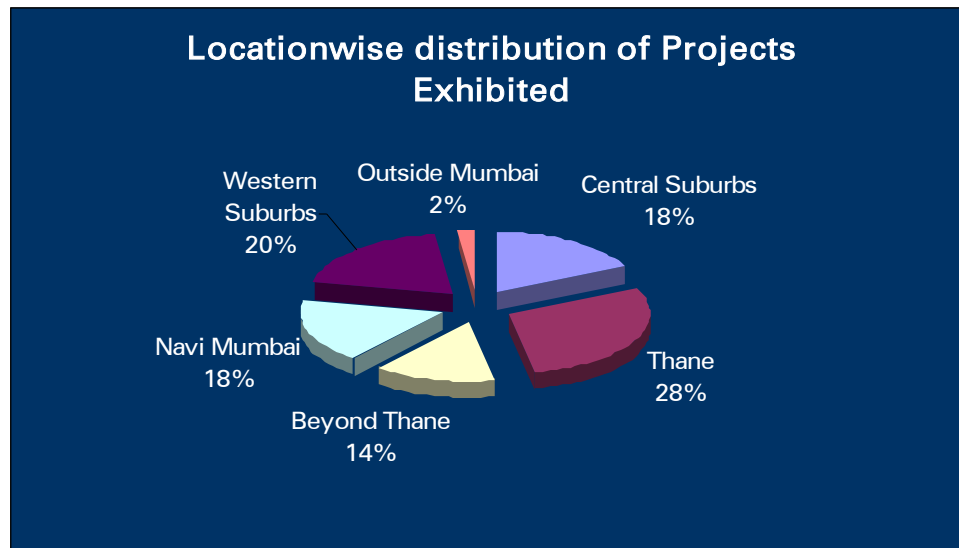


MCHI Budget Property Exhibition
Venue: Magnet Mall, Bhandup, Mumbai
Period: February 21, 2009 – February 23, 2009

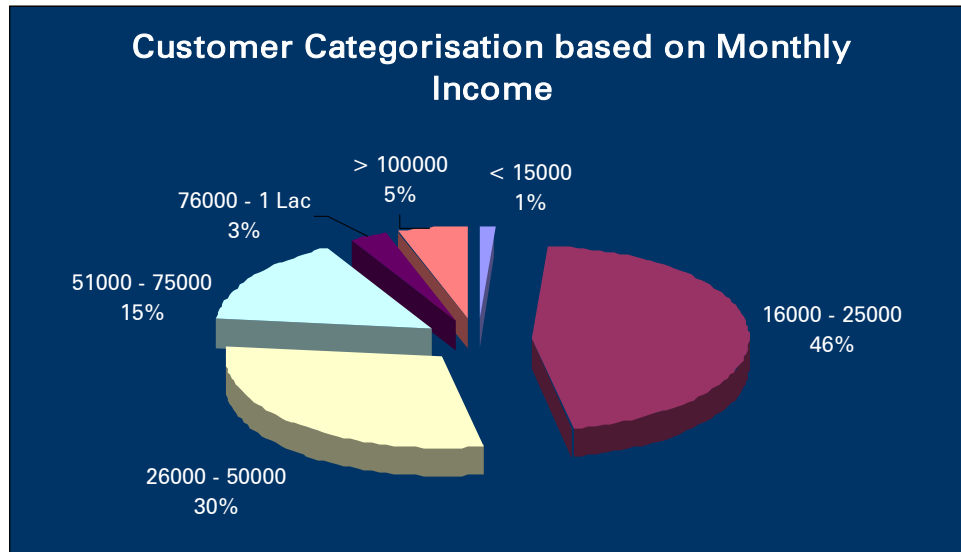
The Maharashtra Chamber of Housing Industry (MCHI) had recently organised 'Budget Property exhibition' specifically showcasing properties in the Central Suburbs. The same was held at Magnet Mall, LBS Marg, Bhandup, Mumbai from February 21 to February 23, 2009. Similar to the Kandivali Property Exhibition organised by MCHI in mid Jan 09, even this event received an overwhelming response.

