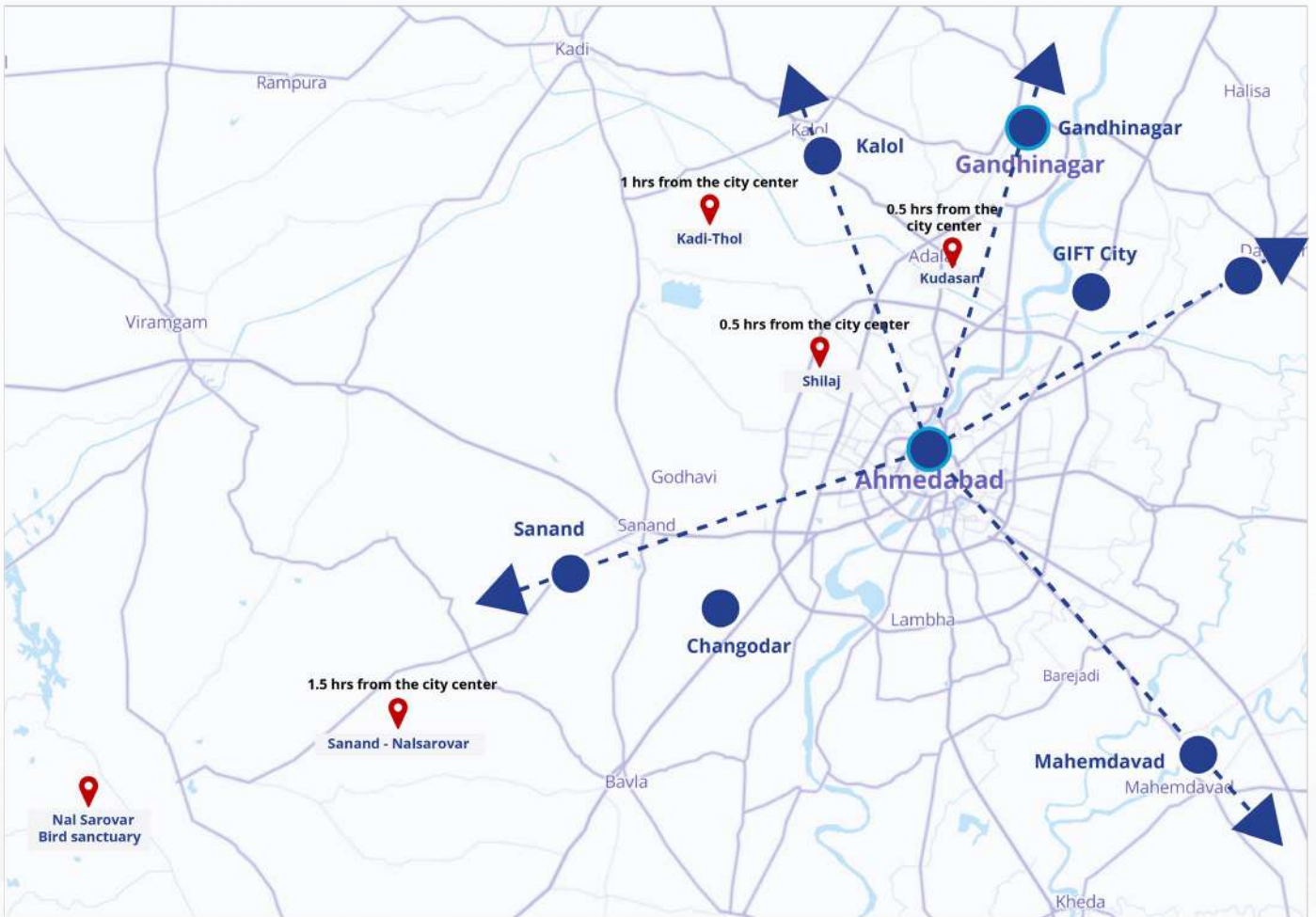
Land: The city centre has limited land parcels under educational or industrial use. While the city limits are expanding-plotted development, affordable housing and commercial are the core developments along the growth corridors of the city. Investing in land within these growth corridors could expect higher returns.

Industrial growth

Ahmedabad District is the largest inland industrial center in western India. It provides a manufacturing base for industries such as chemical, textiles, agriculture, and food processing.



Ahmedabad

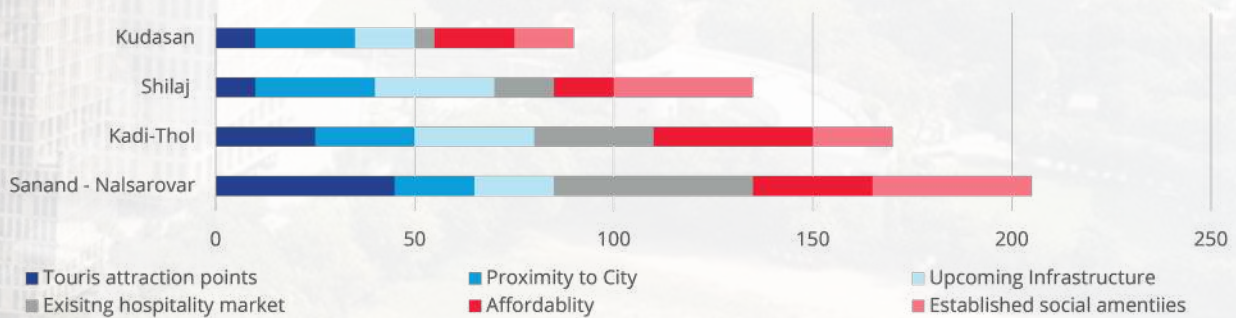


Proposed Transit Infrastructure Projects

- GIFT City Gandhinagar
- Ahmedabad-Mumbai Bullet Train Project
- Ahmedabad-Dholera Expressway
- Mandal-Behcaraji and Dholera Special Investment Regions
- Ahmedabad Metro Phase 2
- Western Dedicated Freight Corridor
- Delhi-Mumbai Industrial Corridor
- Delhi-Ahmedabad High-Speed Rail Corridor
- Tharad-Ahmedabad Expressway



Weightage as per the triggers that impact appreciation of the market



Home to global auto giants, Sanand-Nalsarovar has become a thriving auto hub of the Western India and one of the most promising avenues of investments. The corridor enjoys a strategic location on the Delhi-Mumbai Industrial corridor

Sanand – Nal Sarovar

Sanand-Nal Sarovar is strategically located in Ahmedabad. It is well-connected to major cities and transportation hubs, including the Ahmedabad-Dholera Expressway and Ahmedabad's proposed third-ring road, enhancing accessibility and convenience for residents and employment.

