

Overview

Residential Overview

Residential Roundup

Key Residential Project Launches

Overview

- In October the Reserve Bank of India announced a marginal reduction in the cash reserve ratio (CRR) of scheduled banks by 25 basis points from 4.50 per cent to 4.25 per cent of their net demand and time liabilities (NDTL), effective the fortnight beginning November 03, 2012. Consequently, approximately INR 175 million of primary liquidity was injected into the banking system.
- The stance of policy measure is intended to manage liquidity to ensure adequate flow of credit to the productive sectors of the economy, reinforce the positive impact of government policy actions on growth as inflation risks moderate and to maintain an interest rate environment to contain inflation and anchor inflation expectations.
- Further, steps taken to increase foreign direct investment (FDI) should contribute to both greater capital inflows and in the longer span, higher productivity, particularly in the food supply chain. Essentially, however, current inflationary pressures, both at wholesale and retail levels, still remain strong.
- RBI said the Survey of Professional Forecasters has lowered the GDP growth projection to 5.7 per cent from 6.5 per cent for the current fiscal. Average wholesale price based inflation forecast is revised upwards to 7.7 per cent from 7.3 per cent.

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- The residential markets in Mumbai witnessed significant launches after a period of lull. Most of the launches were according to the new DCR regulations. The MCHI exhibition saw healthy footfalls.
- Pune markets seemed to have crossed the affordability levels. Developers continued to look at high end launches.
- Delhi NCR markets witnessed a few launches at Dwarka Expressway while Noida markets remained subdued.
- Bangalore saw the launch of an integrated township, in Thanisandra, in North Bangalore while Hebbal and Tumkur Road witnessed the launch of products in the luxury segment.

Residential Roundup

City	TOP 7 CITIES : RESIDENTIAL KEY TRENDS
Mumbai	<p>Mumbai witnessed formal launches of projects and healthy transaction activity was witnessed in these new launches. Some of the key launches were Sunteck Realty's launch of Sunteck City at Goregaon (W), Omkar's launch of Alta Monte at Malad and Lodha Developer's Evok at Wadala. The 20:80 scheme was proposed by Wadhwa Group for their project 'The Address', at Ghatkopar.</p> <p>MCHI -CREDAI property exhibition held at BKC witnessed a huge turnout due to the festive season and the pent up demand of the end users. The market continued to see an upward momentum in prices. Most of the developers have showcased the projects in the soft launch stage in alignment with the new DCR rules at the MCHI exhibition.</p>
Delhi NCR	<p>A project named 'Oyster Grande' by the Adani M2K joint venture was launched in sector 104, Gurgaon at INR 5495/sft. The overall transaction volumes in the month remained robust, on account of the healthy demand during the auspicious occasion of Navratras, when the bookings usually acquire pace. However, the maximum activity was noticed on the Dwarka Expressway belt. The belt continued to enjoy activity on account of the new launches by many reputed developers coupled with attractive price points, as compared to the other locations in the city. A healthy demand was also noticed for the properties on the premium Golf Course Road. The Gurgaon market saw an uptrend in capital values to the tune of INR 200-400/sft. in various projects on the Dwarka Expressway and the SPR belt. Even the premium belt of Golf Course Road witnessed an appreciation in the range of INR 300-900/sft. Going forward, the transaction activity is expected to remain robust.</p> <p>No significant new launches were witnessed in the Noida micro-markets. However, a project named 'Sky City' by the Shipra Group was pre-launched at Indirapuram. The overall transaction volumes remained moderate. Key patches on the Noida-Greater Noida expressway belt witnessed more transactions vis-a-vis the other pockets. An uptrend in capital values in the range of INR 200-250/sft. was noticed in certain projects on the expressway belt, however, capital values remained predominantly stable across other micro-markets.</p>
Bangalore	<p>The residential markets in Bangalore continued to witness traction with pre-launches in the market witnessing good absorption levels. The market witnessed the launch of 'Bhartiya City', a 125-acre integrated township, at Thanisandra, in North Bangalore. There remains an inherent demand for properties priced below Rs.1 crore/unit. The micromarkets of Hebbal and Tumkur Road witnessed the launch of products in the luxury segment, while the peripheral location of Jigani saw launches in the mid-segment. The Bangalore markets have witnessed an appreciation of approximately 5% during the last two quarters.</p>
Chennai	<p>The Chennai residential markets witnessed a moderation in sales volumes during the month of October 2012. Sales of projects in the luxury segment have remained slow across micromarkets. The micromarkets of OMR and Porur continued to witness traction, while sales in GST and Sriperumbudur remained muted. The market is expected to witness the launch of luxury projects along ECR in the coming months. Prices in the Chennai markets have remained stable across markets.</p>
Hyderabad	<p>In the Hyderabad markets, the western corridor continues to evince buyer interest. The peripheral markets along Tellapur, Nallagandla, Shamirpet and Alwal are gradually gaining prominence. The micromarkets close to the IT and financial districts of Hi-Tech City are witnessing traction. The overall appreciation across micromarkets has been moderate 2%-4% during the last twelve months. The Hyderabad markets are expected to remain stable in the coming months.</p>
Pune	<p>The real estate prices emerging in the Pune residential markets showcase that the markets are at over-bought levels. The prices have gone past the affordability levels of the end-users in the city. The significant reasons are the increase in the land costs and construction cost to the builders (cost push factor) coupled with the investor demand emerging from Mumbai and other peripheral cities within approximately 300-350 kms. There still remains a high demand for residential real estate which is already being capitalized by select developers by offering the right product at a right price.</p> <p>There is an increasing tendency among investors to draw a clear demarcation between East and West Pune while investing, with regards to where they can expect better returns.</p>
Kolkata	<p>The Kolkata markets witnessed launches primarily by some category B/C developers. A project named Magnolia Skyview was launched by Magnolia Infrastructure Development Ltd. offering units at INR 2800/sft. in the eastern micro-market of Rajarhat. However, the new launches have largely been slow in the markets, primarily on account of land acquisition constraints and infrastructure issues in certain pockets of the city. The capital values have witnessed a slight uptrend to the tune of INR 200-500/sft. in certain projects in the eastern micro-markets of Rajarhat, EM Bypass, etc. The rental values have been fairly stable in the Kolkata markets. The transaction activity remained stable in the month of October 2012 and maximum demand was witnessed in the INR 40 - 65 lac category.</p>

