

QUARTERLY REPORT

Q1

FY 19-20

DELHI-NCR

Robust Fundamentals

FOREWORD

Average property prices have corrected in the Delhi-NCR in Q1 FY 2019-20, as per the research by 360 Realtors. The correction has been in the tune to around 1.5% on a Q/Q basis. The intake has been amounted to around 13,400- a 100 unit more when compared to a quarter before.

Despite a stable aggregate market, there are individual micro-markets, wherein buoyant sentiments are unraveling. In the Noida region, Central Noida & Noida Expressway are quite upbeat. In Gurgaon, Dwarka expressway is fueling growth, as it poised to become the next sunrise in the Millennium City. In the past 6 months, Dwarka Expressway has witnessed a slew of big launches from major national developers.

Overall Delhi NCR is witnessing fundamental changes as the market is now run by larger developers. Small-time developers are now gradually evaporating from both Noida as well as Gurugram. The market is speculation free & is mostly run by end-users who are scouting for quality deals. Despite stable aggregate trends, new launches are also back to the market.

Ankit Kansal
Founder & MD, 360 Realtors



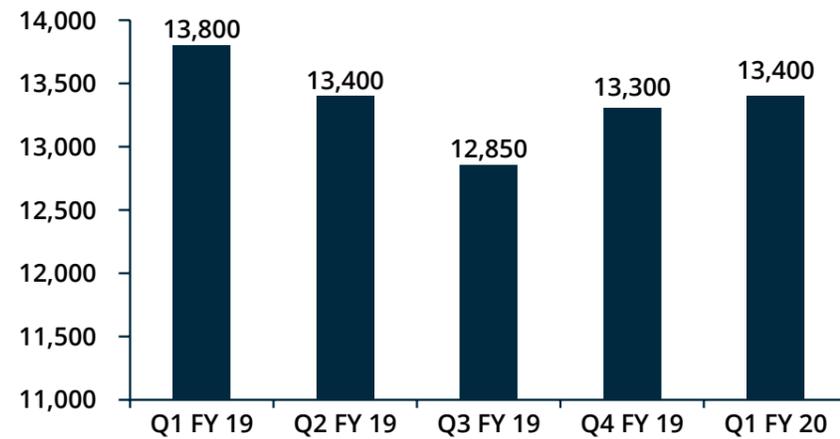
Delhi-NCR Real Estate

Key Markets: Golf Course Extension, Dwarka Expressway, Central Noida, Noida Expressway



Delhi-NCR continues to reel under the pressure of higher unsold inventory. Transaction volumes have picked up in certain pockets of Gurugram (Golf Course Extension, Dwarka Expressway) & Noida (Central Noida, Noida Expressway). Overall in Delhi-NCR, the transaction volume has inched up by around ~ 1% to 13,400. On a Y/Y basis, transactions have eased out by 2.9%.

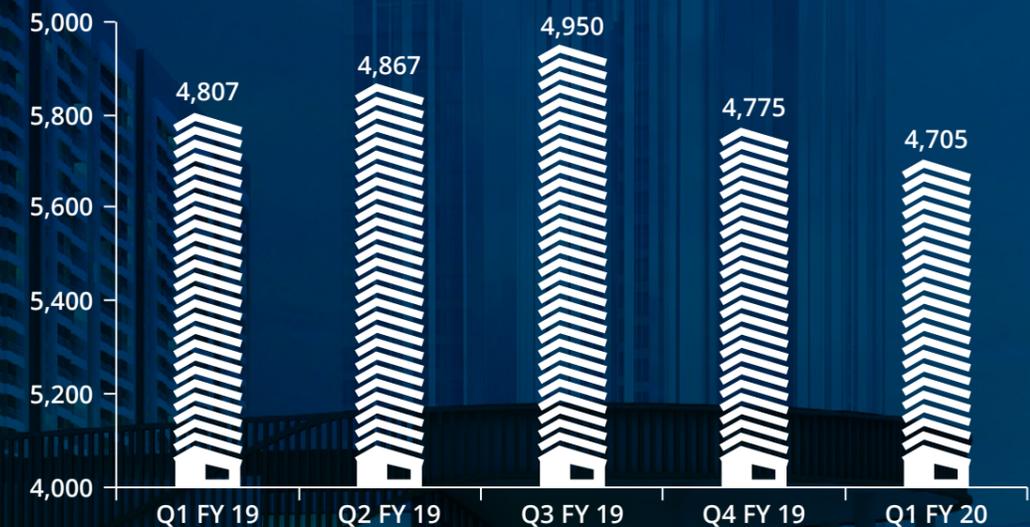
Average Property Prices in Delhi- NCR (INR/ Sq. Ft)



