

# MW MARKET WATCH

Q2 2016 - 17



## Key Residential Trends - Delhi NCR

### Sentiments, New launches and Enquiries

- The real estate market of NCR remained unchanged during the quarter. The monsoon season coupled with weak buying sentiments kept the market subdued. As a result there was no noteworthy movement in the inflow of enquiries.
- Noida and Gurgaon remained the most sought after micro-markets among buyers. The 15 per cent reduction in circle rates in Gurgaon left a positive impact on buyer sentiment. However, Noida garnered marginally higher enquiry inflow owing to the presence of a wider option with respect to pricing. In contrast to this, Ghaziabad micro-market, which recently underwent a price hike of 2 to 5 per cent in the circle rate saw a considerable decrease in demand.
- Noida extension was one the most preferred locations for buyers looking for affordable housing. A 2BHK apartment with a price band of Rs 30-40 lakh remained the most enquired combination.
- New launches saw a marginal increase during the month of August. However, overall there was no noteworthy new supply addition during the quarter. Owing to a higher demand for ready to move properties, developers were focussing on completing and clearing out their existing inventory.

### Sales Volumes, Inventory and Price Trends

- Following the trend of enquiry inflow, sales remained stagnant during the quarter. In spite of attracting a good number of enquiries, Gurgaon and Noida did not witness any significant conversion as buyers continued to wait for desirable fall in prices.
- The wait has been further prolonged on account of the ongoing development with respect to the Real Estate Act. Buyers are expecting to get a fair deal once the act gets implemented.
- Notwithstanding the poor market conditions, developers managed to remain firm on their prices. Overall, prices remained unchanged as compared to the previous quarter. However, developers were willing to offer discount to buyers with genuine intent.

### Expected likely trends during the Q3 2016-17

- The market is expected to undergo a revival during the next quarter as more and more buyers are expected to come for site visits in the wake of auspicious buying period and festive offers.
- The month of December is expected to see a good footfall from NRI buyers who visit India to spend their Christmas Holidays.
- Northern Peripheral Road (NPR) and Southern Peripheral road (SPR) are the key upcoming infrastructure in NCR. Presently, the projects have missed their completion



deadlines because of clearance and land acquisition issues. Once operational, these projects will significantly push property prices in surrounding areas.

### Key new launches during the quarter

Developer	Project	Location	Additional Details
M3M Group	M3M Sierra 68	Sector 68, Gurgaon	Spread over 13 acre, the project will consist of 2 and 2.5 BHK apartments with area ranging between 1,195 sq ft and 1,545 sq ft.
Tulip Infratech	Tulip Violet	Sector 69, Gurgaon	Spread over 39 acre, the project will consist of 2 towers housing 3 and 4 BHK apartments. The area of the apartments will range between 1,578 sq ft and 3,156 sq ft and the base price will be `7,000 per sq ft.
Nirala World	Nirala Estate	Tech Zone IV, Greater Noida	Spread over 13 acre, the project will consist of 1,948 apartments across 17 towers of 16 and 19-storeys. The apartments will be available in 2, 3 and 4 BHK formats with base price at `3,375 per sq ft.
M3M launched	M3M Urbana Premium	Sector 67 in Gurgaon	The project will consist of 1, 2 and 3 BHK apartments with area ranging between 350 sq ft and 1,750 sq ft and base price ranging between `13,500 per sq ft to `25,000 per sq ft.
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
Sarvome Developers	'The Presidio'	Sector 31, Faridabad.	The project will consist of 120 apartments in 3 and 4 BHK formats. The base price for the apartment is `4,500 per sq ft and the project is expected to be completed by January 2019.
Jindal Realty	'Pranava Floors'	Sonepat	The project is a part of 214-acre Sonepat Global City and will consist of 3 BHK units with total saleable area of 1,425 sq ft each. The base price for the units will be `37 lakh.



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