



Yelahanka, Bengaluru

A well-planned residential settlement with immense
real estate growth potential

Micro Market Overview Report

June 2018



About Micro Market

Existing from the 12th century, Yelahanka is closely linked with the origin of the Bengaluru city. The book 'Bengaluru to Bangalore' by T.V. Annaswamy describes that the origin of word Yelahanka is extracted from Valipakka - which means 'along the highway.' Over a period of time, Valipakka (during Chola reign) transformed into Illaipakka (during Hoyasala reign) and finally into Yelahanka.

The construction of the Kempegowda international airport, the game changer for the region, has metamorphosed Yelahanka from a sleepy little town in the outskirts of Bengaluru to being one of the most preferred residential investment destinations. Yelahanka is further divided into Old Yelahanka and Yelahanka New Town.

Yelahanka is home to many defence establishments such as CRPF training school, Indian Air Force's Air Force Station and BSF Training Centre. The micro market also houses the largest facility of Mother Dairy in Karnataka and the rail wheel factory which is the largest manufacturer of railway wheels and axles. The Kere lake, Allalasandra lake and Puttenahalli lake (also a bird sanctuary) scale up the aesthetic value of the region. The presence of excellent social infrastructural facilities including educational institutions, healthcare facilities and entertainment options have attracted many potential investors and homebuyers to Yelahanka.



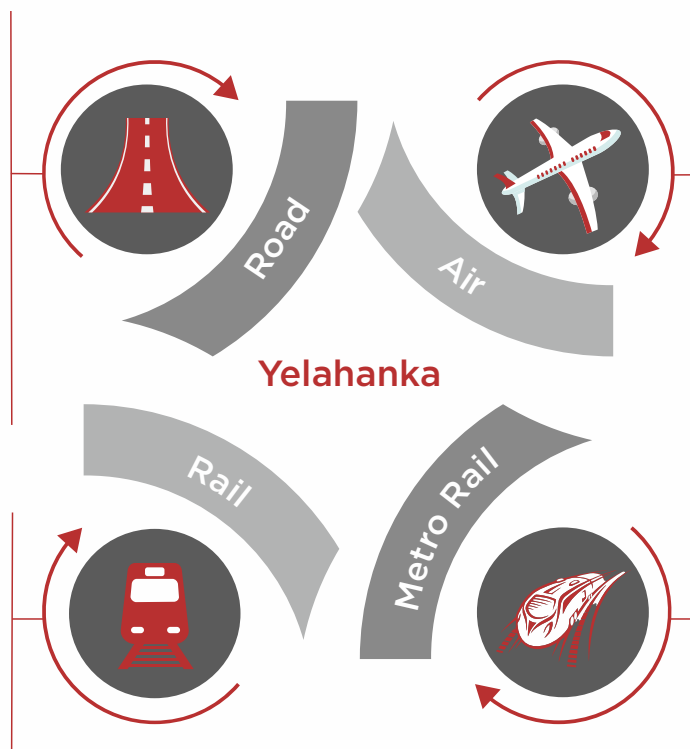


Connectivity

Elevated expressway between Hebbal & Yelahanka provides swift connectivity to the international airport

Yelahanka has excellent connectivity quotient. The micro market is accessible from various parts of Bengaluru through a well-established road and rail network.

- ▶ The arterial roads connecting Yelahanka with other prominent areas the city are NH 9 towards Doddaballapur and NH 44 that provides accessibility towards Devanahalli and the city.
- ▶ The elevated expressway between Hebbal and Yelahanka provides swift connectivity to the international airport.
- ▶ The nearest railway station to Yelahanka is Yelahanka Junction, that connects Bengaluru with central, northern and western parts of the country via Guntakal Junction.



- ▶ Yelahanka is easily accessible to the Kempegowda International Airport (located 20 km away) via NH 44.

- ▶ Under phase III, a 32 km metro corridor has been proposed between Carmelaram and Yelahanka. It is currently in the planning stage and the construction is expected to begin in 2025 and end in the mid-2030s.



