

# Residential Real Estate Market

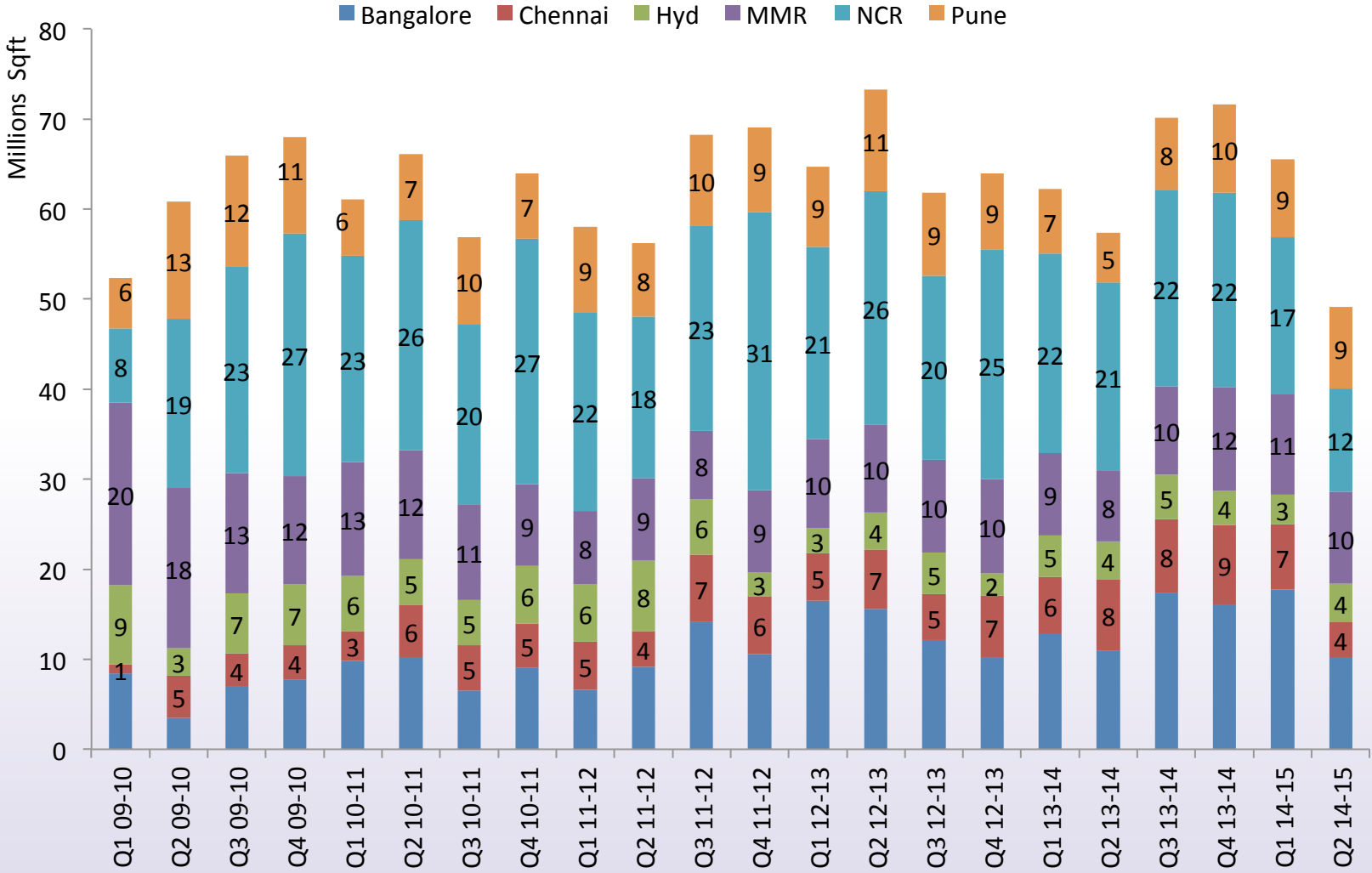
## Q2 14-15



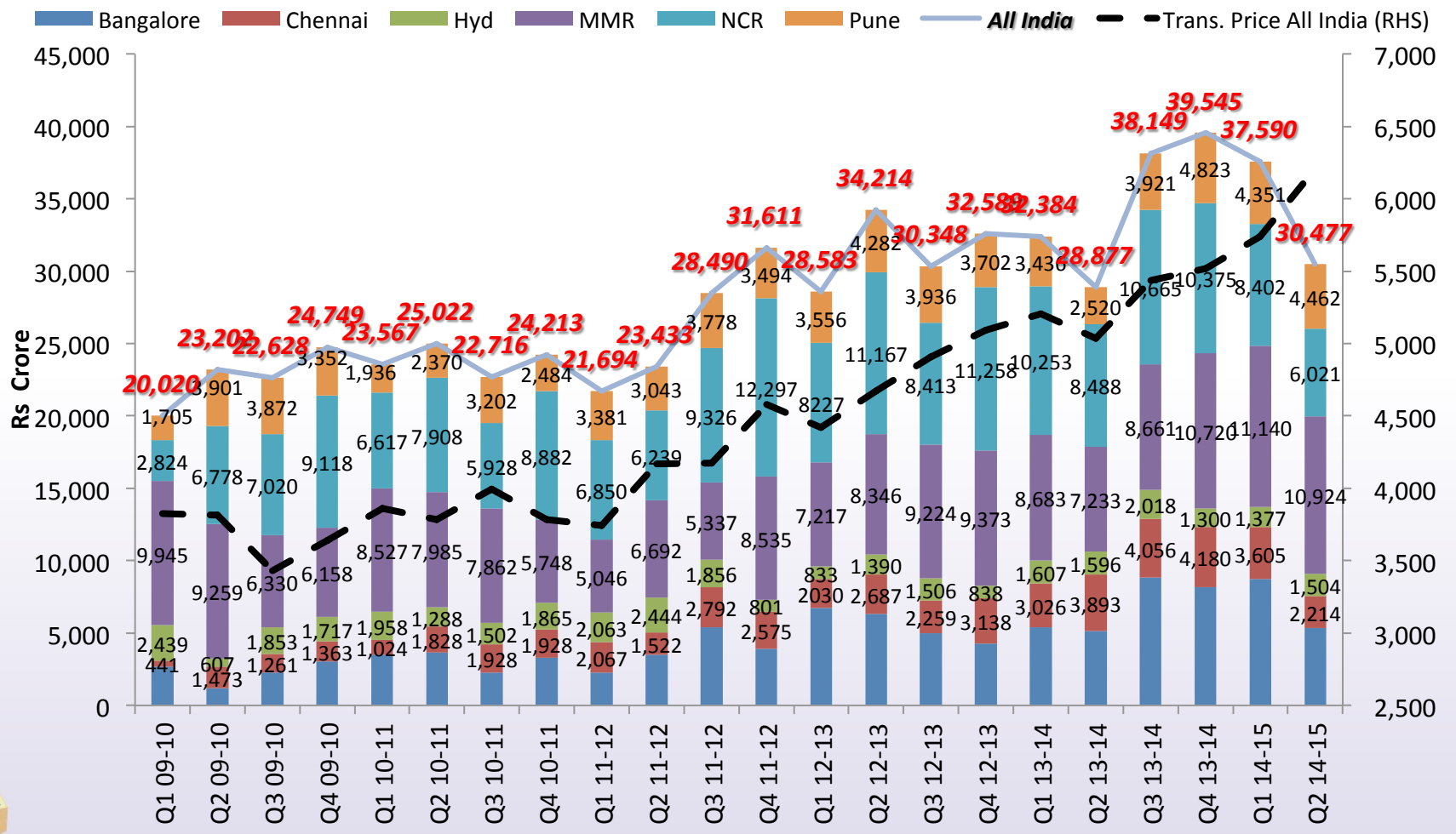
# India residential market preview Q2 14-15

- The cumulative sales across six cities were down by 25% from the last quarter. It was the lowest sales recorded since 2009.
- Sales declined even in the productive markets like Bengaluru and Chennai. Bengaluru's sales were down by 43% and Chennai's by 46% from the previous Qtr.
- NCR sales declined further by 34% in this quarter.
- MMR showed a marginal decline in sales by 9%.
- Hyderabad market showed a recovery in sales by 29% from the previous quarter, even the prices showed a growth of 10% from the previous quarter. Pune market also showed a recovery in sales by 4%.
- 34% of sales happened in the cost bracket of Rs. 50 lac to Rs. 1 Crore. 2BHK and 3BHK shares 36% and 32% respectively in each category.
- New supply in Q2 14-15 declined by 7% from previous quarter
- 36% new supply was in the cost range of Rs. 50 lacs to Rs. 1 Cr., followed by the cost range Rs. 25 Lac to Rs. 50 Lac with 29% contribution.
- 3BHK constituted 35% of new supply followed by 2BHK with 33% contribution.
- Bangalore and NCR witnessed 35% and 27% of new supply respectively.
- The average price of six cities witnessed 1% increase from previous quarter. Hyderabad witnessed the maximum rise of 10% in prices compare to other cities. Pune prices also rose by 5%.
- Cumulative sales of six cities were lower than the new supply by 17%, leading to growth in inventory level. Bangalore, NCR and Hyderabad shows sales are higher than new supply while Chennai, MMR and Pune shows sales is lower than new supply during last quarter.
- Inventory level in six cities increased in this quarter by 4%. Present inventory is 639 K units admeasuring 865 mn sqft.

