

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

Vaccination drive boost sentiments

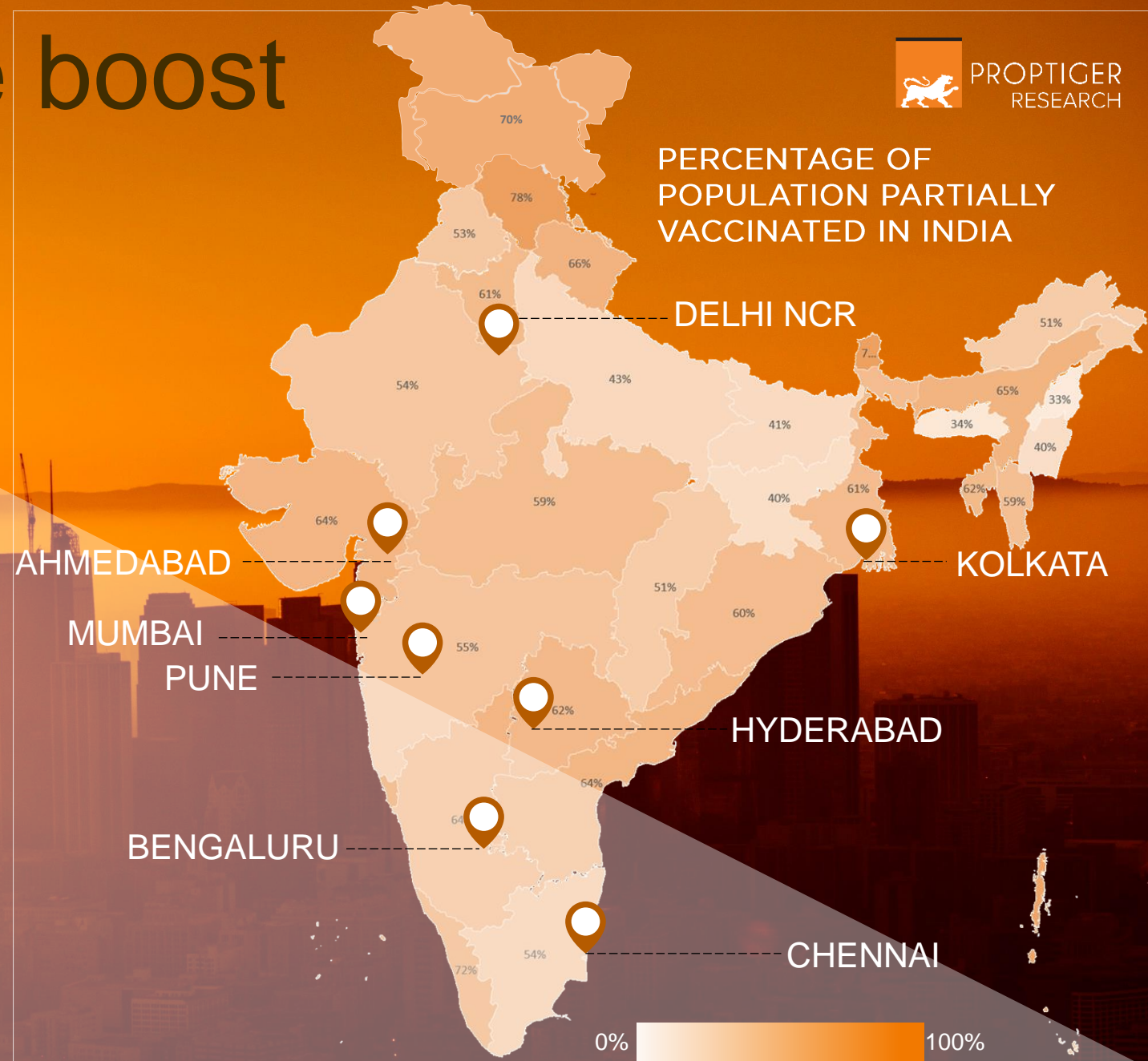
1.1 bn

total vaccine doses
administered in India

14%

share in global
cases

PERCENTAGE OF
POPULATION PARTIALLY
VACCINATED IN INDIA



COVID-19

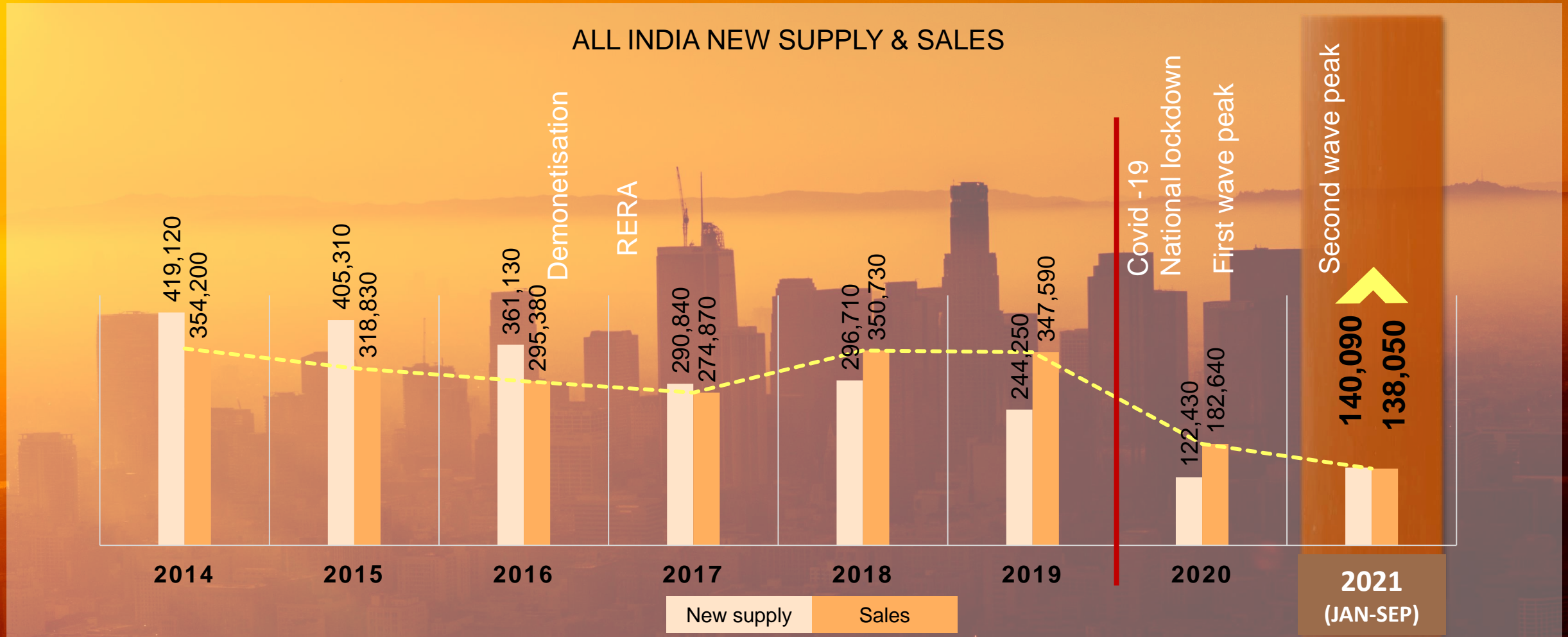
REAL ESTATE IMPACT



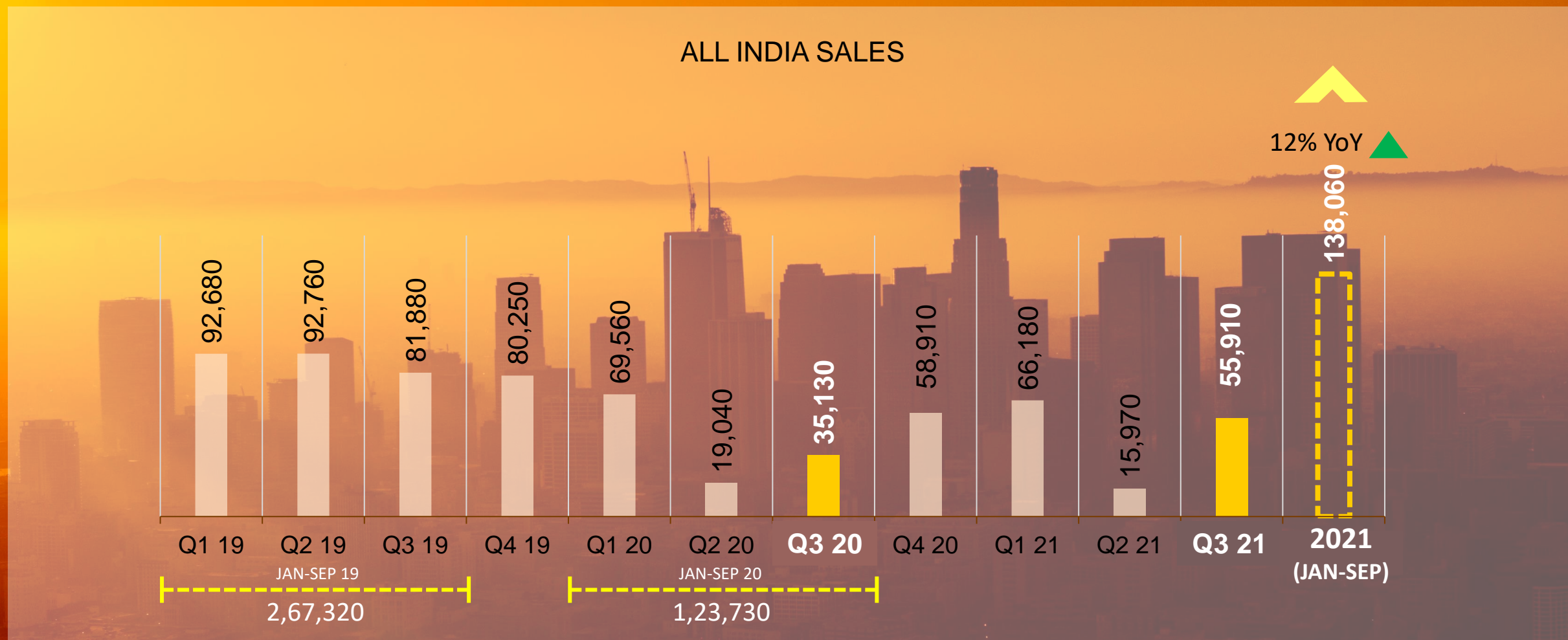