Major Growth Drivers

Proposed metro rail network between Carmelaram - Yelahanka will propel residential real estate activity in the region

Proximity to Kempegowda International Airport and employment hubs such as Embassy Manyata Tech Park and Kirloskar Business Park

Proposed aerospace SEZ, Information Technology Investment Region (ITIR) and logistics park near Devanahalli are likely to enhance the employment opportunities as well as the residential developments in the region

The 8-lane Peripheral Ring Road (PRR), currently under construction, will reduce the traffic density on the NH 44

Widening of the NH 7 up to the airport from six to eight lanes will add significant value to the region

Proposed metro rail network between Carmelaram - Yelahanka will propel residential real estate activity in the region

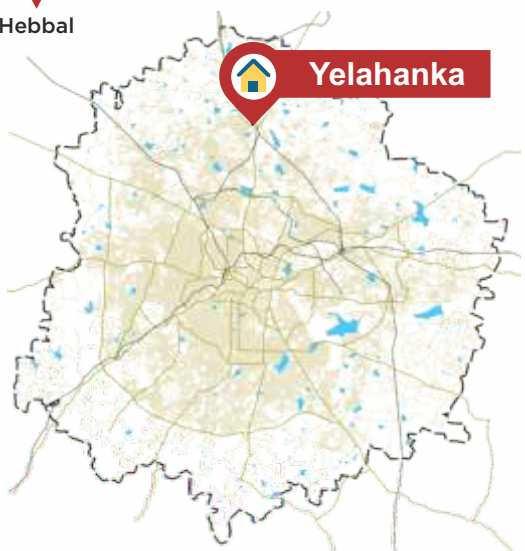
Location Mapping



Yelahanka

Yelahanka

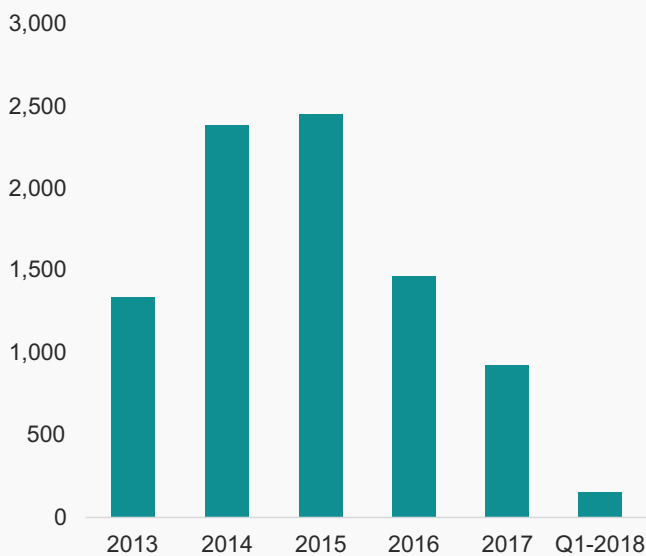
	Retail Mall		IT Establishment
	Healthcare Facility		Railway Station
	Water Body		Police Station
	Arterial Road networks		Stadium / Play Ground
	Flying Club		Resort





Residential Market Assessment

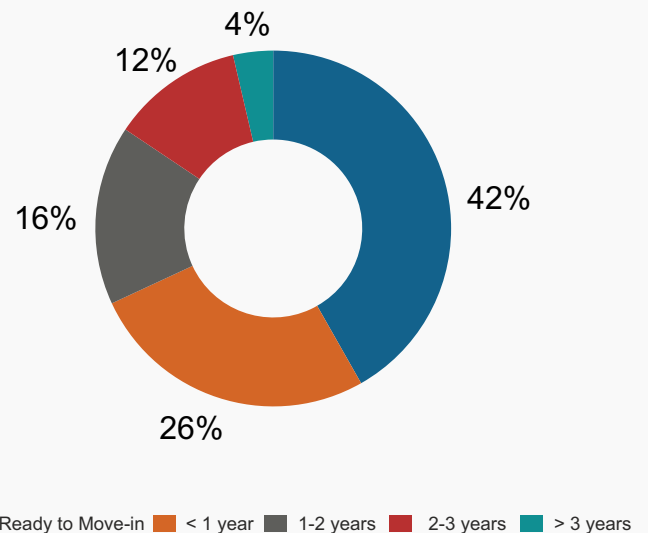
New Launch Supply



- ▶ Between 2013 and Q1 2018, a total of 8,700 units have been launched. The highest supply comprising 2,500 units was registered in 2015, post-which the new launch supply has been declining at a marginal rate till date. This could be due to the implementation of the rule which says that any construction within a 10-km radius of Yelahanka requires No Objection Certificate (NOC) from the Indian Air Force.
- ▶ Of the 3,300 units which are stacked in the unsold inventory, around 2,900 units are currently under construction.
- ▶ Yelahanka residential market is dominated by the mid-segment properties (₹40 Lakh - ₹80 Lakh) accounting for 70% of the new launch supply since 2015, followed by 15% properties in the ₹80 Lakh - ₹1.5 Crore budget.

