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# MW MARKET WATCH

July 2016

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## Key Residential Trends – Delhi - NCR

### Sentiments, New Launches and Enquiries

- Piling up inventory, increased circle rates and delayed possessions have kept buyer sentiments at bay in the NCR. The NCR realty market continued its sluggishness. Noida and Gurgaon continued to be the two most active markets in the capital city.
- Developers in the NCR seem to have finally given in to the pressure of piling inventory and a slow velocity of sale. With monthly sales dropping to single digits, developers have been compelled to drop prices slightly across the city.
- However, buyers seem to be waiting for a further correction and hence are still warming the bench. Enquiries have increased in the last two months but conversions have not picked up.
- Noida fared slightly better as compared to Gurgaon due to the presence of a wider umbrella of residential offerings with respect to the budget range.
- In Noida, Noida Expressway, Noida Extension and Central Noida are the most active pockets. In Central Noida sectors such as 75, 76, 78, 79 etc. have seen enquiries in the Rs. 45-60 lakh price bracket. Noida Extension continued to garner buyer interest due to availability of affordable stock (Rs. 30-40 lakh). By and large 2-BHK configuration remained most demanded.
- In Gurgaon, Golf Course Extension and sectors in New Gurgaon are the only micro-markets witnessing some movement. Golf Course Extension has been on the buyers' radar as the stretch offers maximum number of ready units. It is largely a re-sale market as investors are trying to exit the market.
- In Golf Course Extension, the popular ticket size ranges from Rs. 1-1.5 crore while it is slightly lower at Rs. 60-90 lakh in New Gurgaon.
- As developers are cash strapped and desperately seeking liquidity, new launches are not expected in the near future. This is, however, expected to fast track project completions in the capital city.

### Sales Volumes, Inventory and Price Trends

- The current combined inventory level in Noida and Gurgaon has surged beyond 2 lakh units. Hence, developers have continued their resistance towards launching new projects. The NCR has not witnessed any significant new launches during the last month.
- Whatever transactions have been recorded in the past few months have happened for ready units or for projects nearing completion.
- Developers are not slashing rates on paper. However, negotiations are happening on a one to one basis. There are no fixed discounts on offer but developers are keen to bargain if the buyer is genuine.

### Expected Likely trends during August 2016

- Market experts suggest a slow market in the coming months too. Buyers are expected to maintain

their cautious approach at least till the festive season.

- No major infra projects are in the pipeline for the NCR. Completion of some of the ongoing metro lines such as Majlis Park - Shiv Vihar line, Janakpuri West - Kalindi Kunj line and Mundka - Bahadurgarh are expected to be completed by end of 2016.

#### Key new launches

Developer	Project	Location	Additional Details
Sobha Ltd	Sobha City	Sector 108, Gurgaon	Spread over 39 acre, the project will consist of 1,700 apartments across 22 towers. The apartments will be available in 2 and 3 BHK format with area ranging between 1,380 sq ft and 2,342 sq ft.
Delhi Infratech	Delhi Gate	Dwarka, NCR	The luxury project will consist of 1, 2, 3 and 4 BHK apartments in 3 designs (Optima, Maxima and Ultima) across 30-storey towers



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