Residential realty rebound quicker compared to first wave

- 76 percent closer to 2020 levels

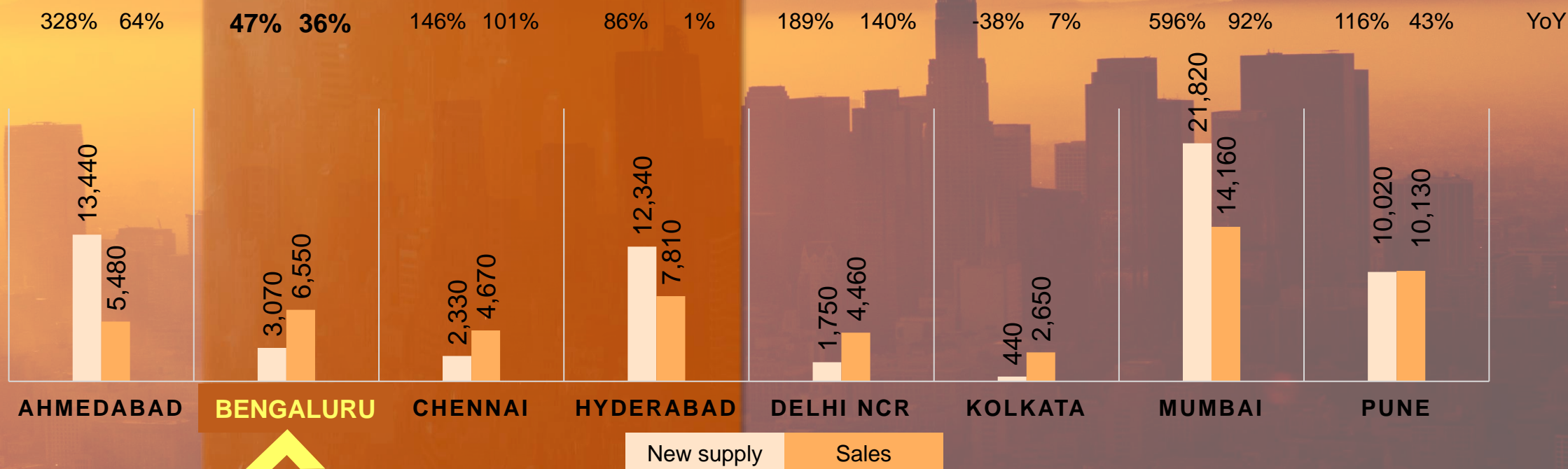


Aggregate demand registers sharp rebound



Bengaluru, Hyderabad and Chennai together accounted for 34 percent sales in Q3 2021

ALL INDIA TRENDS - CITYWISE





Bengaluru accounts for
~45% of the average
annual residential demand
in the southern cities



What's going on for Bengaluru?

