



MICRO-MARKET

Spotlight- Kanakapura Road

Turning into a Thriving Residential Hub

A Research Report by 360 Realtors

Introduction

Located alongside NH 209, Kanakapura Road is a bustling suburb in Bangalore city, which is well known for its greeneries & natural endowments.

Once an outpost of the city, Kanakapura Road, located in the south of Bangalore, today features predominantly on the city's Real Estate map.

Alongside other localities such as Whitefield, Electronic City, Devanahalli; it is one of the fastest growing Realty markets in Bangalore.

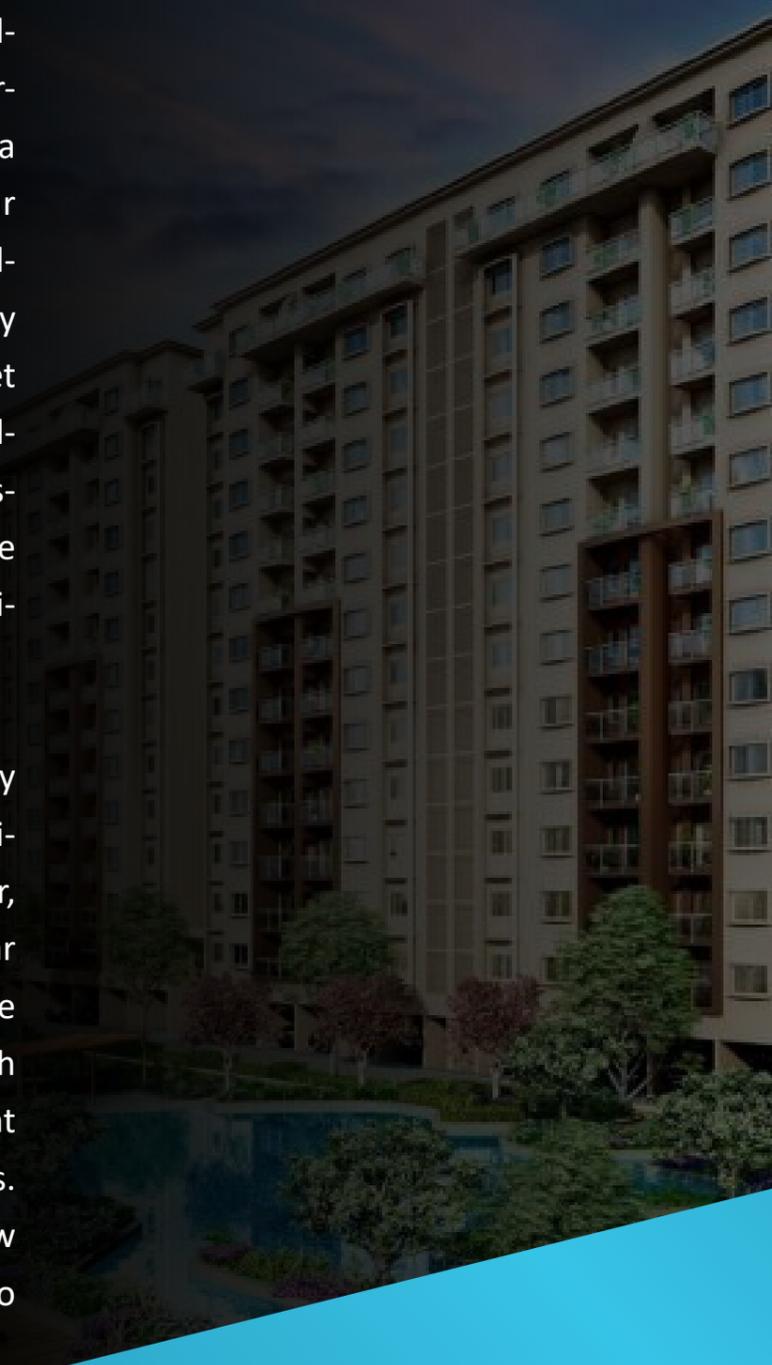
It stretches from Basavangudi to NICE Road. Through the NICE Road, it is conveniently connected to major IT hubs of the city such as Electronic City, Sarjapur & Whitefield.

Several IT companies are coming up in & around the Kanakapura Road catchment as well, thereby adding further momentum to the housing demand.

The micro-market is also dotted with popular schools, healthcare facilities & retail outlets, thereby giving comfort to the residents.

Despite being a self-sustainable micro-market with a plethora of retail, educational & healthcare facilities, properties are moderately priced in Kanakapura Road, when compared to other popular localities. This is auguring well with middle-income households from nearby IT hubs, who are looking for viable yet comfortable living options. Major developers such as Sobha, Provident, Prestige, Purvankara, Mantri, Nitesh, etc. are actively pivoting to the location to capitalize on the recent spurt in demand.

Kanakapura Road is also conveniently located to other major residential localities in South Bangalore such as JP Nagar, Jayanagar & Banasankari. By the year 2020, phase 2 of the metro-line will be operational in Kanakapura Road, which will further offer a cheap & convenient mass commute option for the residents. As the market is poised to further grow in the times ahead, investors are also entering the location.



