

Residential Market Viewpoints

Bengaluru Q3 2019



**City
Snapshot**



Launches

9,370 Units
-15% Quarterly Change



Sales

10,500 Units
-20% Quarterly Change



Unsold Inventory

63,540 Units
-2% Quarterly Change



**Average Quoted
Basic Selling Price**

INR 4,960 / sq ft

A Bird's Eye View



Rental Values

Capital Values

Key Micro Markets	Avg. Quoted Rent (INR/month)	Quarterly Change (%)	Avg. Quoted Rate (INR/sq ft)	Quarterly Change (%)	Short-term Outlook
Sarjapur Road	15,000 - 28,000	Nil	5,865	Nil	Stable
Thanisandra Main Road	16,000 - 22,000	Nil	5,210	Nil	Stable
Mysore Road	11,000 - 15,000	Nil	4,830	Nil	Stable
Whitefield	16,000 - 25,000	Nil	4,795	Nil	Stable
Electronic City	14,000 - 22,000	Nil	4,340	Nil	Stable

Notes:

Avg. quoted rent for 2 BHK apartment measuring 1,000 sq ft
Avg. quoted rate (base price) on built-up area

▲ Increase

■ Stable

▼ Decrease

Source: ANAROCK Research



Mid-segment continued to top the launches for past 12 months

New launch supply decreased by 15% compared to the previous quarter.

Majority of new launches during the quarter were added in East Bengaluru, accounting for 36%. South and North Bengaluru followed with 27% and 23% share of the new launches, respectively.

The mid-segment accounted for nearly 53% of launches during the quarter, followed by affordable segment at 30%.



Sales continued to decline for the second consecutive quarter

In Q3 2019, sales decreased by 20% over the last quarter to 10,500 units.

The economic hubs of South and East Bengaluru, dotted by IT-ITeS developments, recorded the maximum sales and accounted for a share of 34% each.

However, these micro-markets reported a quarterly decline of 21% and 18%, respectively.



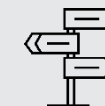
Unsold inventory declined marginally

Unsold inventory as of Q3 2019 was 63,540 units, registering a 2% decline over the previous quarter.

The mid-segment had the highest unsold inventory and accounted for 44% share of the city.

Bengaluru's inventory overhang remained unchanged at 15 months, the lowest amongst metro cities.

Despite restricted launches and low unsold inventory, prices remained stable during the quarter.



Zonal Classification

Central

MG Road | Ashok Nagar
Chamrajpet | Frazer Town
Richmond Road | Ulsoor
Shanti Nagar

North

Hebbal | Yelahanka | Jalahalli
Thanisandra Main Rd
Hennur Rd | Doddaballapur Rd
International Airport Rd

South

Begur Rd | JP Nagar
Electronic City | Hosur Rd
Bannerghatta Rd
Kanakapura Rd | Koramangala

East

Whitefield | KR Puram | Sarjapur Rd
Harlur Rd | Marathahalli
Varthur Rd | Bellandur
Old Madras Rd

West

Tumkur Rd | Magadi Rd
Mysore Road | Rajaji Nagar
Naagarabhaavi | Vijay Nagar
Nelamanagala

Key Project Launches

Project Name	Developer Name	Micro Market	No. of Units	Avg. Basic Selling Price (INR/sq ft)
Provident Capella Phase – 1	Provident Housing	Whitefield	763	5,500
Karle Vario Homes	Karle Homes	Nagawara	400	8,200
Spectra Raaya	Spectra Constructions	Whitefield	318	5,250

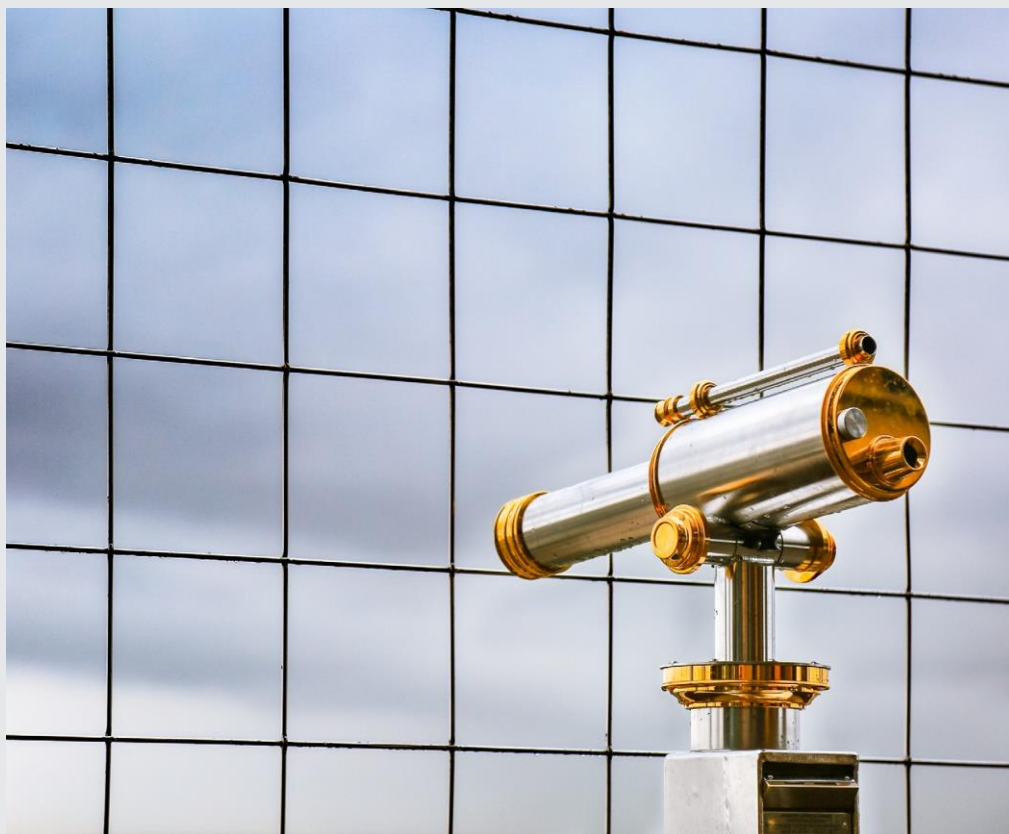
Note: Above prices are on built-up area

Budget segmentation: **Affordable:** < INR 40 Lakh
Luxury: INR 1.5 Crore - INR 2.5 Crore

Mid-end: INR 40 Lakh - INR 80 Lakh
Ultra-luxury: > INR 2.5 Crore

High-end: INR 80 Lakh - INR 1.5 Crore

Source: ANAROCK Research



Outlook

Launches in affordable category are likely to increase due to subsidies provided by the government to promote this segment.

Mid-segment units may continue to dominate in the southern and eastern regions - the dominant employment hubs of IT-ITeS companies.

If new launches continue to remain under pressure, we may witness a marginal increase in prices over the next few quarters.

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