# Composition of Sales across Cities



# Composition of Value of Stock Sold across Cities



# Summary Performance across Cities in Q2 14-15 Quarter

Particulars	Bangaluru	Chennai	Hyderabad	MMR	NCR	Pune
Inventory (Mn Sqft) (Unsold + Sales)	149.20	68.64	57.40	180.77	330.27	78.46
Unsold (Mn Sqft)	138.99	64.72	53.16	170.56	318.76	69.44
Sales (Mn Sqft)	10.21	3.92	4.24	10.22	11.51	9.12
New Supply (Mn Sqft)	20.56	2.48	4.45	8.14	15.80	7.38
Value of Stock Sold (Rs Cr)	5,352	2,182	1,504	10,924	6,021	4,462
Wt Avg Price per sqft	5,288	5,031	4,306	13,186	5,183	5,376
Wt Avg Cost of Flat (Rs Lac)	88	63	75	134	75	58
Wt Avg Area per flat (Sqft)	1,655	1,256	1,825	1,098	1,447	1,081
Sales Velocity (%)	1.17%	0.79%	1.07%	1.00%	0.53%	1.54%
Months Inventory	41	50	38	50	83	23

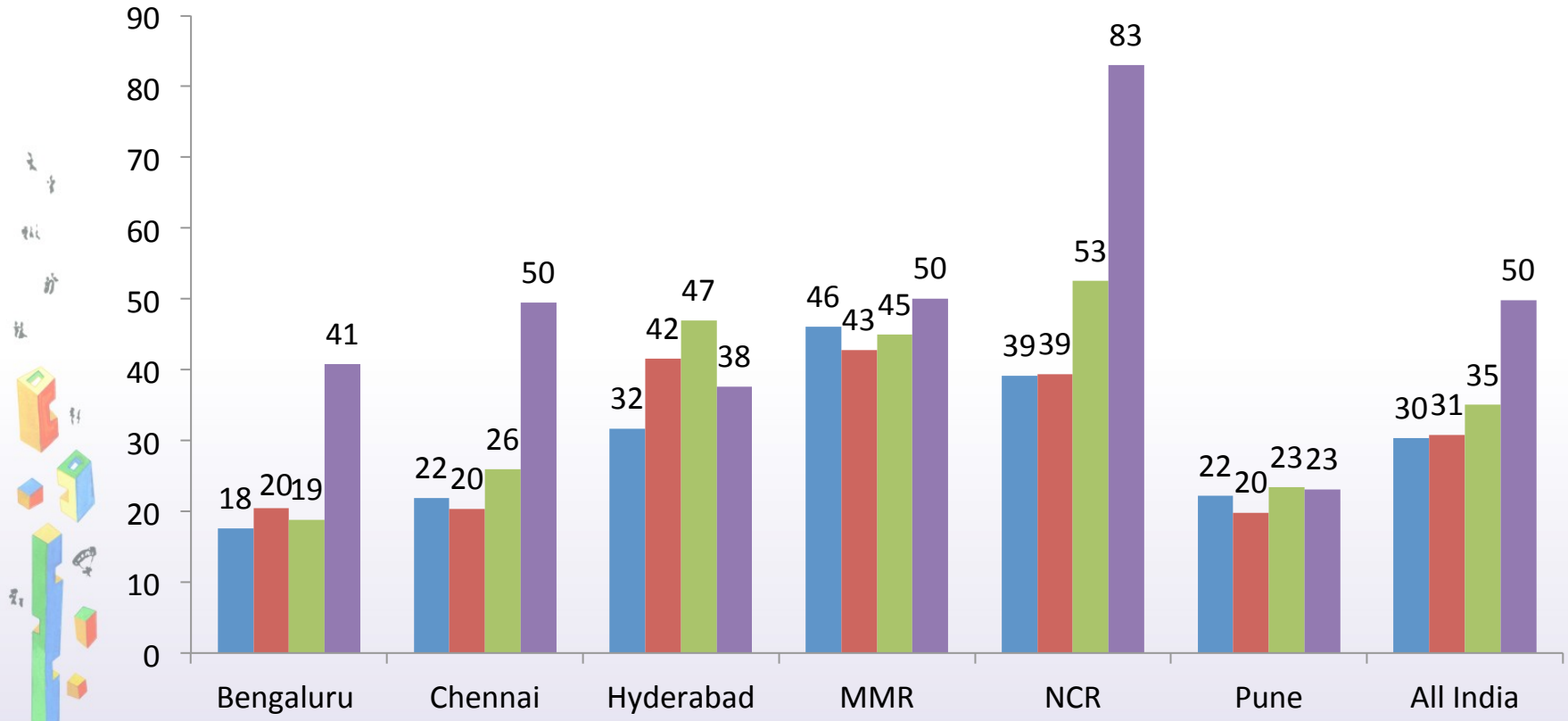
# Residential Market Performance across six cities

