

A photograph of The Shard skyscraper in London at sunset. The building is illuminated with warm lights, and its glass facade reflects the orange and yellow sky. In the foreground, the London Bridge is visible, and the River Thames flows at the bottom. The overall scene is a vibrant urban landscape during the 'golden hour' of sunset.

THE ADDRESS

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15th ISSUE

RAIN WATER HARVESTING

CASE STUDY - GLOBAL REAL ESTATE INDUSTRY

EDITOR SPEAKS

Dear Readers,

We are once again back with our platter of interesting stuffs capturing numerous exciting aspects of Global & Indian real estate industry.

Interestingly as the edition coincides with the completion of 1st half of 2016, our cover story this time revolves around the Overview of Global Real Estate Industry. We have captured the major happenings & trends in the global real estate with the help of intense research & insights provided by our research team spread across the Globe.

The spotlight section talks about the evolution of Vashi in Navi Mumbai as one of the most sought after location for buyers in the Mumbai Metropolitan Region (MMR). Learn more about how Rainwater Harvesting is becoming popular in the modern urban world. The edition captures how the Millennial generation in India, empowered by newer means of home financing & rise in income is looking forward to buying homes at an early stage of their lives.

In interview section, this time the team has interviewed Mr. Rishi Raj Tiwari, VP-Strategy, Square Yards about the International Job Placement (IJP) opportunities in the company, that is also touted as the Real Estate industry's own onsite placement opportunities.

In every edition our team of content specialists, analysts, editors & designers bring their level best to offer our readers a comprehensive magazine that is not only appealing & interesting to read but also effectively captures the major happenings of the global & Indian real estate. We wish to have worked up to your expectations. Enjoy reading & feel free to share your feedbacks.

Kanika Gupta Shori
Editor



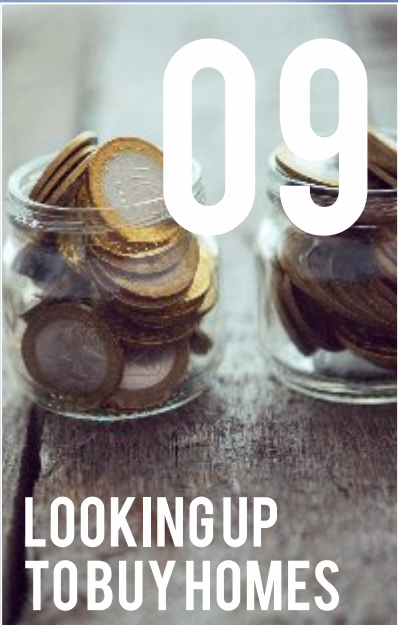
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05

**UK'S REAL ESTATE
INDUSTRY**



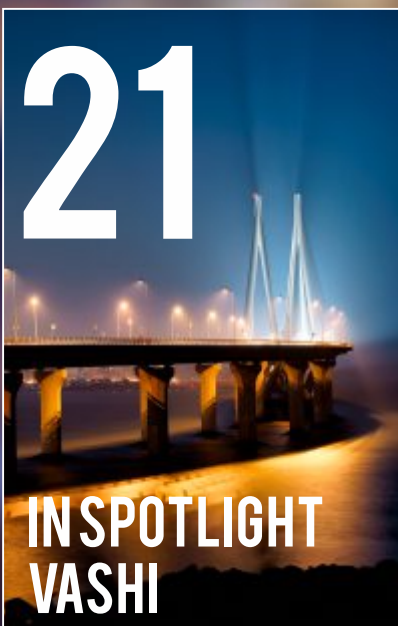
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WHAT BREXIT WILL IMPLY FOR UK'S REAL ESTATE INDUSTRY

After the much high voltage discussions that had engulfed most of European media channels on whether UK should remain or leave EU- the cat is finally out of the bag. The result of the referendum has been that, UK will no more part of the EU, after being its integral part of the past 43 years. Keeping aside the emotional avalanches, which often such exits erupt, the market of think tanks & expert opinion makers are once again hyperactive to prophesize "now what lies ahead for UK". Will there be a significant economic impact & if yes, at what magnitude are the tremors expected to be felt in the times to come.

As usual the opinion fabricating machineries are split with opinions ranging from the apparent implosion of the UK's economy post exit to enabling the country to chart out its own growth plan in the absence of regional obligations.

