


2,849 UNIT LAUNCHES (Q1 2020)

73% SHARE OF MID SEGMENT IN NEW LAUNCHES (Q1 2020)

46% SHARE OF SUBURBAN WEST IN NEW LAUNCHES (Q1 2020)

Residential launches driven by suburban locations

Unit launches were recorded at 2,849 units in Q1, up by 7% q-o-q and spread across 19 projects. The technology and industrial hubs of OMR and Ambattur continue to dominate residential launches with Suburban South I and Suburban West submarkets accounting for 33% and 46% share respectively of the total unit launches during the quarter. Trunk infrastructure development in the form of Metro Phase II and proposed Elevated Corridor along OMR is also supporting a more integrated and holistic growth in these submarkets. Key launches during Q1 in these submarkets include Brigade Residence at WTC, Truliv Navalur, New Haven Ribbon Walk - Phase 1B (Wing-2) in Suburban South I and Brigade Xanadu Cluster-II (Bonito) and Casagrand Tudor in Suburban West among others. With project launches gradually declining in the Central and Off Central regions and growth corridors getting shifted to the suburban locations, submarkets like Suburban South II have also seen their share of total unit launches grow steadily.

Mid-segment continues to dominate new launches

The share of mid segment in total project launches stood at 73% during the quarter with a q-o-q growth of 35%. In the mid segment unit launches, units of 2BHK configuration continued to hold a prominent share of 61%, indicative of the lower ticket sizes that developers are focusing on. Rental and capital values remained stable across all submarkets in both mid and high-end segments. Property prices are further likely to remain stable in the short term with the Covid-19 outbreak and the ensuing nationwide lockdown affecting residential demand and sales traction.

Residential market recovery will be delayed

The Covid-19 pandemic has had an adverse impact on the residential real estate market with demand from buyers declining sharply towards the latter part of the quarter. Developers expect a significant slowdown in new launches with even the under-construction projects getting delayed due to shortage of manpower and non-availability of construction materials in the current COVID-19 situation and the lockdown period. The impact of the current market slowdown is however likely to be felt beyond the lockdown period as well. While NAREDCO has urged the central Government to come up with an economic relief package for the real estate sector, CREDAI has requested the government to extend the completion timeline for under construction projects for another year. TNRERA has also come to the aid of developers by announcing that validity of the projects registered as on 1st February, 2020 and the completion period of all such registered projects will be extended by five months due to COVID-19 and consequential shutdown. In Chennai, where residential sales were already under pressure, the unsold inventory overhang is likely to exert downward pressure on prices. Though in some corridors we might see some price rationalisation going forward, however, this may not be visible as a general market trend. Developers are likely to extend additional discounts to attract buyers while focusing on resumption of construction activity during the coming quarters of the year.

SIGNIFICANT PROJECTS LAUNCHED IN Q1 2020

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	RATE*(INR/SF)
Radiance The Pride	Pallavaram	Radiance Realty Developers Pvt. Ltd.	452	5,299
Brigade Xanadu Cluster II - Bonito	Nolambur	Brigade Enterprises Ltd	680	7,424-7,724
Casagrand Tudor	Nolambur	Casagrand Builder Pvt. Ltd.	441	5,999

MARKET INDICATORS OVERALL Q1 2020

Y-O-Y Change 12-Months Forecast

New Launches



Units Sold



Average Capital Values (INR/sf)





RENTAL VALUES AS OF Q1 2020

SUBMARKET	AVERAGE QUOTED RENT (INR/MONTH)	QoQ CHANGE (%)	YoY (%)	SHORT TERM OUTLOOK
High-end segment				
Central	100,000-250,000	0%	0%	■
Off Central - I	90,000-150,000	0%	0%	■
Off Central - II	50,000-130,000	0%	0%	■
East Coast Road	100,000-250,000	0%	0%	■
Mid segment				
Central	50,000-75,000	0%	0%	■
Off Central- I	45,000-80,000	0%	0%	■
Off Central- II	25,000-50,000	0%	0%	■
Suburban South - I	22,000-32,000	0%	0%	■
Suburban South - II	15,000-25,000	0%	0%	■

CAPITAL VALUES AS OF Q1 2020

SUBMARKET	AVERAGE QUOTED RATE (INR/SF)	QoQ CHANGE (%)	YoY (%)	SHORT TERM OUTLOOK
High-end segment				
Central	23,000-27,000	0%	-2%	■
Off Central - I	18,000-23,000	0%	0%	■
Off Central - II	12,000-17,500	0%	0%	■
East Coast Road	6,000-9,500	0%	0%	■
Mid segment				
Central	14,000-18,000	0%	0%	■
Off Central- I	15,000-18,000	0%	0%	■
Off Central -II	8,500-10,000	0%	0%	■
Suburban South - I	5,000-7,500	0%	0%	■
Suburban South - II	4,000-7,500	0%	0%	■
Suburban North	4,200-7,000	0%	0%	■
Suburban West	4,400-8,000	0%	0%	■
East Coast Road	4,500-6,500	0%	0%	■

SIGNIFICANT CONSTRUCTION COMPLETIONS IN Q1 2020

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	UNIT SIZE(SF)
Fantastic	Vanagaram	Urban Tree Infrastructures Pvt . Ltd.	300	588-1414

SIGNIFICANT PROJECTS UNDER CONSTRUCTION – TO BE COMPLETED IN NEXT 12 MONTHS

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	EXPECTED COMPLETION
Northern Star	Madhavaram	Casagrand Builder Pvt. Ltd.	382	Q4 2020
Amalfi	Egattur	Hiranandani Developers	175	Q3 2020

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

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

** Quoted capital value on carpet area based on agreement values which includes, Base Rate, Car Parking Charges, Internal Development Charges, etc.

The above values for high-end segment are for units typically of 1,500-2,000 sq

The above values for mid segment are for units typically of 1000-1,400 sq

Affordable housing has been defined as units with a carpet area of 60 sq.mt in metros / 90 sq.mt in non-metros and value up to INR 45 lakhs

KEY TO SUBMARKETS

High-end Segment

Central: Boat Club, Poes Garden, Nungambakkam

Off Central-I: R.A. Puram, Abhiramapuram, Alwarpet and Teynampet

Off Central -II: T.Nagar, Mylapore, Annanagar, Kilpauk, Thiruvanniyur, Adyar, Kotturpuram, Besant Nagar, K.K.Nagar, Velachery, Vadapalani

Mid Segment

Central: Boat Club, Poes Garden, Nungambakkam

Off Central-I: R.A. Puram, Abhiramapuram, Alwarpet and Teynampet

Off Central -II: T.Nagar, Mylapore, Annanagar, Kilpauk, Thiruvanniyur, Adyar, Kotturpuram, Besant Nagar, K.K.Nagar, Velachery, Vadapalani

Suburban North - Madhavaram, Perambur, Thondiarpet

Suburban West: Mogappair, Nollambur, Ambattur, Poonamallee High Road

Suburban South-I: Rajiv Gandhi Salai (Thiruvanniyur to Kelambakkam)

Suburban South-II: GST Road (Alandur to Tambaram, Porur)

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