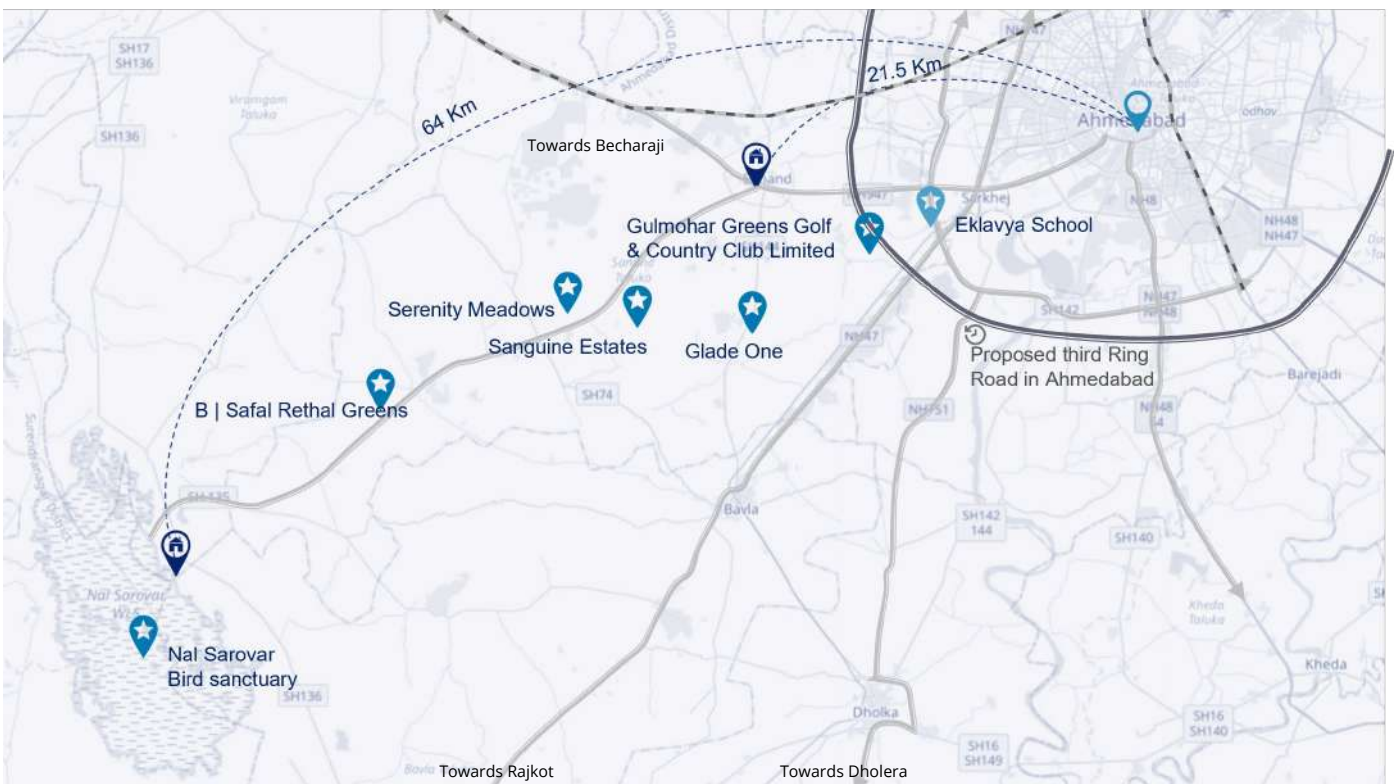
Sanand has emerged as a prominent industrial hub, attracting significant companies and industries. The area is known for the Tata Nano plant and the Sanand GIDC.

Due to the geographical setting, the huge natural lake, and spread vegetation, the region has been an attraction as a weekend property market for people from Ahmedabad.

Key Attractions to the market

- Due to the presence of the natural lake, it is a seasonal stoppage for migratory birds, which is a gem for bird watchers, professional ornithologists, and is a serene gateway rest of the year.
- Sanand-Nalsarovar's popularity as a tourist destination has been growing steadily. The presence of the lake, wildlife, and bird sanctuary make it an attractive place for nature lovers and Eco-tourists.
- Sanand-Nalsarovar's proximity to Ahmedabad and its pleasant environment makes it an ideal location for investors looking for a second home or weekend gateway.

The part of the city that serves as a peaceful holiday location.



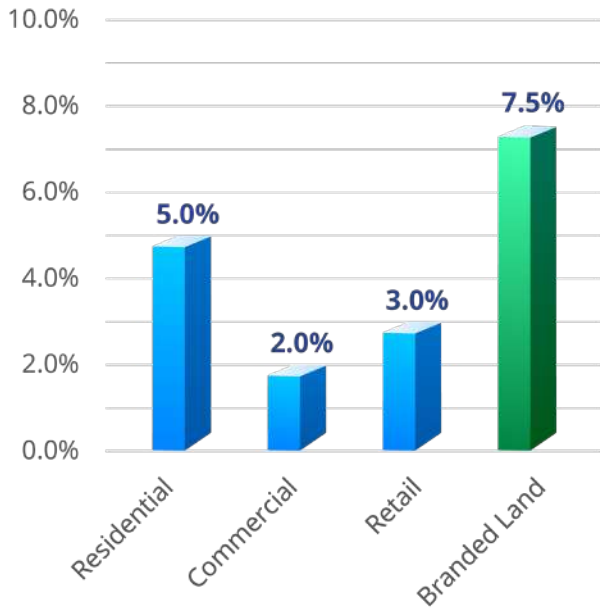
Source : Colliers

“Sanand – Nal Sarovar’s serene surroundings, and the presence of the Nal Sarovar Bird Sanctuary, make it an attractive destination for leisure and weekend getaways”

Connectivity

- Nearest airport: Sardar Vallabhbhai Patel International Airport
- The State Highway – GJ SH-135 connects Nal Sarovar to Sanand and GJ SH-17 connects Sanand to Ahmedabad.
- Proposed third Ring Road of Ahmedabad will add more connectivity.
- The nearest railway station is Sanand Railway Station.

Average YoY Capital Appreciation



10%

Annual rental yield for holiday home

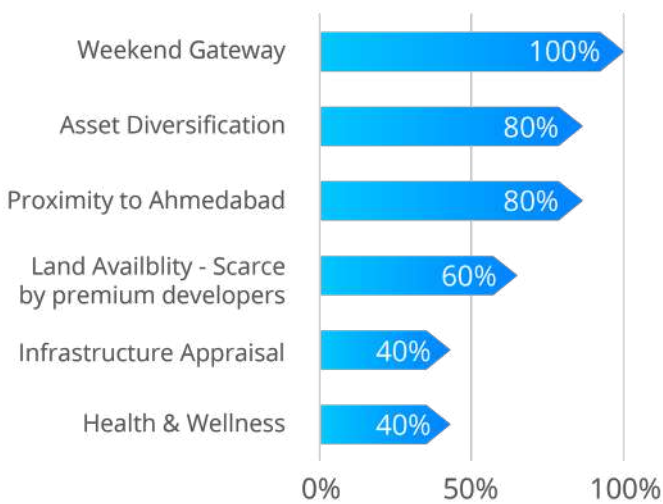
25%

Average YoY ROI on time sharing basis for holiday home for over 10 years

3.5X

Expected returns over next 10 years in land investments

Why this is a preferred Investment Location ?