IT Hub

of India

10.2_{mn}

Population 2030E

Fifth most populous urban agglomeration in India

1st rank

Ease of Living Index

Most liveable city in India

2nd rank

Housing.com City Health Card

Highest number of hospital beds (3.6) / 1,000 people in top-8 cities

IT & ITeS
Manufacturing
Education

Driving sectors of Bengaluru economy

34%

Share of GSDP

Contribution to Karnataka's GDP

~10,000

Start-ups

Top global start-up hub

Whitefield
Varthur
Bagalur

Key areas

JANUARY-SEPTEMBER 2021

BENGALURU

Residential Market Activity

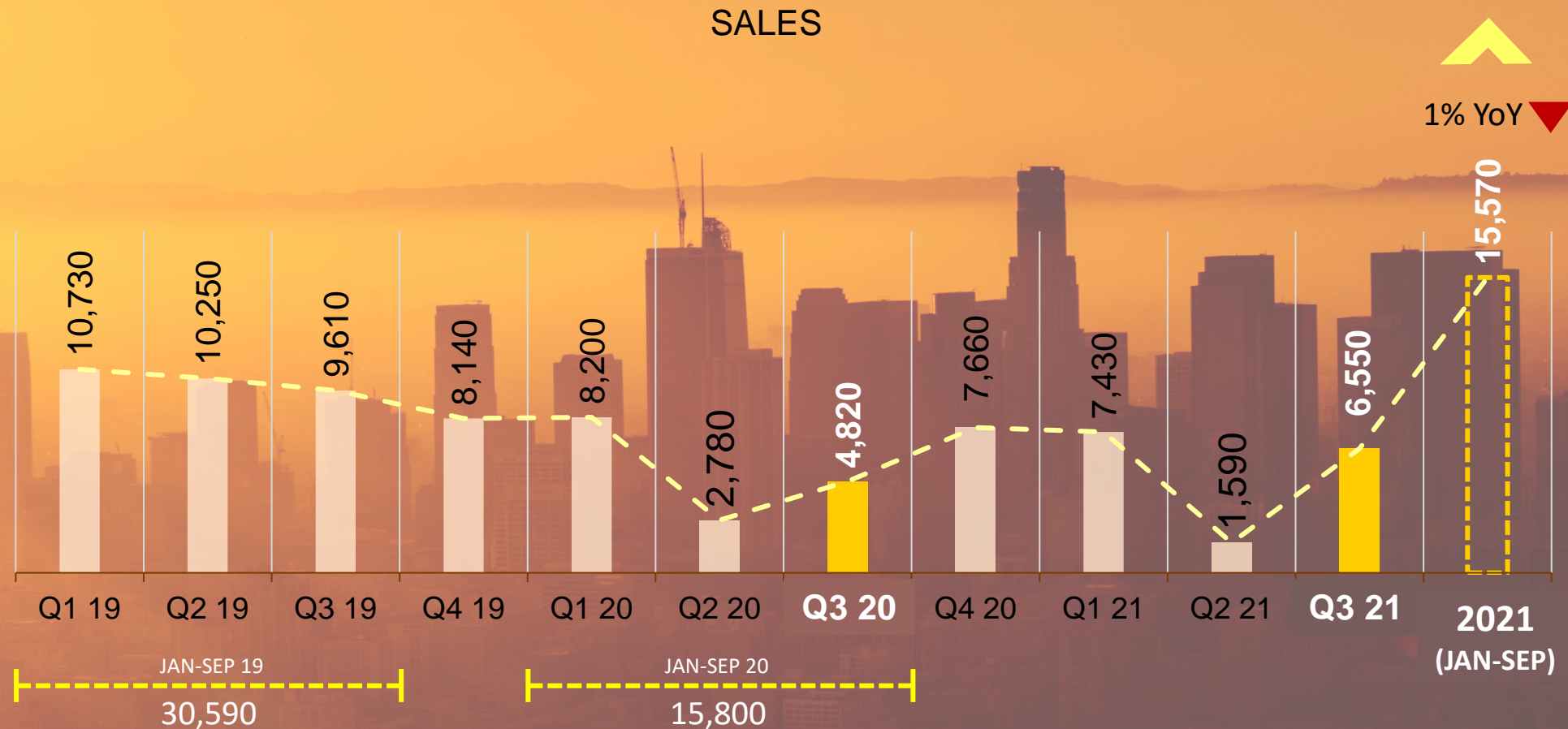
JANUARY-SEPTEMBER 2021

Residential Real Estate Market Activity

SALES

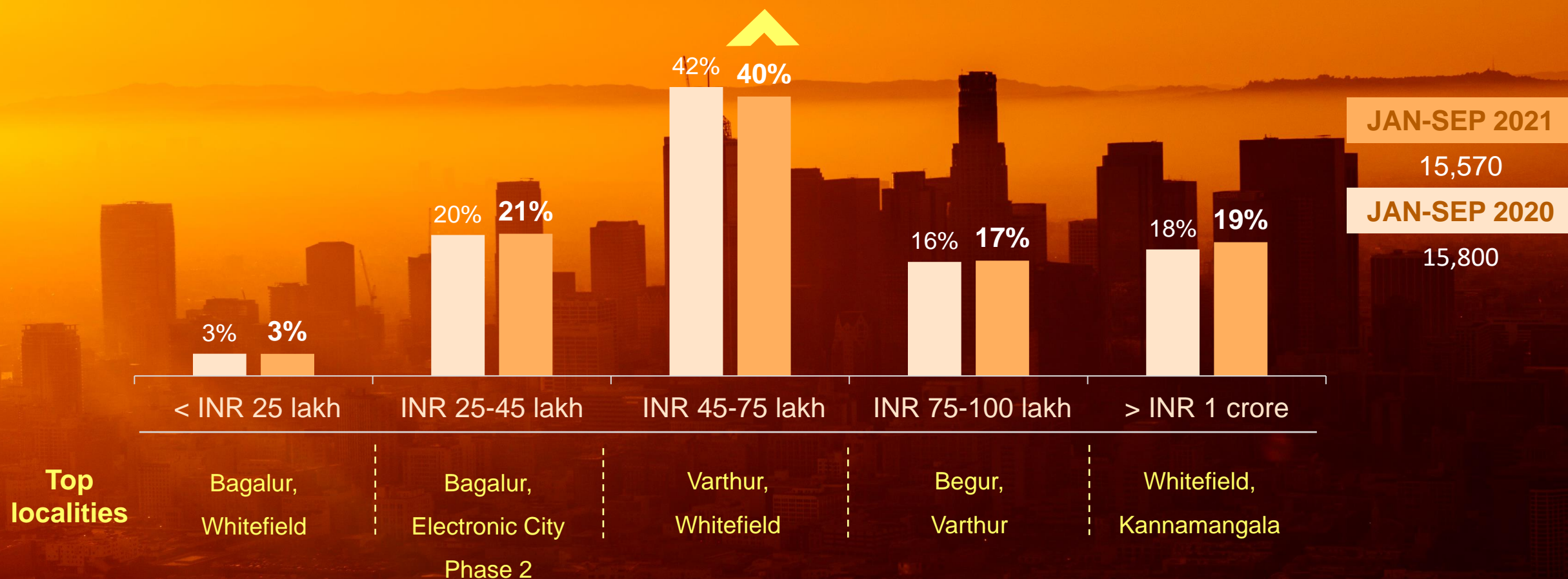


Sales 70 percent closer to the 2020 levels



INR 45 - 75 lakh price bracket record maximum sales

TICKET SIZE SPLIT OF SALES



