



Thanisandra Road, Bengaluru

Infrastructure upgrades pushing housing demand

Micro Market Overview Report

February 2018




About Micro Market

Thanisandra Road is one of the buzzing and promising real estate destinations of North Bengaluru. Availability of large land parcels, good connectivity to the business districts, proximity to IT-ITeS developments (such as Manyata Technology Park and Kirloskar Business Park) and excellent connectivity to the International Airport are the key growth drivers of this region. The micro market is slated for further development with the expansion of Thanisandra main road as an alternative connecting road to the International Airport.

Thanisandra Road has turned out to be one of the most active stretches of Bengaluru in terms of residential as well the commercial and retail developments. Large townships have mushroomed in this micro market due to the significant presence of developable land.



Buzzing locality of North Bengaluru for residential developments.



Presence of well-established infrastructure is one of the growth drivers for Thanisandra Road.

Connectivity

Thanisandra Road has excellent connectivity and accessibility to other regions of Bengaluru. Working professionals of the IT-ITeS companies are opting to reside in and around this region, due to the presence of adequate infrastructure and availability of various residential options.

Road

Thanisandra Road has excellent accessibility to various suburbs of Bengaluru via ORR (Outer Ring Road) at Nagawara Circle. The arterial roads in proximity to Thanisandra Road are Hennur Road, Bellary Road and Old Madras Road.

Rail

The nearest railway station from Thanisandra Road is Hebbal (located 8 km away), Yeshwantpur and Yelahanka, at a distance of 8.5 km.

Airport

Kempegowda International Airport, located 27 km away, is easily accessible via Hebbal Flyover.

Major Growth Drivers

- Manyata Embassy Tech Park and Kirloskar Business Park employ many professionals and as a result, the inherent demand for residential housing is high along the Thanisandra Road.
- Various residential projects launched by tier-1 and tier-2 developers in and around the micro market provide ample options to the home buyers.
- Thanisandra Main Road is proposed to be widened to 100 ft. in the near future and will also provide direct toll-free access to the airport.
- Upcoming 2,000 acres of Information Technology Investment Region (ITIR) near the International Airport might enhance the employment opportunities and benefit the real estate sector along the Thanisandra Road.



It has been a major focus region for the government, due to the connectivity to the airport.

Location



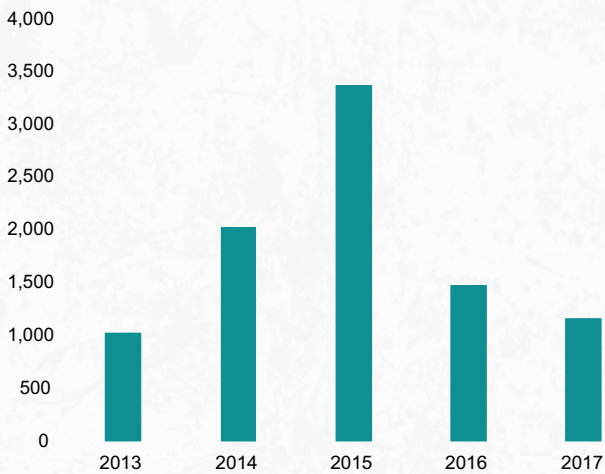


Large stock of ready-to-move-in homes offers the home buyers an array of options to choose from.

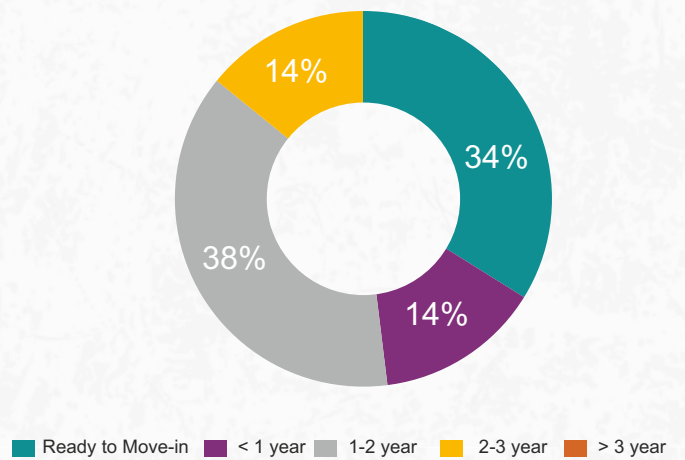
Residential Market Assessment

Thanisandra Road is one of the rapidly growing regions in Bengaluru and possesses significant potential for residential developments.

