



Whitefield, Bengaluru

An Anglo-Indian village that now hosts a vibrant IT-ITeS hub

Micro Market Overview Report

February 2018



About Micro Market

Until the late 1990s, Whitefield was a small village settlement and the residents were primarily engaged in agricultural activities. The entire region has evolved significantly over the past two decades primarily due to the development of Bengaluru as a major IT-ITeS hub. Setting up of Export Promotion Industrial Park (EPIP) and International Tech Park Bangalore (ITPB) has attracted many multinational companies to Whitefield. Both EPIP and ITPB houses offices of reputed global IT-ITeS companies and such tremendous growth has transformed the silent catchment of Whitefield to a buzzing and crowded Peripheral Business District (PBD) of Bengaluru.

In addition to a buzzing commercial office market, excellent connectivity to various parts of the city, growth of educational institutions, five-star hotels, malls and a number of high-rise complexes in nearby areas has made Whitefield a prominent residential suburb of Bengaluru.



The Transition from
Agriculture to Information
Technology; Whitefield
the Modern Tech-city.



Inter and intra-connected social and physical infrastructure of Whitefield.

Connectivity and Social Infrastructure

Whitefield is well-connected to other parts of Bengaluru by Whitefield road via Mahadevapura and Varthur road (HAL Old Airport Road) via Marathahalli. Both roads intersect with Karnataka State Highway 35 (SH-35) which runs north-south (Siddlaghatta in the north to Anekal in the south).

Whitefield railway station is easily accessible and connects the region to other parts of the country. Whitefield also has an extensive city bus connectivity with a wide range of services offered by Bangalore Metropolitan Transport Corporation (BMTC). A Traffic and Transit Management Centre (TTMC) in EPIP is functional with scheduled buses connecting Whitefield to other parts of the city.

Metro rail connectivity

Phase II of Namma Metro's east-west line currently

terminating at Byappanahalli is likely to be extended until the ITPB in Whitefield. This corridor will have 14 stations and will significantly enhance Whitefield's connectivity to other parts of the city. Metro rail, once operational, will significantly reduce the dependence on roads and decongest the region

Key Retail Malls

Shopping malls such as The Forum Neighborhood Mall, Phoenix Market City, Park Square Mall, Inorbit Mall and entertainment centers such as IONA Entertainment are located in the nearby areas.

Super Specialty Hospital

Sri Sathya Sai Institute of Higher Medical Sciences, Vydehi Institute of Medical Sciences and Research Centre are the major super-specialty hospitals in Whitefield.