Demand for larger spaces on a rise since 2019

Homebuyer preference shifts to larger homes due to pandemic

2021 (Jan-Sep) SHARE

Sales: 15,570

1 BHK – 11%

2 BHK – 46%

3+ BHK – 44%



CONFIGURATION WISE SHARE IN SALES





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

LEGEND

 Top residential localities Major commercial areas**BENGALURU**

SALES (UNITS) – JAN-SEP 2021

15,570**BAGALUR**

Sales: 670 units

Price: INR 6,000—6,200/sq ft ▼ 1% YoY

KRISHNARAJAPURA

Sales: 570 units

Price: INR 4,500—4,700 /sq ft ▲ 5% YoY

WHITEFIELD

Sales: 1,260 units

Price: INR 6,400—6,600 /sq ft ▲ 12% YoY

BEGUR

Sales: 580 units

Price: INR 4,500—4,500/sq ft ▲ 5% YoY

VARTHUR

Sales: 1,040 units

Price: INR 4,800—5,000 /sq ft ▲ 5% YoY

JANUARY-SEPTEMBER 2021

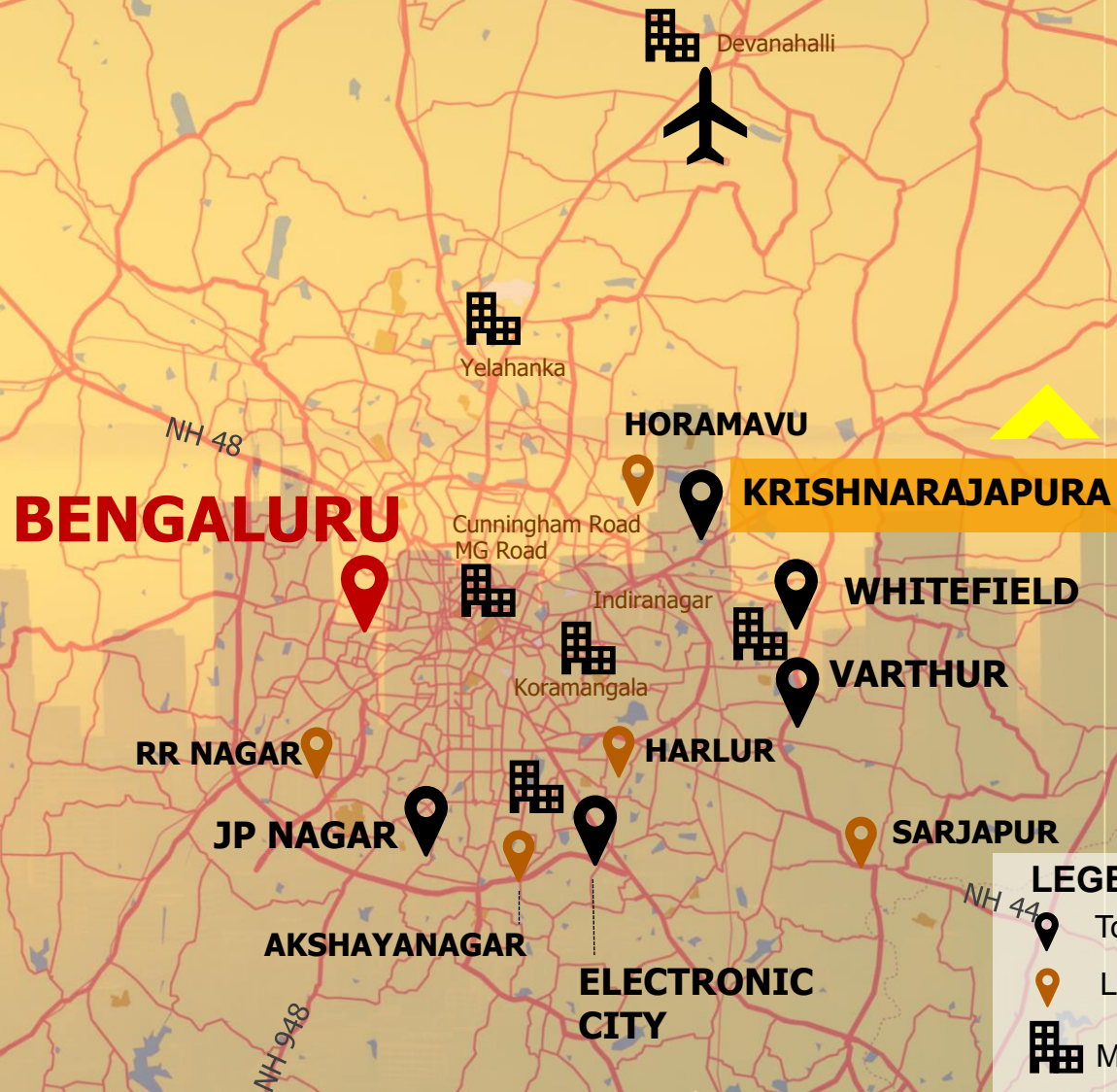
WHERE IS BENGALURU SEARCHING?

