

MARKETBEATS

8%

DECREASE IN
LAUNCHES (Q-O-Q)

75%

SHARE OF MID SEGMENT
IN LAUNCHES (Q2 2019)

45%

SHARE OF NORTH EAST CORRIDOR
IN LAUNCHES (Q2 2019)

 WHAT'S
NEXT

HIGHLIGHTS

New launches decline in the second quarter

During the election quarter, Kolkata's developers adopted a slow approach to new project announcements. As a result, the second quarter saw an 8.0% q-o-q drop with just 1,874 new unit launches recorded in Q2. The high unsold inventory levels amid sluggish sales activity are also acting as friction for new launches by developers in the city. Three-fourths of the new unit launches were in the mid segment range, majority being in the North-East submarkets of Rajarhat & New Town. Other residential corridors that saw mid-segment launches included Tollygunge, New Alipore and Madhyamgram. The high-end segment constituted 25% of the unit launches in the corridors of Mukundapur in South-East and Dum in North.

Metro connectivity to give a positive push

The first phase (5.5 kms) of the East – West metro (between Sector V and Salt Lake stadium) is expected to be operational in the upcoming quarters followed by its extension till Phoolbagan. This key infrastructure project is likely to positively impact market sentiment with easy connectivity of the growth residential corridors in North – East and East submarkets with other parts of the city as subsequent phases of the metro network become operational.

Capital and rental values remain stable

Capital values were unchanged across all submarkets for both mid and high-end segments owing to the unsold inventory levels in an environment of sluggish sales activity. No change was witnessed in the rental values which remained range-bound with rental housing market remaining slow as well and hence no sustained impetus to rental growth is visible.

RENTAL VALUES AS OF Q2 2019*

Submarket	Average Quoted Rent (INR/Month)	QoQ Change (%)	YoY Change (%)	Short term outlook
High-end segment				
South	63,000 - 85,000	0%	0%	■
South-east	40,000 - 85,000	0%	0%	■
South-west	100,000 - 185,000	0%	0%	■
Central	85,000 - 155,000	0%	0%	■
East	38,000 - 68,000	0%	0%	■
Mid segment				
South	20,000 - 35,000	0%	0%	■
South-central	28,000 - 36,000	0%	0%	■
South-east	20,000 - 35,000	0%	0%	■
North-east	15,000 - 25,000	0%	0%	■
North	16,500 - 31,000	0%	0%	■

CAPITAL VALUES AS OF Q2 2019*

Submarket	Average Quoted Rate (INR/sf)	QoQ Change (%)	YoY Change (%)	Short term outlook
High-end segment				
South	7,500 - 13,000	0%	0%	■
South-east	6,200 - 14,000	0%	0%	■
South-west	12,000 - 17,000	0%	0%	■
Central	12,000 - 19,500	0%	0%	■
East	5,000 - 7,750	0%	0%	■
Mid segment				
South	4,000 - 8,500	0%	0%	■
South-central	5,900 - 9,250	0%	0%	■
South-east	3,000 - 5,550	0%	0%	■
North-east	2,900 - 4,300	0%	0%	■
North	3,150 - 6,200	0%	0%	■

Rohan Sharma

Director, Research
Tel: +91 124 4695555
Rohan.Sharma1@cushwake.com

SIGNIFICANT PROJECTS LAUNCHED IN Q2 2019

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	RATE**(INR/SF)
One10	New Town	PS Group	656	5,350
Merlin Urvan	Dum Dum	Merlin Group	326	6,400
Signum Windmere	Madhyamgram	Signum Group	253	3,025

SIGNIFICANT PROJECTS UNDER CONSTRUCTION IN Q2 2019

BUILDING	LOCATION	DEVELOPER	ESTD. NO. OF UNITS	EXPECTED COMPLETION
Altius	Christopher Road	Space Group	120	Q3 2019
GM Meena Icon	Sodepur	GM Group	72	Q1 2020

SIGNIFICANT CONSTRUCTION COMPLETIONS IN Q2 2019

BUILDING	LOCATION	DEVELOPER	ESTD. NO. OF UNITS	UNIT SIZE (SF)
Aster Shree Gardens	Serampur	Aster Group	105	917 – 1,183

Data collated from primary and secondary resources. Estimations are subject to change

* Rental and capital values have been depicted only for key submarkets

** Quoted base capital value does not include other charges such as Preferential Location Charges, External Development Charges, Internal Development Charges, etc.

The above values for high-end segment are for units typically of 2,000-4,000 sf

The above values for mid segment are for units typically of 1,600-2,000 sf

KEY TO SUBMARKETS

High-end Segment

South: Southern Avenue, Hindustan Park, Triangular Park, Lake Terrace
South-central: Ballygunge, Queens Park, Rainy Park, Gurusaday Road, Ballygunge Circular Road, Dover Lane
South-east: EM Bypass - Science City, Christopher Road, Pancha Sayar
South-west: Alipore Park Road, Ashoka Road, Burdwan Road, Belvedere Road
Central: Park Street, Camac Street, Shakespeare Sarani, Minto Park, Elgin Road, Lee Road, Loudon Street, Rowdon Street
North: Kankurgachi, Lake Town, VIP Road, Ultadanga, Narkeldanga Main Road
East: Salt Lake
North-east: New Town, Rajarhat

Mid Segment

South: Golf Green, Tollygunge, Lake Gardens, Jodhpur Park
South-central: Deshpriya Park, Hazra Road, Bhawanipur
South-east: Ajoy Nagar, Hiland Park, PA Shah Connector
North-east: Rajarhat, Rajarhat Chowmatha
South-west: Tollygunge Circular Road, New Alipore, Behala, Jones Lang Sarani
North: Jessore Road, Ultadanga, Shyambazar, Bagbazar, Girish Park, Manicktala, Dum Dum
North-peripheral: BT Road, Barasat, Madhyamgram, Sodepur
South-peripheral: Garia, Narendrapur, Sonarpur,
South-west peripheral*: Joka, Maheshtala, Budge Budge, Thakurpukur

A Cushman & Wakefield
Research Publication

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

www.cushmanwakefield.com