Region /City	Sales n Mn sqft				Unsold stock n Mn sqft	Months Inventory in Months	Price Rs per sqft				YOY		QoQ	
	Q2 12-13	Q2 13-14	Q1 14-15	Q2 14-15			Q2 12-13	Q2 13-14	Q1 14-15	Q2 14-15	Sales	Price	Sales	Price
Bengaluru	15.59	10.97	17.77	10.21	<b>138.99</b>	41	4,274	5,188	5,239	5,288	-7%	2%	-43%	1%
Chennai	6.62	7.90	7.23	3.92	<b>64.72</b>	50	4,301	4,776	4,957	5,063	-50%	6%	-46%	2%
Hyderabad	4.06	4.19	3.28	4.24	<b>53.16</b>	38	3,320	3,648	3,926	4,306	1%	18%	29%	10%
MMR	9.75	7.85	11.26	10.22	<b>170.56</b>	50	11,372	11,878	13,012	13,186	30%	11%	-9%	1%
NCR	25.94	20.98	17.34	11.51	<b>318.76</b>	83	4,123	4,808	5,095	5,183	-45%	8%	-34%	2%
Pune	11.31	5.45	8.64	9.01	<b>69.44</b>	23	4,411	5,100	5,106	5,376	65%	5%	4%	5%
<b>Total</b>	<b>73.27</b>	<b>57.34</b>	<b>65.51</b>	<b>49.12</b>	<b>815.63</b>	<b>50</b>	<b>5,806</b>	<b>6,314</b>	<b>6,772</b>	<b>6,824</b>	<b>-14%</b>	<b>8%</b>	<b>-25%</b>	<b>1%</b>

➤ Months inventory denotes the months required to clear the stock at the existing absorption pace. A healthy market maintains 8 months of inventory

