IT Capital Of India
BENGALURU
REAL INSIGHT | January–September | 2021
RESIDENTIAL MARKET ACTIVITY
MEDIA ROUNDTABLE
Economic indicators look-up

**MANUFACTURING PMI**
55.9 in October 2021 - expands for fourth straight month

**SERVICES PMI**
at 58.4 – over a decade high

**GST COLLECTION**
surges to INR 1.30 lakh crore in October – second highest ever

**REPO RATE**
At 4.0 remained unchanged

**CREDIT GROWTH - HOUSING**
9.0 YoY growth in September 2021

**RECOVERY RATE**
98.26% recovery rate – highest since March 2020

Source: Official sources, PropTiger Research
Vaccination drive boosts sentiments

1.1 bn total vaccine doses administered in India

14% share in global cases

Source: Ministry of Health and Family Welfare (as on 15/11/2021), World Health Organisation (WHO), PropTiger Research
COVID-19
REAL ESTATE
IMPACT
Residential realty rebound quicker compared to first wave
- 76 percent closer to 2020 levels

ALL INDIA NEW SUPPLY & SALES

Source: DataLabs, PropTiger Research  *Units converted to nearest thousands
Aggregate demand registers sharp rebound

Source: DataLabs, PropTiger Research  *Units converted to nearest thousands
Bengaluru, Hyderabad and Chennai together accounted for 34 percent sales in Q3 2021.
Bengaluru accounts for ~45% of the average annual residential demand in the southern cities.

Source: DataLabs, PropTiger Research  *Units converted to nearest thousands
# What's going on for Bengaluru?

<table>
<thead>
<tr>
<th>IT Hub</th>
<th>10.2mn</th>
<th>1st rank</th>
<th>2nd rank</th>
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<tbody>
<tr>
<td>of India</td>
<td>Population 2030E</td>
<td>Ease of Living Index</td>
<td>Housing.com City Health Card</td>
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<tr>
<td>Fifth most populous urban agglomeration in India</td>
<td>Most liveable city in India</td>
<td>Highest number of hospital beds (3.6) / 1,000 people in top-8 cities</td>
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<table>
<thead>
<tr>
<th>IT &amp; ITeS</th>
<th>34%</th>
<th>~10,000</th>
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<tbody>
<tr>
<td>Manufacturing</td>
<td>Share of GSDP</td>
<td>Start-ups</td>
</tr>
<tr>
<td>Education</td>
<td>Contribution to Karnataka’s GDP</td>
<td>Top global start-up hub</td>
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</tbody>
</table>

Driving sectors of Bengaluru economy

Source: State of Indian Healthcare 2021, Economic Survey Karnataka (2018-19), Bengaluru Master Plan (2031), Tracxn, PropTiger
BENGALURU Residential Market Activity

JANUARY-SEPTEMBER 2021
Residential Real Estate Market Activity

SALES

JANUARY-SEPTEMBER 2021
Sales 70 percent closer to the 2020 levels

Source: DataLabs, PropTiger Research

*Units converted to nearest thousands
INR 45 - 75 lakh price bracket record maximum sales

BENGALURU SALES JAN-SEP 2021

TICKET SIZE SPLIT OF SALES

JAN-SEP 2021
15,570
JAN-SEP 2020
15,800

Top localities
Bagalur, Whitefield
Bagalur, Electronic City
Phase 2
Varthur, Whitefield
Begur, Varthur
Whitefield, Kannamangala

< INR 25 lakh
INR 25-45 lakh
INR 45-75 lakh
INR 75-100 lakh
> INR 1 crore

3% 3% 42% 40% 16% 17% 18% 19%
Demand for larger spaces on a rise since 2019

Homebuyer preference shifts to larger homes due to pandemic

**CONFIGURATION WISE SHARE IN SALES**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Sales</th>
<th>1 BHK Share</th>
<th>2 BHK Share</th>
<th>3+ BHK Share</th>
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<tbody>
<tr>
<td>2015</td>
<td>50,870</td>
<td>38%</td>
<td></td>
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<tr>
<td>2016</td>
<td>41,760</td>
<td>40%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>33,120</td>
<td>42%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>45,070</td>
<td>44%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>38,730</td>
<td>46%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>23,460</td>
<td>48%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021 (JAN-SEP)</td>
<td>15,570</td>
<td>11%</td>
<td>46%</td>
<td>44%</td>
</tr>
</tbody>
</table>

Source: DataLabs, PropTiger Research
*Units converted to nearest thousands*
BENGALURU SALES | JAN-SEP 2021

Top localities driving sales in Bengaluru

Varthur followed by Whitefield in Bengaluru East emerge as key micro markets for homebuying.

Legend
- Top residential localities
- Major commercial areas

Sales: 670 units
Price: INR 6,000—6,200/sq ft ▼ 1% YoY

Sales: 1,040 units
Price: INR 4,800—5,000/sq ft ▲ 5% YoY

Sales: 1,260 units
Price: INR 6,400—6,600/sq ft ▲ 12% YoY

Sales: 580 units
Price: INR 4,500—4,500/sq ft ▲ 5% YoY

Note: All prices are weighted average prices for new supply and inventory

Source: DataLabs, PropTiger Research
*Units converted to nearest thousands
WHERE IS BENGALURU SEARCHING?