The exhibition was focused on the residential space in the Central suburbs and Thane wherefrom 46% of the projects were showcased. There were few projects from Mira Road & Dahisar (20%) and around 18% projects were from Navi Mumbai region.

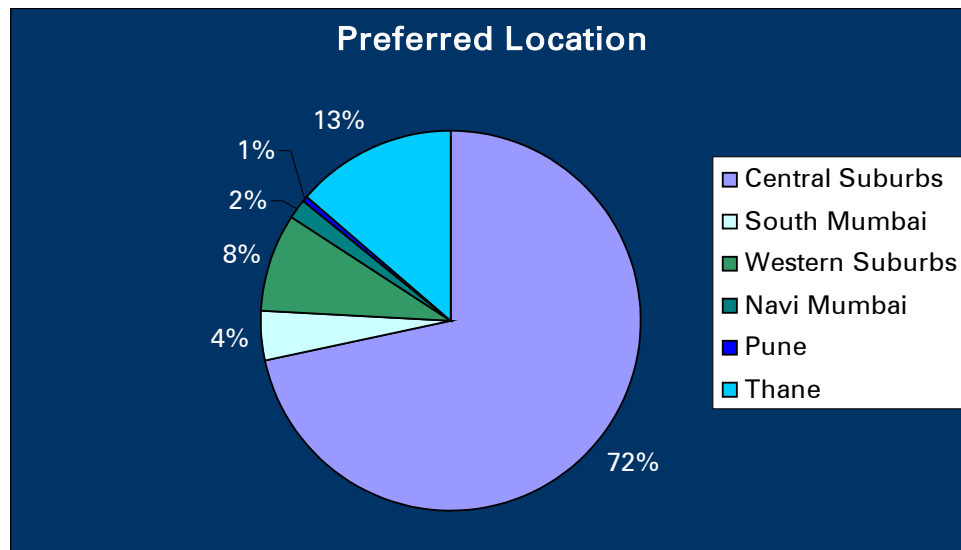


Based on the feedback we received from the visitors at the exhibition, we have below comments to offer-

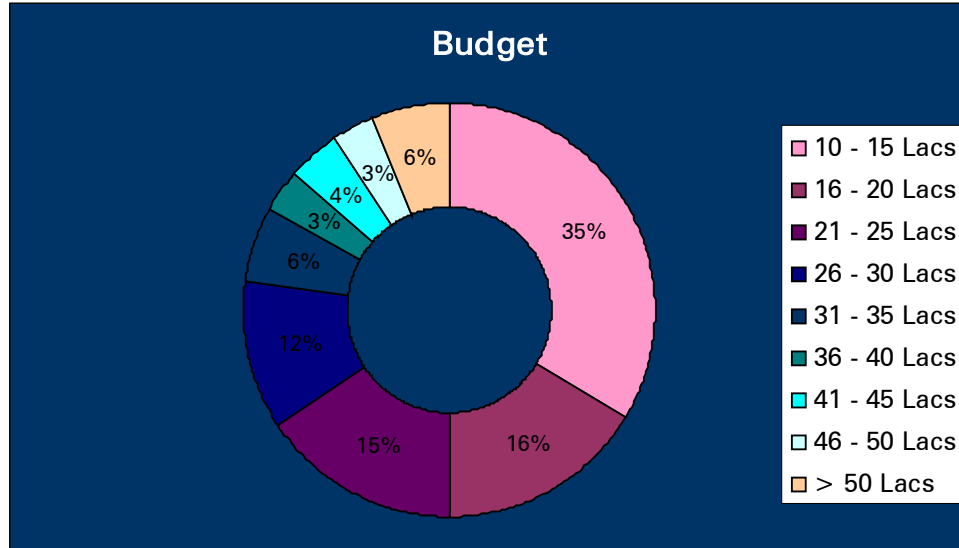
- **Age Profile:** Out of the visitors that we interviewed, around 51% were in the age bracket of 26-35 which only re-confirms the fact that over the years the average age of home buyers has been on a decline.
- **Occupation:** Almost 77% of the respondents belonged to the salaried class.
- **Monthly Income:** Basis the monthly income earned, we have classified the visitors into three broad categories – LIG (Low Income Group ie monthly income upto 25 K), MIG (Middle Income Group ie monthly income from 26 K to 50 K) and HIG (High Income Group ie monthly income above 50 K). The LIG & MIG combined represented over 75% of the total footfall at the exhibition. Below diagram details the overall split of the respondents as per their income-class.