ONLINE PROPERTY BUYING AND RENTING TRENDS






Top localities – online buying

Krishnarajapura
followed by
Whitefield most
searched
online by
homebuyers

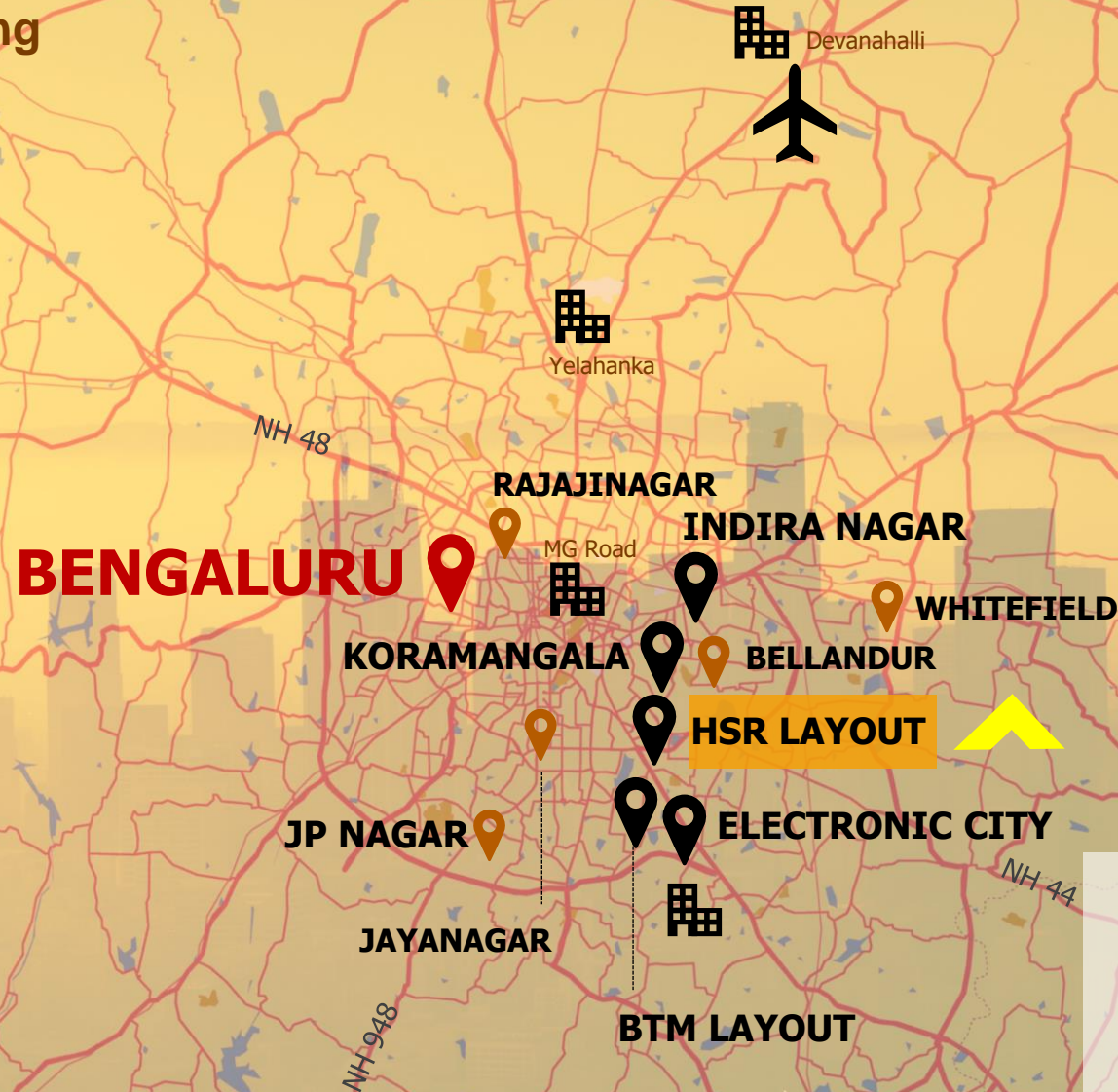


LEGEND




-  Top localities*
-  Localities gaining traction**
-  Major commercial areas

Top localities – online renting

HSR Layout
followed by
Koramangala
most
searched
online for
renting a
home



LEGEND

-  Top localities*
-  Localities gaining traction**
-  Major commercial areas

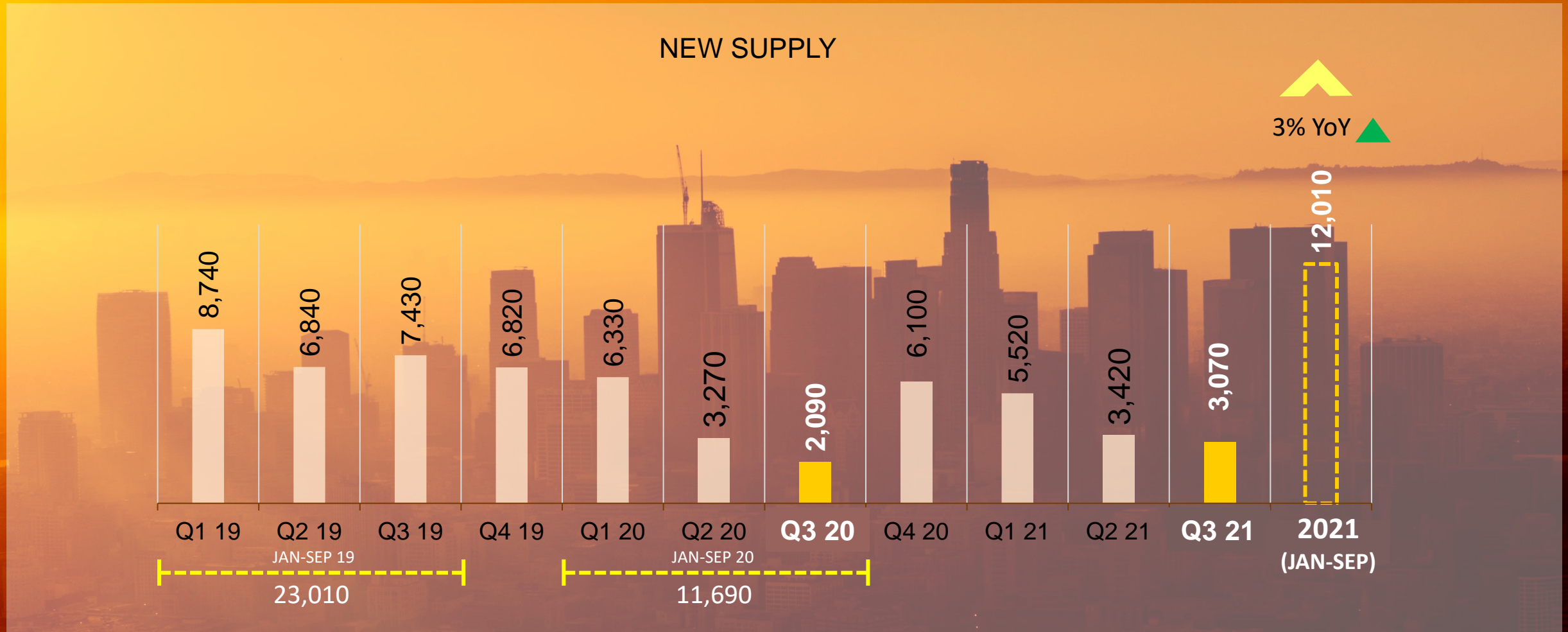
JANUARY-SEPTEMBER 2021

Residential Real Estate Market Activity

NEW SUPPLY