New Launch Supply



Age of Inventory (Launches between 2013 to 2017)



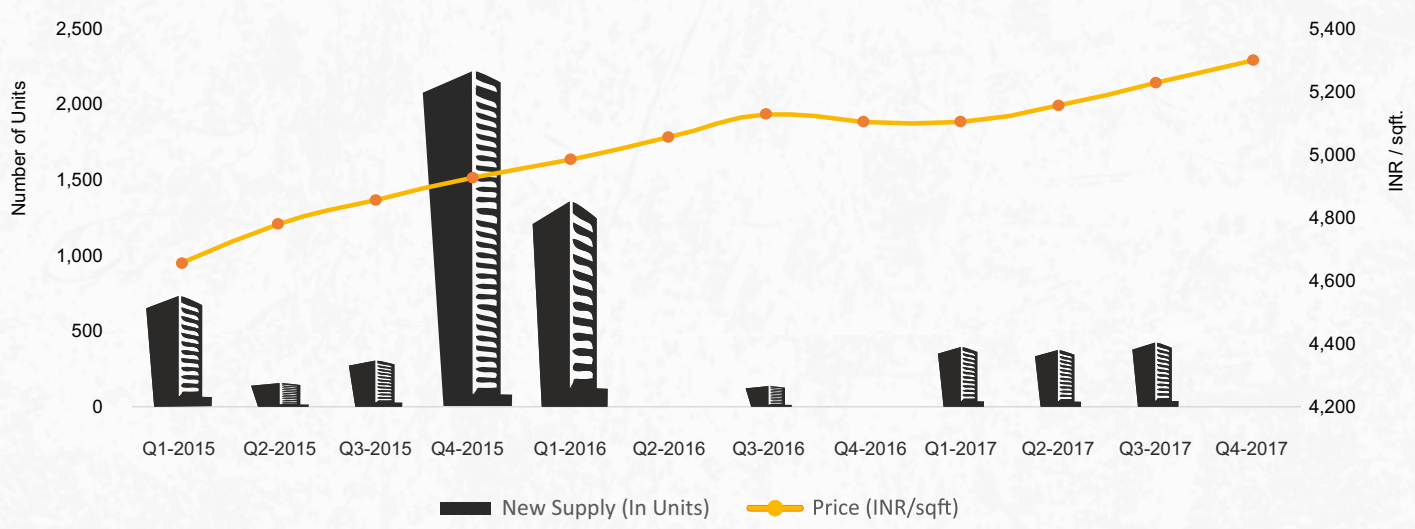
- Thanisandra Road, being a booming residential destination, witnessed new launch addition of around 9,100 units between 2013 to 2017.
- Due to favourable market conditions, maximum new launch supply (59%) was added in 2014 and 2015.
- The subsequent years recorded a slowdown in new launch activity due to the presence of significant amount of unsold units (around 3,700 units as of Q4-2017) and low demand amidst changing policies and reforms such as demonetization, RERA and GST.
- Of the supply addition in the region, around 3,100 units are ready for possession and an approximately 4,700 units are likely to be completed within a span of 2 years.
- With majority of the supply (66%) being under construction, it will surely be under the scanner of RERA norms, and as a result, one can expect better quality and timely delivery of the projects.



