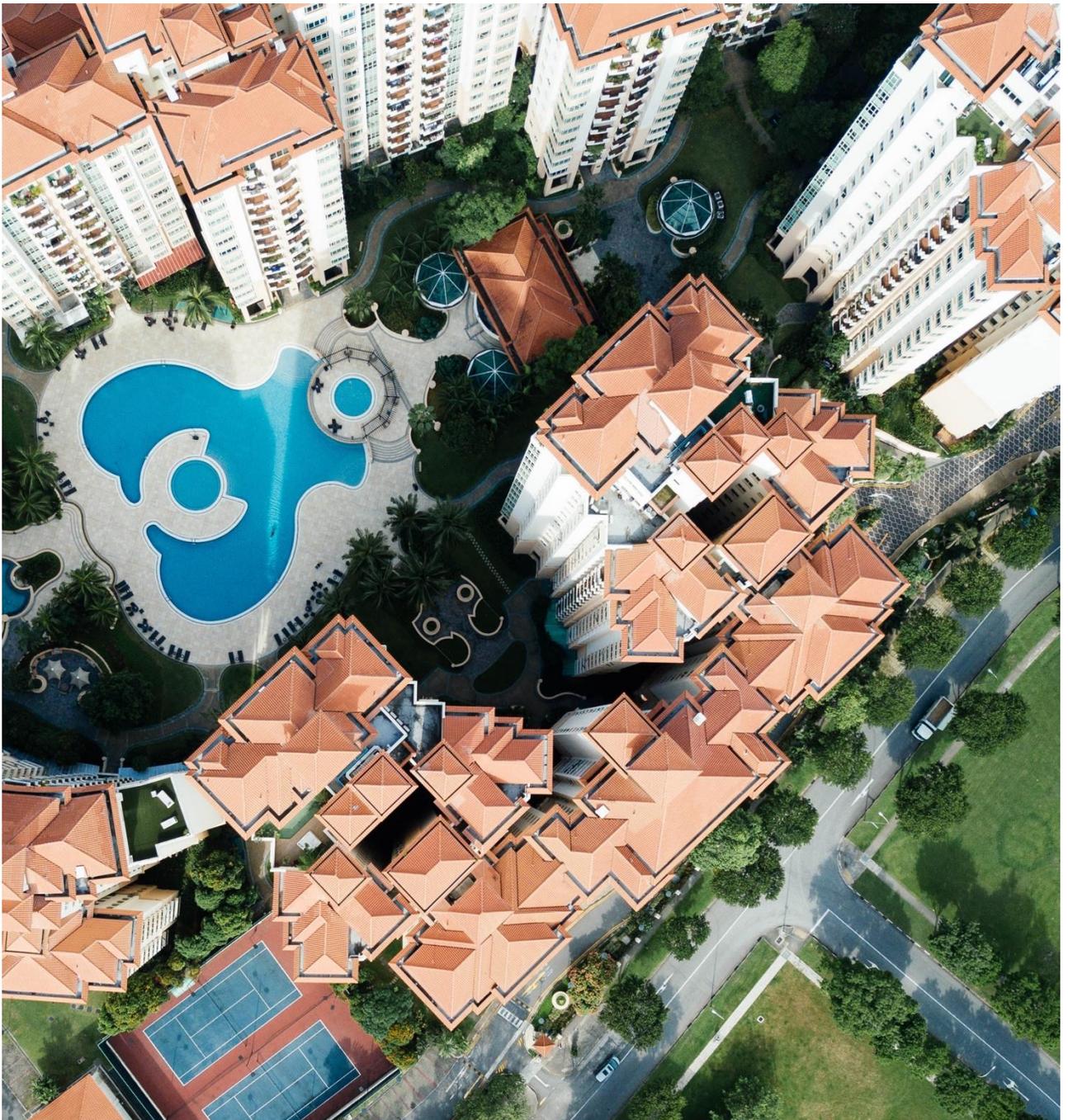


*Residential Market Viewpoints*

## PAN India Q3 2019



New Launch  
Supply



Sales



Unsold  
Inventory



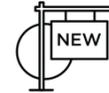
Average  
Price

## Key Highlights

- Launches across the top 7 cities decreased significantly by 34% over the previous quarter. This decline was mainly due to the ongoing liquidity crisis and the slowdown in the economy resulting in tepid demand.
- All cities recorded a decline in launches except Kolkata which registered an increase of 19% over the previous quarter. The highest decline was recorded in NCR and Hyderabad, where new launches dropped by 57% and 51%, respectively over the previous quarter.
- Affordable housing segment accounted for 41% of the total supply. This has increased significantly compared to the previous quarter, when the share was only 34%. The Government's incessant focus to improve activity in this segment seems to be paying off.
- While sales decreased by 20% over the previous quarter as every city underwent contraction, Hyderabad witnessed the highest decrease of 26% owing to significant reduction in launches and low availability.
- Many developers across the country facing proceedings at the NCLT, along with the ban on subvention schemes, has dampened the buyers' interest, resulting in declining sales.
- Unsold inventory marginally decreased by 1% over the previous quarter. This was primarily due to sales exceeding the launches during the quarter.

