



3,598 NEW UNIT LAUNCHES

56.4% SHARE OF AFFORDABLE SEGMENT

1-4% Y-O-Y PRICE CORRECTION IN WEST &amp; WEST PERIPHERAL MARKET

## MARKET INDICATORS OVERALL Q3 2020

|                                 | Y-O-Y Change | 12-Months Forecast |
|---------------------------------|--------------|--------------------|
| New Launches                    | ▼            | ▼                  |
| Units Sold                      | ▼            | ▼                  |
| Average Capital Values (INR/sf) | ▼            | —                  |

## Quarterly launches subdued; affordable segment dominates new launches

In the wake of the COVID-19 pandemic and imposition of a lockdown in Ahmedabad, residential launches continued to fall even in Q3. The quarter managed to record around 3,598 new unit launches, down by 5% on a q-o-q and 56% on y-o-y basis. Unsurprisingly, the affordable segment dominated the new launches. These are units priced under INR 4.5 million and accounted for 56.4% of total new launches in Q3. The mid-segment with units priced between INR 4.5 million to INR 10 million, had a 33% share of the new launches. The share of high-end and luxury units, above the price of INR 10 million, declined significantly to around 6% & 4%, respectively, essentially falling in line with the usual trend of previous quarters.

Going ahead, the quantum of new launches is expected to remain stable with some downward pressure. However, recovery of the city's residential segment will be gradual as sales activity has yet to pick up momentum. Normalcy has been partially restored as the government opened up inter-district transport, yet developers are struggling with arrangements for migrant workers to travel to project sites, impacting project construction work. Overall, in the next 2-3 quarters, demand for new residential units is likely to remain muted with a number of developers suffering from liquidity pressures and homebuyers facing income uncertainty.

## North &amp; East submarkets witness healthy launch activity, particularly of affordable units

In Q3, the north and east submarkets accounted for 47% & 22% of new unit launches, respectively, largely due to adequate availability of land and developing physical infrastructure. Vaishnodevi Circle, Gota, Chandkheda & Ghatlodia in the Northern submarket accounted for 40% of the quarterly launches here. These corridors have emerged as ideal destinations for the affordable segment with 90% of all residential launches in this price category. Bapunagar, Naroda, Nava Naroda and Vastral corridors were the most active in the Eastern submarket. Memnagar in the west saw a significant group housing project being launched this quarter. Higher launches in the peripheral areas have been driven by easier availability of low-cost land parcels and steady demand for affordably priced projects in these corridors. A large proportion of the mid segment housing units was concentrated in the North submarket, while 88% of high-end units and 90% of luxury projects are concentrated in the West submarket areas such as Memnagar, Bopal, Shela, Thaltej etc.

## Capital values stable but downward pressure remains

Quoted prices have remained stable during the quarter, although there is pressure on the upper range for housing across all price categories except the affordable segment. Prices were observed to be lower by 1-4% during the previous quarter and hovered in the same price range in the west and west peripheral submarkets where most of the recent development has occurred. Rising demand for affordable housing resulted in price gains in the previous quarters but stability reigned in Q3. Going forward, we expect a declining capital value trend to sustain over the next two quarters, with the after effect of lockdown and sluggish sales handing the upper hand in bargaining power to the buyers even as developers continue to offer innovative payment plans to drive sales.

## SIGNIFICANT PROJECTS LAUNCHED IN Q3 2020

| BUILDING             | LOCATION           | DEVELOPER               | UNITS LAUNCHED | RATE*(INR/SF) |
|----------------------|--------------------|-------------------------|----------------|---------------|
| Aster Phase 1        | Vaishnodevi Circle | Adani Estate Management | 616            | 4,300         |
| Aastha Onyx          | Memnagar           | Apurva Builder          | 380            | 6,900         |
| Ananta               | Gota               | Matrubhumi Buildspace   | 250            | 4,600         |
| Sudarshan Complex    | Ghatlodia          | S C Corporation         | 202            | 3,700         |
| Shrinathji Apartment | Bapunagar          | Scope Infrastructure    | 199            | 3,100         |
| Spectra              | Bopal              | Saanvi Nirman Spacelink | 104            | 4,100         |