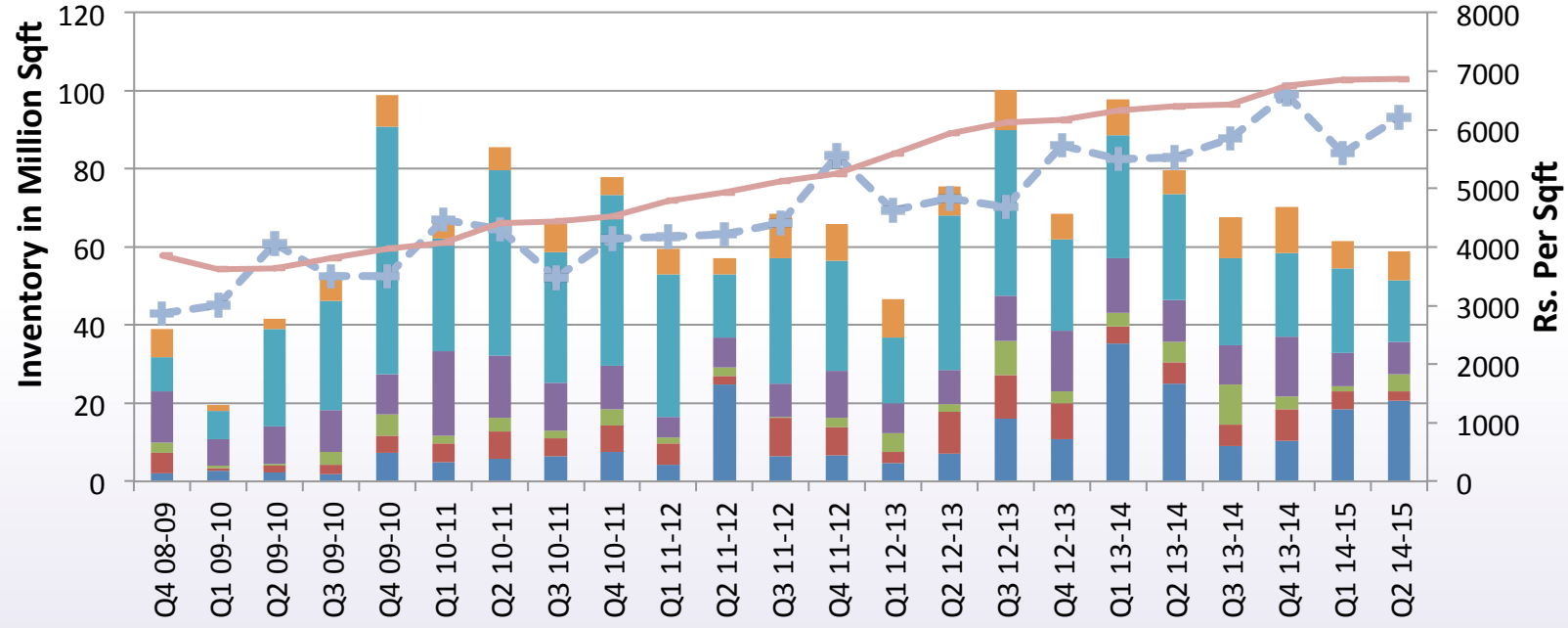
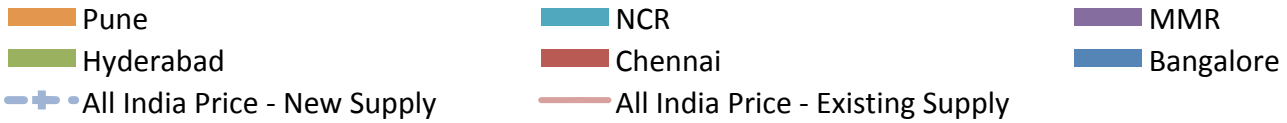
# Months Inventory across cities

