



# Chembur, Mumbai

Disappearing Old Chimneys to Emerging Swanky High-Rises

Micro Market Overview Report

November 2017




# About Micro Market

The realty landscape of Chembur has witnessed a paradigm shift over the past few years. Primarily known as an industrial destination with the presence of reputed companies such as RCF and BARC, Chembur is rapidly transforming into a premium residential destination of the Central Suburbs. Industrial units, dilapidated slums and old buildings are being redeveloped into modern residential complexes.

Chembur altered rapidly due to its proximity to major commercial office destinations such as Wadala, BKC, Powai and Ghatkopar. Availability of large industrial land parcels for residential developments ably supported this transformation.

Whilst most of the residential developments shifted towards suburbs and peripheral areas of Mumbai due to a land shortage in the core city precincts, Chembur unlocked large industrial land parcels and attracted several developers to participate in the city's vertical growth. In addition, the Santacruz Chembur Link Road (SCLR) and Eastern Freeway added a feather in its cap by providing seamless connectivity to western suburbs and South Mumbai.



Chembur is rapidly transforming into a premium residential destination of the Central Suburbs.





Santacruz Chembur Link Road

Chembur is well-connected to various parts of Mumbai through a grid of roads and an established rail network.

# Connectivity

---

## Road

**Eastern Express Highway** – Chembur lies in proximity to Eastern Express Highway, which provides excellent connectivity to South Mumbai, central suburbs as well as the metropolitan area of Thane.

**Eastern Freeway** – Chembur enjoys hassle-free connectivity to South Mumbai via Eastern Freeway, which links RK Studio in Chembur to P D’ Mello Road in South Mumbai.

**SCLR** – Chembur is well-connected to BKC (the de-facto CBD of Mumbai) and commercial establishments of the western suburbs via the SCLR.

**Sion-Panvel Highway** – Chembur is well-connected to Navi Mumbai via Sion-Panvel Highway. Easy accessibility to the commercial establishments along Thane-Belapur Road is also an added advantage of Chembur.

## Rail

**Suburban rail** – The harbor line of Mumbai suburban railway has a station at Chembur, which provides connectivity to CST in South Mumbai and Panvel in Navi Mumbai.

**Monorail** – Chembur is well-connected to Wadala via monorail (line 1). This line of the monorail is being extended until Jacob Circle in South Mumbai and is likely to be operational by mid-2018.

**Metro rail** – The metro station of the operational Ghatkopar-Versova-Andheri line is in proximity to Chembur, which provides excellent connectivity to the central and western suburbs.