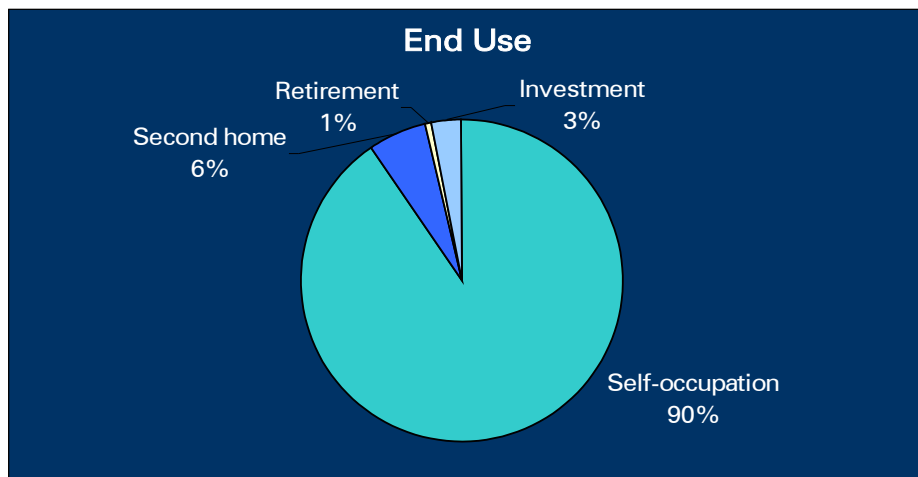
- Preferred Location:** Out of the respondents, 72% preferred their new home in Central suburbs and 13% preferred Thane.



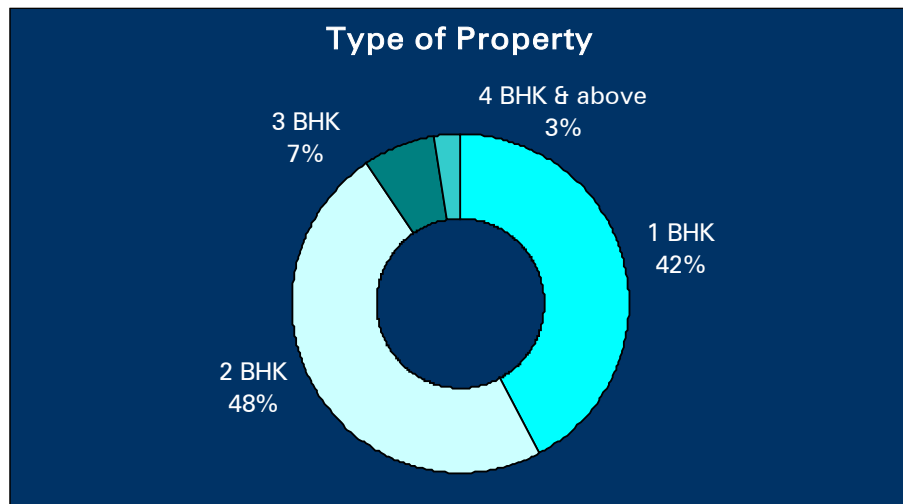
- Budget:** Out of the responses we gathered, more than half (51%) were seeking homes in the range of Rs.10-20 lacs; another 15% would prefer homes upto Rs.25 lacs. 59% of the LIG segment had a budget upto 15 lacs.Amongst the HIG, 33% had planned budget above 40 lacs. The average ticket size, as estimated, was around Rs.33 lacs.