Note: PAN India refers to **Top 7 cities** of India only

## Residential Snapshot



### NEW LAUNCH SUPPLY

**45,230**  
Units

**-34%**  
Quarterly Change



### SALES

**55,080**  
Units

**-20%**  
Quarterly Change

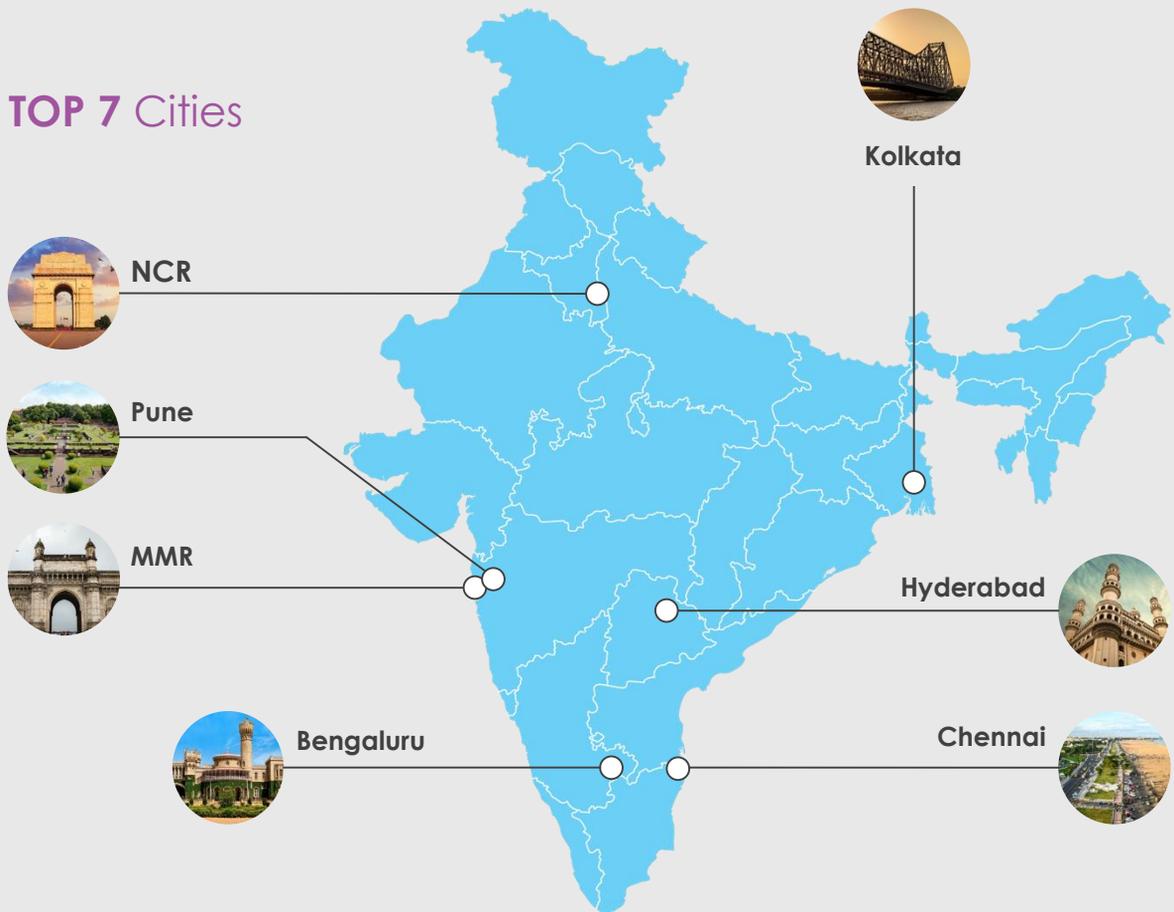


### UNSOLD INVENTORY

**6,55,710**  
Units

**-1%**  
Quarterly Change

TOP 7 Cities



	New Launch Units	Sold Units	Unsold Inventory	Average Price (INR/sf)
NCR	5,790	9,830	1,77,900	4,565
MMR	14,040	17,180	2,20,870	10,610
Bengaluru	9,370	10,500	63,540	4,960
Pune	8,320	8,550	92,560	5,494
Hyderabad	2,050	3,280	23,890	4,187
Chennai	2,530	2,620	31,380	4,935
Kolkata	3,130	3,120	45,570	4,375

