

MARKETBEAT

11%

Q-O-Q INCREASE
IN TOTAL
UNIT LAUNCHES

61%

SHARE OF MID SEGMENT
IN TOTAL LAUNCHES
(Q3 2019)

62%

Q-O-Q GROWTH
IN SHARE OF AFFORDABLE
SEGMENT LAUNCHESWHAT'S
NEXT

HIGHLIGHTS

Strong growth in the affordable segment

With sustained efforts to promote affordable housing, Bengaluru recorded around 2,260 unit launches in Q3, translating to a q-o-q increase of 62% in this segment. With around 8,100 apartment units launched in the city, the affordable segment accounted for a 28% share with project launches in the East (Whitefield), South-East (Sarjapur Road), West (Mysore Road), far South (Attibele) and North (Bagalur) locations. The eastern part of the city (East & South-East) alone accounted for 29% of the total affordable launches with projects from Provident Housing & Peninsula Infra Development followed by the West submarket which held a share of 27% this quarter. With the affordable segment seeing steady traction, we expect this price category to enjoy low unsold inventory overhang.

Strong activity trending in East Bengaluru

Revival in the overall buyer sentiment, especially for the affordable and mid segment projects, clubbed with a steady interest among buyers and developers for the Eastern part of the city, resulted in about a 11% q-o-q increase in total unit launches. The established commercial destinations in the East (Whitefield) and South-East (Sarjapur Road) backed by upcoming metro connectivity, accounted for 45% of the total unit launches. While contributing the maximum to affordable segment launches, this part of the city accounted for around 40-45% share in the high-end segment launches as well.

Price increases in East And North sub-markets

Capital values were stable across most sub-markets except the East and North which recorded capital value appreciation of 3-8% q-o-q. With improved buyer interest likely during the upcoming festive season, a boost in housing sales may be expected, though the discounts on offer are likely to keep prices at current levels. Rental values are likely to see an increase in locations with existing or upcoming metro connectivity.

RENTAL VALUES AS OF Q3 2019*

SUBMARKET	Average Quoted Rent (INR/Month)	QoQ Change (%)	YoY Change (%)	Short term outlook
High-End Segment				
Central	150,000-350,000	0%	6%	■
South	60,000-120,000	0%	0%	■
East	85,000-300,000	0%	4%	■
North	70,000-200,000	0%	29%	■
Mid Segment				
Central	70,000 – 100,000	0%	0%	■
South East	25,000 – 45,000	0%	0%	■
North West	25,000 – 35,000	0%	0%	■
West	20,000 – 30,000	0%	0%	■
East	25,000 – 35,000	0%	NA	■

CAPITAL VALUES AS OF Q3 2019*

SUBMARKET	Average Quoted Rate (INR/sf)	QoQ Change (%)	YoY Change (%)	Short term outlook
High-End Segment				
Central	18,000 – 30,000	0%	0%	■
South	9,000 – 12,500	0%	23%	■
East	7,500 – 11,500	3%	15%	▲
North	8,000 – 12,500	3%	14%	▲
Mid Segment				
Central	9,500 – 14,500	0%	7%	■
East	4,600 – 6,600	0%	12%	■
South East	5,000 – 6,750	0%	7%	■
North	5,500 – 7,500	8%	24%	▲
South	5,500 – 7,500	0%	18%	■
Off Central I	8,000 – 11,500	0%	15%	■
Off Central II	7,500 - 9,500	0%	13%	■
North West	6,500 – 7,500	0%	10%	■
Far South	3,750 - 4,500	0%	0%	■
West	4,000 – 5,000	0%	0%	■

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SIGNIFICANT PROJECTS LAUNCHED IN Q3 2019

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	RATE**(INR/SF)
Provident Capella 1	Whitefield	Provident Housing	786	5,110
Brigade El Dorado	Bagalur, off Hennur Road	Brigade Group	911	4,300
Ozone WF48	Whitefield	Ozone Group	549	6,540

SIGNIFICANT PROJECTS UNDER CONSTRUCTION IN Q3 2019

BUILDING	LOCATION	DEVELOPER	ESTD. NO. OF UNITS	EXPECTED COMPLETION
Brigade Cornerstone Utopia	Varthur - Gunjur Main Road	Brigade Group	4,000	Q2 2023
Godrej Aqua	International Airport Road	Godrej Properties	540	Q4 2021

SIGNIFICANT CONSTRUCTION COMPLETIONS IN Q3 2019

BUILDING	LOCATION	DEVELOPER	ESTD. NO. OF UNITS	UNIT SIZE (SF)
Orchid Greens	Hennur-Kannur main road	Goyal & Co.	328	1,200-1,510
Mantri Serenity Phase II	Kanakapura Road	Mantri Developers	1,493	1,008-1,268

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 and 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

Central: Lavelle Road, Palace Cross Road, Off Cunningham Road, Ulsoor Road, Richmond Road, Sankeys Road

South: Koramangala, Bannerghatta Road, JP Nagar, Banashankari

Off Central: Frazer town, Benson Town, Richards Town, Dollars Colony

East: Whitefield, Old Airport Road

North: Hebbal, Jakkur, Devanahalli

North-west: Malleshwaram, Rajajinagar, Yeshwantpur

Mid Segment

Central: Brunton Road, Artillery Road, Ali Askar Road, Cunningham Road

East: Marathahalli, Whitefield, Old Airport Road, Old Madras Road, Budigere Cross

South-east: Sarjapur Road, Outer Ring Road (Marathahalli- Sarjapur), HSR Layout, Hosur Road

South: Jayanagar, J P Nagar, Kanakapura Road, Bannerghatta Road, BTM Layout, Banashankari

North: Hebbal, Bellary Road, Yelahanka, Doddaballapur Road, Hennur Road, Thanisandra Road

Off Central-I: Vasanth Nagar, Richmond Town, Indiranagar

Off Central-II: Cox Town, Frazer Town, Benson Town, etc.

North-west: Malleshwaram, Rajajinagar, Tumkur Road

Far South: Electronic City

West: Mysore Road, Uttarahalli Main Road, Magadi Road

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