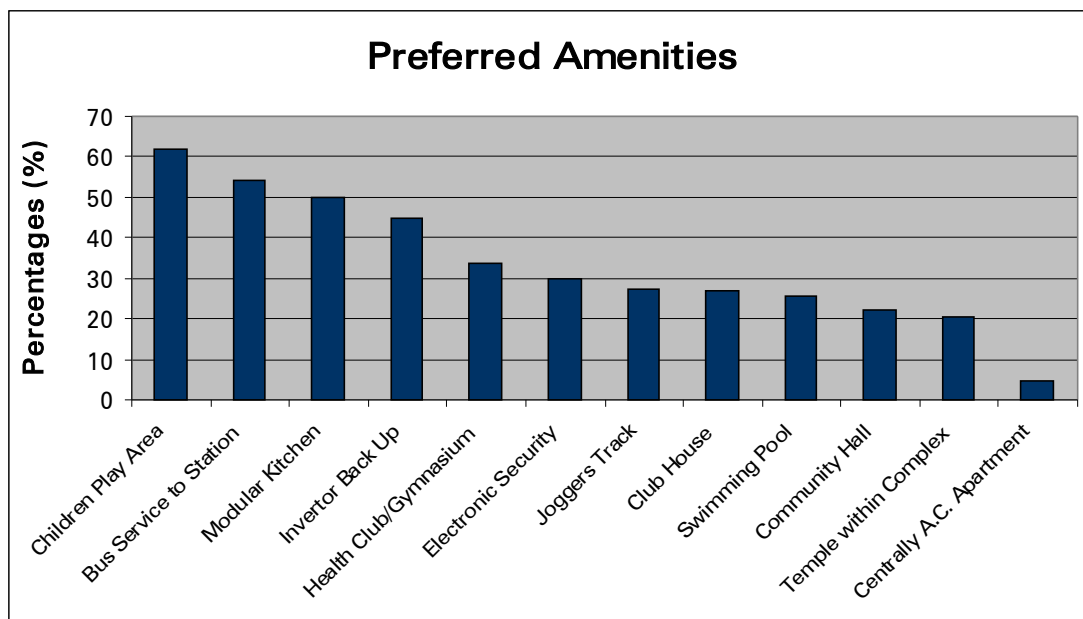
- Source of Funds:** Around 95% of the respondents had stated that they would opt for loans from financial institution with a majority of them indicating the LTV range from 70%-85%.
- Preferred Bank:** Nationalized Banks were preferred (69%) over the private sector banks (21%) a fact which is in contrast to the Kandivali MCHI exhibition where 65% had opted for private sector banks as a preferred home loan financier. This shift of preference could be due to the recent reduction of interest rates by the nationalized banks.
- End Use of New property:** 90% of the visitors intend to purchase the new property for self-occupation, Second home saw a demand around 6%. Investors only constituted as small as 3% share of the total responses.



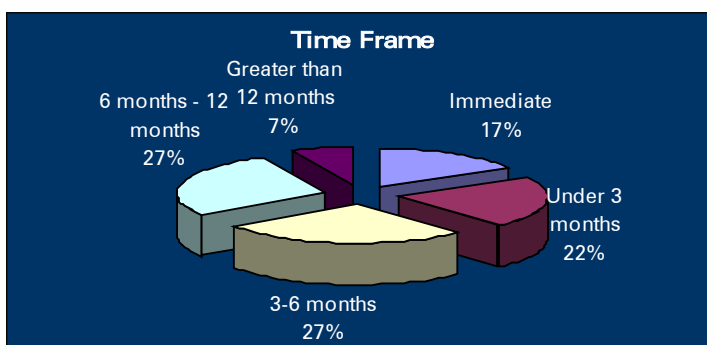
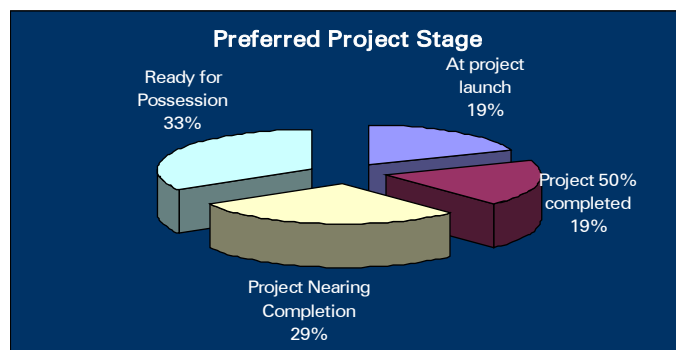
- Unit Size:** 90% of the respondents intended to purchase either 1 BHK or a 2 BHK apartment. However LIG segment preferred 670 sq ft while MIG preferred 800 sq ft. and the HIG opted for 1000 sq ft apartments. Overall the average floor area preferred was around 800 sq.ft.