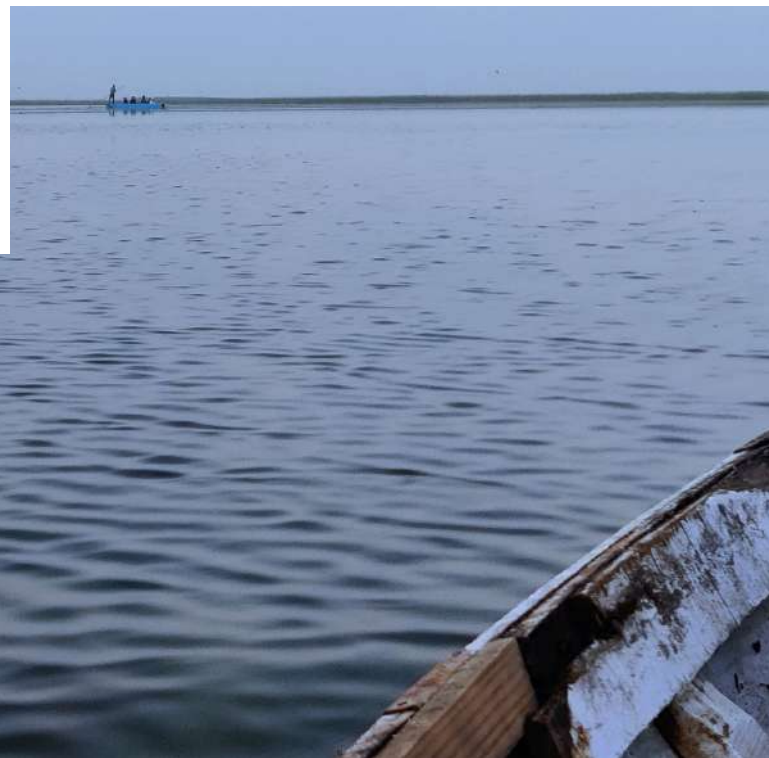
Source : Colliers

Available Investment options in the Market

Price (INR Cr.)	Apartment	Villa/Bungalow	Commercial	NA Land
0 - 0.5				
0.5 - 1				✓
1 - 2		✓		
2 - 4				
>4				

High Low

The location has been developed as golf clubs, resorts and weekend homes for the people from Ahmedabad & Gandhinagar



Chennai

Chennai is often referred to as “the Detroit of India” since it produces 40% of the nation’s auto parts and 30% of the nation’s automotive industry.

The strategic location, robust infrastructure, and bustling economy have undoubtedly made it a cosmopolitan city. Given the diversified economic base, the demand for real estate across asset types has grown rapidly over the years. The growth of manufacturing and IT/ITeS sectors has led to increase in the migration of young talents towards the city. The resultant rise in the city’s population and expanding urban sprawl drove residential demand, especially in the suburban and peripheral locations of South and West Chennai.

Real Estate Market

The Chennai real estate market has been greatly impacted by various factors, such as the economic

slowdown, changes in government regulations, etc. With its year-round pleasant temperatures and presence of coastal beach, Chennai is a dream destination for many investors and residents. The city is home to Tidal Park, Asia’s largest IT park, making it a popular location for those working in the Tech sector for investment in residential sector.

Land: The large availability of land parcels along Old Madras Road (IT hub) and East Coast Road (ECR) with established social & upcoming physical infrastructure and other amenities are attracting investors/buyers to invest in land and real estate properties at various price points to gain higher returns.

Key growth drivers for the expansion of City

Multifarious economic activity

The city has made rapid strides in pursuing economic development over time. The urban sprawl expanded by the growth of office sector, with increasing IT / ITeS firms in South Chennai and buoyant Industrial activity in West Chennai.

Affordability moving towards suburbs

As the urban sprawl continued and capital values in core areas escalated, the peripherals started witnessing increased residential activity. The majority of this activity moved from the urban core to the suburbs, and subsequently to the peripheral areas.



Chennai

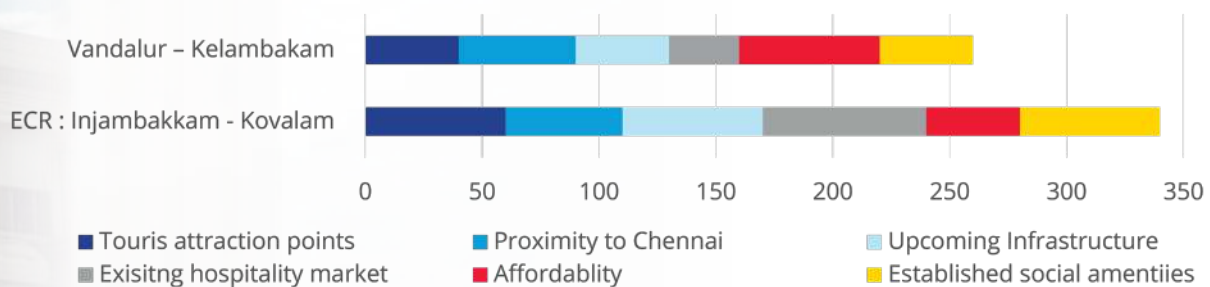


Upcoming & Proposed Transit Infrastructure Projects

- Chennai Airport Expansion (Phase II)
- Proposed Three Metro Rail lines across key corridors
- Chennai Port-Maduravoyal Expressway
- Expansion of ECR Road
- Proposed Chennai Peripheral Ring Road (Phase II)
- Madhya kailash Flyover
- Multi-modal Logistics Park in Chennai-Mappedu
- FinTech City at Nandambakkam and Kavanur
- Chennai's Second airport at Parandur

- Key anchor nodes
- Secondary nodes
- ▶ Growth Direction
- 📍 Upcoming markets

Weightage as per the triggers that impact appreciation of the market



Be it for investment purposes or building a villa along ECR, one is sure to enjoy remarkable returns and appreciation because of the area's rapid real estate development in the recent times, led by proximity to the city centre and developed IT corridor (OMR)

ECR : Injambakkam - Kovalam

East Coast Road (ECR), is one of the rapidly developing areas of Chennai and is located very close to the industrial zones and the IT corridor such as OMR in Chennai. The demand for properties along ECR has been increasing, led by its strategic location along the sea and proximity to key destinations.

- ECR is one such area of Chennai which boasts leading social amenities and developed infrastructure along with proximity to employment avenues such as IT parks and SEZs.
- Connectivity, along with access to all world-class social infrastructure and competitive property rates is a major attractions.
- Demand for residential spaces will continue to rise and so, it also makes for a good investment option.

Key Attractions to the market

- ECR is home to numerous important heritage sites that attract visitors from all around the world with an advantage of sea along the corridor.
- Key Tourists destinations include Cholamandal Artist's Village, Dakshinachithra, Muttukadu Boat house, Nettukuppam beach.
- With a unique location facing the sea, ECR offers a serene panoramic ocean view from the user adobe.
- Developers are capitalizing on this opportunity by developing various projects such as resorts, Villas, plotted development, making them ideal assets for investors.

