


MARKET WATCH

Q2 2016 - 17



Key Residential Trends - Kolkata

Sentiments, New launches and Enquiries

- The quarter ending September 2016 was not much different for the real estate industry of Kolkata. However, the quarter saw a marginal surge in the inflow of enquiries as compared to Q1.
- Enquiries were mostly clustered around affordable 2 BHK units, priced in the range of Rs 25 to 30 lakh. Buyers gave higher preference to affordable localities which are as close as possible to the commercially driven areas such as Garia, EM Bypass and New Town. Baruipur, located to the South of Naredrapur, has also emerged as a key micro market for affordable housing in Kolkata.
- Presently, a significant proportion of the real estate supply is above the affordability levels of the average buyers. As a result, developers were left with a considerable volume of unsold inventory during the quarter.
- The quarter witnessed relatively less number of new launches as developers chose to focus on clearing out their unsold inventory.

Sales Volumes, Inventory and Price Trends

- Regardless of a marginal surge in the number of enquires, sales remained stagnant. Projects offering 2 BHK units within the affordable price bracket of Rs 25 to 30 lakh registered better sales figures.
- Furthermore, owing to the ongoing development with respect to the Real Estate Act, many buyers have decided to wait until the act is implemented with hope of getting a fair deal.
- With respect to the luxury housing market, properties costing between Rs 2-5 crore witnessed healthy movement.
- In both the segments, affordable as well as luxury housing, commercially important locations such as Garia, Salt Lake, Rajarhat and EM Bypass were the best performers.
- Unmoved by the weak market, developers continued to hold on with their prices. The discount levels also remained low, between 3 to 5 per cent. Some developers were also seen offering custom made schemes depending upon the payment capacity of buyers.

Expected likely trends during the Q3 2016-17

- The 3rd quarter of 2016-17 is expected to see several new launches in the affordable segment which is expected to close the demand supply gap.
- As a result, the average capital values in Kolkata are expected to see a marginal fall.
- Increase in the supply of affordable inventory is projected to positively affect the market sentiments and thus the sales figures.
- The work on the upcoming lines of Kolkata Metro Rail has seen considerable delays due to technical and land acquisition issues. In a recent media statement, the Kolkata Metro



Rail Corporation (KMRC) officials announced a revised completion deadline of August 2019 for the Sealdah to Howrah line.

Key new launches during the quarter

Developer	Project	Location	Additional Details
Infinity Infotech Parks	Jagriti Dham	Kriparampur, Kolkata	The project is Kolkata's first exclusive, luxury senior living facility at Kriparampur in Kolkata. The project will consist of AC living facilities, centralized kitchen, dining hall, 24-hour healthcare and attached club facility.
Emami Realty	Emami City	Jessore Road, Kolkata	Spread over 57.39 acre, the project will consist of 1,233 residential apartments across 23 towers of B+G+13 storeys each. The price of the apartments will range between `70 lakh and `1.70 crore and the project is expected to be completed by Mar-2017
Primarc Projects	Primarc Aspira	Hazra, Kolkata	Spread over 0.34 acre, the project will consist of 16 apartments in one G+4 housing block. The apartments will be available in 3 and 4 BHK formats with area ranging between 1,556 sq ft and 1,977 sq ft. The project is expected to be completed by Mar-2017.
Primarc Projects	'Primarc Sukriti'	Sonarpur	Spread over 45-kottah (0.74 acre), the project will consist of 67 apartments across 4 blocks of G+4 storeys. 2 BHK apartments will have area ranging between 830 sq ft and 904 sq ft; while 3 BHK apartments will have area ranging between 1,033 sq ft and 1,183 sq ft. The base price for the apartment will be `25 lakh and the project is expected to be completed by April 2017.
Kemia Apartments	'Lotus'	Nayabad, Kolkata	The new phase will consist of 16 apartments in 2 and 3 BHK formats. The area of the apartments will range between 750 sq ft and 1,100 sq ft and the base price will be at `3,500 per sq ft. The investment in the project will be around `200-300 crore and the project is expected to be completed by Apr-2018.
Jain Group	'Dream Residency Manor'	Rajarhat	The project will consist of 183 apartments across G+6 storey buildings. The apartments will be available in 2, 3 and 4 BHK formats with area ranging between 805 sq ft and 1,980 sq ft. The base price for the apartment will be `4,195 per sq ft.



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