Note: Average Price in INR/sf as quoted on BUA

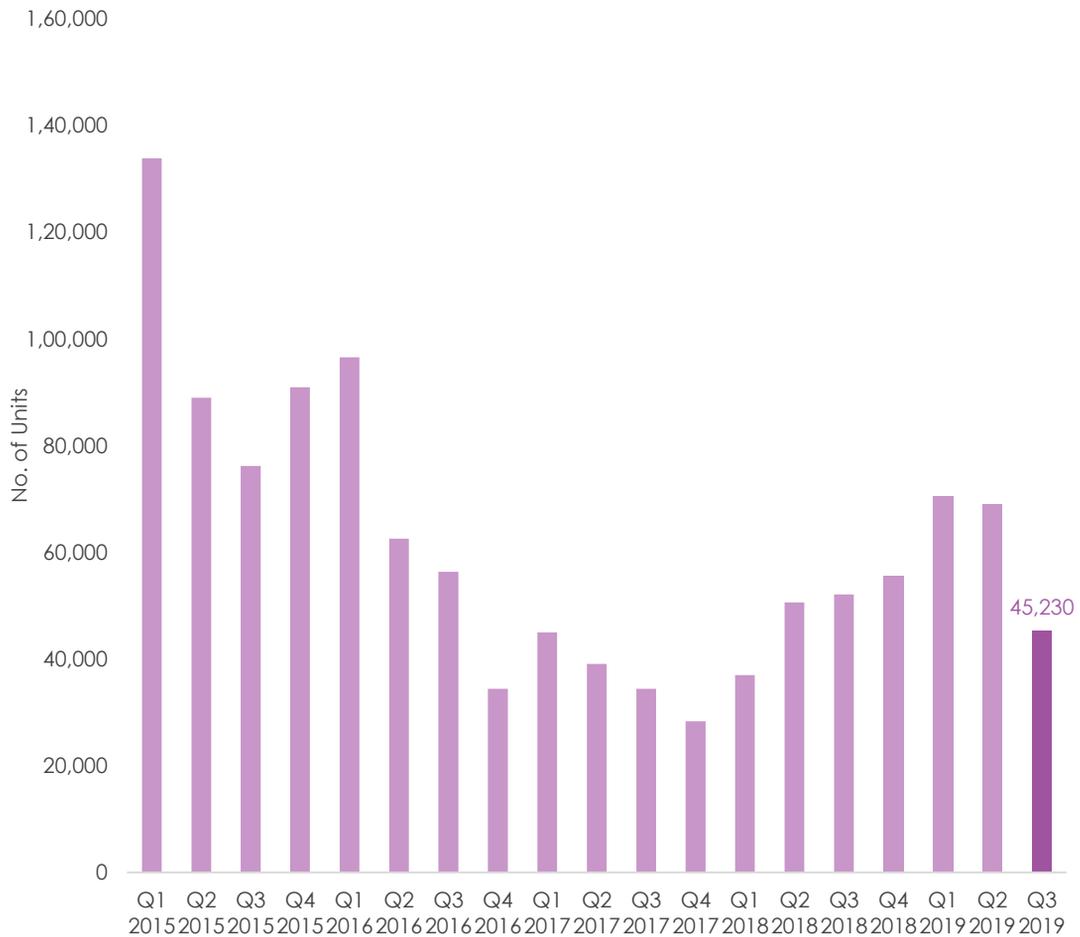
Map not to scale, for representation purposes only.



NEW LAUNCH SUPPLY TREND



### New Launch Supply Trend



*Q3 2019 recorded a significant reduction in supply over the previous quarter owing to the ongoing liquidity crisis and slowdown in the economy*



