

~8,900 NEW UNIT LAUNCHES IN Q2 2023

54% SHARE OF MID SEGMENT IN NEW UNIT LAUNCHES (Q2 2023)

68% SHARE OF EAST & SOUTH -EAST QUADRANTS IN Q2 UNIT LAUNCHES

RESIDENTIAL INDICATORS Q2 2023

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

Unit launches record marginal growth; eastern quadrant witness highest traction

Bengaluru witnessed launch of ~8,900 residential units during Q2 2023, a marginal 4% growth over previous quarter. This adds up to a total of ~15,870 unit launches during H1-2023, a 15% drop when compared to the same period last year. The eastern quadrant (Whitefield, KR Puram, Budigere Cross), which is a prime IT hub, contributed the highest share (41%) in quarterly launches. This micro-market received a boost with the KR Puram to Whitefield Metro route that commenced operation in March this year. South-east (Bellandur & Sarjapur Road) submarket together with eastern quadrant accounted for 68% share in Q2 launches, backed by the metro construction work along Outer Ring Road that will improve connectivity significantly. With ready-to-move projects continuing to attract buyers as against a relatively slower growth in launches observed during last 2 quarters, steady decline of unsold inventory is expected in the city. Healthy demand might result in appreciation in capital value in the coming quarters.

Reputed national level developers such as Godrej Properties, Prestige Group, Casagrand Builders and Puravankara contributed more than 40% of Q2 launches, as against a 34% share during Q1 suggesting a growing share of prime developers in residential supply. Prominent local players accounted for another 30-31% share during the quarter.

Mid-segment led quarterly launches; high end and luxury record strong growth

Backed by rising demand from end users, mid-segment projects continued to dominate quarterly launches with ~54% share. High-end and luxury projects followed with a whopping rise in their quarterly share (46%), as compared to 14-15% share during the last quarter. This category of projects recorded a 2.4x q-o-q growth in unit launches during Q2. Driven by rising demand for houses with ticket price of INR 1.3 crores and above, we anticipate sustained unit launches in the high-end category in coming quarters. No affordable project launches were recorded during Q2.

In accordance with rising share of high end and luxury unit launches, preference of end-users for larger apartments is also on the rise. The 3& 4 BHK apartment launches added up to around 5,700 units (~70% share in Q2 launches). Within the mid segment, several developers focussed on higher configurations in their newly launched projects across locations; as a result, 3 BHK apartments within the mid-segment category contributed around 2,420 units (~42% share in total 3 & 4 BHK unit launches).

Rents and capital values witness appreciation backed by low availability

City-wide rentals saw a q-o-q growth of 6-7% amid limited availability of rental options and rising number of employees returning to office. Established IT corridors saw a slightly higher rental growth (8-9%) at select locations. Healthy sales momentum, declining unsold inventory and higher price quotes from few reputed developers resulted in average 3-4% q-o-q growth of property prices at select micro-markets. Eastern quadrant with locations in and around Whitefield witnessed 7-8% growth in capital values during the quarter.

SIGNIFICANT PROJECTS LAUNCHED IN Q2 2023

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	TICKET PRICE (INR)
Rohan Antara	Gunjur	Rohan Builders	245	96 lac onwards
Prestige Lavender Fields	Whitefield	Prestige Group	~1,475	1.2 cr onwards
Godrej Elevate	Whitefield	Godrej Properties	~1,160	60 lac onwards

Residential Q2 2023

RENTAL VALUES AS OF Q2 2023*

SUBMARKET	AVERAGE QUOTED RENT (IND/MONTH)	QoQ CHANGE (%)	YoY CHANGE (%)	SHORT TERM OUTLOOK
High-end segment				
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%	▬
Mid segment				
Central	80,000-120,000	7%	18%	↗
South -East	35,000-52,000	8%	19%	↗
North -West	28,000-39,000	5%	9%	▬
West	22,000-26,000	5%	8%	▬
East	35,000-48,000	9%	32%	↗

SIGNIFICANT PROJECTS COMPLETED IN Q2 2023

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	UNIT SIZE (SF) – CARPET
Shriram Blue	KR Puram	Shriram Properties	470	450-1585

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

BUILDING	LOCATION	DEVELOPER	UNITS LAUNCHED	EXPECTED COMPLETION
Prestige Waterford	Whitefield	Prestige Group	690	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: Malleshwaram, 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: Malleshwaram, Rajajinagar, Tumkur Road
Far South: Electronic City, Attibele, Chandapur
West: Mysore Road, Uttarahalli Main Road, Magadi Road

CAPITAL VALUES AS OF Q2 2023*

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	9,550-13,000	5%	5%	▬
East	8,500-12,500	11%	11%	↗
North	8,000-12,500	0%	0%	▬
Mid segment				
Central	9,500-15,000	0%	0%	▬
East	5,200-8,000	7%	26%	↗
South- East	5,200-7,600	0%	16%	▬
North	5,500-7,800	2%	13%	↗
South	5,800-9,000	4%	18%	↗
Off Central I	9,000-14,000	2%	15%	▬
Off Central II	7,800 – 10,000	0%	9%	▬
North -West	6,500-8,000	0%	9%	▬
Far South	3,500-4,200	0%	5%	▬
West	3,900-4,600	0%	6%	▬

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