## RENTAL VALUES AS OF Q3 2020

| SUBMARKET               | AVERAGE QUOTED RENT (IND/MONTH) | QoQ CHANGE (%) | YoY (%) | SHORT TERM OUTLOOK |
|-------------------------|---------------------------------|----------------|---------|--------------------|
| <b>High-end segment</b> |                                 |                |         |                    |
| Central                 | 20,000 – 100,000                | 0%             | 0%      | —                  |
| West                    | 18,000 - 100,000                | 0%             | 0%      | —                  |
| <b>Mid segment</b>      |                                 |                |         |                    |
| Central                 | 7,500-25,000                    | 0%             | 0%      | —                  |
| North                   | 5,500-12,000                    | 0%             | 0%      | —                  |
| South                   | 4,500-15,000                    | 0%             | 0%      | —                  |
| West                    | 8,000-30,000                    | 0%             | 0%      | —                  |
| West Peripheral         | 8,000-30,000                    | 0%             | 0%      | —                  |
| East                    | 4,000-12,000                    | 0%             | 0%      | —                  |

## CAPITAL VALUES AS OF Q3 2020

| SUBMARKET               | AVERAGE QUOTED RENT (IND/MONTH) | QoQ CHANGE (%) | YoY (%) | SHORT TERM OUTLOOK |
|-------------------------|---------------------------------|----------------|---------|--------------------|
| <b>High-end segment</b> |                                 |                |         |                    |
| Central                 | 5,500-8,200                     | 0%             | 0%      | —                  |
| West                    | 5,500-8,200                     | 0%             | 0%      | —                  |
| <b>Mid segment</b>      |                                 |                |         |                    |
| Central                 | 4,500-6,500                     | 0%             | 0%      | —                  |
| North                   | 2,800-4,500                     | 0%             | -2%     | —                  |
| South                   | 2,000-5,000                     | 0%             | 0%      | —                  |
| West                    | 3,600-6,100                     | 0%             | -1%     | —                  |
| West Peripheral         | 2,850-5,200                     | 0%             | -3%     | —                  |
| East                    | 2,000-4,000                     | 0%             | 0%      | —                  |

## SIGNIFICANT PROJECT COMPLETED IN Q3 2020

| BUILDING                   | LOCATION    | DEVELOPER         | ESTD NO. OF UNITS | UNIT SIZE   |
|----------------------------|-------------|-------------------|-------------------|-------------|
| Sharda Park View           | Shela       | Shivalik Projects | 336               | 786         |
| Sai Sharnam & Sai Platinum | Nikol       | R D developers    | 221               | 875-1125    |
| Raghunandan Heights        | Narol       | Ragav Corporation | 140               | 667         |
| Karmayog Heights           | Navrangpura | Setu              | 56                | 2205 - 3422 |

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

| BUILDING           | LOCATION   | DEVELOPER                | ESTD NO. OF UNITS | EXPECTED COMPLETION |
|--------------------|------------|--------------------------|-------------------|---------------------|
| Dwarkesh Fragrance | Chandkheda | Dharmadev Infrastructure | 302               | Q1 2021             |
| Aavali Signature   | Motera     | H R Infrastructure       | 264               | Q4 2020             |
| Pramukh Elysium    | Uvarsad    | PSY Organiser            | 252               | Q4 2020             |
| Sadguru Landmark   | Naroda     | Sadguru Group            | 154               | Q1 2021             |

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

The above values for high-end segment are for units typically of 1,600-3,000 sf

The above values for mid segment are for units typically of 900-1,800 sf

\*\* Affordable Housing project with units typically of 200-900 sf

^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:** C.G. Road, Ashram Road, Navrangpura, Gulbai Tekda  
**West:** Vastrapur, Satellite Thaltej, Prahladnagar

## Mid Segment

**Central:** C.G. Road, Ashram Road, Navrangpura, Gulbai Tekda  
**North:** Ram Nagar, Sabarmati, Motera, Chandlodia, Ranip, Chandkheda, Gota, Vaishnodevi, Jagatpur  
**South:** Maninagar, Vinzol, Narol, Vatva, Ghodasar, Lambha  
**West:** Vastrapur, Satellite, Thaltej, Prahladnagar, Makarba, Vejalpur, Sarkhej, Vasna  
**West Peripheral:** Bopal, South Bopal, Ambli, Ghuma, Shilaj  
**East:** Khokhra, New Maninagar, Naroda, Nava Naroda, Nikol, Hansol, Odhav, Vastral

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