- Amenities:** 'Children play area' (>60%) and 'Bus service to station' (>50%) were the top two voted amenities. This clearly reflects the preference of the respondents for the amenities which are higher on functionality. However we also observed that amongst the HIG section, 41% opted for a Club house and 35% voted for a swimming pool. This shows that choice of amenities varies as per the income class.



- **Stage of Construction & Time Frame for purchasing New House:** 62% of the respondents preferred a ready possession property and property nearing completion over under construction properties. Around 39% of the respondents were willing to buy property in 3 months from now, out of which 17% were looking out for immediate purchase.



Our Viewpoint:

We strongly feel that there is still a mismatch between demand and supply in residential realty space as is also depicted in the below tabular presentation. It is evident that today a home seeker under LIG whose average requirement is of around 600 sq ft apartment, cannot afford an owned residence even in the suburbs of Mumbai. The MIG segment also is finding it tough to select properties meeting their expectations and budget. HIG is the only segment which does not seem to have any stretch budgets to chase as the affordable cost of property as per loan eligibility coincides with the capital values of the products on offer.

Income Class (based on monthly income)	LIG	MIG	HIG	
Average Preferred Apartment Size (in Sq ft)	670	800	1000	
Average Property Rate Exhibited (Rs. per Sq ft)	3500	3500	3500	
Estimated Cost of the Exhibited Properties (Rs. In Lacs) :				
Basis the quoted avg. preferred apartment size	(A)	23.45	28.00	35.00
Average Monthly Income (Rs.) : As per consumer data	12500	37500	67500	
Estimated Loan Eligibility (Rs. In Lacs) *	5.18	15.54	27.98	
Estimated Cost of Property (Rs. In Lacs) *	(B)	6.48	19.42	34.97
Stretch Budget (Rs. In Lacs) :	(A-B)	16.97	8.58	0.03

* Assuming 40% of the gross income goes towards paying the EMI over a 20 yr loan tenor and assuming 20% is the home seeker's own equity

We opine that there is a big potential in the LIG and MIG segment which can be tapped only with an appropriate product offering. Thus conscious efforts need to be undertaken to build and make apartments available in the range of Rs. 6.50 lacs to 20 lacs to bridge the demand supply gap.