■ Q3 13-14 ■ Q4 13-14 ■ Q1 14-15 ■ Q2 14-15



Q2 14-15

# New Supply Trends – Behaviour of Price



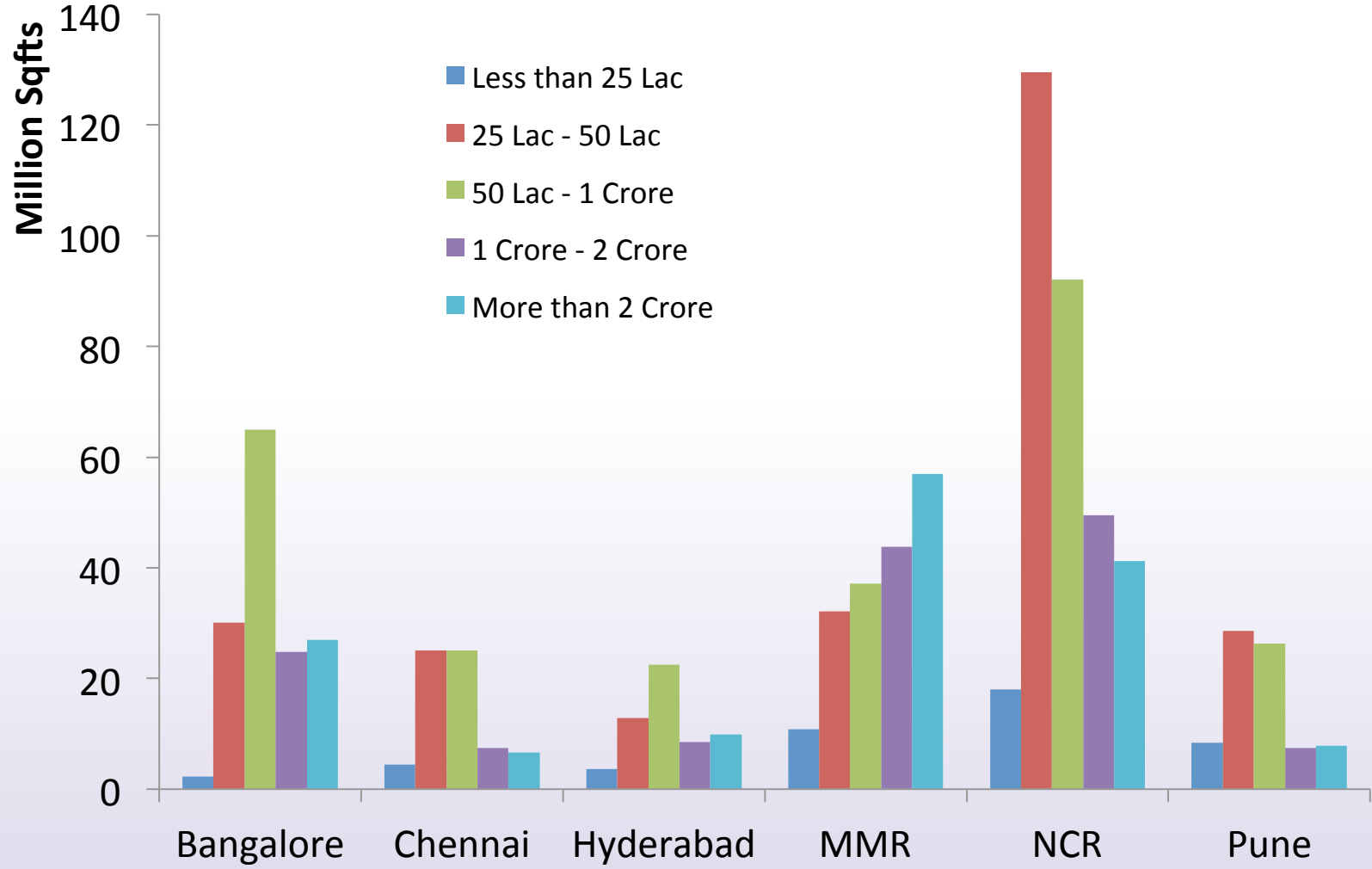
The above chart shows the new supply and price movement of both the existing supply and new supply across six cities. The Wt Avg All India Price of new supply is 10% lower than the wt avg price of existing supply as of Q2 14-15.