ONLINE PROPERTY BUYING AND RENTING TRENDS
Krishnarajapura followed by Whitefield most searched online by homebuyers.

Source: Housing Research

*Top localities are determined based on aggregate virtual or online demand through organic traffic and leads data for that locality.

**Upcoming localities are determined as per the online expression of interest and nearing of volume of organic traffic and leads to the benchmarked top localities.
HSR Layout followed by Koramangala

most searched online for renting a home

Source: Housing Research

*Top localities are determined based on aggregate virtual or online demand through organic traffic and leads data for that locality.

**Upcoming localities are determined as per the online expression of interest and nearing of volume of organic traffic and leads to the benchmarked top localities.
Residential Real Estate Market Activity

NEW SUPPLY

JANUARY-SEPTEMBER 2021
New supply surpasses January-September 2020 levels

Source: DataLabs, PropTiger Research

*Units converted to nearest thousands
New supply majorly concentrated in INR 45—75 lakh price bracket

TICKET SIZE SPLIT OF NEW SUPPLY

Top localities

- Whitefield
- Varthur, Whitefield
- Hosa Road, Varthur
- Attibele, Horamavu
- Whitefield, Harlur
Residential Real Estate Market Activity

JANUARY-SEPTEMBER 2021

PRICE TRENDS
Developers increase prices as consumers return to market

Source: DataLabs, PropTiger Research

Note: All prices are weighted average prices for new supply and available inventory
RESIDENTIAL REAL ESTATE MARKET ACTIVITY

SEPTEMBER 2021

UNSOLD INVENTORY
Bengaluru registers positive decline in unsold inventory

UNSOLD INVENTORY

SEP 2020 | 72,750 | ▼ 7% YoY
SEP 2021 | 67,640

INVENTORY OVERHANG

36 Months (3.0 years) | 35 Months (2.9 years)

Source: DataLabs, PropTiger Research
Units converted to nearest thousands

Unsold inventory top-8 cities SEPTEMBER 2021: 7,20,520

All INDIA SHARE OF UNSOLD INVENTORY
Residential Real Estate Market Activity

October–December | Q4 2021

OUTLOOK
IRIS INDEX
Online property search activity
Online search activity closer to the peak

Source: IRIS Index, Housing Research
Bengaluru homebuyer consumer sentiment outlook
Bengaluru homebuyer's positive regards the economic scenario for coming two quarters

Source: Residential Realty Consumer Sentiment Outlook Jan-Jun 2021, Housing Research
Homebuyers confident about their income scenario

Source: Residential Realty Consumer Sentiment Outlook Jan-Jun 2021, Housing Research
Bengaluru homebuyers most keen to upgrade homes on account of hybrid work culture - compared to Chennai and Hyderabad

Source: Residential Realty Consumer Sentiment Outlook Jan-Jun 2021, Housing Research
Proximity to healthcare infrastructure key amenity to drive demand in Bengaluru

Source: Residential Realty Consumer Sentiment Outlook Jan-Jun 2021, Housing Research
Key Takeaways

• **Bengaluru sales** rebound quicker - register **36 percent** YoY **growth** in Q3 2021

• **Varthur, Whitefield** and **Bagalur** were most sought-after localities for homebuying

• Units in **INR 45-75 lakh** price bracket drove demand in January-September 2021

• **New supply surpass** the January-September 2020 levels

• **New supply** majorly concentrated in **INR 45-75 lakh** price bracket

• **Bengaluru unsold inventory** registered **positive decline of 7 percent**

Source: DataLabs, PropTiger Research
Our Approach & Methodology

Data Collection

1. **Collection**: Data collected through field survey by our in-house team of ~ 400 brokers and surveyors pan India.
2. **Approach**: RERA registration date is considered as day zero for recording new supply and sales.
3. **Recording and Frequency**: Data is recorded in ‘DataLabs’ – An in-house residential real estate database portal, that tracks ~ 20,000 residential projects across top eight cities on a quarterly basis.

Data Review

Field data is verified with due quality checks across three levels:

1. **Level 1**: Internal sales team of PropTiger.com
2. **Level 2**: Developer relationships
3. **Level 3**: Internal senior management and Research team

Data analysis & publishing of numeric trends and insights
Download our reports and presentations at housing.com/research-reports

OR

Contact us on research@proptiger.com research@housing.com
The analysis presented on real estate trends in India are indicative of market trends. The data has been tracked and collected across eight cities for nearly 20,000 projects. Utmost care has been taken to provide the complete market picture however these trends present estimates and should not be relied upon in anyway. The data for sales is collected through primary survey carried out by our field agents and the data for new launches is as per the projects registered under the Real Estate Regulatory Act (RERA). The report published is for general information only. Although high standards have been used for analysis in this report, no responsibility or liability whatsoever can be accepted by PropTiger.com for any loss or damage resulting from any use of, reliance on or reference to the content of this document. As a general report, this material does not necessarily represent the views of PropTiger.com in relation to particular properties or projects. Reproduction of this report in whole or in part is not allowed without prior written approval of PropTiger.com to the form and content within which it appears.