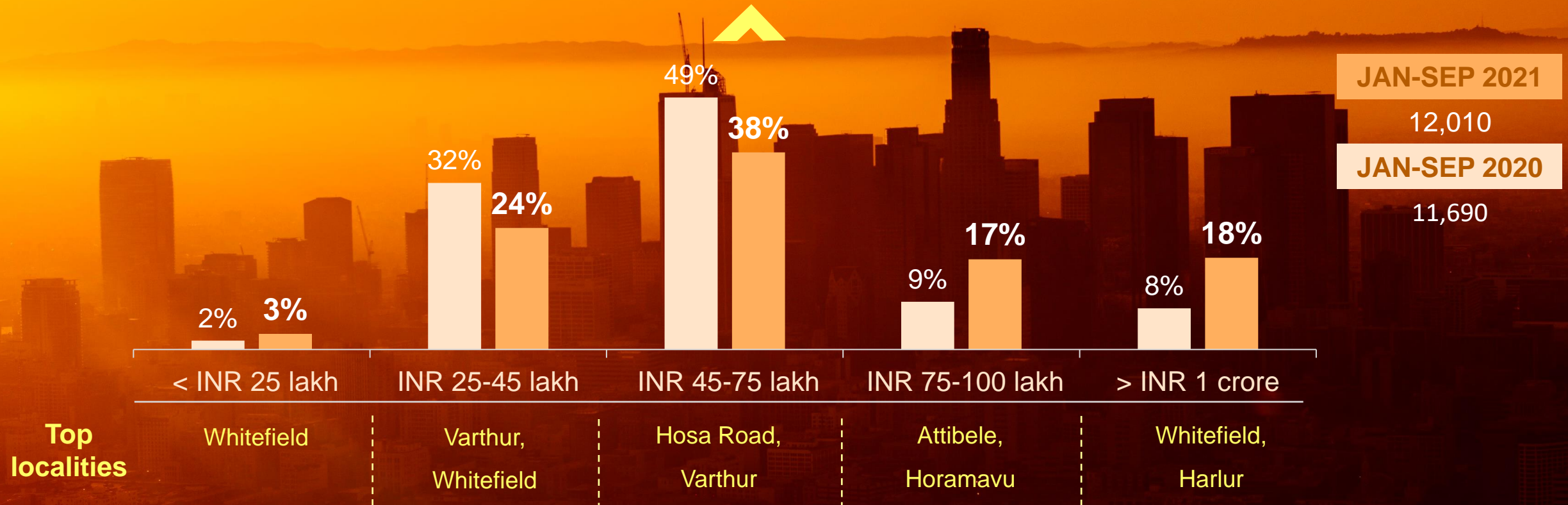


New supply surpasses January-September 2020 levels



New supply majorly concentrated in INR 45—75 lakh price bracket

TICKET SIZE SPLIT OF NEW SUPPLY



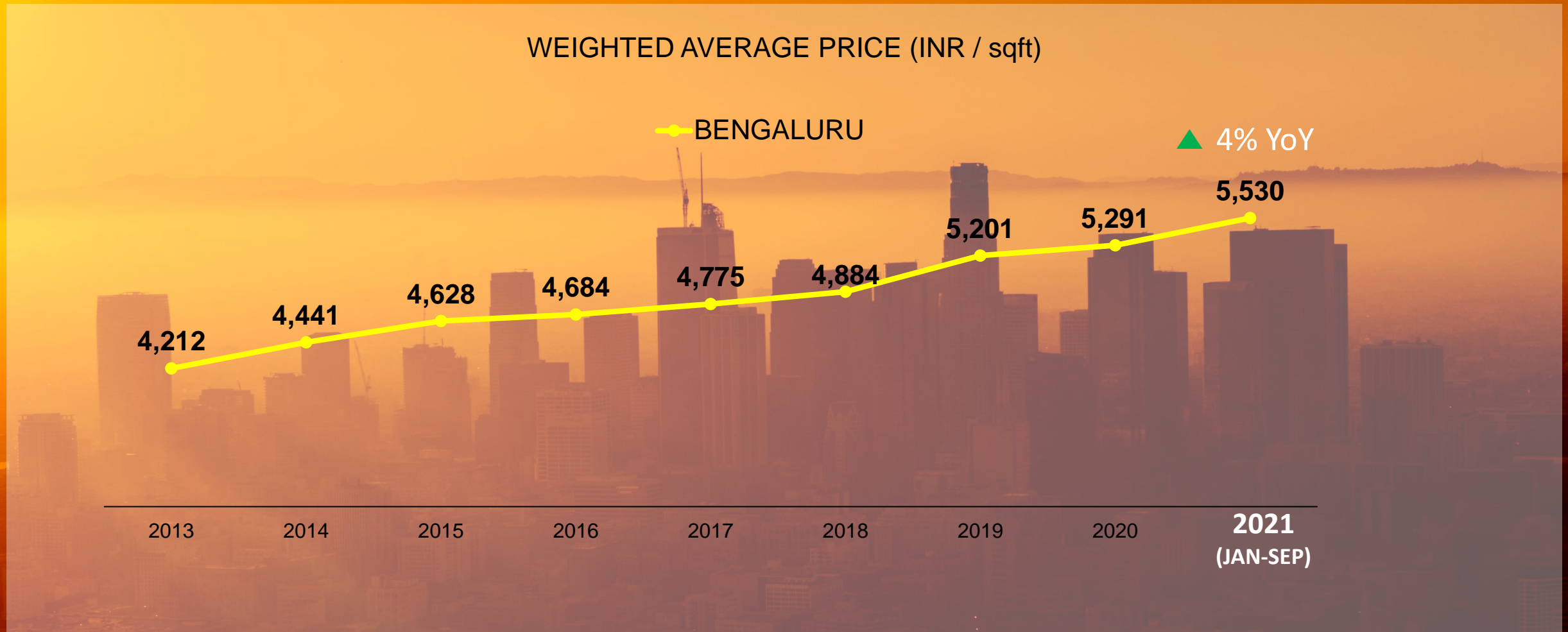
JANUARY-SEPTEMBER 2021

Residential Real Estate Market Activity

PRICE TRENDS



Developers increase prices as consumers return to market



SEPTEMBER 2021

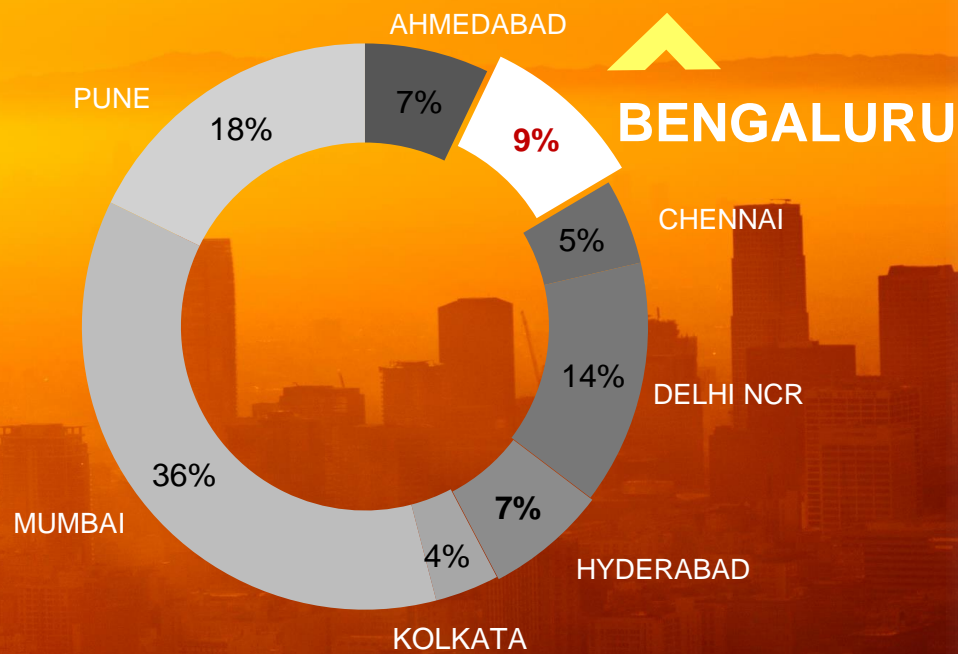
Residential Real Estate Market Activity

UNSOLD INVENTORY



Bengaluru registers positive decline in unsold inventory

ALL INDIA SHARE OF UNSOLD INVENTORY



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

