



Kharadi, Pune

The buzzing IT corridor of Pune

Micro Market Overview Report

May 2018



About Micro Market

Kharadi, in eastern Pune, is located along the banks of Mula Mutha river. Once a barren stretch of land inhabited by farmers, Kharadi came into limelight during the early 2000s. With the advent and growth of IT-ITeS sector in Pune, this micro market witnessed significant real estate developments. Today, the micro market is dotted with several residential and commercial developments, thereby promoting the walk-to-work concept. A bypass road connecting Pune-Ahmednagar state highway to the Pune-Solapur National Highway passes through the micro market.

A prominent IT hub, Kharadi houses the World Trade Centre (WTC), EON IT park, Kharadi IT Park, to name a few.

Noted IT companies in this region include Zensar, Mphasis, Wipro, etc. Availability of large land parcels and good connectivity to other areas has bolstered the growth of many IT companies. Kharadi has a well-developed social and physical infrastructure and is likely to witness further growth as it falls under the Pune Municipal Corporation (PMC) limits which has planned several upgrades. The PMC is planning for several infrastructure projects including the Vanaz-Ramwadi metro corridor, BRTS connectivity between Warje-Kharadi, among others. Kharadi has a mix of residential options comprising affordable, mid and luxury properties. Its proximity to other economic hubs such as Hadapsar, Koregaon Park, and Magarpatta city, etc. have also made it a popular residential destination.



With the advent and growth of IT-ITeS sector in Pune, this micro market witnessed significant real estate developments.

EON IT Park

The nearest railway stations are Hadapsar and Ghorpuri.

EON IT Park

Road

- Major roads passing through the micro market are Beed-Ahmednagar Pune Road, Pune Ahmednagar Highway (MH SH 27), Mundhwa Road and Nagar Road and other arterial roads connecting various parts of Pune.



AIR

- Pune international airport is located at a distance of 6.5 km from the micro market.



Rail

- The nearest railway stations are Hadapsar and Ghorpuri at a distance of 3.6 km and 10 km, respectively. Pune railway station is located at a distance of 10 km from Kharadi.



Metro Rail

- Vanaz-Ramwadi metro corridor is under construction and Ramwadi will be the nearest metro station to Kharadi.



Major Growth Drivers

- Flourishing IT-ITeS sector in Kharadi is the major factor driving real estate growth here. Working professionals from these IT companies are the dominant buyers.

- It is a major commercial zone that houses WTC and SEZ - EON IT Park that generates massive employment.

- Proximity to major economic and prominent hubs such as Magarpatta city, Hadapsar, Koregaon Park, Viman Nagar, etc.