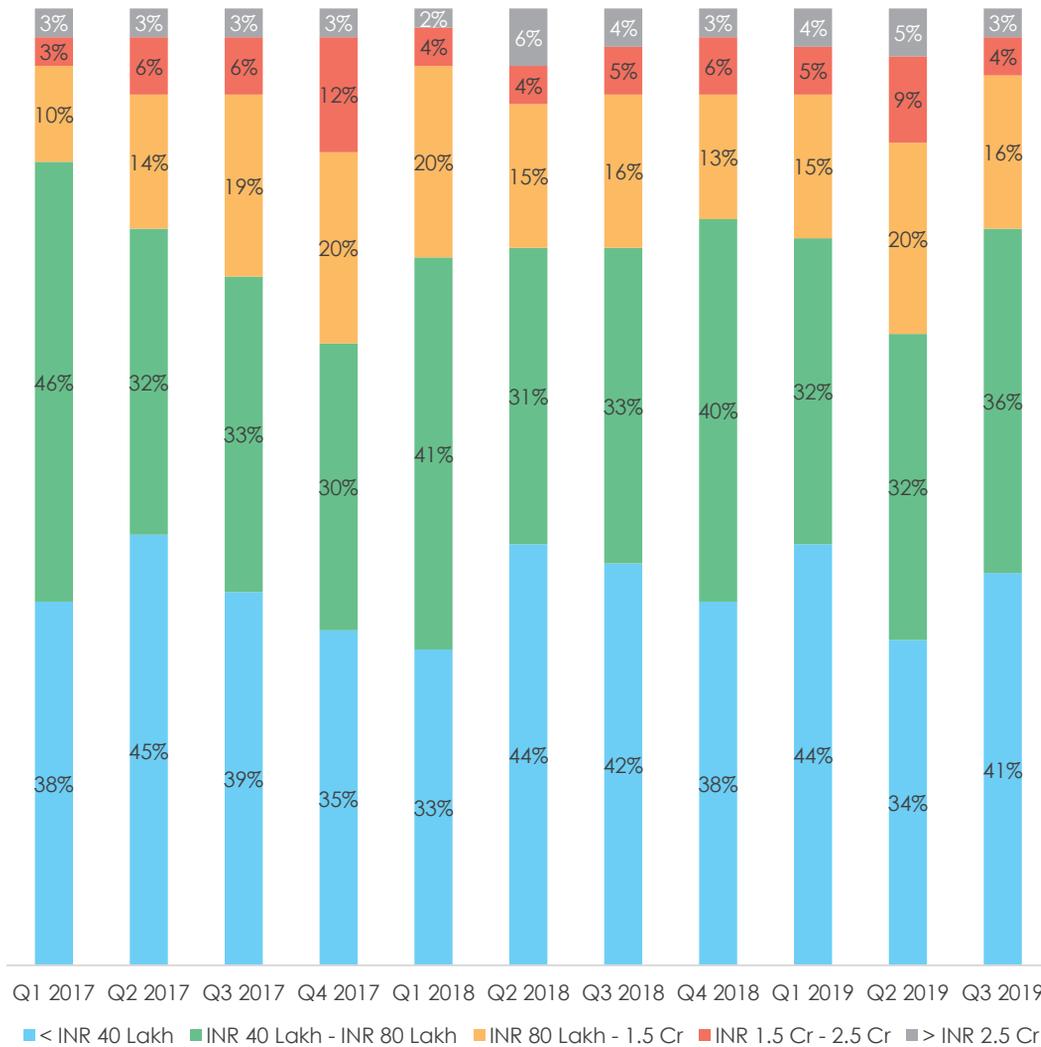
## New Launch Supply Trend City-wise

	City	Q3 2019	Q2 2019	Q3 2018	Quarterly Change	Annual Change
	NCR	5,790	13,570	4,200	-57%	38%
	MMR	14,040	23,050	19,850	-39%	-29%
	Bengaluru	9,370	11,010	7,170	-15%	31%
	Pune	8,320	10,700	7,880	-22%	6%
	Hyderabad	2,050	4,160	4,150	-51%	-51%
	Chennai	2,530	3,890	4,850	-35%	-48%
	Kolkata	3,130	2,640	4,030	19%	-22%

*MMR continued to top the list and accounted for 31% of total supply in Q3 2019, followed by Bengaluru, Pune and NCR*