A strategic location with Serene panoramic sea for weekend/holiday retreat



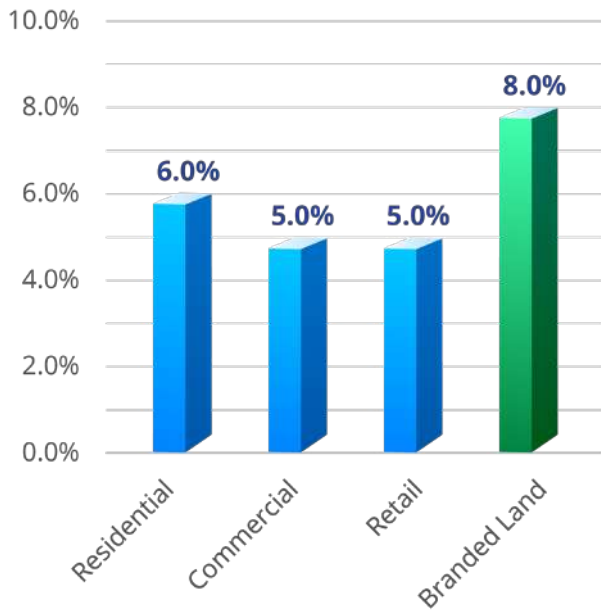
Source : Colliers

“ ECR located along the coastal lane presents an excellent example of a bustling road stretch studded with beautiful long beach views and serves as a perfect spot for unwinding and recreation ”

Connectivity

- Nearest airport: Chennai International Airport
- The ECR Highway connect Thiruvanmiyur, Sholinganallur, Palavakkam, and Mahabalipuram
- The nearest railway station is the Perungudi Railway Station
- The road passes by scenic beaches of the Bay of Bengal up to Puducherry and finally Cuddalore.
- The Guindy Metro Station and the St Thomas Mount Metro Station lie at a close proximity.

Average YoY Capital Appreciation



5%

Annual rental yield for holiday home

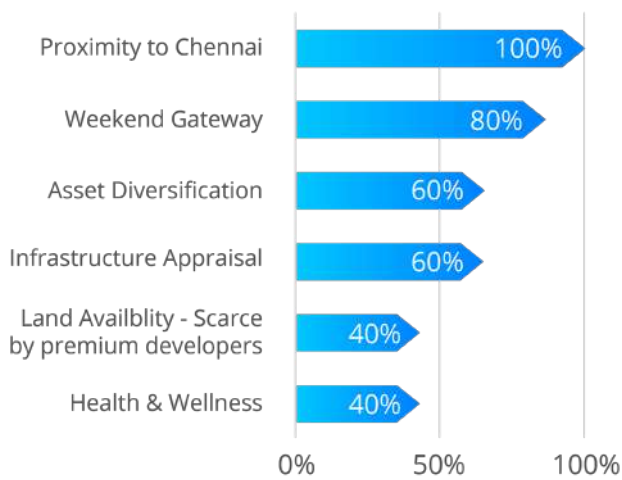
10%

Average YoY ROI on time sharing basis for holiday home for over 10 years

3.5X

Expected returns over next 10 years in land investments

Why this is a preferred Investment Location ?



Available Investment options in the Market

Price (INR Cr.)	Apartment	Villa/Bungalow	Commercial	NA Land
0 - 0.5				
0.5 - 1				✓
1 - 2	✓	✓		
2 - 4		✓		
>4				

High Low

Source : Colliers

Second homes in ECR are considered as best investments plans for income generators through short-term rentals



Hyderabad

The country's pharmaceutical capital and "Genome Valley of India" and establishing its character as IT/ITeS hub of India

Industrial-friendly policies of the pro-development government over the last few decades has helped Hyderabad emerge as one of the top cities in India, attracting significant global investments. Moreover, IT-hub for start-ups, commencement of first phase of the metro project, growing retail spaces in the city and the success of Outer Ring Road (ORR) in easing the traffic snarls are few other growth drivers for the overall spurt in real estate activity over the last few years.

Real Estate Market

The government has taken several initiatives to promote the real estate sector, including streamlining the approval processes for real estate projects, providing incentives to developers, and investing in

infrastructure development.

The demand for land in Hyderabad has been consistently high, especially in well-established and emerging residential areas. With the city's population growth and increasing urbanization, there has been a surge in the demand for plots to build homes.

Land: The Outer Ring Road (ORR) in Hyderabad is a critical component of the city's evolution with the vast availability of land parcels leading to a significant land investment opportunity. This has improved Hyderabad's economic environment, reduced urban congestion, and encouraged sustainable suburban development.

Key growth drivers for the expansion of City

Infrastructure: Impetus for RE growth

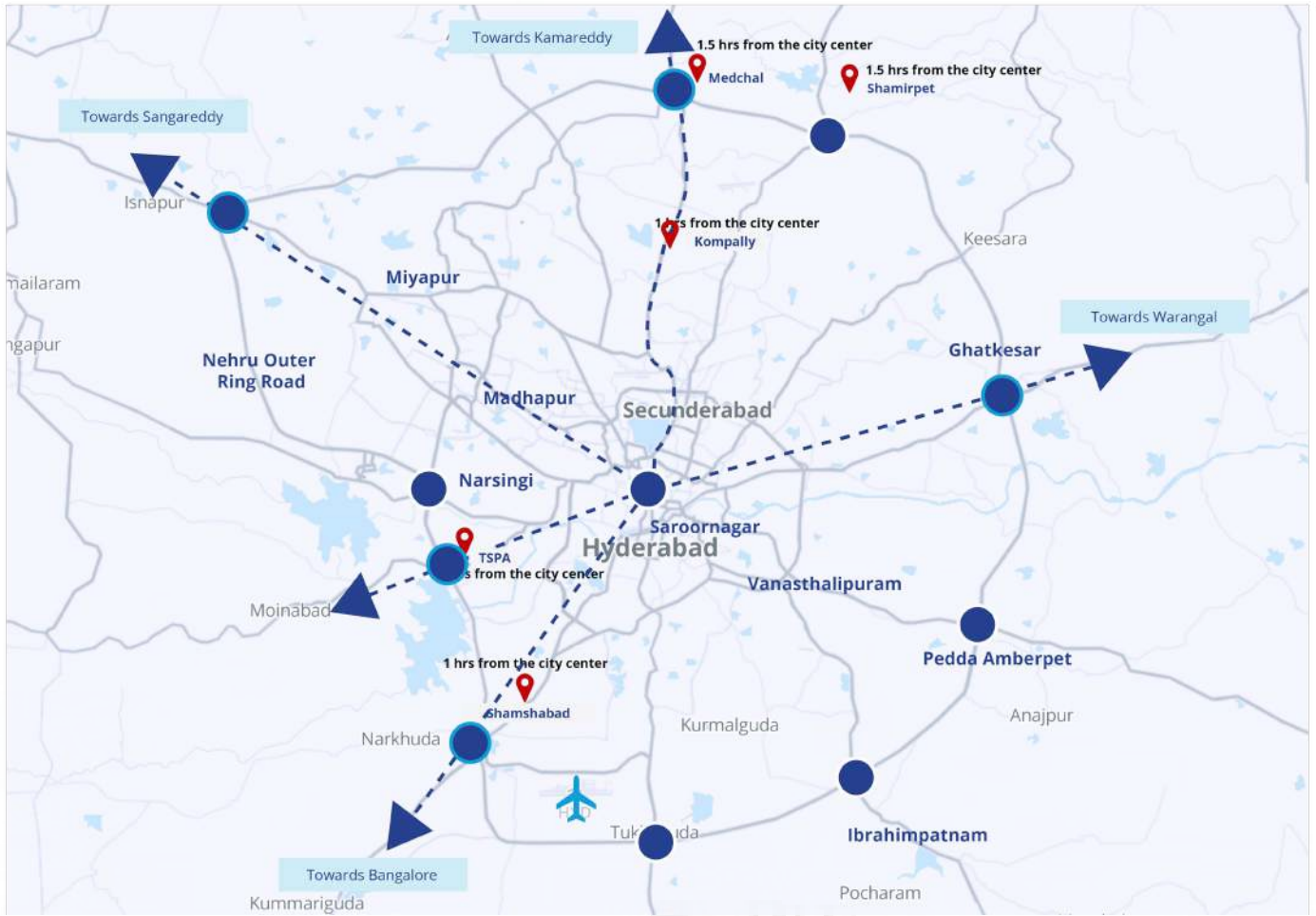
The Nehru Outer Ring Road bolstered the city's real estate sectors by opening up large land parcels with high development potential, which enabled the growth of commercial & residential suburbs in the western corridor of Hyderabad.