One key component of this economic debate comprises of how will the UK's real estate industry going to behave in the years to come, as the dynamics of real estate is closely interlinked with overall economic outlook.

As a matter of fact, it cannot be discounted that with UK going out of EU, the trade & commerce are going to be affected & this might push the economic outlook go off the pedestal in the mid to short run. According to estimations by the Credit Suisse, the estimated loss could be in tune of the total GDP shrinking by 1-3% annually. Although the estimates by the government agencies is lesser at around 0.6%. Likewise, cross border trade will also be affected, further making the economy shrink. A plummeting economy will have direct impact on the real estate industry in the form of reduction in capital value as well as transaction numbers.

The impact should be seen more in London as the city is touted as the financial capital of EU. In other parts as well negative impacts might be felt primarily

emanating out of the slowdown in the exports of the local industries due to the trade restrictions.

In fact, thanks to the uncertainties regarding UK's future in EU in the recent times, the negative impacts have been already felt in the market resulting into lesser transaction & correction of prices. In the present world which is yet to emerge completely from the shadows of the economic recessions, business tend to adopt a more conservative approach during uncertain times. Under such situation major events like, BREXIT make investors & buyers to rethink their decisions & try hold on before the picture gets clearer.



Conclusion

During the run up to the referendum, the impacts have not been very positive with prices corrections observed in London in tune of 5-7%. Similar subdued sentiments are expected to continue in the near future. There are possibilities that with London no more being the epicenter of Europe & parallel cities such as Paris & Frankfurt might emerge. The shift might also result in moving out of some of the commercial headquarters from the London. Under such a circumstance, Paris with a large inventory of office space might be a natural gainer. However, in the longer term only time will tell what impact will it entail on the country's real estate market.



HOW THE MILLENNIALS IN INDIA ARE ACTIVELY LOOKING UP TO BUY HOMES

To own a home is a dream that every individual keeps deep inside his heart. It is a place where one eats, sleeps, relaxes & more importantly creates a lifestyle of his aspirations. But as every good thing comes at a price tag, so does owning a dream home. Often it requires one to plough deep into their lifetime savings & hence mostly individuals prefer to take up the onus at a later stage of their life.

But now days this is no more the case. Thanks to higher income & the various home loan & finance schemes, more numbers of youth in India are opting to purchase a home. Today it is no more a privilege that is restricted to individuals who are middle aged or above. The millennial crowd (individuals who were at their adulthood during 2000) in India

that ideally falls within the age bracket of 25-34 are actively shouldering their senior counterparts to contribute towards the country's rising home demand dynamics.

There are many factors that are enticing the millennials to opt out to purchase homes. Besides the charm of owning a house at the dusk of their life, youths are also purchasing home with investment objectives.

Mentioned below are some of the major parameters that are influencing the millennials in India to opt for home purchase.





Higher Income

Over the last 2 decades after the opening of economy, job & employment opportunities have quadrupled in India with a large number of MNCs, IT/ ITeS companies & startups mushrooming in the metros. There has been gradual narrowing down between the income of Indian youths & their counterparts working in foreign countries. It is estimated that average income level in the bracket of 25-35 have increased by more than 6 times over the last decade.

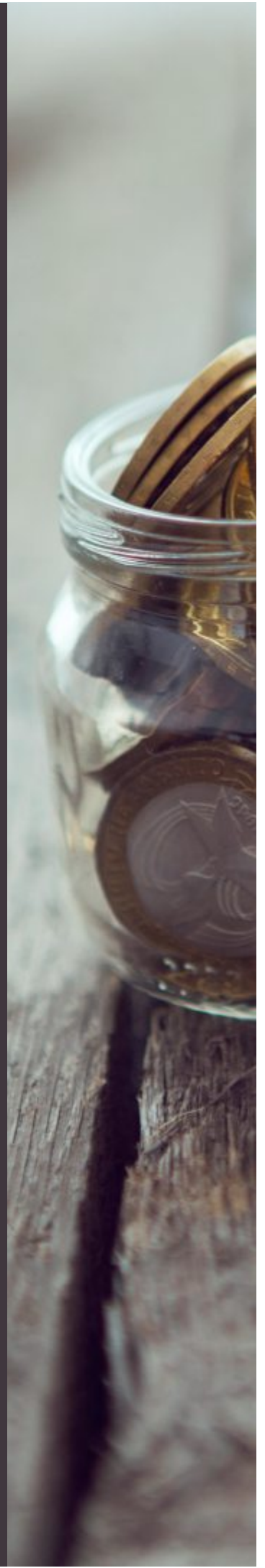
With rise in income, these days, professionals with an average experience of 5 years can save enough to cover the down payments of houses. Add to this a year or two of Onsite exposure & the probability of covering the down payment drastically multiplies.