Age of Inventory

(Launches between 2013 to Q1 2018)



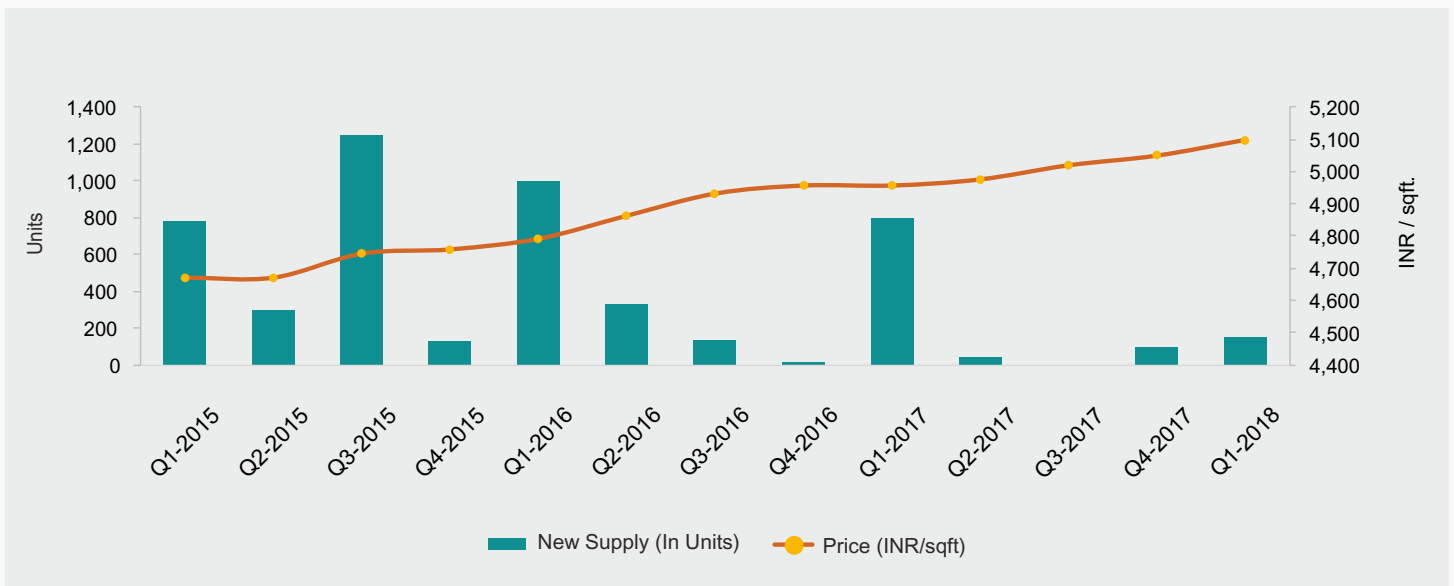
- ▶ Yelahanka residential market has around 3,600 ready-to-move-in units, offering a plethora of options to the homebuyers and investors alike.
- ▶ While 2,300 units will be infused into the market in less than a year, another 2,800 units are likely to take more than a year for completion.
- ▶ Amidst the transition happening in the real estate sector due to RERA and other policy reforms, developers are focusing on clearing the already constructed stock before launching new ones.



