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MARKET WATCH

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Key Residential Trends - Pune

Sentiments, New Launches and Enquiries

- Moderate to low inflow of enquiries indicate that the demand for real estate in Pune continues to remain weak in the month of June. Onset of monsoon is one of the key reasons to cause the slow down.
- Demand was mainly for 2-BHK properties costing between Rs. 60-70 Lakhs per unit and 3-BHK units priced from Rs. 70 Lakhs to Rs. 1 crore per unit.
- Commercially significant areas such as Magarpatta, Hadapsar, Kharadi and Viman Nagar garnered highest number of enquiries. Among these, Kharadi appears to be the most promising location due to the presence of commercially important EON Free Zone.
- No major new launches were witnessed during the month due to monsoon related slowdown in the market. New launches will start picking up post Ganesh Chaturthi which is considered as auspicious time for buying home.

Sales Volumes, Inventory and Price Trends

- Sales continue to remain weak as potential buyers persisted with their wait and watch attitude, hoping to see an attractive downward movement in prices. This coupled with the onset of monsoon season has brought considerable slowdown in the market. Enquiry to sales conversion rate for the city stood at a maximum of 3 per cent.
- Sales movement is heathiest in eastern and western parts of Pune which has highest commercial activity. 2-BHK apartments costing in the range of Rs. 60-85 Lakhs per unit and 3-BHK units priced between Rs. 85-100 Lakhs per unit stood out to be the best sellers in Pune.
- On the price front, the trend has remained almost straight lined with no significant upward or downward movement. Builders appear to be in no position to reduce their prices despite of the low sales.
- A few developers are offering upfront discounts on the final prices in the range of 5-10 per cent to allure buyers.

Expected Likely trends during July 2016

- The sales volume are expected remain restrained until the start of auspicious period in the month of September.
- Despite of the pressure exerted by inventory overhang, the developers are expected to maintain their prices at current level for at least next two to three months.
- The developers are expected to boost their marketing efforts during the slack monsoon season. This is likely to result in a slight increase in discount rates.
- No major new launch is expected till September.

Key New Launches across Pune

Developer	Project	Location	Additional Details
Godrej Properties	Godrej Infinity	Keshavnagar	Luxury residential project-spread over 43 acre-consist of 1,200 apartments across 3 towers of 28 storeys-price to range between price ranging between Rs 5,750 per sq ft and Rs 5,850 per sq ft.
The Reserve	The Reserve	Mumbai-Pune Expressway	Gated community-consist of 28 villas and 3 and 4 BHK luxury apartments across 6 towers-available in 2 formats – Sky Duplexes and Golf Villas



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