Great Investment

Prudent Investment is also a principal force behind purchasing homes. With interest rates on Fixed Deposits being less than the average rate of inflation these days & the uncertain nature of the Indian stock markets, Real Estate becomes a good platform to park savings.

Interestingly the soaring rents in major Indian metros are also making the millennials to understand the financial aspect of having a home. Once the possession is given, owning a home can save from paying hefty rentals that could be eventually channelized into shelling out the EMIs.

To further capitalize on the same many leading developers in India are coming with the the idea of subvention scheme in which buyers have to pay their EMIs only after the possession of home.







Proximity to Work Station

The millennials generally prefer proximity to their workstations so that they do not have to travel much & can utilize the spare time on their hobbies & entertainment. Understanding the same, developers are coming up with gated communities in proximity to the IT & business parks. It could be seen that large residential establishments have been developed near major Indian IT markets such as Hinjewadi, Kharadi, Whitefield & Electronic City etc.

Smaller Units & Economical Price

Market researches generally indicate that millennials prefer smaller units of 1-2 BHK- Generally falling in the range of 40-70 lacs. The benefit of smaller units is that it does not only involve lesser price but are also very convenient in terms of maintenance. Since mostly young families these days, consist of wife & husband due with both working, time is

a scarce resource. Hence smaller units are preferred more. Among bachelors, the popularity of studio units are also catching up fast. Likewise the millennials also prefer gated communities as it can ensure more safety.

Hedge against Future

Some millennials also fear the fact that with skyrocketing prices of properties especially in the central parts of the city, it is wiser to own a home at an early stage. Due to rising property prices many youths also look for houses in the suburban locations of the city that are comparatively more cost effective.



GLOBAL REAL ESTATE INDUSTRY IN H1 2016

It is halfway through 2016 & with resurgence in most of the global economies & changes in macroeconomic fundamentals, it appears Optimism is once again back in the real estate investor & buyer fraternity. Global Real Estate, that is often causally intertwined with changing economic & geo-political dynamics, is witnessing new investment patterns & trends emerging on its horizon.

Slowdown in major economies like China & Russia is actively changing the international capital flow, with rich HNIs in these countries scouting for safe & stable offshore locations to hedge against weaker domestic economies. In general markets like Canada, USA, Sweden, Spain, Australia etc. are leading the pack in terms of attracting international investments. Interestingly, the breath of participation is seen across multiple categories comprising of residential, commercial & retail along with various other industrial categories.



An aerial photograph of a city skyline at sunset. The sky is a mix of orange, pink, and blue. The city below is densely packed with buildings, with several tall skyscrapers standing out. The water is visible in the foreground, reflecting the colors of the sky.

MARKET TRENDS

In USA, markets like New York, Los Angeles, San Francisco along with other tourist destinations such as Miami & Las Vegas are demonstrating growth.

In Europe, London still remains a favorite among international investors, although the run up to the referendum that eventually resulted in the exit of UK from EU has started affecting the attractiveness of London's realty markets- Mostly visible in terms of slowdown in transaction volume & price correction.

On other hand Spain is demonstrating positivity in the market. On the backdrop of undervalued properties & a large expatriate base, there has been a rise of foreign interest in the country's properties. Sweden continues to showcase an aggressively appreciating market, driven by robust economic growth, limited supply & low interest rates.

Emerging economies in Africa such as Kenya & South Africa are attracting investment. Though the latter's GDP has shrink by over 1% in the 1st quarter of 2016, real estate has been one of the key performers.

In Dubai prices are in correction phase with similar sentiments expected to continue for some more time.

In Latin America, due to plummeting commodity prices, economic sentiments have moderated in most of the nations, which is further compounding due to squeezing mortgage market & political uncertainties in some of the countries. However, international analysts are betting on the realty market of Latin America due to its defensive investment opportunity involving higher anticipated yield across larger time frames.