# Major Growth Drivers

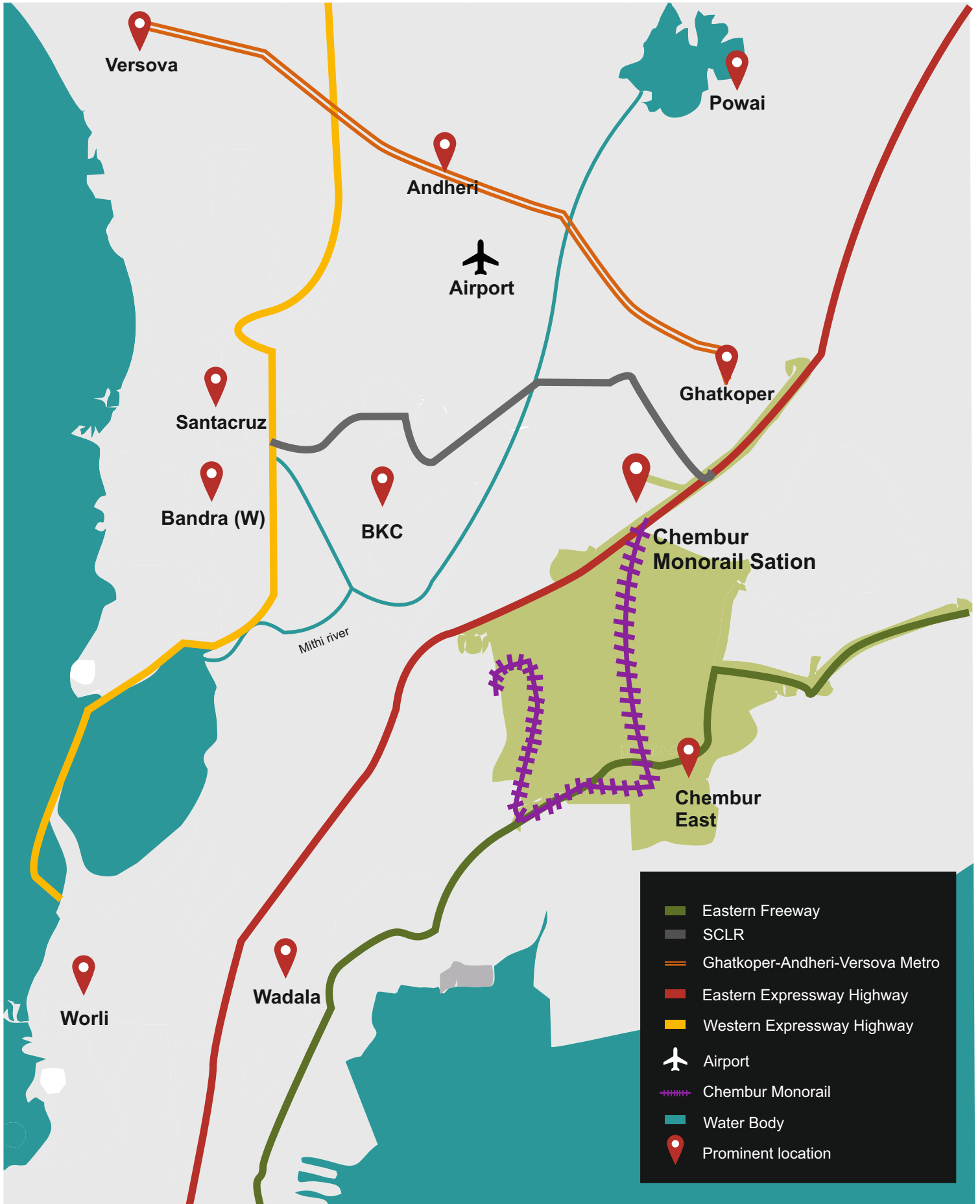
- Chembur possesses easy accessibility to the commercial establishments of BKC, Central Suburbs (Powai, Ghatkopar) and Thane. Moreover, improved connectivity to the western suburbs via SCLR is an added advantage.
- The micro market is one of the fastest growing suburbs in the Mumbai, due to its strategic location advantage and improving social and physical infrastructure. This has positively stimulated residential housing demand and the region is likely to be in focus in the future periods as well.
- Availability of industrial land parcels for large-scale residential and commercial development would further attract developers for organized commercial and residential development in the micro market.
- The proposed Bandra Kurla Complex-Chunabhatti Connector (four-lane, 1.7km flyover connecting BKC to the Eastern Express Highway) is likely to be completed by December 2018. This will provide hassle-free connectivity (by reducing the travel time from 45 min to 15 min) to the BKC and further boost residential demand in the region.

Proposed Bandra Kurla Complex-Chunabhatti Connector reducing the travel time from 45 min to 15 min



Chembur Monorail

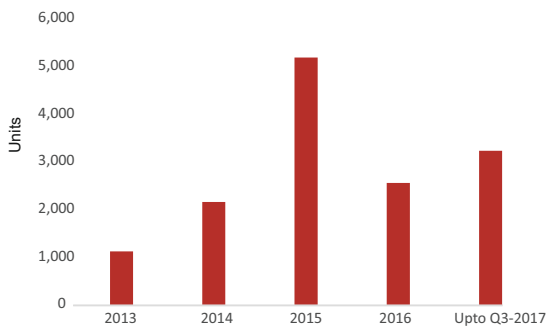
# Location



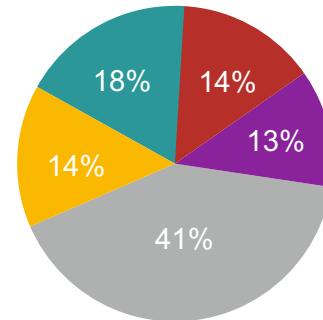


# Residential Market Assessment

## New Launch Supply



## Age of Inventory (Launches between 2010 to Q3 2017)



■ Ready to Move-in ■ < 1 year ■ < 1-2 year ■ < 2-3 year ■ < 3 year

- With continuous infrastructure upgrades and rapid growth of commercial developments in the precinct, the residential market of Chembur added around 14,000 units in the last 5 years
- The opening of the Eastern freeway in 2013 and the monorail in 2014 were the key triggers for development of residential houses in Chembur. The micro market has witnessed the launch of large projects such as Unity Land Venus Heights (2,400 units), Lakhani Estate (780 units) and Godrej Prime (500 units)
- Of the overall supply, nearly 40% has been already absorbed in the primary market
- Of the overall supply in Chembur, nearly 14% is complete. Notably, 13% of inventory is likely to complete in the next 1 year, which connotes a further rise in absorption, as projects nearing completion generally witness better traction
- Only 18% of the overall supply in Chembur is likely to complete post 3 years or so. Developers with under construction projects are now focusing on speeding the construction, to avoid RERA penalties on execution delays

