

ANAROCK

VALUES OVER VALUE

Tellapur, Hyderabad

An Emerging Destination For High End
Residential Developments

August 2019





About Micro Market

Located in the western zone of Hyderabad, Tellapur is one of the vibrant residential clusters. The locality is gaining popularity as a key destination for premium villa projects. The locality's key growth driver has been its proximity to the employment hubs of Madhapur, Gachibowli, Lingampally, BHEL (Bharat Heavy Electricals Limited) township and Kondapur. The campuses of IT-ITeS majors, such as Infosys, Wipro, Microsoft and the acclaimed Financial District have enabled Tellapur to emerge as a preferred destination for residential developments. As the locality gained prominence, it has transformed from a far flung locality to one of the premium residential real estate destinations in Hyderabad.

The social infrastructure of the area has also undergone a massive change and is home to major educational institutions, hotels and reputed malls such as IIIT (Indian Institute of Information Technology) - Hyderabad, ISB (Indian School of Business), State Bank of India Institute of Rural Banking. Retail and hospitality developments like Sarath City Capital Mall and Sheraton are also close by. Major healthcare infrastructure like Citizens Speciality

Hospital and Continental Hospital are in close proximity to the micro market. This makes Tellapur a self sufficient locality equipped with adequate social infrastructure

This locality enjoys the benefits of excellent connectivity to the Financial District, Lingampally, BHEL township and Kondapur. In addition, the locality is well connected to the central business district through the Old Mumbai Highway.

The recent road developments between Bio-diversity junction to Lingampally have prompted real estate developers to come up with projects in the nearby localities and now the area is booming with massive real estate activities.



Connectivity

Well connected to all major employment hubs of western Hyderabad such as Gachibowli, Financial District, HITEC city and Kothaguda, Tellapur enjoys excellent connectivity via the Old Mumbai Highway and internal roads to major commercial and office areas. Moreover, the recent road upgradation of Tellapur - Financial District four-lane road has reduced the commute time to nearby workplaces.



Road

- ▶ Tellapur is easily accessible via Old Mumbai Highway from Gachibowli and Mehdipatnam.
- ▶ The area has smooth access to Financial District and Q-City via internal roads.
- ▶ The upcoming proposed radial road to connect Tellapur and Edulanagualpally to ORR (outer ring road) is expected to reduce the travel time to airport.



Rail

- ▶ **Suburban Rail:** The MMTS (multi modal transport system) line of the Hyderabad suburban railway has a station at Lingampally which is 5 km away providing connectivity to Hafeezpet, HITEC city and Secunderabad.
- ▶ The second phase of MMTS will connect Lingampally to Tellapur and provide easy access to HITEC city MMTS.



Air

- ▶ Tellapur is well-connected to the Rajiv Gandhi International Airport via ORR (outer ring road) (located 36 km away).



Major Growth Drivers



Q-City



Proximity to ORR enhances the connectivity and provides easy access to different parts of the city.



Considering that Tellapur is located close to the employment hubs, investors looking to invest and lease their apartments are also eyeing this location.



The recent road improvements in the nearby areas such as Lingampally and Q-City have further eased the connectivity and reduced the travel time to employment zones.