Brazil on the backdrop of a slowing economy & political uncertainty has underwent massive correction in tune of 15-20% in 2015. However, slump in prices are now enticing investors especially of international origins to look into the market in search of good bargains, especially in the residential & hospitality segments.

Mexico & other Andean nations such as Peru, Colombia & Ecuador have been clocking moderately higher growth in the recent times. Better growth is expected to translate into stronger real estate industry, which should further get a boost from large domestic demand in the low & mid income residential segment.

In Asia Pacific, Singapore continues with a slowing market. The sentiments had further hampered due to rise in registration fee to 15% for foreign buyers.

After the change in government & lifting of economic sanctions, Myanmar is expected to clock an average GDP growth of over 8% annually during 2016 & 17. Growth prospect coupled with the prospect of an untapped market is attracting real estate companies from Singapore, Vietnam & USA to set their base in Myanmar.

Investments are pouring into various sectors consisting of residential, office & industrials etc. Driven by surge in GDP & FDI, Vietnam's real estate industry is also showcasing both vertical & horizontal growth manifested in terms of surge in transaction as well as capital appreciation. India continues with a bottoming out market with growth seen more in the peripheral locations.

RISE IN INSTITUTIONAL INVESTMENT

Private Equities, Hedge Funds & Pension funds are back in Real Estate, further driven by the volatility in the equity markets & inadequate bond yields. According to a survey conducted by JP Morgan on 155 individual investors, over two-third of the institutional investors are planning to increase their real estate investment in the next five years.

Along with developed quarters, in emerging markets like South Asia & Africa there has been surge in institutional investment. For instance, emerging market investor “Antics” has introduced new Africa focused fund primarily targeting retail, commercial & Industrial spaces in Sub-Saharan countries - Valuing over USD 550 million. This will be Antics 3rd Africa focused fund. In India, roughly USD 450 million has been invested consisting of around 26 individual deals in the 1st half of 2016.

THE RISE IN NEW TECHNOLOGIES

Technology is also playing a significant role in every aspect of the industry. Mobile apps, internet & various other technologies such as 3-D animations & virtual realities are embarking a theoretical advancement in the real estate industry. Although it will still take some more time before the new changes will be fully realized, the winds of changes have started.

New process & product innovations are setting up across the various verticals of the real estate value chain from property listing to showcasing products to brokerage space. New startups are increasingly focusing on the consumer centric innovation & demand aggregation. For instance, the Houston Association of Realtor (HAR) have recently introduced a new app that can enable users search for properties with the help of commute time, thereby helping users with consumer centric insights.

CHALLENGING AREAS

There are also challenging areas, that can impact the growth of global real estate in the times to come. Due to crisis in China, Steel prices are expected to increase in the coming time. Rise in steel prices can have negative impact on the real estate dynamics across the globe.

Across the globe, banks are becoming conservative with their dissemination of loans. As a consequence, a large number of discerning buyers find themselves off the threshold. Similar to Banks, Governments are also tightening their belt to impose stricter regulatory frameworks. From Singapore to India to USA, there has been stricter rules in the form of higher registration fee, newer condition for developers & agents along with stricter penalties in case of non-adherence.

All these regulations will go a long way in safeguarding investor interest & nurture more transparency into the system, but the fact cannot be discounted that in the shorter run, it will entail some negative impact.



IN SPOTLIGHT VASHI

Though initially developed as the extension of Mumbai, Navi-Mumbai soon picked up pace & witnessed the development of many prominent micro-markets (also called as Nodes)- with spectacular commercial and residential catchments along with a prolific social and civic infrastructure.

In our spotlight section this time, we will discuss Vashi- one of the oldest Nodes in Navi Mumbai that has gained momentum in the last 10 years due to the following mentioned reasons:

6 Reasons to invest in Vashi

- **MIDC Industrial Area**
- **Location Advantage**
- **Airport & Metro Accessibility**
- **Social Infrastructure**
- **Sports Region**
- **Double Digit Growth**



MIDC Industrial Area:

The industrial area has specialized parks for various sectors such as automobiles, chemicals, engineering, pharmaceuticals & textile etc. Some of the renowned brands are present in MIDC industrial area such as Zydus, The New India Assurance Co Ltd & Sigma Industries etc. MIDC is located at a distance of around 7 KM from Vashi & has been a key driver in stimulating Vashi's residential demand.