Thanisandra Road average price as of Q4 2017 is around INR 5,300/-sft

Residential Market Assessment

Micro Market Price Movement wrt Supply



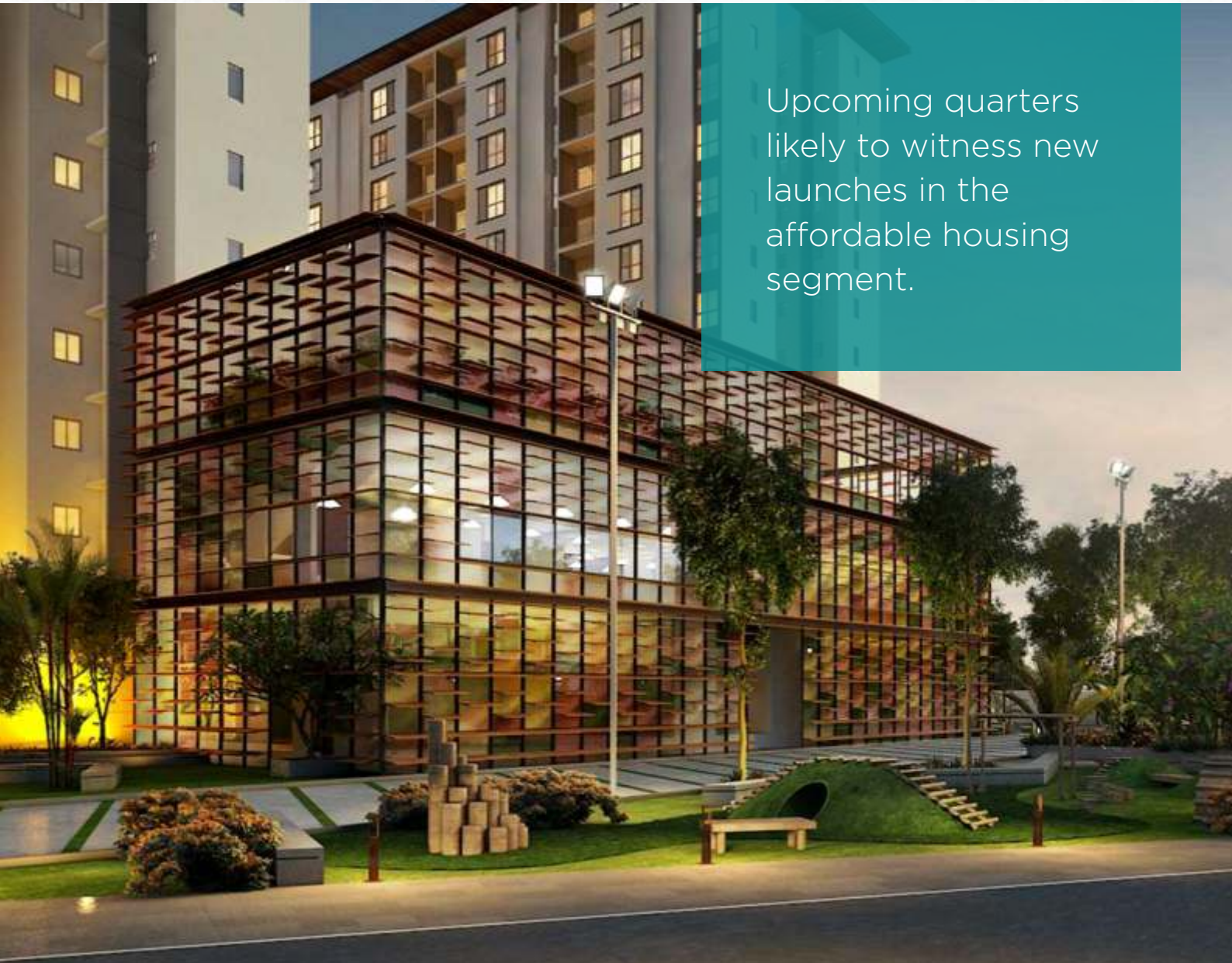
- Around 56% of the unit launches were priced less than INR 80 lakh, as the region primarily caters to junior-mid-level IT-ITeS professionals employed in the nearby areas.
- Average prices along Thanisandra Road grew from INR 4,500/sqft in Q1-2015 to INR 5,300/sqft as of Q4-2017, depicting a marginal

appreciation during the period under consideration. Past few years have been tough for the real estate market and this has impacted the price appreciation along Thanisandra Road as well.

Outlook

- Considering Thanisandra Road's rapid development in terms of physical and social infrastructure, the micro market holds tremendous future growth potential.
- Considering the excellent employment opportunities, connectivity to business areas, planned Peripheral Ring Road (PRR) project and metro rail node at Nagawara

under the phase 2A of Namma Metro, the future of residential real estate in this micro market certainly looks promising.



Upcoming quarters likely to witness new launches in the affordable housing segment.

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, Bengaluru, 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. A5190000108 available at <http://maharera.mahaonline.gov.in>