

**~9,300** NEW UNIT LAUNCHES IN Q4 2022

**80%** SHARE OF MID SEGMENT IN NEW UNIT LAUNCHES (Q4 2022)

**~30%** GROWTH IN Y-O-Y UNIT LAUNCHES (Q4 2022 VS Q4 2021)

#### RESIDENTIAL INDICATORS Q4 2022

Y-O-Y Change    12-Months Forecast

New Launches



Units Sold



Average Capital Values (INR/sf)



### With a healthy Q4 supply, annual launches at 5-year record high in 2022

Bengaluru recorded launch of around 9,300 residential units during the last quarter of the year, a 58% growth over Q3. With this, the annual launches adds up to ~33,850 units (70% y-o-y), a 5-year record high supply in the city. Prominent IT corridors of the city in the Eastern (Whitefield, Varthur Road) and South-eastern (ORR, Sarjapur Road) quadrants were the major contributors to Q4 launches, accounting for 41% and 27% share, respectively. After a small dip in Q3, project launches regained pace in the last quarter as festive season boosted demand for property purchases. While ready-to-move in projects continue to remain in focus, low availability and a steady decline of unsold inventory in the city is expected to keep the launch momentum steady in coming quarters.

In a market dominated by end users and with demand largely driven by IT-BPM / Startup workforce, Grade A developers find rising favour. Developers such as Sobha Developers, Puravankara Limited, Mahindra Lifespaces and Adarsh Developers along with few others accounted for approx. 30-35% of the Q4 unit launches.

### Mid-segment continues to dominate launches; high supply of 2.5 -4 BHK configuration units

Mid-segment projects led quarterly launches with ~80% share backed by steady demand. There is a steady demand for high end & luxury projects, and together they accounted for 12% of the Q4 launches. Driven by sustained demand for houses with ticket price range of INR 1.3 cr and above, we anticipate healthy unit launches in these categories in the coming quarters. Affordable segment had 7-8% share in Q4 launches.

Encouraged by the growing preference of consumers for larger apartments particularly post the pandemic, developers are focusing on such configurations in their newly launched projects. The 2.5, 3 & 4 BHK apartments accounted for a dominant ~51% share in quarterly launches. Within the mid-segment category (~7430 units), the 2.5, 3 & 4 BHK apartments as well accounted for ~65% share indicating rising preference for larger sized apartments among buyers. Larger homes in non-core locations are also witnessing healthy traction and developers are likely to closely focus on this category.

### The strong sales momentum translated to pricing and rental growth

Healthy sales momentum observed since last 2-3 quarters resulted in average q-o-q growth (7-8%) of property prices in mid-segment projects across the city. Prominent micro-markets in the East, South, South-East and North Bengaluru witnessed an 8-10% q-o-q growth in capital values, while for other submarkets the growth ranged between 4-6%. Luxury projects in select locations in north-west and south Bengaluru witnessed 6-8% q-o-q increase in property price on the back of steadily rising demand and lower inventory. With rising number of employees returning to offices, city-wide rentals saw a q-o-q growth of 2-3%. Limited availability of rental options, particularly in the established IT corridors and central areas, has led to a slightly higher rental growth (5-6%) at select locations.

#### SIGNIFICANT PROJECTS LAUNCHED IN Q4 2022

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	TICKET PRICE (INR)
Purva Celestial	Hosahalli, International Airport Road	Puravankara Group	436	81 lac onwards
Mana Macasa Emerald	Chikkanayakanahalli off Sarjapur Road	Mana Group	198	80 -85 lac
SNN Raj High Gardens	Attibele, Neraluru Hosur road	SNN Builders	1,050	36-60 lac

## RENTAL VALUES AS OF Q4 2022\*

SUBMARKET	AVERAGE QUOTED RENT (IND/MONTH)	QoQ CHANGE (%)	YoY CHANGE (%)	SHORT TERM OUTLOOK
<b>High-end segment</b>				
Central	155,000-360,000	3%	3%	—
South	62,000-125,000	4%	4%	—
East	86,000-310,000	3%	3%	—
North	72,000-210,000	4%	4%	—
<b>Mid segment</b>				
Central	75,000-112,000	6%	10%	—
South -East	33,500-47,000	5%	26%	↑
North -West	27,000-36,500	0%	13%	—
West	19,500-26,000	0%	11%	—
East	30,500-39,000	5%	28%	↑

## SIGNIFICANT PROJECTS COMPLETED IN Q4 2022

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	UNIT SIZE (SF) - CARPET
Vaishnavi Serene	Yelahanka New Town	Vaishnavi Group	896	450 - 777

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION IN Q4 2022

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	EXPECTED COMPLETION
Godrej Aqua	Hosahalli	Godrej Properties	540	Q4 2023

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 2022\*

SUBMARKET	AVERAGE QUOTED CAPITAL VALUE (IND/SF)**	QoQ CHANGE (%)	YoY CHANGE (%)	SHORT TERM OUTLOOK
<b>High-end segment</b>				
Central	18,000-30,000	0%	0%	—
South	9,550-13,000	5%	5%	—
East	7,500-11,500	0%	0%	—
North	8,000-12,500	0%	0%	—
<b>Mid segment</b>				
Central	9,500-15,000	0%	0%	—
East	4,750-7,400	10%	17%	↑
South- East	5,200-7,300	10%	14%	↑
North	5,300-7,800	8%	11%	↑
South	5,600-8,800	10%	15%	↑
Off Central I	9,000-13,300	12%	12%	—
Off Central II	7,600 - 9,500	4%	1%	—
North -West	6,500-7,800	7%	9%	—
Far South	3,500-4,200	5%	5%	—
West	3,900-4,600	5%	6%	—

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