Location Advantage:

Vashi is one of the first nodes developed in Navi Mumbai, located across the Thane Creek of the Arabian Sea. It has superb connectivity with Mumbai through Sion-Panvel Highway that is connected with Mumbai-Pune Expressway. The increase in connectivity is also witnessed on the back of close proximity to Harbour Railway Line, through Vashi Railway Station, -a terminal point for CST and Thane trains. Nearly 77,000 people travel from Vashi to Mumbai CST, and around 34,000 travel to Panvel every day.

Social Infrastructure:

Vashi is home to well reputed educational institutes, world class hotels and spas, renowned hospitals & shopping malls etc. Some of the prominent hospitals & shopping complexes are Fortis Hiranandani Hospital, NMMC Hospital & Mahatma Gandhi Missions Hospital and Center One Mall, Inorbit Mall & City Center Mall & much more.

Sports Region:

The location is famous for its Sector 10A along mini seashore area, which is home to numerous playgrounds and other facilities including swimming, football, cricket, volleyball, tennis & badminton etc. The close proximity of golf course at Kharghar (14 min ride) and the turf club at Mahalaxmi (40 min ride) on the Eastern Freeway, further adds charm to the sporty dimension of Vashi.

Soaring Growth:

According to Square Yards Global Intelligence Centre (GIC), Vashi region has shown price appreciation of more than 9% between Q1, 2015 and Q1, 2016. The capital price per Sq.Ft. in Q1, 2016 is INR 13,540, comparable to INR 12,400 in Q1, 2015.





KNOW ABOUT RAIN WATER HARVESTING

Water along with Soil, Fire, Air & Sky are classified as the Panch Mahabhuta Tatva & are believed to be the essence of every living organism on the Earth. It is said that when these five elements conjoin in a symphony & synchrony, living organisms are created & sustained. Out of all this, Water has its own major significance, as it constitutes not just major part of living creatures (60-90%), but is needed in almost everything from Drinking, Bathing, Cleaning to Cooking.

However, after the advent of the modern era, human races in its constant endeavor to tame mother nature- Knowingly (or unknowingly) seemed to have forgotten the significance of this valuable resource. Rabid & unplanned urbanization, heavy mining & unbridled deforestation have resulted into massive depletion of water as a Resource.

EMPHASIS ON WATER CONSERVATION

Fortunately, off late, people have started understanding & acknowledging the significance of water as a resource & its apparent indispensability with regards to the very existence of mankind itself. As a consequence, proactive steps are being taken to conserve this resource along with preventive majors to avoid its further depletion & degradation. Amongst the various kinds of conservation initiatives, Rain Water which is also believed to be one of the purest form of water, is attracting special attention. It is a wonderful way to channelize the blessings of the sky & utilize it towards more fruitful & constructive purposes.



THE PROCESS OF RAIN WATER CONSERVATION

Although rainwater harvesting is not a new phenomenon & has been adopted since centuries, especially in Asian & African Societies- it is increasingly becoming popular in modern households & gated communities in the present time.

Rain water harvesting basically involves storing the rain water and using it as per convenience. In a lot of apartment houses and building societies, rain water harvesting systems have been put in place. The water collected could be used for various purposes such as cleaning for households, planting trees & much more.

The process involved in rain water harvesting includes:

- a) The water is collected from areas like paths or roofs of the buildings.
- b) Then, through a series of pipes it is routed to the storage units
- c) The storage unit can be anything from specially constructed tanks to simply open water bodies like ponds.

Tips to be Followed

Below mentioned are some useful tips about rain water harvesting

- Filtration processes should be put in place before the final collection of water, as the rain water collected from roof & other pathways won't be completely clean. A good filtration system puts in necessary checks at various places as the water passes through the storage area.
- This storage area should be kept clean and neat. This will ensure that the water that flows into the pipes and filters, does not have any debris or garbage.
- In case of heavy rainfall, there are chances of overflow of storage area. Suitable arrangements should be made to handle the extra water so that it can also be used well.
- Government agencies from time to time, do come out with certain specifications regarding rain water harvesting systems. It is always suggested to understand them & adhere to such norms.

Water is a precious resource that is getting consumed at a very fast pace. It is up to us to conserve it and take steps to effectively utilize it to ensure an ecofriendly & sustainable future. In this regard, simple yet effective practices such as Rainwater Harvesting cannot only ensure conservation of this important resource but will also play a significant role in inculcating a general culture of Water & Resource Conservation.



