Warburg Pincus-Lemon Tree Hotels targets 100,000 beds in co-living biz

WHAT’S THE BUZZ
- Lemon Tree targets to offer 100,000 beds in 6 years
- Will have a pan-Indian presence, including towns
- 72% (88-89) yr respondents of a Knight Frank survey prefer co-living space

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Sharma has also plans to tap into markets outside India in the next phase as Warburg Pincus is operating similar businesses in Hong Kong and China, said Sharma. Homestede is in talks with engineering and management institutes for possible association.

Warburg announced a joint venture with Lemon Tree and planned investment of INR 1,000 crore into the business in 2019. While it will hold a 60 per cent stake in the venture, Lemon Tree will own 40 per cent. The remaining 20 per cent will be held by Lemon Tree’s chairman Pratibha Kowasi.

Earlier this month, Knight Frank India, an international property consultancy, launched a report that said 72 per cent of millennials prefer co-living spaces and more than 85 per cent respondents in the age group of 18-35 years are willing to rent co-living spaces.

The survey also showed close to 40 per cent of all respondents are most comfortable living between 1.2 and 1.4 sq ft per person towards rental housing in key cities of India. The sweet spot for rentals, thus, remains at a monthly outflow of INR 9,000 to INR 10,000, it said.