Details of the projects on display have been tabulated as below:-

Developer	Project Name	Location	Type	Rate Per Sq Ft	Completion Date
Acme Group	Acme Ozone	Thane	1 BHK	3300	Jun-11
Acme Group	Acme Amrut	Dahisar (E)	1/2 BHK	NA	NA
Ajmer Realty & Infra India Ltd	Yogi Dham	Kalyan	2/3 BHK	2700	Ready Possession
Akruti	Akruti Greenwoods	Thane	1/2/3 BHK	3725	May-11
Akruti	Akruti Gardenia	Mira Road	1 BHK	16.08 Lacs onwards	NA
Akruti	Akruti Gardenia	Mira Road	2 BHK	19.25 Lacs onwards	NA
Akruti	Akruti Gardenia	Mira Road	3 BHK	25.16 Lacs onwards	NA
Arihant Universal	Arihant Sparsh	Vashi	3.5 BHK	5700	Jun-11
Arihant Universal	Arihant Aradhana	Kharghar	2 BHK	4300	Jul-10
Arihant Universal	Arihant Sharan	Navi Mumbai	2 BHK	3000	Jul-10
Arihant Universal	Arihant Anaya	Kharghar	2 BHK	3400	Dec-09
Arihant Universal	Arihant Krupa	Kharghar	2 BHK	3400	Jul-09
Arihant Universal	Arihant Riddhi	Navi Mumbai	2 BHK	3400	Ready Possession
Arihant Universal	Arihant Siddhi	Navi Mumbai	2 BHK	3400	Ready Possession
Arihant Universal	Arihant Arham	Panvel	2 BHK	16.5 lac onwards	NA
D.B. Realty	Park Woods	Thane	1/2 BHK	3500	May-11
Damji Shamji	Mahavir Universe	Bhandup	1/2 BHK	6750	Dec-09
Damji Shamji	Mahavir Millenium	Thane	1.5/2 BHK	NA	Dec-09
Damji Shamji	Mahavir Platinum	Chembur	2 BHK	NA	Ready Possession
Dosti	Dosti Vihar	Thane	1/2 BHK	3791	May-11
Everest Developers	Jasmine	Thane	2 BHK	2899	Mar-09
Everest Developers	Petunia, Daffodil & I	Thane	1/2 BHK	2299	Mar-11
Everest Developers	IRIS	Thane	2 BHK	2899	Sep-09
Godrej	Godrej Riverside	Kalyan	2 BHK	2250	Apr-10
Kalpataru	Kalpataru Hills	Thane	1/2 BHK	3132	2011
Lalani Group	Lalani Residency	Thane	2/3 BHK	3300	May-09
Lodha	Casa Univis	Thane	2 BHK	3896	Ready Possession
Lodha	Casa Royale	Thane	1/2 BHK	NA	NA
Lodha	Casa Ultima	Thane	1/2 BHK	NA	NA
Marathon	Marathon Nagari	Badlapur	1/2/3 BHK	1750	Ready Possession
Neelkanth Greens	Neelkanth Vihar	Thane	1/2 BHK	4300	Jun-09
Neptune	Spring Charm	Bhandup	2/3 BHK	4791	Mar-11
Nirmal Life Style	Bright	Mulund	2/2.5 BHK	10500	Dec-11
Nirmal Life Style	Delight	Mulund	2/2.5 BHK	10500	Dec-11
Nirmal Life Style	Rejoice	Mulund	2/3 BHK	10500	Sep-09
Nirmal Life Style	Bliss	Mulund	2/3 BHK	10500	Sep-09
Nirmal Life Style	Relish	Mulund	2/3 BHK	10500	Sep-09
Nirmal Life Style	Cherish	Mulund	2/3 BHK	10500	Sep-09
Nirman	Nano City	Neral	1/1.5 BHK	1320	2011
Rustomjee	Acura	Thane	2 BHK	3330	May-11
Sanghvi Group	Sanghvi Nagar	Mira Road (E)	1 BHK	17.55 lakhs (Unit Price)	2010
Sanghvi Group	Sanghvi Nagar	Mira Road (E)	2 BHK	21.75 lakhs (Unit Price)	2010
Sanghvi Group	Sanghvi Complex	Mira Road (E)	1 BHK	15.79 lakhs (Unit Price)	Ready Possession
Sanghvi Group	Sanghvi Complex	Mira Road (E)	2 BHK	17.41 lakhs (Unit Price)	Ready Possession
Sanghvi Group	Sanghvi Park	Mira Road (E)	1 BHK	13.99 lakhs (Unit Price)	Ready Possession
Sanghvi Group	Sanghvi Park	Mira Road (E)	2 BHK	22.49 lakhs (Unit Price)	2010
Sanghvi Group	Sanghvi Valley	Thane-Kalwa (W)	1 BHK	19.99 lakhs (Unit Price)	Oct-09
Sanghvi Group	Sanghvi Valley	Thane-Kalwa (W)	2 BHK	28.99 lakhs (Unit Price)	Oct-09
Sanghvi Group	Sanghvi Valley	Thane-Kalwa (W)	3 BHK	40.99 lakhs (Unit Price)	Oct-09
Sanghvi Group	Sankheshwar Naga	Dombivli (E)	2 BHK	15.99 lakhs (Unit Price)	Ready Possession

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