IN CONVERSATION RISHIRAJ TIWARI

Mr. Rishiraj Tiwari, the young 28 years old suave Amity alumnus is the cornerstone of Square Yards international strategy. Presently deputed in Canada as a VP- Business Strategy, Rishi (as he is often called among his peers) joined the company as a portfolio manager in Gurgaon but his performance soon took him to Dubai in a mid-senior profile, handling a team under him. Within a year his exemplary performance was rewarded by promoting him as the Head of Abu Dhabi Branch and a year later followed the Oman Operations.

One more year and now he has successfully broken into the top echelon of the company by becoming the VP Corporate- Strategy with added responsibility of North America that includes the USA and Canada markets.

Known to be one of the meteoric rises in Indian real estate fraternity, The Address team has a chance to catch up with Rishi on his recent visit to Gurgaon office. Here are the key points of the candid discussion in which Rishi discusses in full length of about the growth opportunities in International Real Estate, the requisite to succeed along with the International Job Placement (IJP) pioneered by Square Yards.



Rishiraj Tiwari
VP-Corporate Strategy
Square Yards



Q. You are considered as a Role Model for many youths who wish to make a career in Real Estate. Whom do you attribute your success?

A. I would say that it has been the blend of both, the 24X7 efforts that I have been putting coupled with the trust Square Yards management had shown in me over the last 2.5 years. Both the elements have complemented each other well and had given sweet results.

Q. What are the growth prospects youths have in Real Estate Industry- Especially in the International domain?

A. In the present time, both domestic and international real estate offers tremendous growth opportunities. Coming specific to international domain, the surge in NRIs living across the globe and their rising interest towards the Indian real estate market, is architecting new revenue models. Similarly, the surge in Private Equity (PE) and other HNI investment in Indian real estate and vice-versa is further fueling the Indian realty market.

Although Square Yards and other competition is constantly penetrating into the new evolving marketplace, a large potential still remains untapped. To bridge the gap more number of qualified real estate professionals would be required to help investors and buyers search and identify right properties fitting into their individual criteria. Likewise, the professionals should also be adept in various subtleties of international and domestic property law to ensure a smooth and hassle free transaction.

Q. Till recently an international placement was a privilege restricted for the IT and some limited blue chip folks. But with the IJP introduced by Square Yards, large number of people from the real estate fraternity are also going abroad. Can you brief us how the IJP story start?

A. Since opening in 2013, Square Yards soon realized that a nearly one third of the market demand was coming from the NRI section and hence opened offices in a host of cities such as London, Singapore, Hong Kong and Dubai etc.

The new offices also necessitated scouting for right talent and hence IJP was introduced. Although the company also hires from international market, a large chunk of its International work force comprises of Indian talent as they are believed to be best suited to cater the needs of the NRI clientele, looking to invest in India.

Square Yards today has near monopoly in the NRI section and have many more offices lined up in South Africa, USA and Canada along with its independent International Project Marketing (IPM) vertical dedicated towards sourcing purely international projects.

Q. How many workforce is presently deployed in International offices of Square Yards?

A. Presently over 150 individuals are present in our International Offices. In the next 6 months we have plans to ramp it up to around 300.

Q. What are the Emerging career options for Youth in the Real Estate Industry?

A. It is a great sector to look forward to. Till recently considered as an opaque and unstructured sector the industry, dynamics have started to change with a slew of new starts ups- many of whom are established players now. With the advent of new technologies, consumer centric innovations and processes, new and scalable business models are emerging and often challenging the pre-established industry dynamics. Similarly, new markets segments and geographies are constantly being discovered and capitalized upon.

The tectonic shift in the real estate industry dynamics is also translating into new path breaking employment opportunities, that is not limited to sales and include other department such as client services, technology, analytics and operation management, financial feasibility and much more.

Q. What are your messages for the Youth who are looking forward to Join the real estate sector?

A. Like any other sector, the mantra in the real estate sector also remains the same - one needs to really put in their 100 percent. It is about going all out for your organization to achieve breakthroughs and rest things should fall in place automatically. The initial stage needs to be given to understanding the industry dynamics and nuances of this highly client focused sector; while at the same time exploring ownership driven roles that would contribute to the overall growth of the candidate making him confident to independently take on challenges.



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