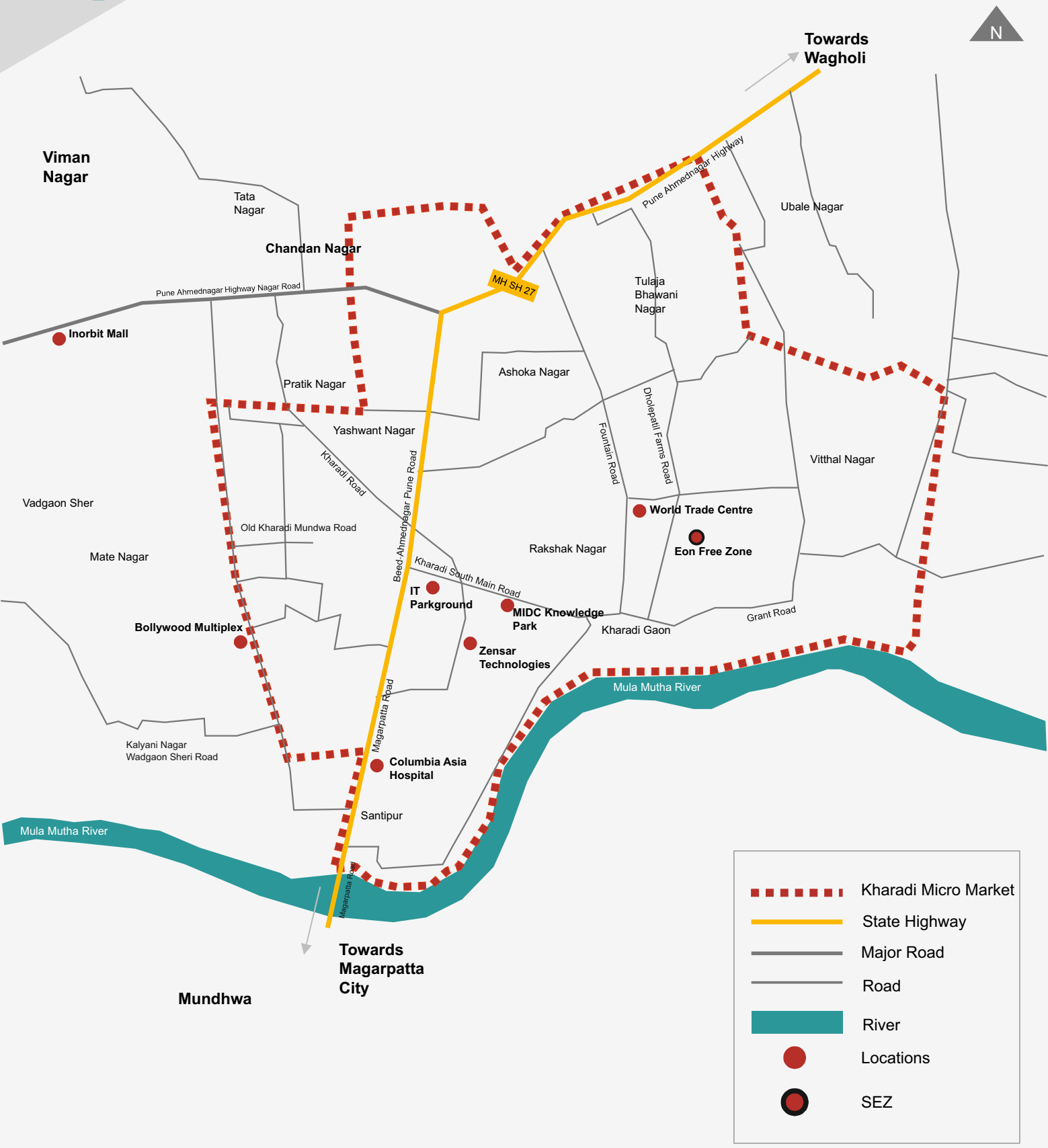
- Well connected road network, easy access to the city centre and other economic hubs

- The micro market offers best social infrastructure including schools and healthcare facilities, shopping malls such as Phoenix Market City, Amanora Town Centre, Seasons Mall and Inorbit Mall.



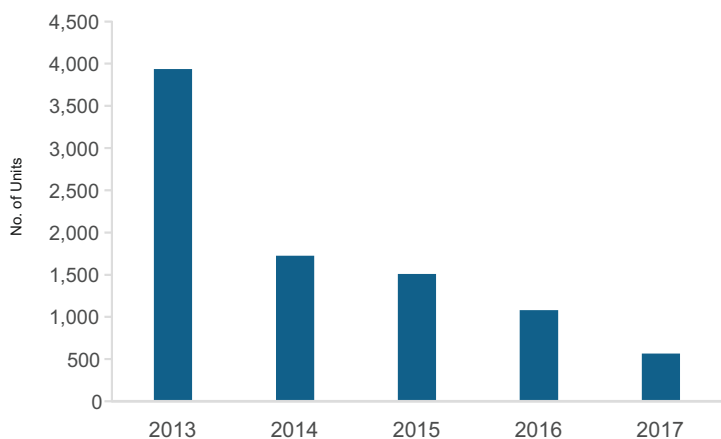
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Location Mapping



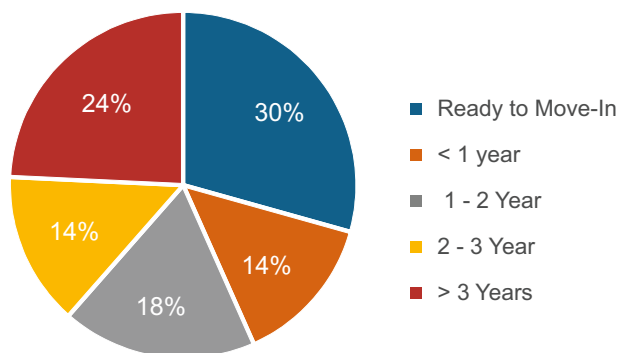
Residential Market Assessment

New Launch Supply (2013-17)