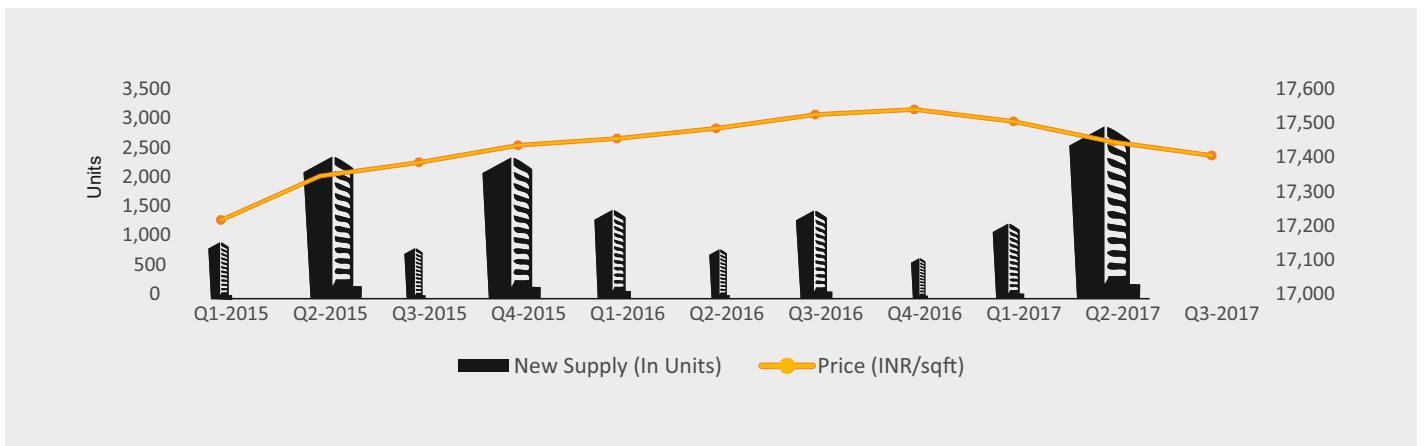


Nearly 40% has been already absorbed in the primary market

Chembur's average price as of Q3 2017 is around INR 17,400/sqft

# Residential Market Assessment

## Micro Market Price Movement wrt Supply



- Chembur's average price as of Q3 2017 is around INR 17,400/sqft, which is relatively lesser than other prominent micro markets of central suburbs.
- In Q3 2017, the micro market recorded a nominal decline in average price, primarily on account of low offtake due to the impact of RERA and GST and a rise in the buyer's preference towards ready-to-move-in properties.




# Outlook

Chembur has attracted several real estate developers for their portfolio expansion. Constantly improving social and physical infrastructure and availability of a wide range of property options suiting the requirements of varied buyers has been an advantage of this micro market.

Due to its seamless connectivity to BKC and other commercial destinations of Mumbai, the residential housing demand in Chembur is likely to improve in the future periods. End-users, as well as investors, are likely to purchase property in Chembur due to increasing commercial developments in the precinct and seamless connectivity to South and North of Mumbai.

Being the cynosure of real estate developments due to its strategic location advantage, the micro market is likely to witness significant new launches in the future periods. Considering that the real estate sector is currently re-orienting to the new reforms under RERA and GST, prices may remain muted for some time. In addition, Chembur's price appreciation also depends significantly on revamping the location's perspective as a destination of rehabilitated slums and redeveloped projects.



Due to strategic location advantage, the micro market is likely to witness significant new launches.

## **ANAROCK PROPERTY CONSULTANTS PVT. LTD.**

(Formerly Jones Lang LaSalle Residential Pvt. Ltd)

The ANAROCK Group is one of India's leading real estate services company having diversified interest across real estate value chain. The Group's key strategic business units comprise of the Residential business: broking and advisory services to clients; Investment business: debt, equity and mezzanine funding, and Research and Consulting business. ANAROCK's Investment arm has built a revolutionary business model of bulk-purchasing residential apartment inventory through a proprietary investment fund.

With a growing team of over 1000 professionals, ANAROCK operates in all key property markets across India - Mumbai, Chennai, Bangalore, Gurgaon, Noida, Hyderabad, Kolkata and Pune, and has international presence in Dubai. With in-depth market information, quality advice and developer tie-ups for optimal deals, we have been serving the industry since 2011.

### **For research services, please contact:**

Prashant Kumar Thakur  
Head of Research  
prashant.thakur@anarock.com

---

### **ANAROCK Property Consultants Private Limited**

1002, 10th Floor, B Wing, One BKC, Plot No. C-66  
G Block, Bandra Kurla Complex, Bandra East,  
Mumbai - 400051



ANAROCK Property Consultants Pvt. Ltd.

Formerly, Jones Lang LaSalle Residential Pvt. Ltd. © 2017. All rights reserved.

MahaRERA Registration No. A51900000108 available at <http://maharera.mahaonline.gov.in>