Source: DataLabs, PropTiger Research *Units converted to nearest thousands

UNSOLD INVENTORY

SEP 2020

72,750

▼ 7% YoY

SEP 2021

67,640

INVENTORY OVERHANG

36

Months

(3.0 years)

35

Months

(2.9 years)

October–December | Q4 2021

Residential Real Estate Market Activity

OUTLOOK



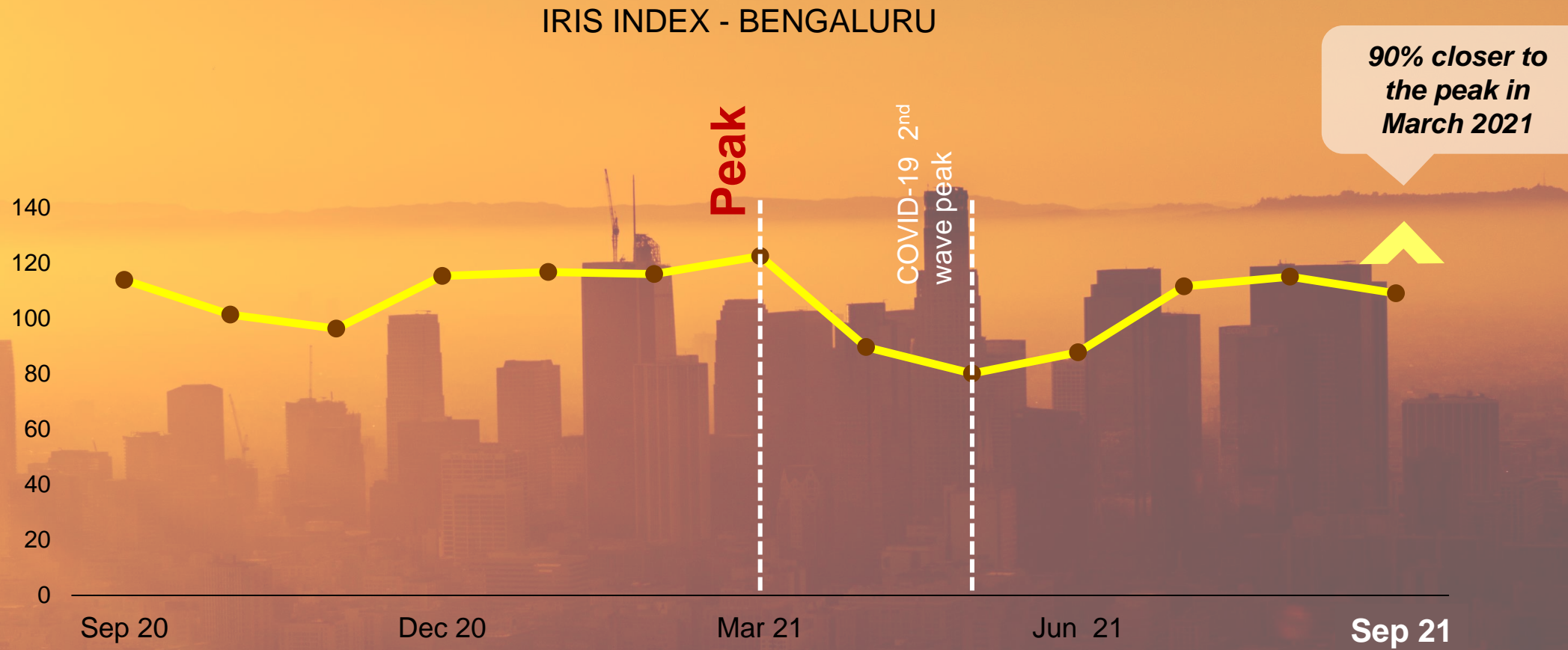
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IRIS INDEX

Online property search activity



Online search activity closer to the peak



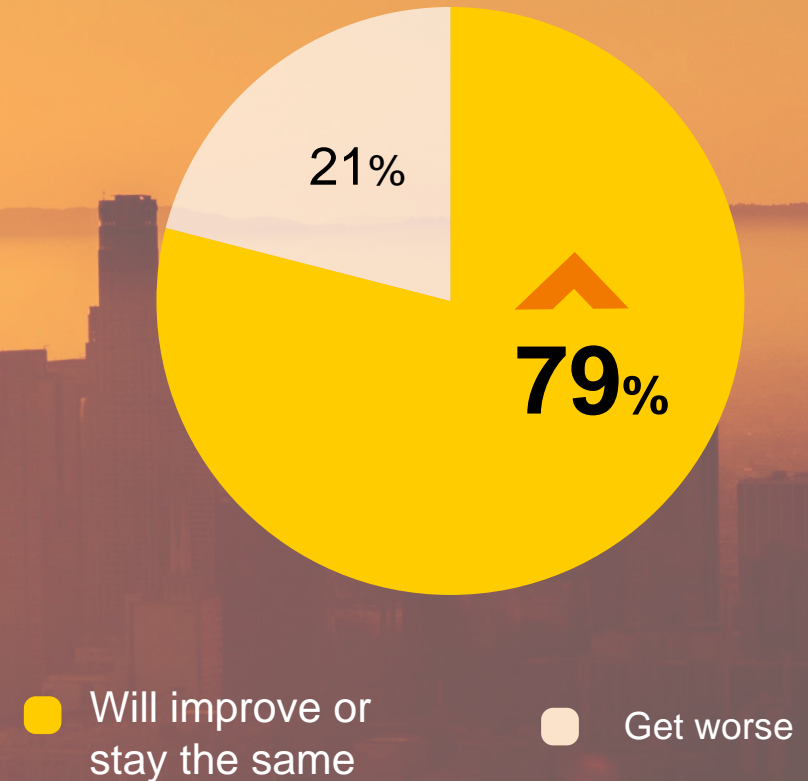
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Bengaluru homebuyer consumer sentiment outlook