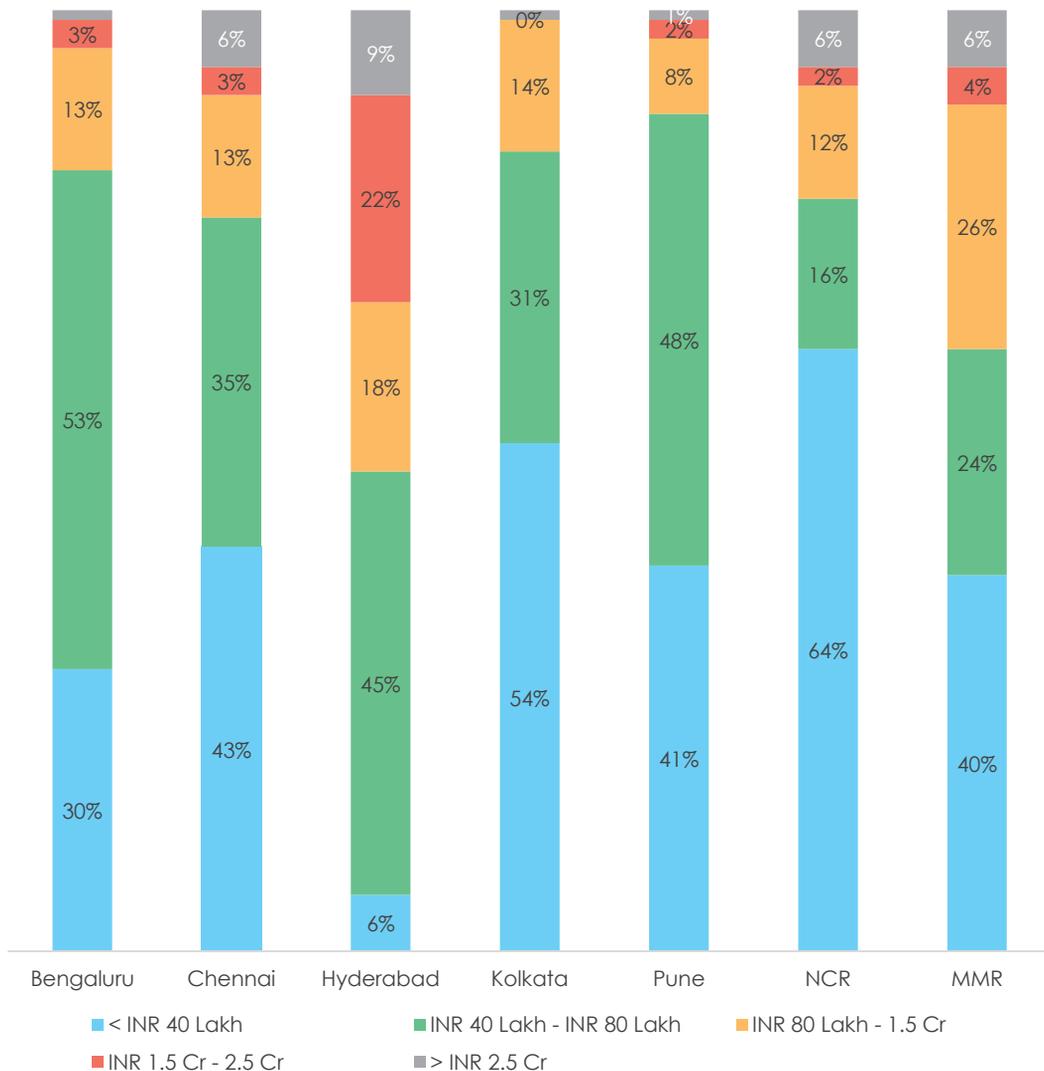
New Launch Supply Trend  
By Budget Segmentation



*The share of affordable housing increased to 41% in Q3 2019, compared to 34% in the previous quarter*



### City-wise New Launch Supply Trend By Budget Segmentation (Q3 2019)



*Hyderabad is the only city which witnessed a low supply share in affordable segment accounting to 6%*



**SALES TREND**



Sales Trend  
PAN India



*PAN India sales declined by 20% compared to Q2 2019 and 18% from Q3 2018*



## Sales Trend City-wise

	City	Q3 2019	Q2 2019	Q3 2018	Quarterly Change	Annual Change
	NCR	9,830	12,640	11,360	-22%	-13%
	MMR	17,180	21,360	18,180	-20%	-6%
	Bengaluru	10,500	13,150	16,240	-20%	-35%
	Pune	8,550	10,490	9,290	-18%	-8%
	Hyderabad	3,280	4,430	4,850	-26%	-32%
	Chennai	2,620	2,990	2,930	-12%	-11%
	Kolkata	3,120	3,540	4,290	-12%	-27%