Affordability moving towards suburbs

Availability of land and large base of junior-to-mid level employees in the city will trigger demand for housing projects in the city. The western submarket is the hotspot of residential investments in the city, followed by the northern and eastern residential submarkets.



Hyderabad

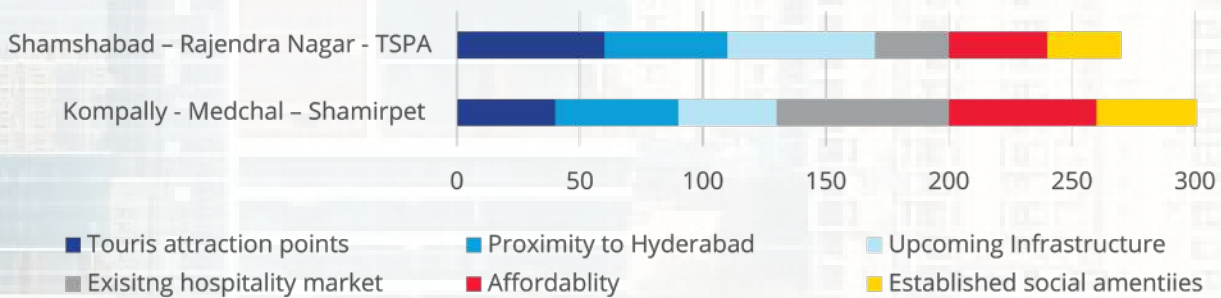


Upcoming & Proposed Transit Infrastructure Projects

- Strategic Road Development Plan to boost road infrastructure
- Hyderabad Regional Ring Road
- Hyderabad Metro Rail Phase II
- Mumbai – Hyderabad High-speed Rail Project
- Elevated Bus Rapid Transport System
- Proposed energy park in Mahabubnagar
- Proposed Industrial corridors in along Nagpur, Delhi- Hyderabad Highway
- Proposed Brownfield IT parks
- Pharma City in Mucherla



Weightage as per the triggers that impact appreciation of the market



The corridor is well known for its lush green environment, excellent physical infrastructure, operational and upcoming commercial hubs are some of the key factors for investors to capitalize the opportunity and uphold the investments in the region

Kompally - Medchal – Shamirpet

Kompally - Medchal - Shamirpet is a fast-growing residential location, situated at Northern suburb Zone of Hyderabad. Being in proximity to the mainstream areas, the micro market has gained a larger traction in recent days for its infrastructural development, which created a boom in the real estate market.

- North-western Hyderabad has evolved as the largest employment hub of the city leading to high residential activity in and around its periphery. Also, with major micro markets being saturated over the years, several other areas near to prominent ones are seeing spill-over demand.
- Kompally, Medchal and Shamirpet are few most admired destination for home buyers seeking an affordable to luxurious lifestyle at various price points.

Key Attractions to the market

- The micro market is one of the esteemed destinations in the outskirts of the city with its stunning landscapes, rich culture, and diverse wildlife.
- The corridor includes unmatched living experience amid excellent social infrastructure, including renowned school, hospitals and shopping complexes in the midst of nature.
- These corridors are considered as a luxury weekend/holiday home destination, led by the development of premium wellness and nature resorts and gated communities with wide amenities for the travellers

Shift in supply towards Premium Second Homes, led by proximity to key IT



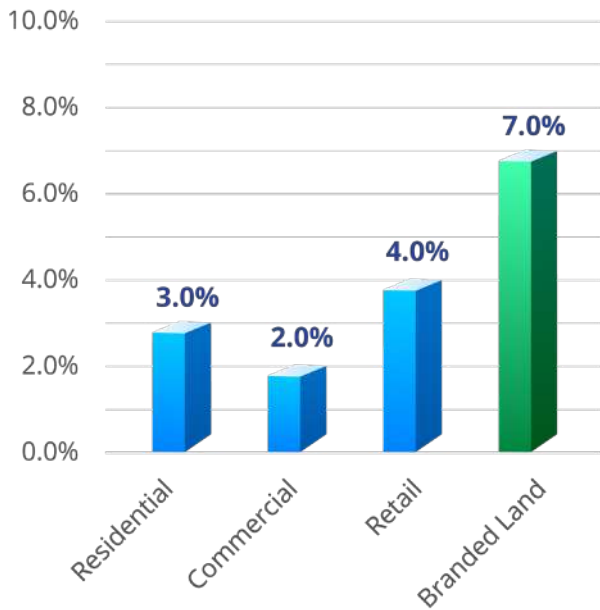
Source : Colliers

“
Kompally - Medchal - Shamirpet are now real estate hot-spots due to various advantageous factors such as location, high potential growth of capital, and the availability of a wide range of housing options
”

Connectivity

- Nearest airport: Rajiv Gandhi International Airport
- The nearest railway station: Medchal & Gundla Pochampally Railway Station
- These micro markets are well connected though Nehru Outer Ring Road to other key destinations of the city as well as International Airport.
- The upcoming Kandlakoya IT Park is in proximity to the micro-market and are likely to impact the property prices in the short term.