Source : ICICI PSGs Channel Sources

Key Residential Project Launches

	PROJECTS	DEVELOPER	LOCATION	CAPITAL VALUE (INR/SFT.) /Unit Value
Bangalore	Embassy Lake Terraces	Embassy Group	Hebbal	8,500
	Godrej E-City	Godrej Properties	Electronic City	3,400
	Godrej Gold County	Godrej Properties	Tumkur Road	2 Crore onwards
	Nikoo Homes	Bhartiya	Thanisandra	3,870
	DLF Woodland Heights	DLF	Jigani	3,300
DelhiNCR	Oyster Grande	Adani, M2K	Sector 102, Dwarka Expressway, Gurgaon	5,495
	Sky City	Shipra Group	Indirapuram	5,200
Chennai	Innova	P dot G	Kattupakkam	3,456
	Amora	ICIPL	Manapakkam	4,500
	Sukriti	Jains	Mogappair	5,995
	Central Park Heights	Lancor	Sholinganallur	5,150
	Melody	Bajaj Properties	Porur	5,700
Mumbai	Sunteck City	Sunteck Realty	Goregaon (w)	12,500
	Alta Monte	Omkar Group	Malad	10,950
	Lodha Venezia	Lodha Developers	Parel	21,700
	EVOK	Lodha Developers	Wadala	18,000
	Kanakia Levels	Kanakia	Malad	12,000
	Godrej Platina Tower 3	Godrej Properties	Vikhroli	2.28 Cr.
Hyderabad	Smondo	Patel Realty	Gachibowli	3,650
Pune	Song Bird	IRIS	Bhugaon	4,100
	F Residences	Brahmacorp	Wadgaon Sheri (Kalyani Nagar)	5,700
	Imperial	Avinash Bhosale Group	Baner	96.48 L - 134.49 L
Kolkata	Magnolia Skyview	Magnolia Infrastructure	Rajarhat	2,800

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