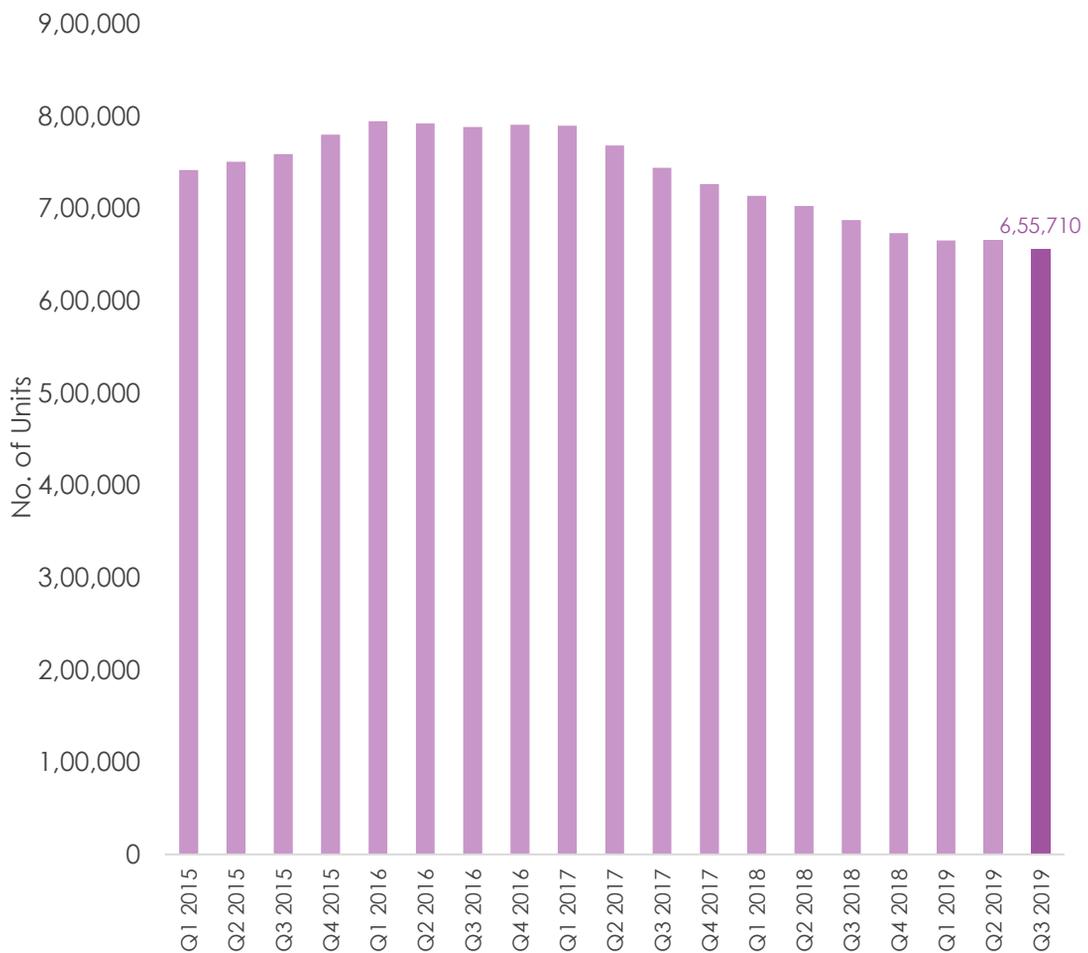
*All cities witnessed a significant decline in sales with the highest in Hyderabad, over the previous quarter*



UNSOLD INVENTORY TREND



Unsold Inventory Trend  
PAN India



*Unsold inventory marginally decreased by 1% over the previous quarter. This was due to sales exceeding the launches during the quarter*