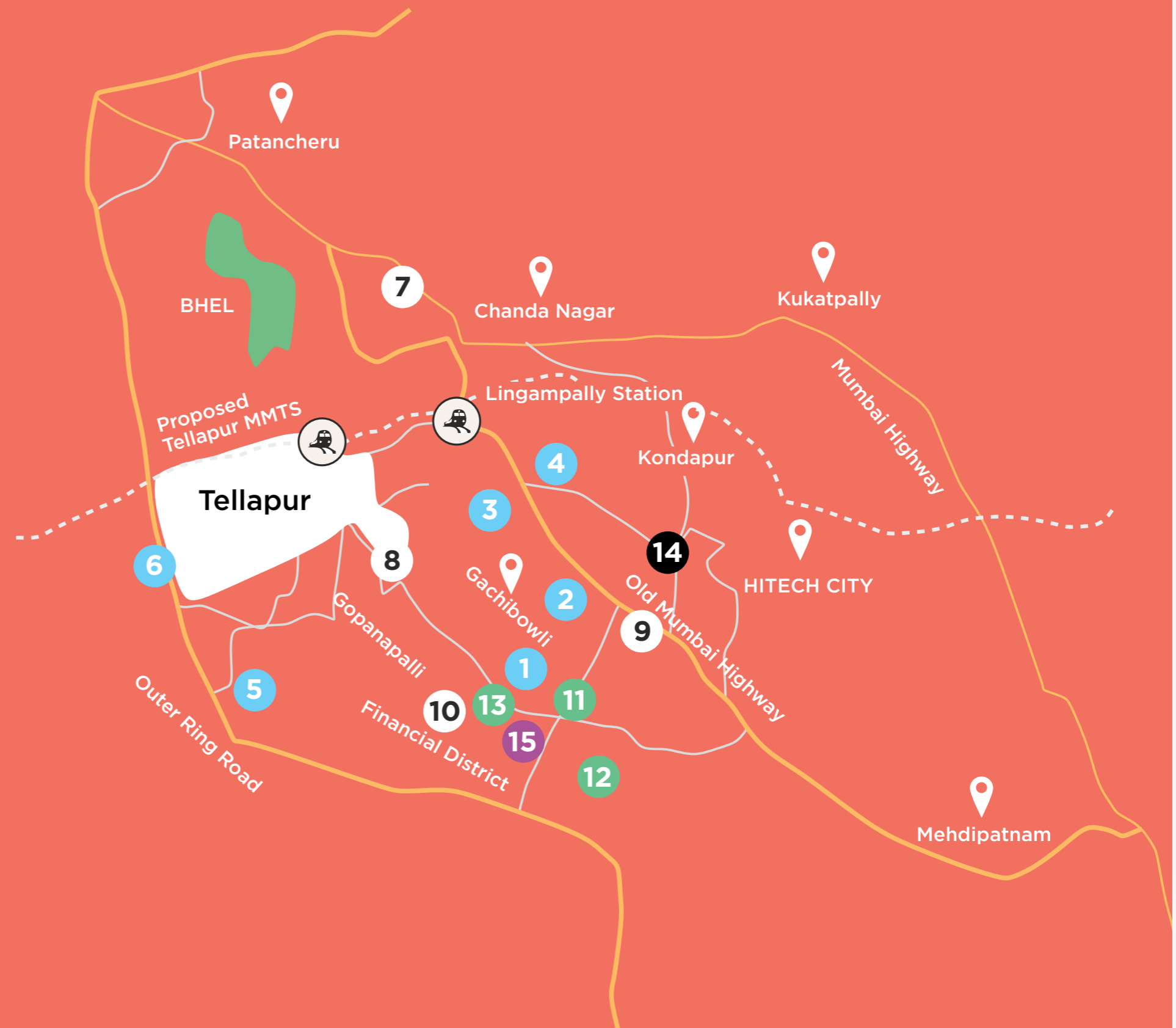
As Madhapur and Gachibowli are established and expensive destinations, home buyers were forced to look at alternate locations due to which Tellapur and Lingampally are witnessing high residential housing demand.



Location Mapping

LEGEND

- Educational
 - Medical
 - IT Zones
 - Retail
 - Hotel
- 1 ISB (Indian School of Business)
 - 2 IIIT (Indian Institute of Information & Technology)
 - 3 University of Hyderabad
 - 4 SBI Institute of Rural Banking
 - 5 Birla Open Minds International School
 - 6 Samashti International School
 - 7 BHEL General Hospitals
 - 8 Citizen Specialty Hospital
 - 9 CARE Hospital
 - 10 Continental Hospitals
 - 11 Wipro Circle
 - 12 Wave Rock SEZ
 - 13 Q-City
 - 14 Sarath City Mall
 - 15 Sheraton Hotel



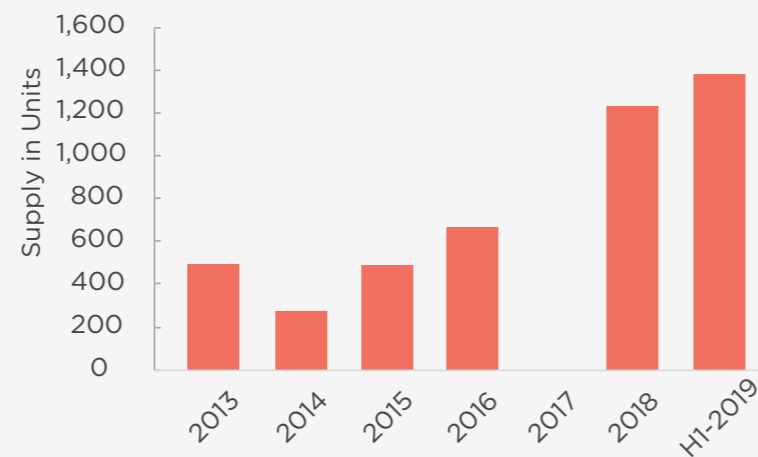


Residential Market Assessment

New Launch Supply

01 Nearly 4,500 units were added in Tellapur since 2013. The region came into limelight by the end of 2017 and 58% of addition came in post 2018. The area essentially saw spillover demand from nearby expensive locations such as Gachibowli, Kondapur and Chanda Nagar.

02 Of the overall supply, close to 45% has already been absorbed, indicating a healthy demand for residential housing in Tellapur.

