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MARKET WATCH

August 2016


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Key Residential Trends - MMR

Sentiments, New Launches and Enquiries

- The indolence in the Mumbai residential market continued in the month of August too. Buyers maintained their wait and watch approach and the developer fraternity responded by limiting new launches.
- Thane and small ticket patches such as Karjat, Ambernath and Kalyan recorded some movement with the affordable segment witnessing transactions.
- The central and western zones remained largely stagnant as there were no price cuts to woo the buyers.
- New launches were largely concentrated in Thane, particularly in the Kalyan-Dombivli stretch. Established developers like Godrej and Lodha came up with their offerings largely targeting the mid-segment buyers. In Navi Mumbai, Karjat saw few launches. Developers tried to capitalise on the investor demand and second-home market.
- The market seemed to be highly price sensitive as the affordable segment (properties within Rs 30 lakh) saw increased enquiries and transactions. Demand was seen in the 1BHK category. Localities in Navi Mumbai such as Panvel, Taloja and Ulwe saw some movement on the back of this demand. Even for a 2BHK unit buyers are not willing to spend more than Rs 50-60 lakh.

Sales Volumes, Inventory and Price Trends

- No major changes were noticed in the price pattern of the available residential stock. In spite the inventory pile up, developers were not keen to drop prices. They were open for negotiations and genuine buyers did get good deals.
- The market has not yet recovered from the monsoon season. In addition, extended weekends in the month of August kept buyers away from site visits as everyone was busy with travelling and vacations.

Expected Likely trends during September 2016

- The beginning of the festive season has always proved to be beneficial for the real estate market in the financial capital city. Market experts believe that this year also market conditions are expected to improve once the festive season kicks off.
- Moreover, buyers looking at the affordable segment are expected to finalise purchases from the next month onwards.
- Construction of the Mumbai Metro's new corridor Dahisar-Bandra-Mankhurd is expected to commence in September. This is also expected to improve market sentiments in the coming months.

Key new launches

Developer	Project	Location	Additional Details
Sheth Creators	Lilium Tower	Andheri, Mumbai.	The project consists of 3 and 4 BHK apartments in a 19-storey tower. The base price for the apartment is `15,500 per sq ft and the project is expected to be completed by March 2019.
Godrej Properties	Godrej Emerald	Thane, Mumbai.	Premium residential project at Thane near Mumbai. Spread over 6.25 acre, the total saleable area of the project will be 1.25 million sq ft. The 1st phase of the project will consist of 1.5, 2 and 3 BHK apartments across 3 towers. The area of the apartments will range between 500 sq ft and 1,000 sq ft.



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