

~7,200 NEW UNIT LAUNCHES IN Q4 2021

78% SHARE OF MID SEGMENT IN NEW UNIT LAUNCHES (Q4 2021)

2X Y-O-Y GROWTH IN UNIT LAUNCHES (Q4 2020 VS Q4 2021)

RESIDENTIAL INDICATORS Q4 2021

Y-O-Y Change 12-Months Forecast

New Launches



Units Sold



Average Capital Values (INR/sf)



Healthy growth in project launches, south-east corridor continues its traction

Bengaluru's residential sector witnessed the launch of approx. 7,200 units in Q4, a growth of nearly 16% as compared to the previous quarter and a 2x rise on a y-o-y basis. This continued momentum in project launches indicate strengthening of developer confidence. Micro markets such as Sarjapur Road in the south-east quadrant witnessed majority of the quarterly launches and accounted for around 44% share. Locations like Bidadi and Magadi Road in the west submarket followed with a 14% share. Central and southern micro-markets were subdued in terms of new project launches during the quarter. Reputed developers like Prestige Group, Birla Estates, Salarpuria Sattva, Godrej Properties, Provident Housing, Casagrand Builders, Total Environment, Shriram Properties announced their projects during the quarter and accounted for approx. 80% of unit launches. This may be attributed to the rising customer preference for projects and developers with a robust track record of execution.

Yearly launch of around 19,955 units in 2021 translated into a 60% growth when compared to 2020, amid steady increase in buyer enquiries in Bengaluru's residential market. South-east and East submarkets, major IT corridors of the city, accounted for ~55% of annual launches, indicating rising demand for owned houses from the IT professionals in the city. Going forward, these submarkets will continue to drive launch and sales activities, supported by healthy demand from target clientele. However, recent surge in infection and possible imposition of restrictions could pose short term disruption in unit launches in Q1 2022.

Mid segment launches dominate; higher preference for larger homes

Mid segment accounted for around 78% of the quarterly launches, followed by affordable segment with a 15% share. High-end segment which accounted for 5-6% of the quarterly launches, however, continued with healthy traction from cash-rich buyers looking for great bargain deals. The luxury segment demand rises for premium plotted housing and villa projects. The mid segment residential format has been witnessing increased traction among homebuyers and accounted for 80% of the annual unit launches. While completion of ongoing projects is a priority among developers owing to healthy demand for ready-to-move in projects, we still anticipate a general uptrend in launches in the short term, particularly in mid-segment categories. Demand for villas / plotted developments is likely to maintain its uptrend as buyers prefer to invest in spacious homes at peripheral locations.

With rising preference for larger unit size apartments, developers are focussing on higher proportion of 2.5 & 3 BHK apartments in their newly launched projects. As hybrid working model is becoming popular, demand for a dedicated workstation or study area for kids is gaining popularity. Approx. 70-75% of the units launched during the quarter were of 2.5 & 3 BHK configuration having an average apartment size of 1,000-1,300 sf. Developers in the city have plans of launching higher number of such units in the coming quarters. Along with a steady demand for ready-to-move-in projects, preference for furnished homes has increased among buyers as this allows early and hassle-free move-ins for end users.

Resilient property prices, incentives on offer for serious buyers

Sales momentum remained steady during fourth quarter as the festive season is believed to be pious for home purchase. Even with no change in headline prices, developers have continued to offer incentives and benefits like in previous quarters to attract more end-use buyers to close purchase decisions. Freebies like stamp duty & maintenance charge waiver on select projects and discounts on booking amount are on offer for both ready-to-move in and newly launched projects in the city. Increasing demand for ready-to-move in projects and price affordability across segments in the city, also continued to boost the residential demand in Bengaluru. Karnataka governments' recent policy of reduction in stamp duty payable on primary sales of flats priced between INR 35 lakh and INR 45 lakh from 5% to 3%, has also catalysed the sales in the segment. City-level rentals and those in prominent residential catchments remain unchanged during the quarter. The peripheral western quadrant however continued to record a 1-2% drop in housing rental during the quarter. With work from home likely getting continued till Q1 2022, housing rentals in the city might witness an impact over the short term.

SIGNIFICANT PROJECTS LAUNCHED IN Q4 2021

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	RATE*(INR/SF)
Shriram WYT Field Phase 2	Budigere Cross, off Old Madras Road	Shriram Properties	592	5,580
Casagrand Orlena	Hennur Road	Casagrand Builder Private Limited	296	5,099

RENTAL VALUES AS OF Q4 2021

SUBMARKET	AVERAGE QUOTED RENT (IND/MONTH)	QoQ CHANGE (%)	YoY CHANGE (%)	SHORT TERM OUTLOOK
High-end segment				
Central	150,000-350,000	0%	0%	▬
South	60,000-120,000	0%	0%	▬
East	85,000-300,000	0%	0%	▬
North	70,000-200,000	0%	0%	▬
Mid segment				
Central	70,000-100,000	0%	0%	▬
South -East	24,000-40,000	0%	-1%	▬
North -West	23,000-33,000	0%	0%	▬
West	17,500-23,500	-2%	-8%	▾
East	23,000-31,500	-2%	-2%	▾

SIGNIFICANT PROJECTS COMPLETED IN Q4 2021

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	UNIT SIZE (SF)
Sumadhura Nandanam	Hoodi, Whitefield	Sumadhura Group	250	1,232-1,866

SIGNIFICANT PROJECTS UNDER CONSTRUCTION IN Q4 2021

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	EXPECTED COMPLETION
Prestige Fontaine Bleu	Whitefield	Prestige Group	60	Q4 2022
Skylark Dasos	Hennur Road	Skylark Developers	649	Q3 2022

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 2,000-4,000 sf

The above values for mid segment are for units typically of 1,600-2,000 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: Lavelle Road, Palace Cross Road, Off Cunningham Road, Ulsoor Road, Richmond Road, Sankey 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: Mallechwaram, Rajajinagar, Yeshwanthpur

Mid Segment

Central: Brunton Road, Artillery Road, Ali Askar Road, Cunningham Road
East: 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: Mallechwaram, Rajajinagar, Tumkur Road
Far South: Electronic City, Attibele, Chandapur
West: Mysore Road, Uttarahalli Main Road, Magadi Road

CAPITAL VALUES AS OF Q4 2021

SUBMARKET	AVERAGE QUOTED CAPITAL VALUE (IND/SF)	QoQ CHANGE (%)	YoY CHANGE (%)	SHORT TERM OUTLOOK
High-end segment				
Central	18,000-30,000	0%	0%	▬
South	9,000-12,500	0%	0%	▬
East	7,500-11,500	0%	0%	▬
North	8,000-12,500	0%	0%	▬
Mid segment				
Central	9,500-15,000	0%	0%	▬
East	4,600-5,800	0%	0%	▬
South- East	4,900-6,100	0%	0%	▬
North	5,300-6,500	0%	0%	▬
South	5,500-7,000	0%	0%	▬
Off Central I	8,000-12,000	0%	0%	▬
Off Central II	7,500 - 8,900	0%	0%	▬
North -West	6,300-7,000	0%	0%	▬
Far South	3,400-3,900	0%	-3%	▬
West	3,700-4,300	0%	-2%	▬

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