Average YoY Capital Appreciation



10%

Annual rental yield for holiday home

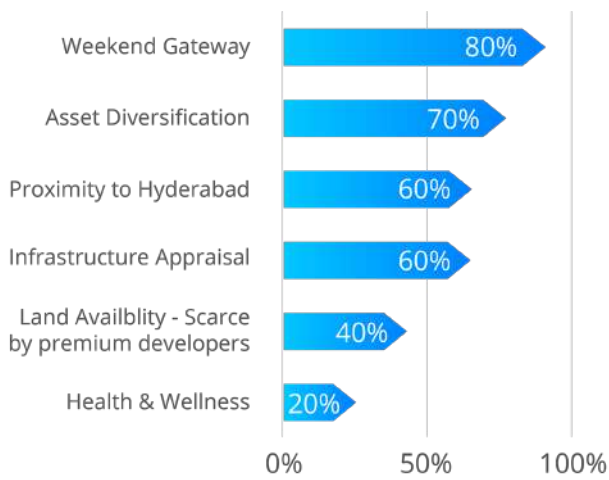
20%

Average YoY ROI on time sharing basis for holiday home for over 10 years

3X

Expected returns over next 10 years in land investments

Why this is a preferred Investment Location ?



Source : Colliers

Available Investment options in the Market

Price (INR Cr.)	Apartment	Villa/ Bungalow	Commercial	NA Land
0 - 0.5				
0.5 - 1	✓			✓
1 - 2				
2 - 4		✓		
>4				

High Low

Kompallu-Medchal-Shamirpet are few key destinations for premium gated communities with guaranteed return on investments



Kolkata

Considered an important trade and commerce hub in Northeast India

Kolkata, the capital city of West Bengal, boasts a vibrant real estate market. City's real estate has witnessed significant growth and development in the recent years fueled by favorable business environment, strategic location, rich cultural heritage and well-connected transport infrastructure. The diversified and multifold economic base of the city ensures a sustainable growth in the long term.

Real Estate Market

Infrastructure development projects, such as the metro rail expansion, flyovers, and road widening, have improved connectivity and accessibility across the city. This has positively impacted the land market

in areas with improved transportation facilities. The real estate market in Kolkata has been dynamic and diverse, offering various opportunities in residential, commercial, and industrial sectors. Investing in land in Kolkata can be a lucrative option, given the city's growth potential and dynamic real estate market. However, like any investment, it comes with its own set of considerations and risks

Land: The areas of Rajarhat, New Town in East Kolkata and Joka are developing as key investment spots. With metro construction in full swing, the buyer and developer community will likely gain more confidence about investing in land along the corridors.

Key growth drivers for the expansion of City

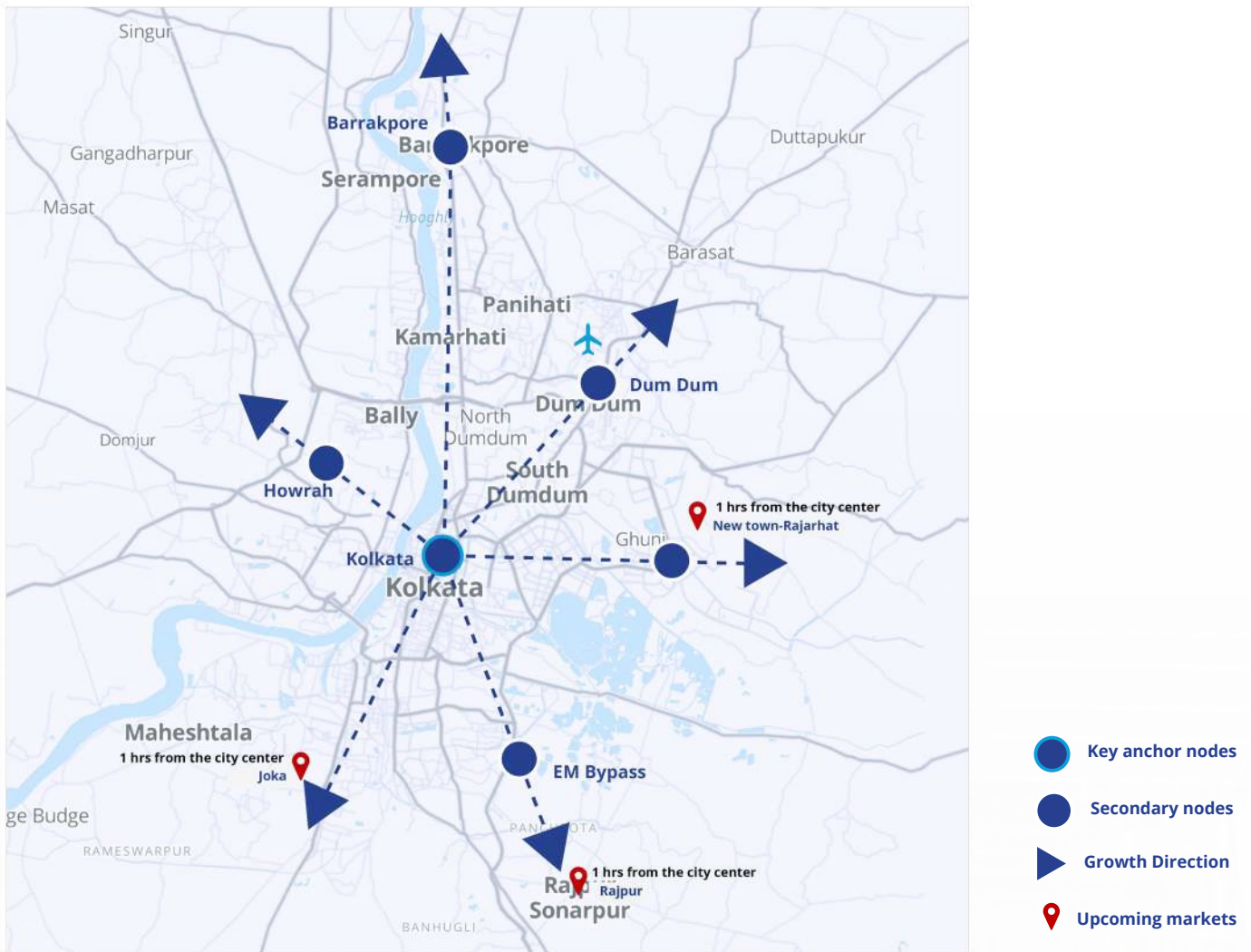
Diversified Economic Base

Well established trade and commerce hub in Northeast India supported by availability of excellent talent pool, power surplus, and location of major ports.

Affordability

Low cost of living, Ease of transit enabled by developed public transport system, higher safety index and lowest attrition rate among other metro destinations.