Residential Market Assessment

Yehalanka's average price as of Q1 2018 is around ₹5,100/sqft

Micro Market Price Movement wrt Supply



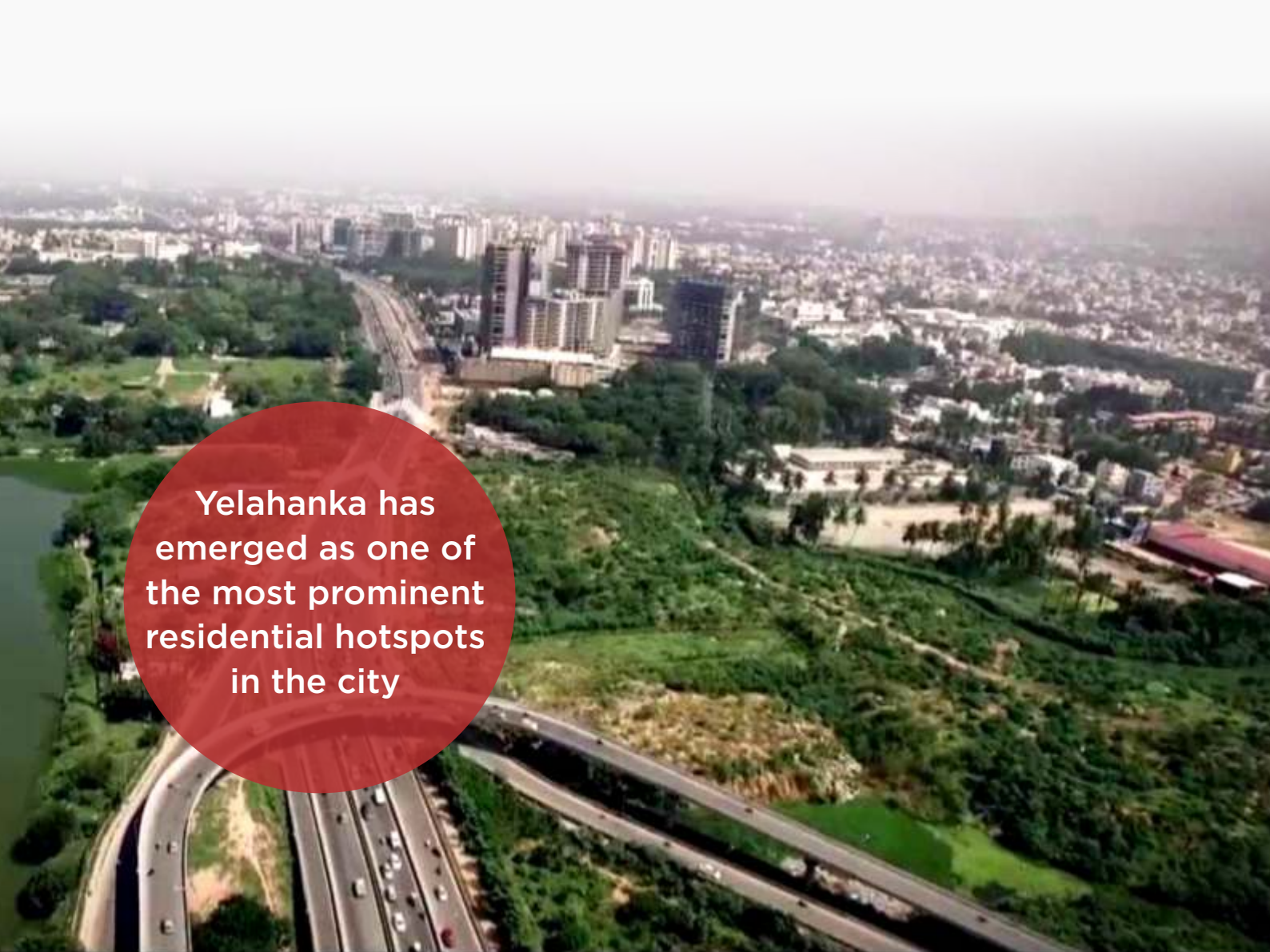
▶ The property prices in Yelahanka has been on the rise constantly till Q1 2018. Interestingly, despite the impact of the economic reforms in 2016 and the decline in the new launches, prices in Yelahanka have not seen any major corrections.

▶ The prices have appreciated by around 9% during the past two years with the average price as of Q1-2018 being 5,100/sq. ft.

Outlook

Besides having immense historical importance, Yelahanka has emerged as one of the most prominent residential hotspots in the city. Replete with well-developed social and physical infrastructure, the micro market is likely to witness spurred growth once the proposed infrastructural developments in and around the area are fully developed. With maximum supply in the mid-segment category and availability of large land parcels, Yelahanka is fast emerging as one of the favoured real estate investment

destinations in North Bengaluru. Moreover, leading developers have built several villa options in the micro market, which has attracted investors to consider Yelahanka as their weekend home destinations as well.



Yelahanka has emerged as one of the most prominent residential hotspots in the city

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