Market ANALYSIS

At the onset of the decade, price in Kanakapura was roughly around INR 2,780/ Sq. Ft. Over the previous 9 years, the prices have appreciated by near around 90%, on the back of vigorous growth in the micro-market. Currently, the prices have stabilized.

The flattening of the prices is primarily due to higher inventories in the market, as many leading developers are coming with new launches. In Q1 FY 20, average prices have inched up by 0.2% Q/Q to reach INR 5,260/ Sq. Ft. The current inventories are around 3,850 lowering down from a level of around 4,400 units in a span of 6 months.

MAJOR SCHOOLS

- DPS
- Jain International
- Valley School
- Kumarans
- DAV Public School

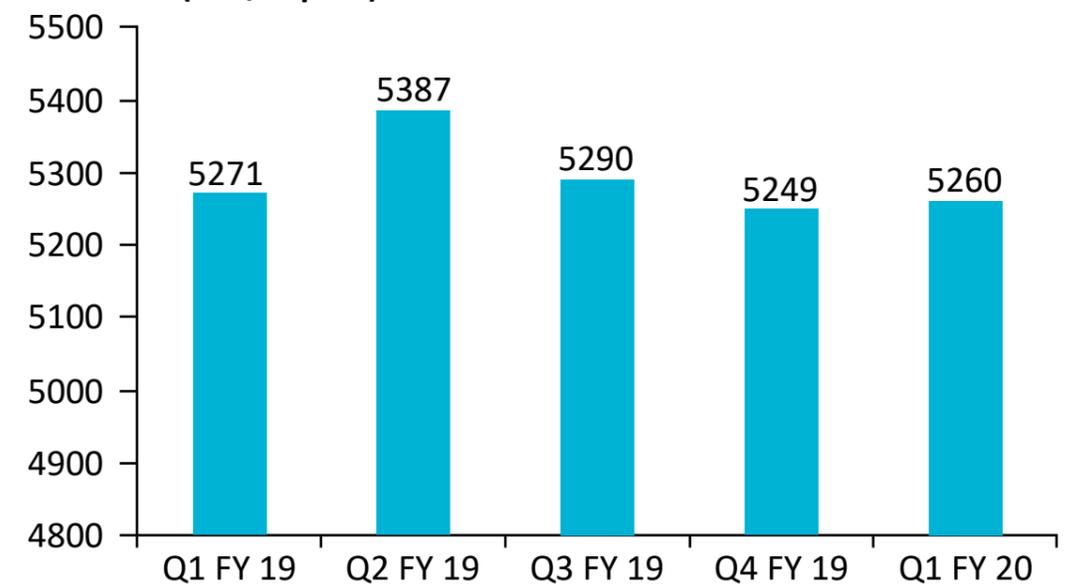
HOSPITALS

- Apollo
- Fortis
- Sri Sai Ram
- Astra Hospital
- Ritu Hospital

MALLS & RETAIL

- Mantri Mall
- Metro Cash & Carry
- Reliance Fresh
- D-Mart

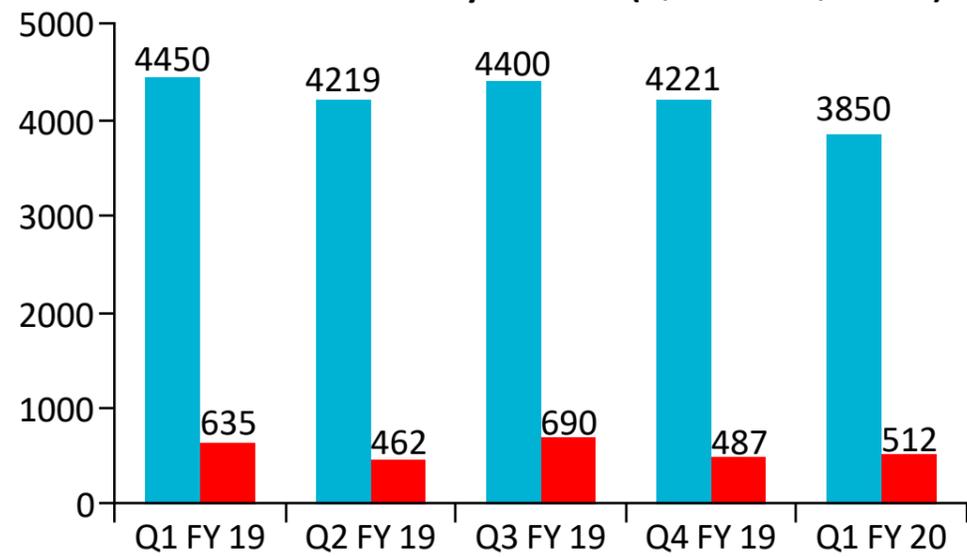
Average Property Price Trends in Kanakapura Road (INR/ Sq. Ft.)