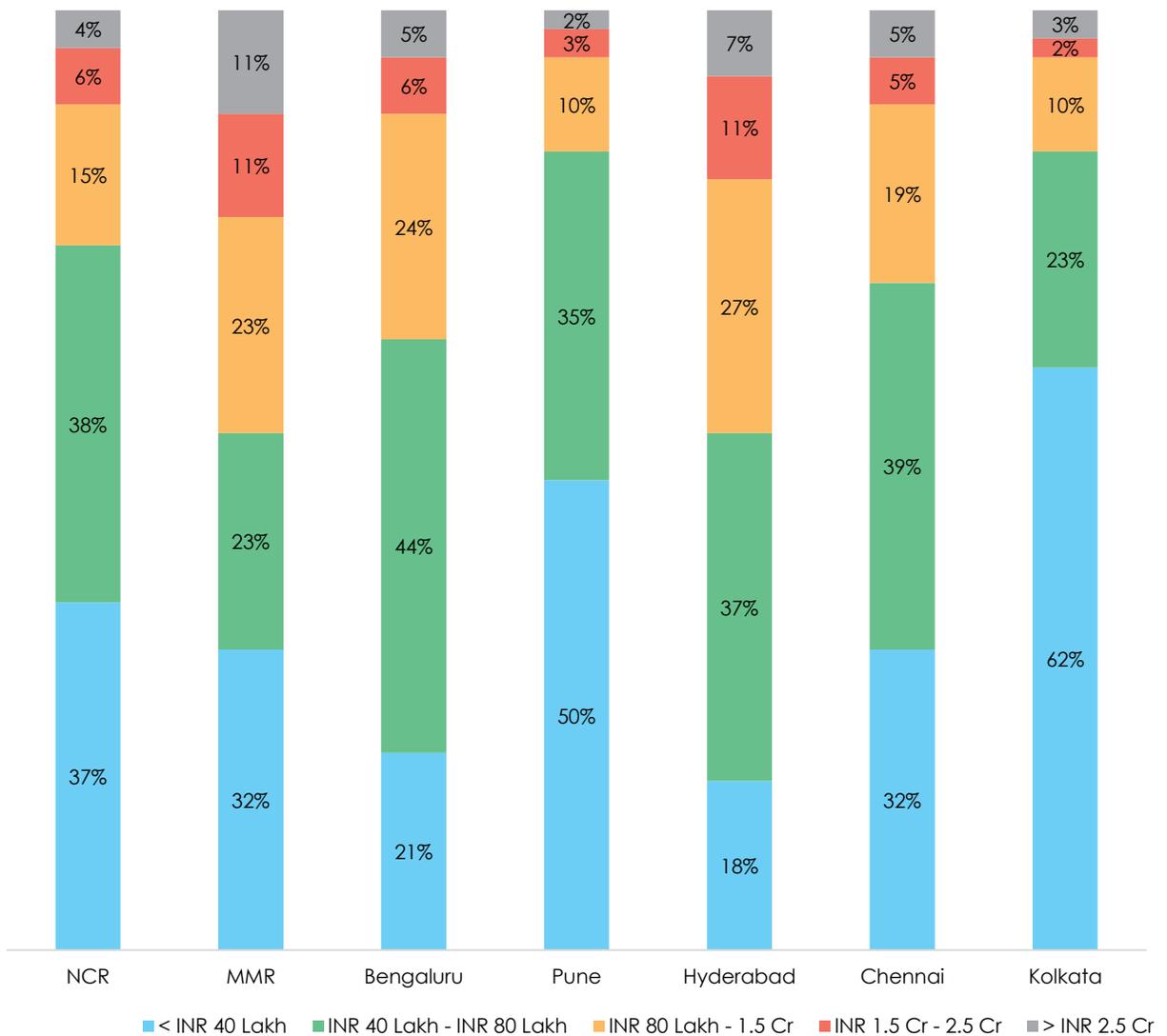
## Unsold Inventory Trend City-wise

	City	Q3 2019	Q2 2019	Q3 2018	Quarterly Change	Annual Change
	NCR	1,77,900	1,81,930	1,90,650	-2%	-7%
	MMR	2,20,870	2,24,010	2,23,130	-1%	-1%
	Bengaluru	63,540	64,680	76,550	-2%	-17%
	Pune	92,560	92,790	90,610	0%	2%
	Hyderabad	23,890	25,130	27,010	-5%	-12%
	Chennai	31,380	31,470	30,220	0%	4%
	Kolkata	45,570	45,560	49,300	0%	-8%

Unsold inventory reduced by 1% to 5% across most cities barring *Pune*, *Chennai* and *Kolkata* over the previous quarter



City-wise Unsold Inventory Trend  
By Budget Segmentation (Q3 2019)



*Bengaluru and Hyderabad have the lowest unsold inventory in the affordable segment*