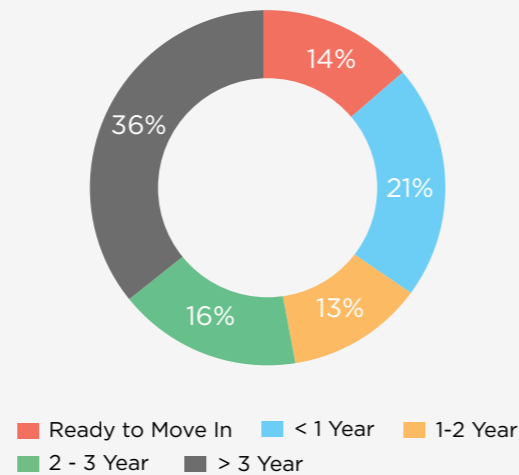


Age of Inventory (Launches between 2013 to H1-2019)

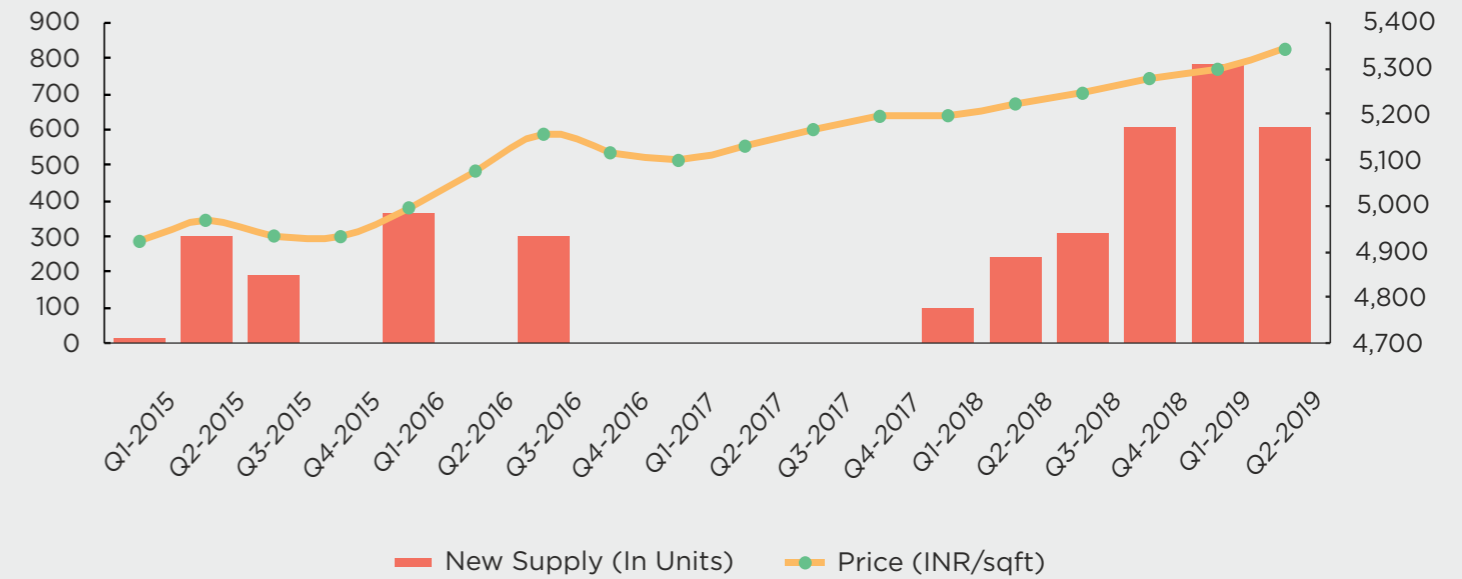
01 Currently, nearly 14% (around 600 units) are ready for possession in Tellapur. This indicates that the micro market has delivered previously.

02 A significant part of the total supply (around 950 units) is expected to be completed within a year, while a large portion comprising nearly 36% supply (around 1,600) will take more than 3 years.

03 A good supply pipeline indicates that the micro market is vibrant and so it bodes well for end-users as well as investors.



Micro Market Price Movement wrt Supply



01 Over 40% of the total supply since 2015 caters to the villa projects followed by apartments. Furthermore, apartments priced in the mid segment between ₹ 40 lakh - ₹ 80 lakh account for 54% of the overall supply for the same period. The developers have focussed more on these segments to cater the IT professionals in the vicinity.

02 The average prices in the micro market have risen from ₹ 4,900/sq ft in 2015 to ₹ 5,300/ sq ft in June 2019, an appreciation of 9%.