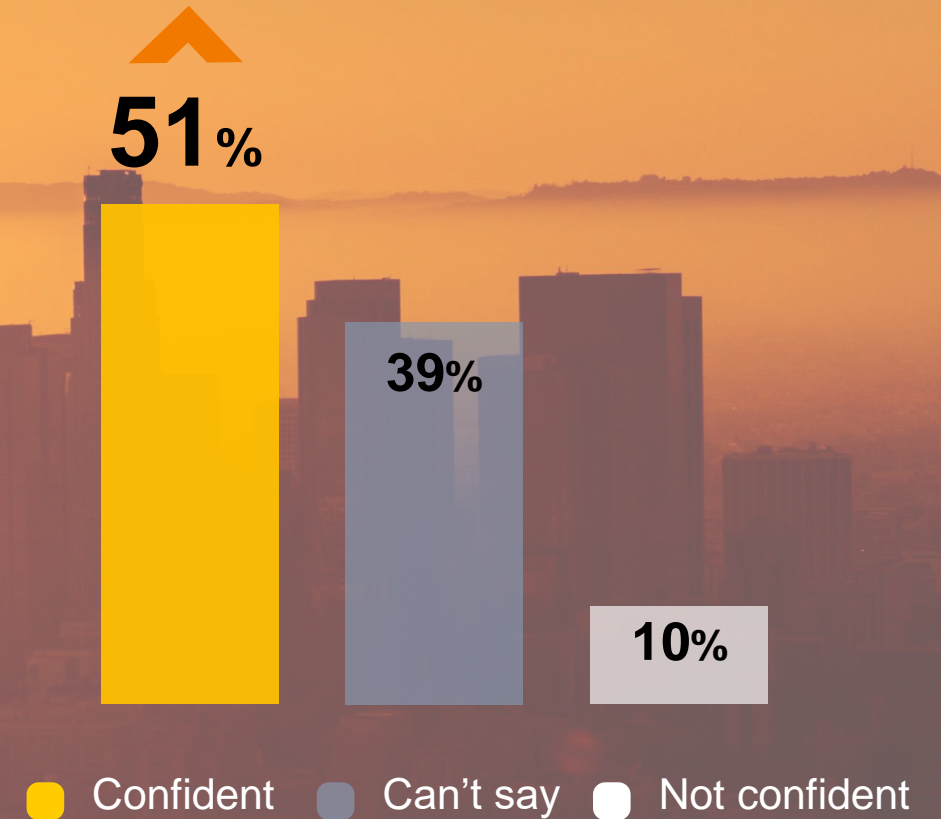
Bengaluru
homebuyer's positive
regards the economic
scenario for coming
two quarters

ECONOMIC OUTLOOK FOR
COMING SIX MONTHS



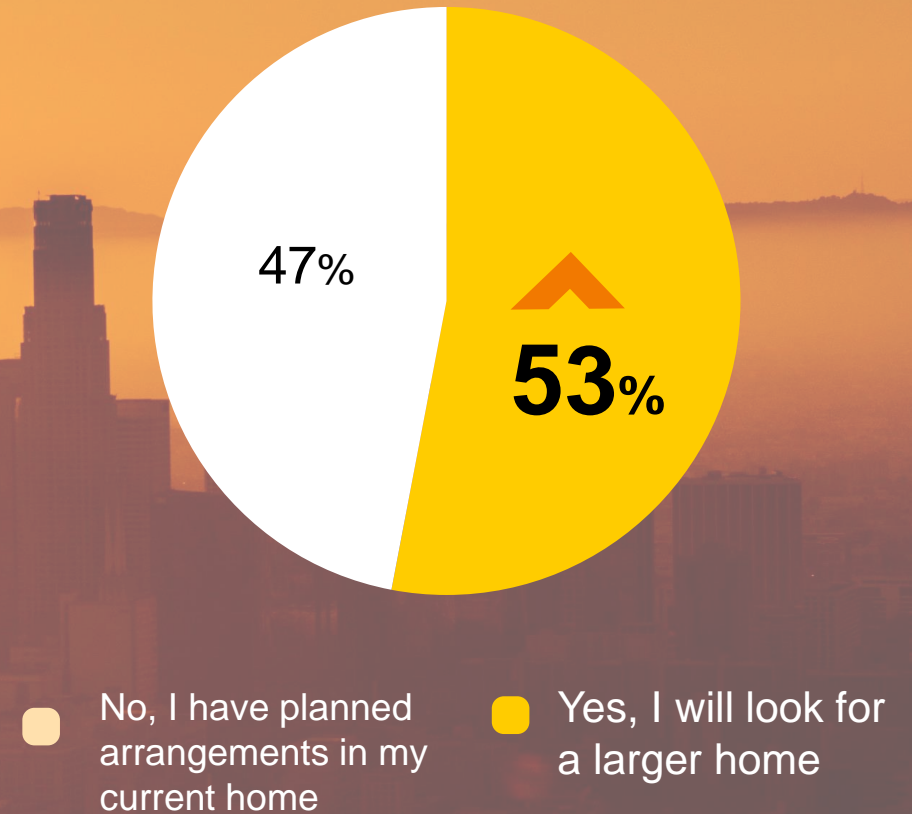
Homebuyers confident about their income scenario

INCOME OUTLOOK FOR COMING SIX MONTHS



Bengaluru homebuyers most keen to upgrade homes on account of hybrid work culture - compared to Chennai and Hyderabad

WORK FROM HOME IMPACT



Proximity to healthcare infrastructure key amenity to drive demand in Bengaluru



KEY AMENITIES TO DRIVE DEMAND

Proximity to healthcare services

45%



Recreational and open spaces

26%



Gated community

15%



Day care centre

8%



Senior citizen friendly

6%

➤ 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**



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

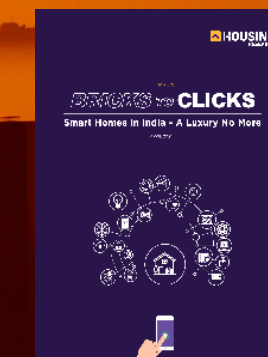


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The analysis presented on real estate trends in India are indicative of market trends. The data has been tracked and collected across eight cities for nearly 20,000 projects. Utmost care has been taken to provide the complete market picture however 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.



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