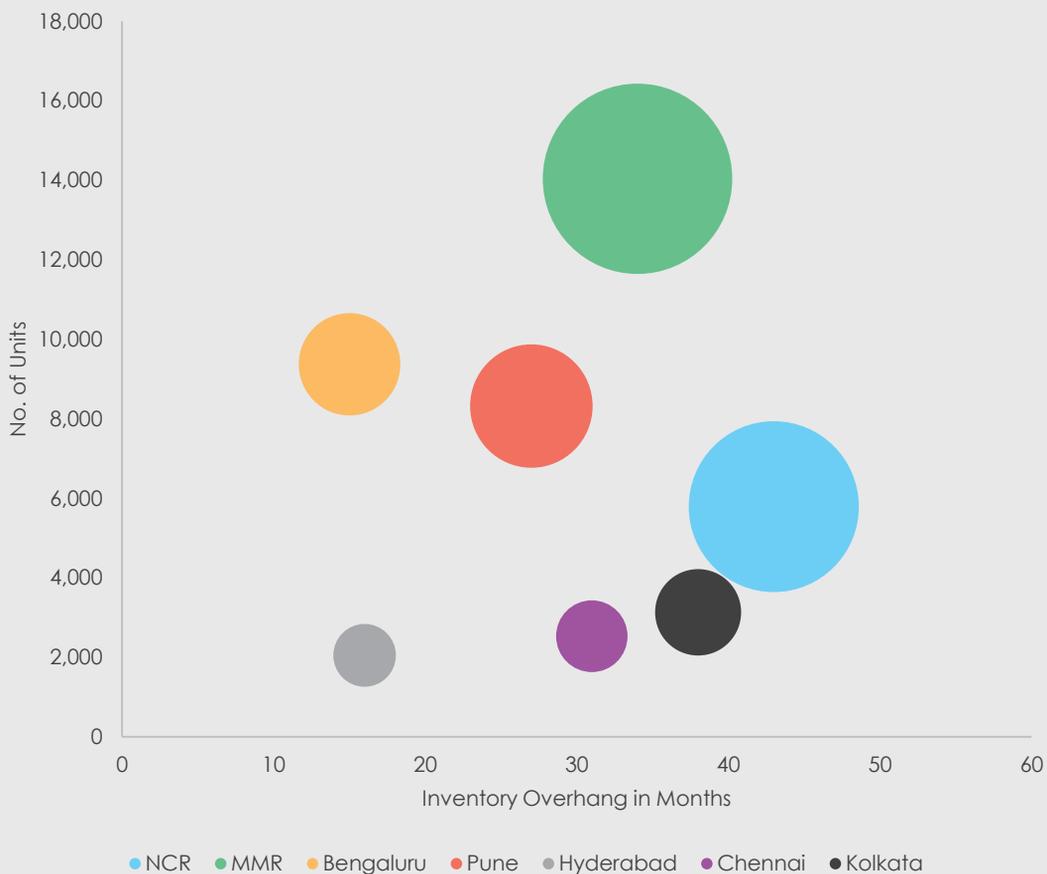
## Capital Values & Inventory Overhang

	City	Avg. Base Selling Price (INR/sf)	Quarterly Change	Annual Change	Inventory Overhang (months)	Quarterly Change	Annual Change
	<b>NCR</b>	4,565	Nil	Nil	44	Nil	-24%
	<b>MMR</b>	10,610	Nil	1%	34	Nil	-26%
	<b>Bengaluru</b>	4,960	Nil	1%	15	Nil	-21%
	<b>Pune</b>	5,494	Nil	1%	27	Nil	-21%
	<b>Hyderabad</b>	4,187	Nil	1%	16	Nil	-20%
	<b>Chennai</b>	4,935	Nil	Nil	31	3%	-11%
	<b>Kolkata</b>	4,375	Nil	-1%	38	9%	-10%

*Prices remained range bound in most of the cities during Q3 2019*



### Inventory Overhang vs New Launch Supply vs Unsold Inventory



Note: Circle size represents Unsold Inventory as of Q3 2019.

*Bengaluru continues to be the most active market, while Hyderabad has the least unsold inventory*

New launches and sales declined in Q3 2019 as the developers continued to be reeling under the liquidity crisis and the overall economic slowdown. The ongoing 'shraadh' period and ban on subvention scheme also muted the overall activity.

Unsold inventory reduced by 1% to 5% across most cities barring Pune, Chennai and Kolkata. The highest decline was recorded in Hyderabad. The overall inventory overhang across the country remained stable at 30 months.

Prices across all cities remained stable barring Pune and Kolkata which registered a marginal decline of 1% over the quarter. This was due to significant increase in launches in the affordable segment.

As per ANAROCK Research, the recent stimulus package in the form of a stress fund of INR 20,000 Crore to help in last mile funding and the reduction in corporate tax are a welcome moves. While these initiatives will benefit the sector, the real impact will be seen gradually in the forthcoming quarters.

## 5 Key Takeaways

1. With the Government's aid to projects that are stuck due to last mile funding, the forthcoming quarters may witness an improvement in completions and availability of ready to move in inventory.
2. Sales are likely to increase in completed projects in the near future as prices have largely remained stable.
3. The Government's focus on affordable housing is expected to further provide an impetus to this segment.
4. Prices are likely to remain range-bound as developers will be keen to liquidate their existing inventory.
5. The developers reeling under the liquidity crisis may remain cautious and restrict new launches for some time.



## About ANAROCK

ANAROCK is India's leading independent real estate services company with a presence across India and the Middle East. The Chairman, Mr. Anuj Puri, is a highly respected industry veteran and India's most prominent real estate thought leader.

The Company has diversified interests across the real estate lifecycle and deploys its proprietary technology platform to accelerate marketing and sales. ANAROCK's services include Residential Broking and Technology, Retail, Investment Banking, Hospitality (via HVS ANAROCK), Land Services, Warehousing and Logistics, Investment Management, Research and Strategic Consulting.

The Company has a unique business model, which is an amalgamation of traditional product sales supported by a modern technology platform with automated analytical and reporting tools. This offers timely solutions to its clients, while delivering financially favourable and efficient results.

ANAROCK has a team of over 1800 certified and experienced real estate professionals who operate across all major Indian and GCC markets, and within a period of two years, has successfully completed over 300 exclusive project mandates. ANAROCK also manages over 80,000 established channel partners to ensure global business coverage. Our assurance of consistent ethical dealing with clients and partners reflects our motto - Values Over Value.

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