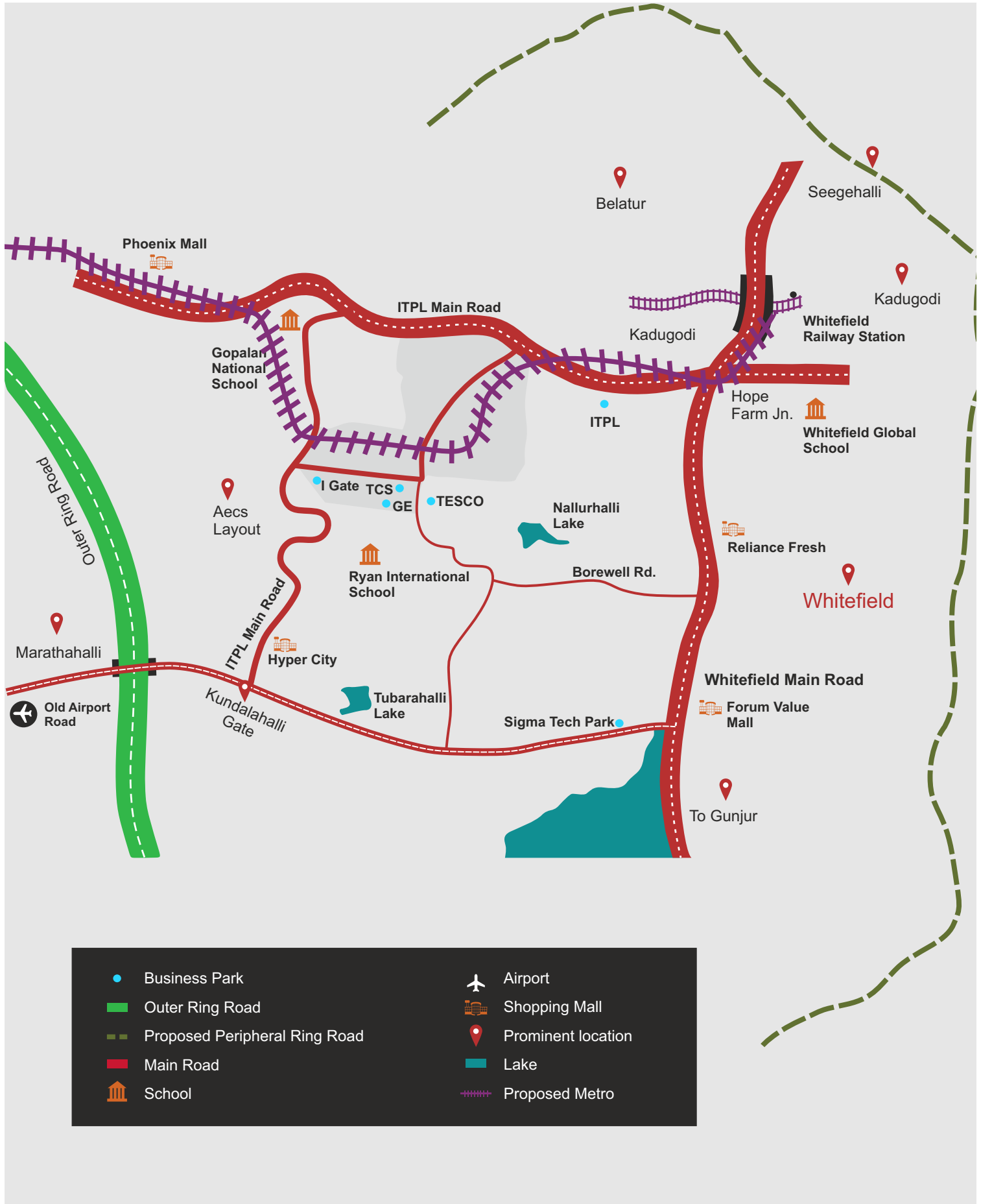
Major Growth Drivers

- Extension of metro rail line up to Whitefield will significantly boost the region's future growth potential
- Improving physical infrastructure including the flyover on The Outer Ring Road (ORR) and proposed eight-line Peripheral Ring Road (PRR) will improved connectivity to Whitefield and ease traffic movement from workplaces to residential clusters.
- 2015 Bangalore Master Plan has marked the planning district of Whitefield as a priority area for IT-related activities mixed with residential development.
- IT special economic zones (SEZs) spanning over 250 acres have been planned at Hoodi village in Whitefield, Bagur village in Hoskote taluk, and Devarabeesanahalli, Boganahalli and Bellandur in Varthur.



Well-connected infrastructure makes Whitefield the preferred Expatriates domain in East Bangalore.