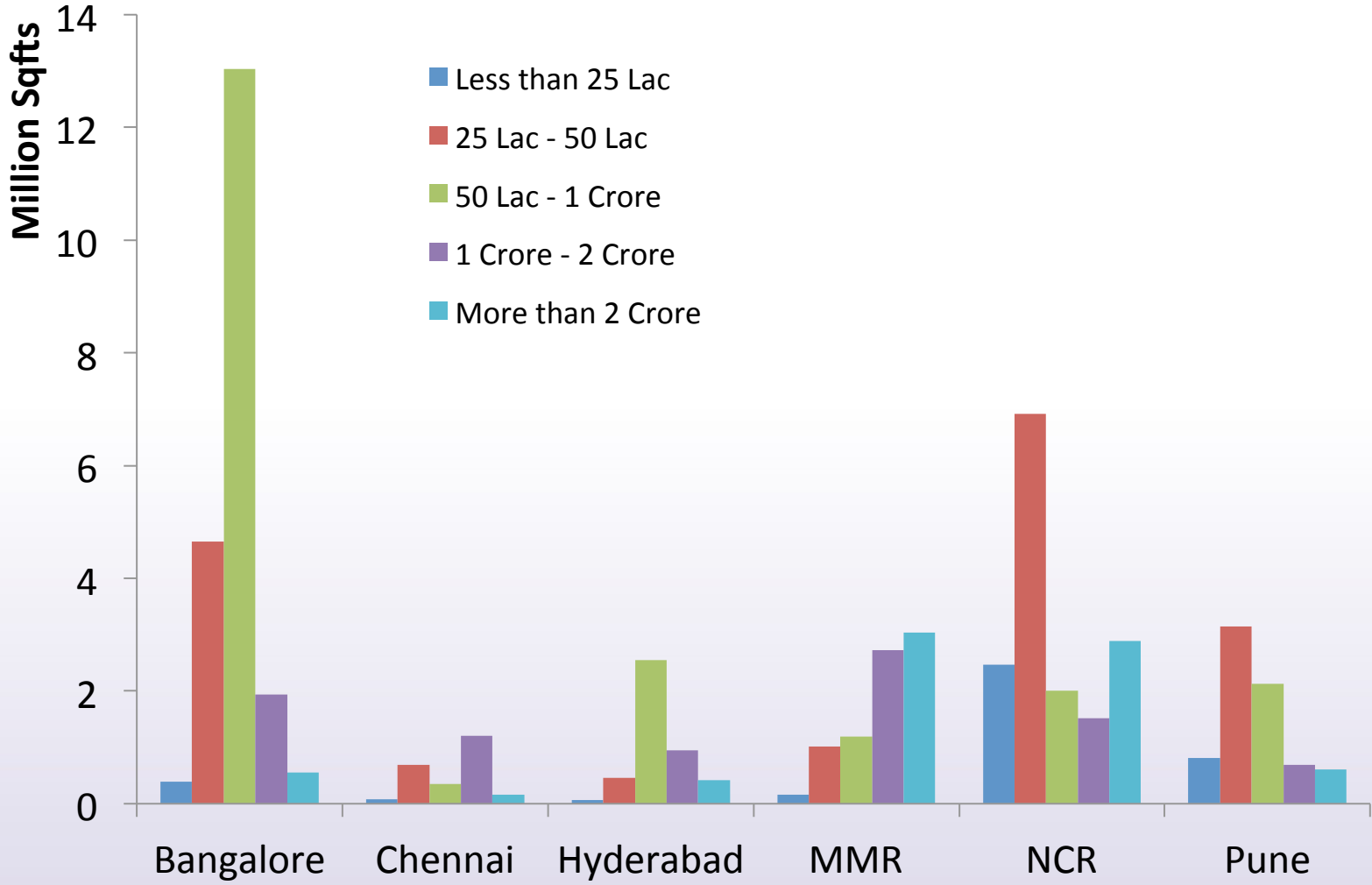
# Sale and Inventory in Cost Brackets

City	Cost Range	Inventory (Mn Sqft)	Sales (Mn Sqft)
Bangalore	Less than 25 Lac	2.29	0.07
	25 Lac - 50 Lac	30.15	1.93
	50 Lac - 1 Crore	64.94	5.18
	1 Crore - 2 Crore	24.81	1.61
	More than 2 Crore	27.00	1.42
Chennai	Less than 25 Lac	4.44	0.20
	25 Lac - 50 Lac	25.07	1.31
	50 Lac - 1 Crore	25.06	1.40
	1 Crore - 2 Crore	7.49	0.52
	More than 2 Crore	6.58	0.49
Hyderabad	Less than 25 Lac	3.67	0.33
	25 Lac - 50 Lac	12.84	1.51
	50 Lac - 1 Crore	22.54	1.52
	1 Crore - 2 Crore	8.50	0.50
	More than 2 Crore	9.85	0.39
MMR	Less than 25 Lac	10.76	0.71
	25 Lac - 50 Lac	32.10	2.52
	50 Lac - 1 Crore	37.20	2.24
	1 Crore - 2 Crore	43.74	2.48
	More than 2 Crore	56.98	2.27
NCR	Less than 25 Lac	18.02	0.55
	25 Lac - 50 Lac	129.48	4.48
	50 Lac - 1 Crore	92.15	3.06
	1 Crore - 2 Crore	49.47	1.93
	More than 2 Crore	41.15	1.49
Pune	Less than 25 Lac	8.38	1.22
	25 Lac - 50 Lac	28.56	3.35
	50 Lac - 1 Crore	26.27	3.06
	1 Crore - 2 Crore	7.47	0.76
	More than 2 Crore	7.78	0.63
<b>Grand Total</b>		<b>864.75</b>	<b>49.12</b>

# Inventory distribution by Cost Range Q2 14-15



# New Supply distribution by Cost Range Q2 14-15



**Inventory** - Supply of stock between two dates of survey. It covers all new launches (new additions) as well as carried-forward inventory from the previous quarter/quarters. It can be simply represented as Previous Unsold + New Additions.

**Sales / Demand** - Realty stock sold in a market between the dates of two surveys.

**Price** - Weighted Average Prices of the Unsold Inventory.

**Business Turnover / Value of Goods Sold** - Represents the value of the trade or the business done in a certain period. It is calculated by multiplying the total sqft sold during the period with the prevailing prices.



**THANK YOU**