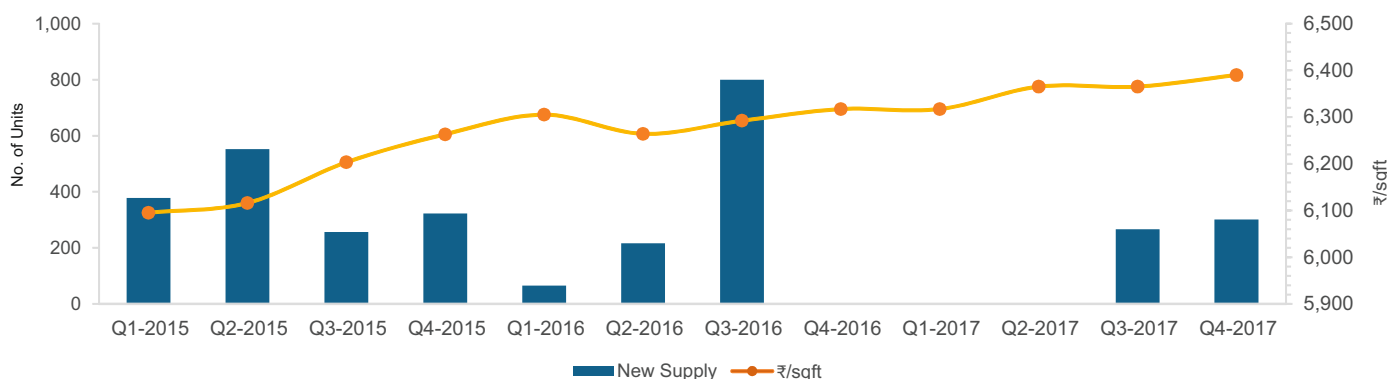
- Over 8,800 units have been launched in Kharadi since 2013. Backed by the IT-ITeS developments in and around Kharadi, the area continues to hold immense real estate potential in the near future.
- As expected, the area saw no new launches in couple of quarters post DeMo in November 2016. But since Q3 2017, new supply has entered the micro market indicating high demand by IT-ITeS professionals.
- However, there has been limited stock of new supply due to the impact of economic reforms such as GST and RERA.

Age of Inventory (2013 onwards)



- Interestingly, Kharadi has multiple options for the discerning customers. With high preference for ready-to-move-in apartments, 30% of the launched units between 2013-2017 have been delivered.
- Nearly 24% of the launched supply will be completed post 3 years. This indicates that the micro market has seen the launch of large-size projects as well.

Micro Market Price Movement wrt Supply



- Almost 73% of the total supply since 2015 caters to the mid segment (₹ 40 lakh - ₹ 80 lakh), followed by the 21% in the affordable bracket (< ₹ 40 lakh). Since majority buyers are mid-level IT professionals, the developers have focussed more on the mid segment.
- The prices in the micro market have been in the range of ₹ 6,000-6,400 between 2015-2017.
- Although not many new launches were infused post DeMo, property prices appreciated by around 2% from Q3 2016 to Q4 2017, as Kharadi is one of the preferred residential destination by the IT-ITeS professionals.
- As of Q4 2017, nearly 3,200 units were unsold of which only 500 are completed. Buyers and investors have been off the market and project completions were delayed due to the impact of DeMo, RERA and GST.



- The mushrooming of several IT-ITeS developments in and around Kharadi, an eastern suburb in Pune, has spurred realty growth over the last few years. Besides housing IT-ITeS companies that generate massive employment, the area is also dotted with multiple mid segment residential projects catering to the demand by the professionals working not just in Kharadi but also in areas such as Hadapsar, Wagholi and Magarpatta to name a few.
- Excellent connectivity and well-developed social and physical infrastructure facilities have made Kharadi one of the top micro markets of Pune. Home buyers today prefer to reside here and often walk-to-work to different IT parks within the locality. While mid

segment properties dominate the realty spectrum here, discerning buyers can also find options in the luxury, ultra-luxury and even the affordable segment depending on the location, builder, etc.

- Thus, Kharadi is touted to be one of the most sought-after residential destinations in Pune. Backed by PMC's push for major infrastructure projects such as metro corridor development, BRTS connectivity and good social infrastructure facilities within the micro market, the future real estate market of Kharadi looks promising.



Kharadi is touted to be one of the most sought-after residential destinations in Pune

Cognizant, Pune

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