Source: 360 Realtors Research

Both investors & end-users are showing interest towards Kanakapura Road. The total number of transactions has increased by 5.1% in Q1 FY 20. The current inventory has eased out by 9% on a Q/Q basis, that further demonstrates how the micro-market is going strength to strength.

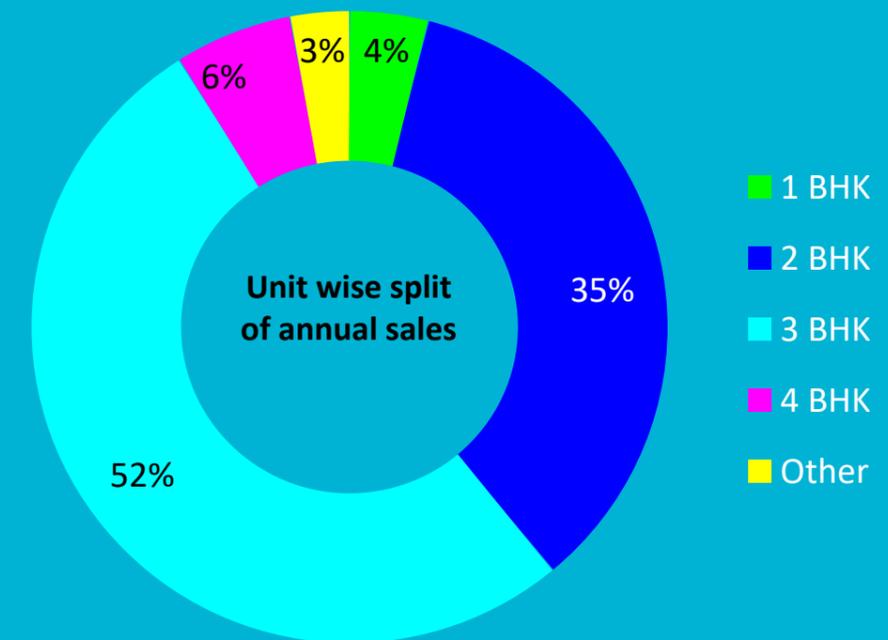
Marketable Inventory vs. Sales (Q1 FY 19- Q1 FY 20)



Source: 360 Realtors Research

■ Marketable Inventory
■ Sales

As much unit wise split is concerned, around 87% of the transactions are taking place in the 2 (35%) & 3 BHK (52%) units. This demonstrates that the market is mainly run by households & families who are looking for bigger space. A very small percentage (3%) of transactions is taking place in the 1 BHK segment.



Source: 360 Realtors Research

Swot

Analysis of the Micro Market



INTERVIEW Q & A

The 360 Realtors Research Team had a chance to catch up with Mr. Vivek Kumar, who heads International Sales at 360 Realtors, to learn more about Kanakapura Road.



MR. VIVEK KUMAR
International Business Head,
360 Realtors

Q. Your Comments on the Market Outlook of Kanakapura Road?

A. Kanakapura Road is morphing into one of the most sought-after housing markets in South of Bangalore. In the last decade, property prices have nearly doubled. As it is conveniently located to the IT hubs in Electronic City, Sarjapur Road & White Field, people employed in these places are opting for Kanakapura Road. Property prices are still viable as one can get a 2 BHK unit in the range of 45-60 lacs. One can get a 3 BHK unit by paying a little higher amount. These are sweet spots for mid-income workforces employed in the nearby IT sector. Also, the location is very calm and serene with lots of greeneries & waterbodies.

Q. Do you see NRI interest as well in the Market?

A. Yes, of course. The NRI investment into Indian housing is roughly pegged at around USD 12.5 billion, growing by around 13% Y/Y. Backed by heightened transparency & thriving sentiments, NRIs are becoming a pivotal force in Indian residential markets.

Bangalore as the silicon valley of India, features prominently on the NRI radar. As NRIs are drawn towards Bangalore in big numbers, it is natural that bustling locations such as Kanakapura Road will attract their attention.

Q. How do you think the future of Kanakapura Road will unravel?

A. Work is going full-swing on the Namma Metro project. Once the 2nd phase is completed, Kanakapura will have a station of its own. This will further transform the overall region. As land prices are still economical, IT/ ITeS & other companies will also enter the region thereby catalyzing more demand in the foreseeable future.

Major Developers



About

360 Realtors Micro-Market Spotlight

360 Realtors Micro-Market Spotlight is a market analysis conducted by 360 Realtors. In this research, we identify an upcoming micro-market & conduct detailed analyses of the residential segment dynamics. The insights can be helpful for property buyers to get a thorough understanding of the location including both pros and cons & hence take the right buying decision.

If you are planning to buy a property in Kanakapura Road & need more guidance and transparent advice, feel free to drop us a mail at – info@360realtors.com & our team will touch base with you.

PRESENCE
IN 9 COUNTRIES
GLOBALLY

15000+
SATISFIED
CUSTOMERS

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REPUTED
DEVELOPERS

40+
CITIES
IN INDIA

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