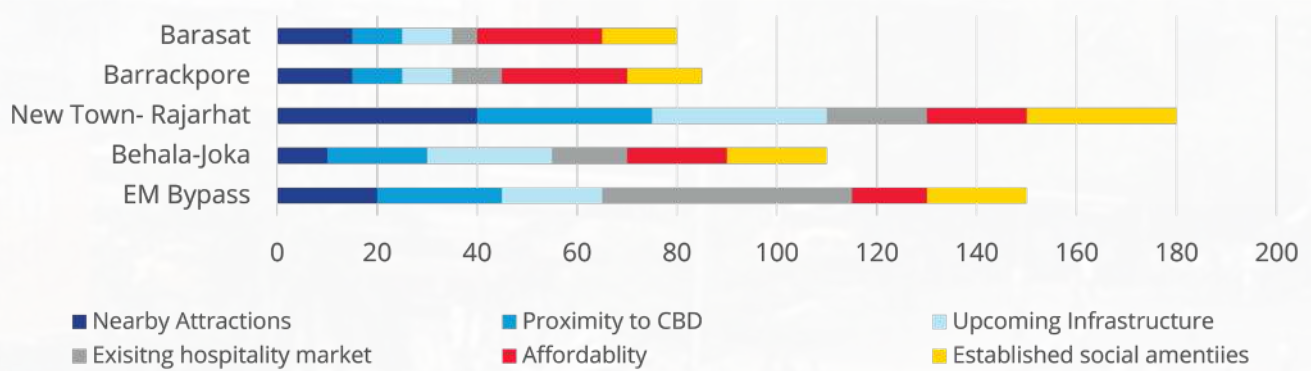




Proposed Transit Infrastructure Projects

- Kolkata Metro Rail expansion
- Sec V to Howrah Maidan (East West Metro)
- Airport to Kavi Subash,
- Noapara to Barasat via Airport
- Baranagar to Barrakpore
- BBD Bag to Joka
- Kolkata-Siliguri Expressway
- Varnasi-Ranchi-Kolkata Expressway
- Kolkata Airport Expansion
- Raxaul-Haldia Port Expressway
- NH34 between Barajaguli and Krishnanagar Expansion to four laning
- Triilateral Road- Kolkata- Bangkok Highway

Weightage as per the triggers that impact appreciation of the market



New Town –Rajarhat is one of the planned satellite town and home to several new and innovative residential and commercial projects. The corridor is rapidly growing and considered developing real estate neighborhoods, providing conveniences of contemporary living with significant development of physical and social infrastructure

New Town- Rajarhat

New- Town Rajarhat is a planned smart satellite city located at a distance of 11 kilometres east of Kolkata CBD area. The presence of important landmarks such as Eco Park, Biswa Bangla Convention Centre, and several IT parks has made the area a esteemed real estate destination.

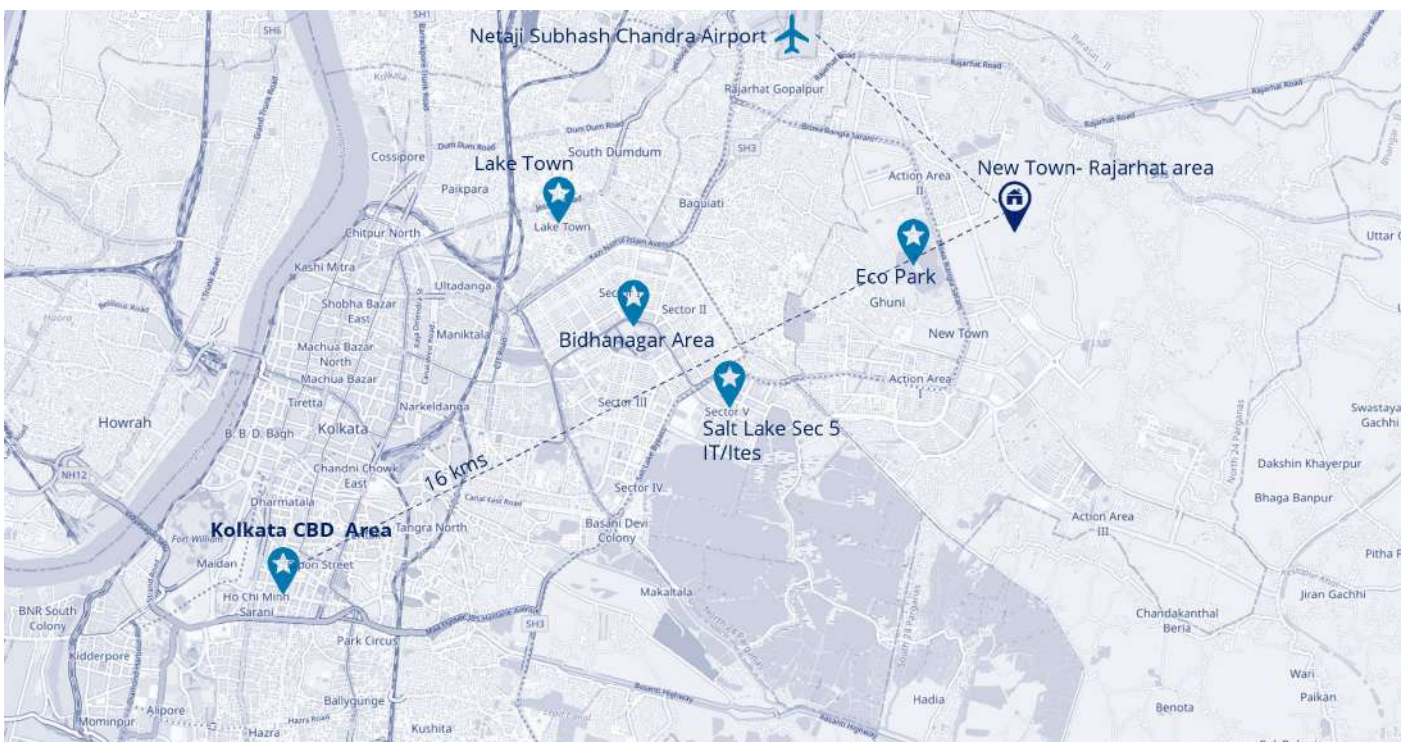
- Planned Locality comprising a mix of residential, commercial, IT and institutional area
- Employment center in Kolkata having several well-known IT MNC's
- Developed network of roads providing sound connectivity

Upcoming infrastructure developments and growth potential the area has positions New town as one of the most sought-after real estate destination in Kolkata.

Key Attractions to the market

- Proximity to Netaji Subhash Chandra International, Upcoming metro connectivity, civic planning and developed social amenities
- Presence of major IT and business park in proximity
- Presence of gateway destinations like Eco park and wax museum, Biswa Bangla Convention center, Themed resorts.

