

40% Q-o-Q DECLINE IN NEW
LAUNCHES IN Q2 2020

74% SHARE OF MID-SEGMENT
IN Q2 2020

58% SHARE OF NH4 BYPASS
SUBMARKET IN Q2 LAUNCHES

MARKET INDICATORS OVERALL Q2 2020

 Y-O-Y
Change

 12-Months
Forecast

New Launches



Units Sold


 Average Capital
Values (INR/sf)

Developers stagger new launches amid the Covid-19 outbreak

The COVID-19 pandemic has had an effect not only on the supply and sales activity but also on project construction progress. The total number of unit launches in Pune stood at 4,535 in Q2, a decline of nearly 40% q-o-q. However, the absolute number of launches still remained healthy with a few developers announcing new blocks within previously launched residential projects in a staggered manner. Mid segment continued to dominate launch activity during the quarter, accounting for a 74% share of launches whilst the affordable and high end segments had shares of 21% and 5%, respectively. The NH4 Bypass submarket led the Q2 launch activity with a 58% share followed by Pimpri (17%) & South East (9%) submarkets. Locations like Hinjewadi, Balewadi, Bavdhan, and Tathawade within the NH4 Bypass submarket were the major contributors of launches during the quarter. Going forward, the Pune residential market is expected to witness delays of 3-6 months in construction schedules for most of the ongoing residential projects due to labour and raw material shortages. However, the six month extension of project completion deadlines extended by MahaRERA for registered projects, which were to be completed by or after March 15, will provide some measure of relief to developers.

Decline in transacted residential prices

While the quoted capital values in Pune remained stable from the previous quarter across all submarkets, developers are now showing increasing flexibility during discussions. This has led to a decline of 3-5% in transacted capital values for affordable & mid segment housing & around 8-10% for high end segment. During the quarter, there were also multiple benefits/ discounts offered by developers such as downside price protection, developer-led possession linked payment plans, zero floor rise and waiver of premium view charges. Other benefits include pre EMI-waiver, 100% refund on cancellation, waiver of registration charges and GST etc.

New launches are expected to remain muted in the short term

New launches are likely to remain low over the remainder of the current year with developers looking to complete under-construction projects and clear unsold inventory. Sales activity is also expected to remain sluggish on account of the prevailing economic uncertainty and weak demand sentiment despite attractive home loan rates and government incentives for affordable housing. Gradual recovery could, however, begin from Q4 2020 depending on the how fast the pandemic is controlled. Locations such as Hinjewadi, Mahalunge, Tathawade and Wakad in western Pune and Kharadi, Wagholi & Manjari in eastern Pune are likely to be the most active in terms of future demand, due to their proximity to key business districts.

Going forward, ready possession projects will have higher preference among homebuyers due to the expected delays in under-construction units. We expect further consolidation in Pune real estate market over the medium term due to continued inventory overhang and liquidity crunch among smaller developers. The overall capital values and rentals for Pune are expected to remain range-bound in short to medium term. A number of developers are now looking forward to the festive season to boost sales in an otherwise tough year.

SIGNIFICANT PROJECT LAUNCHED IN Q2 2020

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	RATE**(INR/SF)
The Central Park - Phase 1	Chinchwad	Runwal Constructions	752	9,000-9,500
Mantra Monarch	Balewadi	Mantra Properties	402	8,500-9,000
Supreme Estia - Phase I	Baner	Supreme Universal	179	9,500-10,500
Azure Aster (G & H)	Tathawade	Paranjape Schemes	178	7,500-8,000
Sensorium	Hinjewadi	Shapoorji Pallonji	384	8,000-9,000

RENTAL VALUES AS OF Q2 2020*

SUBMARKET	AVERAGE QUOTED RENT (INR/MONTH)	QoQ CHANGE (%)	YoY (%)	SHORT TERM OUTLOOK
High-end segment				
Aundh – Baner	75,000 – 130,000	0%	0%	■
East	55,000 - 140,000	0%	0%	■
Nagar Road	70,000 – 140,000	0%	0%	■
Koregaon Park – Boat Club Road	100,000 – 220,000	0%	0%	■
Mid segment				
Aundh – Baner	17,000 – 32,000	0%	0%	■
NH4 Bypass (North)	11,000 – 18,500	0%	0%	■
North – East	12,000 – 20,500	0%	0%	■

CAPITAL VALUES AS OF Q2 2020*

SUBMARKET	AVERAGE QUOTED CAPITAL VALUES (INR/SF)	QoQ CHANGE (%)	YoY (%)	SHORT TERM OUTLOOK
High-end segment				
Koregaon Park - Boat Club Road	14,000 – 19,000	0%	0%	■
Aundh-Baner	8,500 – 13,000	0%	0%	■
Nagar Road	9,500 – 14,500	0%	0%	■
East	8,500 – 13,000	0%	0%	■
Mid segment				
North-East	3,500 – 6,400	0%	0%	■
South-East – II	3,750 – 5,500	0%	0%	■
NH4 Bypass (North)	4,000 – 6,300	0%	0%	■

SIGNIFICANT PROJECT COMPLETED IN Q2 2020

BUILDING	LOCATION	DEVELOPER	NO. OF UNITS	UNIT SIZE (SF)
Amar Serenity (A & B building)	Pashan	Amar Builders	112	800-1,060

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

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	EXPECTED COMPLETION
Tinsel County	Hinjewadi	Kohinoor Group	470	Q4 2020
VTP Celesta	Mohammadwadi	VTP Group	76	Q1 2021

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

* Rental and capital values have been depicted only for key submarkets and are based on saleable area

** Quoted base capital value of new launches is on carpet area and also includes other charges like external Development Charges, internal Development Charges, etc.

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

Mid segment is defined as units having ticket size between INR 4.5 million to INR 10 million

High end segment is defined as units having ticket size above INR 10 million

KEY TO SUBMARKETS

High-end Segment

Koregaon Park-Boat Club: Koregaon Park, Bund Garden Rd, Boat Club Rd, Mangaldas Rd

Aundh-Baner: Aundh, Baner

Nagar Road: Kalyani Nagar, Viman Nagar

East: Sopan Baug, Uday Baug, Hadapsar

West: Deccan Gymkhana, Model Colony, Prabhat Road, Erandwane, Bhosale Nagar

Mid Segment

Aundh-Baner: Baner, Baner Road

Kothrud: Kothrud

Nagar Road: Kalyani Nagar, Yerwada, Shashtri Nagar, Viman Nagar, Old Airport Rd, Vishrantwadi

North-East: Kharadi, Wagholi, Wadgaon Sheri

East: Hadapsar, Manjri, Mundhwa, Keshavnagar

South-East - I: Wanowrie, NIBM Road, Lulla Nagar

South-East - II: Undri, Kondhwa, Pisoli

NH4 Bypass (North): Balewadi, Mahalunge, Wakad, Hinjewadi, Punawale, Kiwale, Ravet, Tathawade, Bhugaon, Bavdhan, Pashan, Sus

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