

For Private Circulation only

MW MARKET WATCH

May 2016

HDFC
REALTY
Your Preferred Property Advisor


For Private Circulation only

Key Residential Trends - MMR

Sentiments, New Launches and Enquiries

- At overall level, Mumbai real estate market did not experience considerable growth in number of enquiries as compared to the previous month as steep prices kept buyer away from the market. However, suburban micro-markets like Thane, Vasai and Navi Mumbai, which still offer homes at affordable prices, saw a marginal growth in number of enquiries.
- The most in-demand apartment configuration is 2-BHK. Budget of potential buyers for a 2-BHK in western suburbs such as Andheri, Jogeshwari and Goregoan range between Rs. 1.55-1.75 Crores per unit. On the other hand, the budget for same configuration in Thane fluctuates between Rs. 90-110 Lacs per unit. While, in Navi Mumbai it was between Rs. 50 to 80 Lacs per unit.
- Considering the track record of huge construction delays, averaging between 1 to 1.5 years, the demand is skewed towards ready-to-move-in properties.
- Micro Markets like Thane, Vasai, Navi Mumbai along with second home destinations such as Karjat and Neral saw a noteworthy increase in number of new launches.
- Upcoming localities in Navi Mumbai such as Ulwe, Taloja and New Panvel are experiencing one of the most drastic growth in new supply addition, mainly dominated by local, non-branded builders.

Sales Volumes, Inventory and Price Trends

- The graph of sales volume registered a stable trend. Enquiries to sales conversion remained particularly low throughout MMR. Furthermore, potential buyers took very long time to finalize their buying decisions.
- Absorption was stronger for ready-to-move-in properties. Many areas in Navi Mumbai and Thane saw higher demand for C- Category builders due to their relatively lower prices.
- Buyers are finding the prices excessively steep and hence are waiting patiently for the prices to fall at desirable levels.
- Despite of inventory overhang and low sales volumes, builders have not decreased their prices. Builders are offering discreet discounts to serious buyers in the range of 5 to 15 per cent on the final price. Apart from upfront discounts, builders are offering customized payment schemes which are designed according to the buyer's financial capacity.

Expected Likely trends during June 2016

- Going forward, on the demand front, the enquiries are expected to remain constant in the coming months. Sales is not likely to see any traction as the buyers are expected to keep postponing their buying decisions until occurrence of major changes in values or policies such as the implementation of the Real Estate Bill.
- Key residential projects likely to be launched in the next one or two months include Ashray Jaswanti Woods in Mulund, Shree Naman Twisting Towers in Worli, Bhumi Celestia in Malad, Mote Grande in Kalyan and kalpataru Sunrise Grande in Thane.
- Mumbai Trans Harbour Link Project, Kasarvadavali Metro, Navi Mumbai International Airport and Mumbai Coastal Road projects are some of the key upcoming transport infrastructure projects in

Mumbai.

Key New Launches across Mumbai during

Developer	Project	Location	Additional Details
Cear Realty	Primo	Bhandup West, Mumbai	Spread over 0.7 acre – Total 120 apartments – Single G+15 storey tower – 1 and 2 BHK formats – Area ranging between 711 sq ft and 1,020 sq ft – Base price at ₹10,000 per sq ft – Expected completion by Dec-2018.
Parinee Group	Essence	Kandivali West, Mumbai	Total 264 apartments - Single G+20 storey tower – 1, 2 and 3 BHK formats – Base price at ₹9,000 per sq ft - Expected completion by Dec-2018.



About Us: We are a Real Estate advisory services company. We provide end-to-end solutions for your property requirements. Right from locating the property, site visits, to closing the deal, we do it all. Being a 100% subsidiary of HDFC Limited, HDFC Realty inherits its professional expertise from the vast experience of its parent organisation. Our services are market and client focussed, and our relationships have always centred on providing tailor-made solutions while adhering to fair business practices.

Our Services: Residential | Commercial & Retail | Consulting & Valuation Services
Land Solutions | Capital Markets

Our Commercial Presence in 50 Cities across India.

**Disclaimer**

The information set out in this document has been prepared by HDFC Realty Limited ('HDFC Realty') based upon projections which have been determined in good faith. The contents of this document are for informational purposes of the readers. This document does not take into account the specific investment objectives, financial situation or needs of an individual/s or a Corporate/s or any entity/s. This document is not an offer, invitation or solicitation of any kind to buy or sell any property or intended to create any rights or obligation.

It reflects conditions and views prevailing as on date, all of which may be subject to change. However, no representation or warranties of any nature are given, intended or implied. Readers are requested to rely on their own investigation, including - the merits and risks involved, the legality and consequences; without reliance on HDFC Realty or its respective employees, agents and affiliates. A qualified professional should be consulted before making a decision or acting on any information contained in this document.

Nothing in this document is intended to constitute legal, tax, securities or investment advice or opinion regarding the appropriateness of any investment or solicitation of any product or service. The use of any information set out in this document is entirely at the addressee's own risk. The information contained herein is intended solely for the addressee(s).

Please also note that the contents of this message may not necessarily represent the views or policies of Housing Development Finance Corporation Limited.