Tellapur's average price as of Q2 2019 is around ₹5,300/sqft



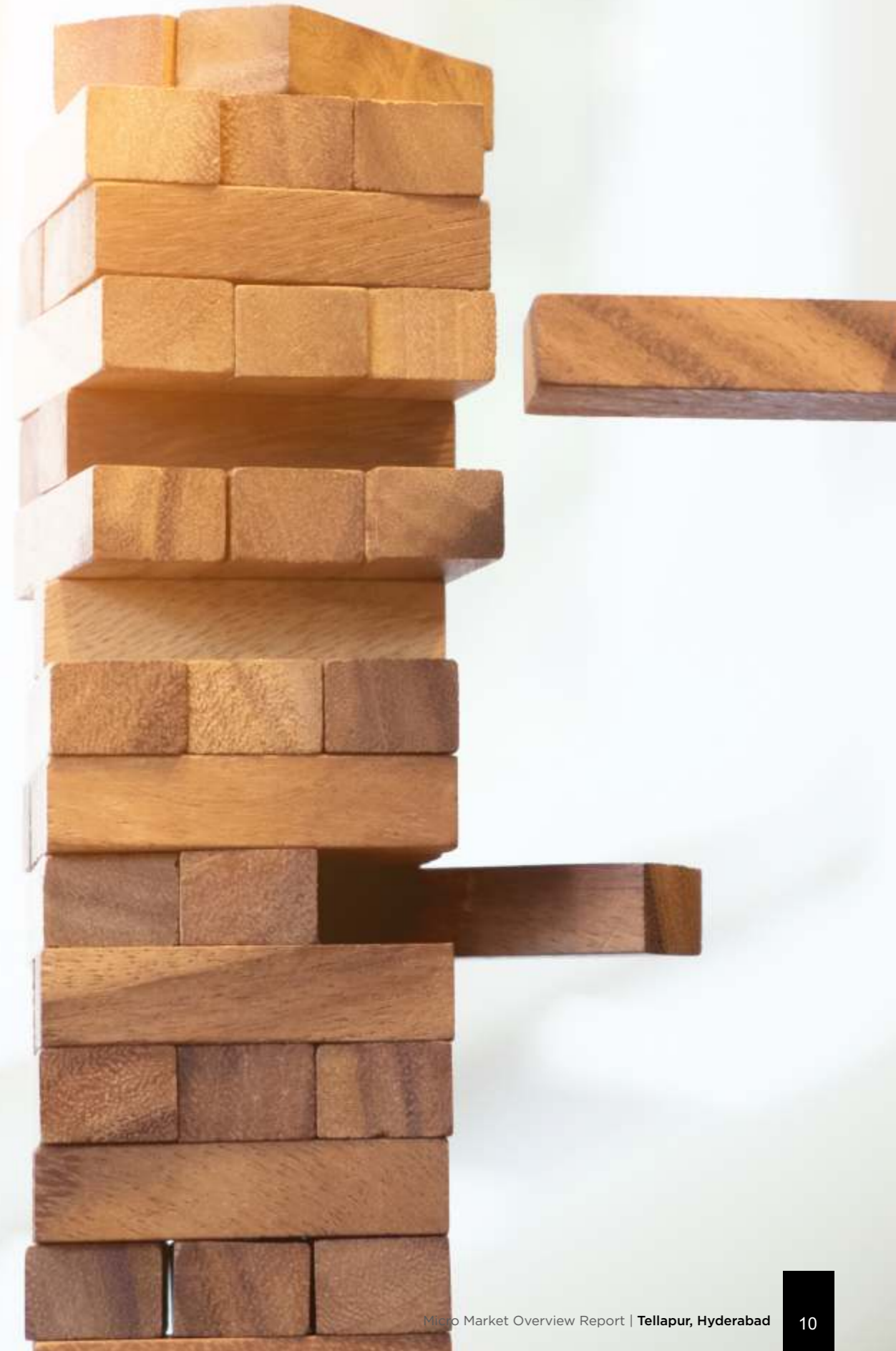


Outlook

The residential real estate demand in Tellapur is driven by the presence of public sector and the IT-ITeS companies in its vicinity. The rapid residential developments witnessed in the recent years have primarily arose from the spillover of Gachibowli and Kondapur, which seem incapable of accommodating luxurious villa projects due to the scarcity of land. Hence Tellapaur has emerged as a viable locality for mid-to-high-end residential developments.

The existing physical infrastructure, recent road upgradations coupled with proposed MMTS station at Tellapur and proposed radial road connecting Tellapur to ORR are expected to reduce the commute time to different parts of the city.

As the western zone gets re-energized with commercial real estate activity, reviving corporate confidence backed by fast paced physical infrastructure, the residential real estate demand in Tellapur is expected to rise in the short-to-medium term. Tellapur has witnessed a significant capital value appreciation since 2015 and the future surely looks bright. This location has attracted investors and end-users alike looking for rental income and housing needs, respectively.



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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