Source: 360 Realtors Research

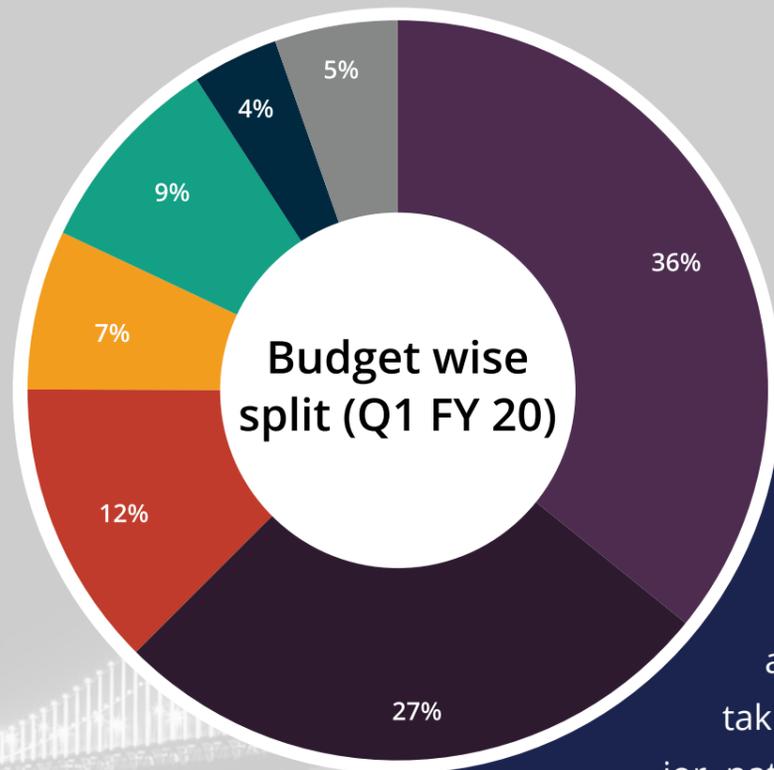
Average property prices are around INR 4705/ Sq. Ft. correcting by ~ 1.5% on a Q/Q basis. On an annual basis, prices have dipped by around 2.1%. The spiraling down of the average property prices can also be explained on the basis of attractive discounts & payment plans offered by Delhi-NCR-based developers to spur their inventory turn-around.

Quarterly Intake in Delhi- NCR



Source: 360 Realtors Research

Like other cities, there is a growing propensity towards more affordable units. Around 36% of the demand falls under the INR 20-40 lacs ticket size. This is followed by the INR 40-60 lacs bracket, which is attracting around 27% of the demand. There is also ample demand in the INR 60 lac- 1 crore segment, which constitutes slightly less than one-fifth of the market.



- 20-40 Lacs
- 40-60 Lacs
- 60-80 Lacs
- 80 Lacs- 1 CR
- 1-1.5 CR
- 1.5-2 CR
- Others

Source: 360 Realtors Research

In terms of individual micro-markets, in Gurugram, Dwarka Expressway continues to be a favorite, as host of new launches are taking place in the region. Major national level developers such as Sobha, Adani, M3M, Raheja, Vatika are coming up with new launches in the region. As the litigation has been cleared across the expressway, the overall road will come to fruition in a short span of time, thereby piquing interest from buyers from both- Delhi as well Gurugram. In Sector 88, work is going on DLF Cyberhub Phase 2, which will catalyze a host of commercial activities, thereby further boosting the demand for residential units in the vicinity.

As the international airport is located in the region, commercial activities will further get a thrust, which in turn will generate more residential demand. Average property prices are still low. However, the market has tremendous potential for appreciation, which will continue to entice homebuyers.

Other prominent markets such as Golf Course Road & Golf Course Extension is also showing an upswing in demand. Nevertheless, a relatively high ticket size is acting as a deterrent for buyers.

In Sohna Road, sentiments are moderating, as new launches are drying up. However, Sohna has been designated as a National Highway & work has commenced to transform it into an elevated road. This will surely give a shot in the arm to the Real Estate activities.

In Noida, demand is gaining steam around Noida Extension & Greater Noida. Noida is also witnessing a massive consolidation, as smaller developers are evaporating from the market, thereby giving way to more organization & structure in execution.

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