Shift in supply towards Premium Second Homes, led by proximity to key IT



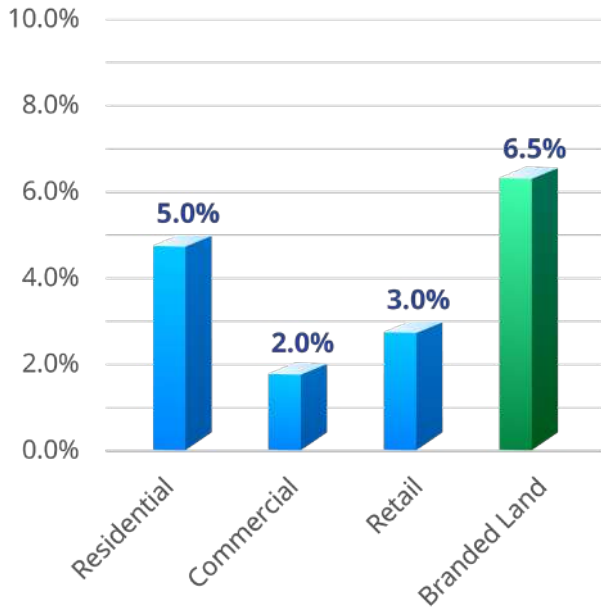
Source : Colliers

Planned Infrastructure, Developed Connectivity and Easy Access positions New Town- Rajarhat area as an ideal location for investment in Kolkata Region.

Connectivity

- Nearest airport: Netaji Subhash Chandra Bose International Airport (11 kms)
- Biwa Bangla Sarani connects Action Area I and II and to Netaji Subhash Chandra Airport
- The Howrah railway station is at a distance of 15 kms
- New Garia – DumDum (Airport) line of Kolkata metro in under construction
- LRTS is planned to connect action area III to Biswa Bangla Gate

Average YoY Capital Appreciation



3%

Annual rental yield for holiday home

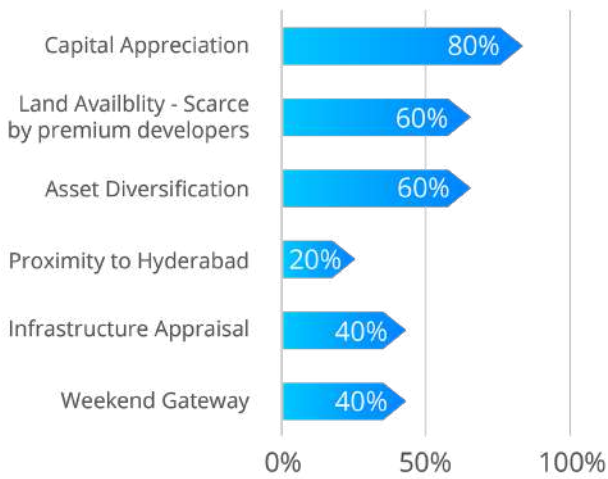
12%

Average YoY ROI on time sharing basis for holiday home for over 10 years

2.5X

Expected returns over next 10 years in land investments

Why this is a preferred Investment Location ?



Available Investment options in the Market

Price (INR Cr.)	Apartment	Villa/ Bungalow	Commercial	NA Land
0 - 0.5				✓
0.5 - 1	✓	✓		
1 - 2				
2 - 4				
>4				

High Low

Source : Colliers

Investments here are considered as a capital investment option dominantly as the city has been expanding and developing towards these regions



Top 5 Investment Corridors

Based on the market research for the potential states and the investment corridors, the top 5 corridors are identified based on the annual rental yield and expected capital appreciation. Financial indicators such as property capital yield, rental appreciation and significant physical infrastructure developments over a period are some of the primary factors for an investor to consider the property. However, across the top 5 corridors, monetizing land will bring in a higher rental yield and price appreciation in the coming future through complementing infrastructure developments and increased tourism.

Investment corridors	Annual rental yield	Price appreciation in a year (land)	Average YoY return on time sharing basis	Tourism expected	Impact of infrastructure	Availability of supply
Neral - Matheran	2.5% - 4.0%	8%	28%	High	Moderate	High
Sanad - Nal Sarovar	2.0% - 3.0%	6%	25%	Moderate	Low	High
ECR - Injambakkam - Kovalam	2.5% - 3.0%	7%	20%	Moderate	Moderate	Moderate
Kompally - Medchal - Shamirpet	2.0% - 2.5%	7%	20%	High	Moderate	Moderate
New Town- Rajarhat	2.0% -2.5%	6%	15%	Moderate	Low	Moderate

Source : Colliers

The real estate investment market for land is still at nascent stage of development in few corridors, while corridors closer to tourism destinations and metro cities have grown multiple folds with the impact of the pandemic and increased real estate tractions. Therefore, the growth rate of second homes or weekend homes in India is expected to grow multiple folds led by wide infrastructure projects planned and under construction across states. Developers and investors should capitalize on the opportunity to bridge the supply-demand gap in the potential corridors.



Emerging Investment Opportunity

Covid-19 has changed the country's realty sector, upending the housing market. Among the unexpected impacts of the pandemic is the spike in demand for investing in land at a nature friendly location. The combination of enhanced housing affordability, pandemic-era savings, health, hygiene and wellness concerns, a hybrid-work revolution, need to diversify investments, and favorable realty policies fueled demand for land and holiday home investments across the country.

The concept of investment in serene locations started to gain traction in the previous decade. With the lockdowns and travel restrictions during the pandemic, more people have warmed up to this idea. However, the year 2022 and the first half of 2023 was a positive one for Indian real estate market, with almost all sectors reaching record highs in terms of demand in the post-COVID-19 period, driven by pent demand and expansionary market sentiments.

Key Trends accelerating the pace of land investment in 2023



The pandemic era will surely be remembered as a time of adaptation. In fact, it is observed that the demand in the luxury real estate segment of Villas, farmhouses, plots, and land have increased **2x post Covid-19.**

Key Takeaways for land Investments

1

Location is the most important factor in the purchasing decision for investors

2

About 70-80% of the investors expect to commute to their weekend gateway in 2-4 hours drive

3

About half of the investors want their investment to be near natural elements like water bodies or Hill station

4

More than half of the investors prefer to build weekend homes and rent out the properties for better Rental Yield

Way Forward: Method to monetize land as rental income

COVID-19 pandemic has changed how people live and work across globe. Since remote work has become so popular, many people are looking for new methods to enhance their quality of life. The yearning for land for a weekend home has never been greater, be a comfortable cabin in the mountains, a beach house with ocean views, or a huge villa in the outskirts.

With changing times, there has been a wider range of income bracket who aspire to invest in land. This

is addressed by the market by providing affordable solutions with respect to land and the property proposed. One of the positive outlook towards affordable solutions are adopting cabins/containers that are quick in construction compared to typical Villas. These cabins/containers are more feasible with respect to space (compact & comfort), maintenance and affordability. A larger investor segment shall be targeted, making what was once a luxury and dream, more approachable and affordable.

	Villa/ Bungalow	Cabin/cottage
Land area requirement	Large to moderate land parcels	Medium – smaller land parcels
Land cost	High	Moderate – low (depending on the location and availability of land)
Development cost	Moderate	Low
Development time	High	Low
Maintenance cost	High	Low
Potential tenant pool	Premium income segment	Range of income segments

Looking at the advantages that come with the shift of alternate income through land investment, the investors have a larger range of products to look forward to. With precast technologies taking a leap in the construction market, which saves in time and

cost associated to it., the idea of precast dwellings like Cabin A-frames and other comparable designs have seen a rise in demand globally. The key to the investing are these modules with low initial costs that contribute to better long-term gains.





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