Location



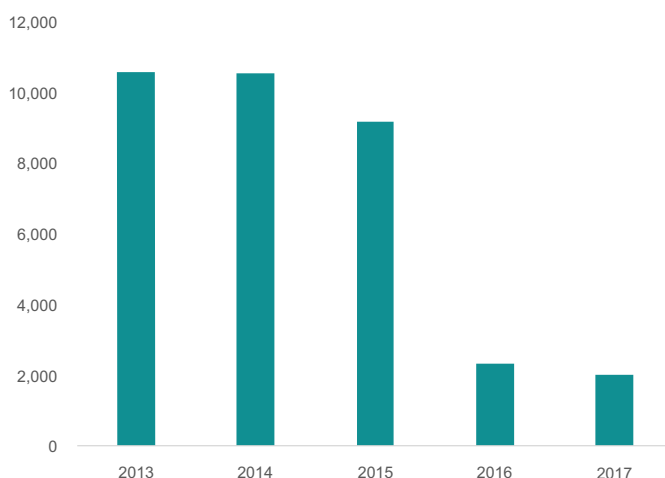


Ready-to-move-in projects dominate the Whitefield residential market.

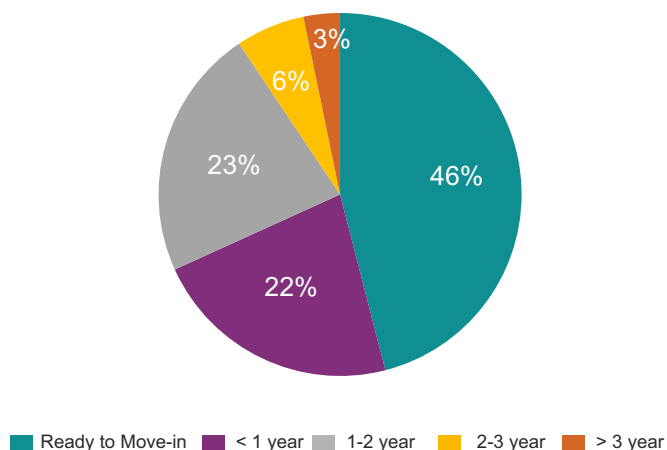
Residential Market Assessment

Whitefield is one of the biggest residential suburbs of Bengaluru. Prominent residential localities around Whitefield include Brookefield, Hoodi, ITPL Road and Whitefield Road. Increasing commercial office developments has been a key growth driver for this region’s transformation into a major residential market. Previously, Whitefield’s residential market was dominated by plots and independent houses. As the region’s popularity increased, a significant share of the working population began residing in and around the office complexes and as a result, high-rise apartments now dominate the Whitefield’s skyline.

New Launch Supply



Age of Inventory (Launches between 2013 to 2017)



- Since 2013, around 34,800 residential units were added in this region, of which 87% launches came in the first three years itself.
- New launch activity slowed down in 2016 due to the existing supply in Whitefield. Also, due to the triple impact of DeMo, RERA and GST, new launches slowed down post-Q4 2016 and only 4,500 units were added to the market in 2016 and 2017.
- Until 2017, around 10,500 units were unsold in the Whitefield micro market.

- Whitefield being a popular micro market of Bengaluru has witnessed continuous residential supply addition during the past few years. As a result, there is a good amount of ready-to-move-in supply as well as projects that are due to complete in the next one year.
- Under-construction and newly launched projects are likely to face stiff competition from ready-to-move-in and nearing completion units, which dominate the Whitefield market. However, a right product at the right price and offered by a reputed developer will surely perform well in the market.



Whitefield average price as of Q4 2017 is around INR 5,250/sft

Residential Market Assessment

Micro Market Price Movement wrt Supply




- New launches have been slow during the past two years, primarily due to the piling unsold inventory and impact of DeMo, RERA and GST.
- The avg. prices in Whitefield were on an upward trajectory between 2015-2017 and have appreciated by around 11.5%.
- The average property prices in Whitefield as of Q4-2017 were INR 5,250/sqft.

Outlook

Whitefield residential market's future certainly seems to be bright considering the following factors:

- Limited new launches during the past two years
- The growth of the region as a self-sustaining center with the presence of SEZs, IT Parks, office spaces, residential developments as well as a well-developed retail hub.
- Enhanced connectivity to the international airport via the Budigere cross.
- Due to the overall push for affordable housing, Whitefield is likely to witness new launches in this segment during the future periods.



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

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