MARKETBEAT

KOLKATA

Residential Q1 2022

3,108 NEW UNIT LAUNCHES (Q1 2022)

39% SHARE OF MID SEGMENT IN UNIT LAUNCHES (Q1 2022)

47% SHARE OF AFFORDABLE SEGMENT IN UNIT LAUNCHES (Q1 2022)

MARKET INDICATORS OVERALL Q1 2022

	Y-O-Y Change	12-Months Forecast
New Launches	▲	▲
Units Sold	▲	▲
Average Capital Values (INR/sf)	▬	▲

Kolkata's residential launches improve; RERA expected to drive growth further

Kolkata witnessed the launch of 3108 units in Q1, a 7.3%growth over the previous quarter and a robust 126% expansion over the same period last year. Residential launches and sales remained strong on the back of affordability and continuation of policy incentives. West Bengal government has extended the 2% stamp duty and 10% circle rate cuts up to September 2022. Implementation of RERA over the next few months is expected to drive growth of the city's housing industry. It may be noted that a number of projects in the city have been stuck because of the uncertainty over RERA implementation since registration of projects with RERA is mandatory. In Q1, most of the unit launches were by prominent city-based developers such as Eden Group, Srijan Realty and Loharuka Group. Peripheral micromarkets remained active with Peripheral South and Peripheral South West cumulatively accounting for 35% of quarterly unit launches; North Peripheral micromarket contributed around 12%. Rajarhat in the North East witnessed a couple of mid-segment project launches and accounted for around 40% of the total units launched in the quarter.

Affordability remains prime market driver; high-end project launches are back

After a gap of three quarters, the city witnessed some activity in the high-end and luxury segments. High-end and luxury cumulatively accounted for over 14% of quarterly unit launches, as compared to no launch in this category over Q2-Q4 2021. Tollygunge in South Kolkata and Tangra in the South-East witnessed launch of luxury & high-end projects. With the demand for larger, spacious apartments with the latest amenities growing among the upper middle class and high net worth homebuyers, such projects could see further traction. That said, affordable segment remained the dominant category in the city accounting for 47% share in quarterly launches, followed by the mid segment with a share of 39%.

Stable city-wide capital values but rising input costs could lead to price revisions

City-wide average capital values remained unchanged on a quarterly basis even as some developers provided incentives selectively to maintain sales momentum. Despite rising input costs, developers have refrained from raising prices significantly though prices could start rising gradually in case upward price pressure on key raw materials such as steel and cement continues. On the other hand, rental values in the city's IT corridors (Salt Lake Sector V and Rajarhat) have witnessed a marginal increase of around 2-3% in the quarter on the back employees gradually returning to offices. As more employees return to workplaces, rental appreciation is likely to gain pace

SIGNIFICANT PROJECTS LAUNCHED IN Q1 2022

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	RATE*(INR/SF)
Eden Willow Estate	Narendrapur	Eden Group	179	3600
Shriram Sunshine II	Uttarpara	Shriram Properties	912	3800
Laguna Bay	Tangra	Srijan Realty	194	9800
Ambey Gateway	Rajarhat	Ambey Group	253	5900

KOLKATA

Residential Q1 2022

CUSHMAN & WAKEFIELD

RENTAL VALUES AS OF Q1 2022*

SUBMARKET	AVERAGE QUOTED RENT (INR/MONTH)	QoQ CHANGE (%)	YoY (%)	SHORT TERM OUTLOOK
High-end segment				
South	63,000-85,000	0%	0%	▬
South-East	40,000-85,000	0%	0%	▬
South-West	100,000-185,000	0%	0%	▬
Central	85,000-155,000	0%	0%	▬
East	38,000-68,000	0%	0%	▬
Mid segment				
South	20,000-35,000	0%	0%	▬
South-Central	28,000-35,000	0%	-2%	▬
South-East	20,000-34,500	0%	-1%	▬
North-East	14,250-20,000	2%	-11%	▲
North	14,000-26,500	0%	-15%	▬

CAPITAL VALUES AS OF Q1 2022*

SUBMARKET	AVERAGE QUOTED CAPITAL VALUE** (INR/SF)**	QoQ CHANGE (%)	YoY (%)	SHORT TERM OUTLOOK
High-end segment				
South	7,500-13,000	0%	0%	▬
South-East	6,300-14,000	0%	0%	▬
South-West	12,000-17,000	0%	0%	▬
Central	12,000-19,500	0%	0%	▬
East	5,000-7,750	0%	0%	▬
Mid segment				
South	4,500-8,400	0%	-1%	▬
South-Central	5,900-8,750	0%	-3%	▬
South-East	3,100-5,500	0%	-1%	▬
North-East	2,850-3,900	-2%	-5%	▬
North	3,150-5,500	0%	-6%	▬

SIGNIFICANT CONSTRUCTION COMPLETIONS IN Q1 2022

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	UNIT SIZE(SF)
PS Flora Fountain	Science City, off EM Bypass	PS Group	368	844-1412

SIGNIFICANT PROJECTS UNDER CONSTRUCTION IN Q1 2022

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	EXPECTED COMPLETION
Magnolia Signature	Rajarhat	Magnolia Infrastructure	386	Q4 2022

Data collated from primary and secondary resources. Estimations are subject to change
** Rental and capital values have been depicted only for key submarkets based on built-up area*
*** Quoted base capital value 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 2,000-3,000 sf
The above values for mid segment are for units typically of 900-1,250 sf

KEY TO SUBMARKETS

High-end Segment
South: Southern Avenue, Hindustan Park, Triangular Park
South-east: EM Bypass - Science City, Pancha Sayar
South-west: Alipore Park Road, Ashoka Road, Burdwan Road
Central: Camac Street, Minto Park, Elgin Road, Loudon Street
North: Kankurgachi, Lake Town, VIP Road East: Salt Lake
East : New Town, Rajarhat

Mid Segment
South: Golf Green, Tollygunge, Lake Gardens, Jodhpur Park, Anwar Shah Road
South-central: Deshapriya Park, Hazra Road, Bhawanipur
South-east: Ajoy Nagar, Hiland Park, PA Shah Connector
North-east: Rajarhat, Rajarhat Chowmatha
South-west: Tollygunge Circular Road, New Alipore, Behala, Jones Lang Sarani
North: Jessore Road, Ultadanga, Shyambazar, Bagbazar, Manicktala, Dum Dum
North-peripheral: BT Road, Barasat, Madhyamgram, Sodepur
South-peripheral: Garia, Narendrapur, Sonarpur
South-west peripheral: Joka, Maheshtala, Budge Budge, Thakurpukur

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