

Residential Real Estate Market Q3 14-15



Yearly Trends: Calendar Year 2013 to 2014

- The unsold stock rose 17% from 709 mn Sqft in Dec 13 (Q3 FY-14) to 832 mn Sqft in Dec 14 (Q3 FY 15).
- Yearly sales across six cities registered 1.1% of decline.
- The growths in prices were ranging from 3% to 9.5% on YoY basis, except for Bengaluru that showed marginal decline of 0.39%.

Quarterly Trends: Q2FY 15 to Q3 FY 15

❑ Unsold

- Unsold Stock in six cities increased in this quarter by 2%. Present unsold stock is 620 K units admeasuring 832 ml sqft.

❑ Sales

- Sales in Q3 FY 15 recovered, and were up by 31% from previous quarter. Maximum recovery in sales were seen in NCR and Hyderabad markets, sales surged by 60% and 55% respectively in these markets from previous quarter. It should be noted that Q2 FY 15 was the worst quarter of last five years in terms of sales.
- 33% of sales happened in the cost bracket of Rs. 50 lac to Rs. 1 Cr followed by the cost bracket of Rs. 25 lac to Rs. 50 lac which constituted 31% of the sales.
- 2BHK and 3BHK contributed 32% and 33% of sales respectively.

❑ New Supply

- New supply in Q3 14-15 declined by 9%. Of the total new additions, 39% were in the cost range of Rs. 50 lacs to Rs. 1 Cr followed by the cost range Rs. 25 Lac to Rs. 50 Lac which contributed 32%.
- 2BHK constitute 36% of new supply followed by 3BHK with 31%.
- Bangalore and MMR contributed 36% and 21% of new supply respectively.

❑ Price

- The average prices of six cities remained stable from previous quarter. The Wt average price of Hyderabad and Bengaluru has seen a decline of 2.5% and 2.05% respectively.

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Performance Summary Calendar Year 2013 to 2014

	Bangalore			Chennai			Hyderabad		
	CY 2013	CY 2014	%Change	CY 2013	CY 2014	%Change	CY 2013	CY 2014	%Change
Cumulative Sales in Mn Sqft	51.28	57.07	11.28%	29.31	24.12	-17.71%	16.32	17.52	7.36%
	Q3 13-14	Q3 14-15	%Change	Q3 13-14	Q3 14-15	%Change	Q3 13-14	Q3 14-15	%Change
Unsold in Mn Sqft (year ending)	101.72	149.93	47.39%	59.43	60.95	2.56%	52.14	52.30	0.29%
Average Inventory Price (Rs. Per Sqft)	5,200	5,179	-0.39%	4,814	4,962	3.06%	3,910	4,199	7.38%
Average Cost of flat (Rs. in Lacs)	85.21	85.55	0.40%	61.57	63.37	2.92%	70.51	74.77	6.05%
Months Inventory	17	35	103.97%	22	41	85.43%	31	24	-23.87%
Sales Velocity	2.34%	1.35%	-42.14%	1.85%	0.91%	-50.94%	1.20%	1.42%	18.17%

	MMR			NCR			Pune		
	CY 2013	CY 2014	%Change	CY 2013	CY 2014	%Change	CY 2013	CY 2014	%Change
Cumulative Sales in Mn Sqft	37.33	42.91	14.93%	90.34	69.51	-23.06%	29.24	39.78	36.06%
	Q3 13-14	Q3 14-15	%Change	Q3 13-14	Q3 14-15	%Change	Q3 13-14	Q3 14-15	%Change
Unsold in Mn Sqft (year ending)	151.63	183.95	21.32%	284.24	315.39	10.96%	59.48	69.58	16.98%
Average Price (Rs. Per Sqft)	11,956	13,121	9.74%	4,902	5,080	3.64%	4,997	5,381	7.68%
Average Cost of flat (Rs. in Lacs)	123.87	132.08	6.62%	73.09	74.79	2.33%	55.84	56.94	1.96%
Months Inventory	40	48	19.47%	40	56	39.86%	21	15	-25.15%
Sales Velocity	1.18%	0.94%	-20.62%	1.12%	0.76%	-32.27%	1.68%	2.05%	21.37%

Summary Performance across Cities in Q3 14-15 Quarter

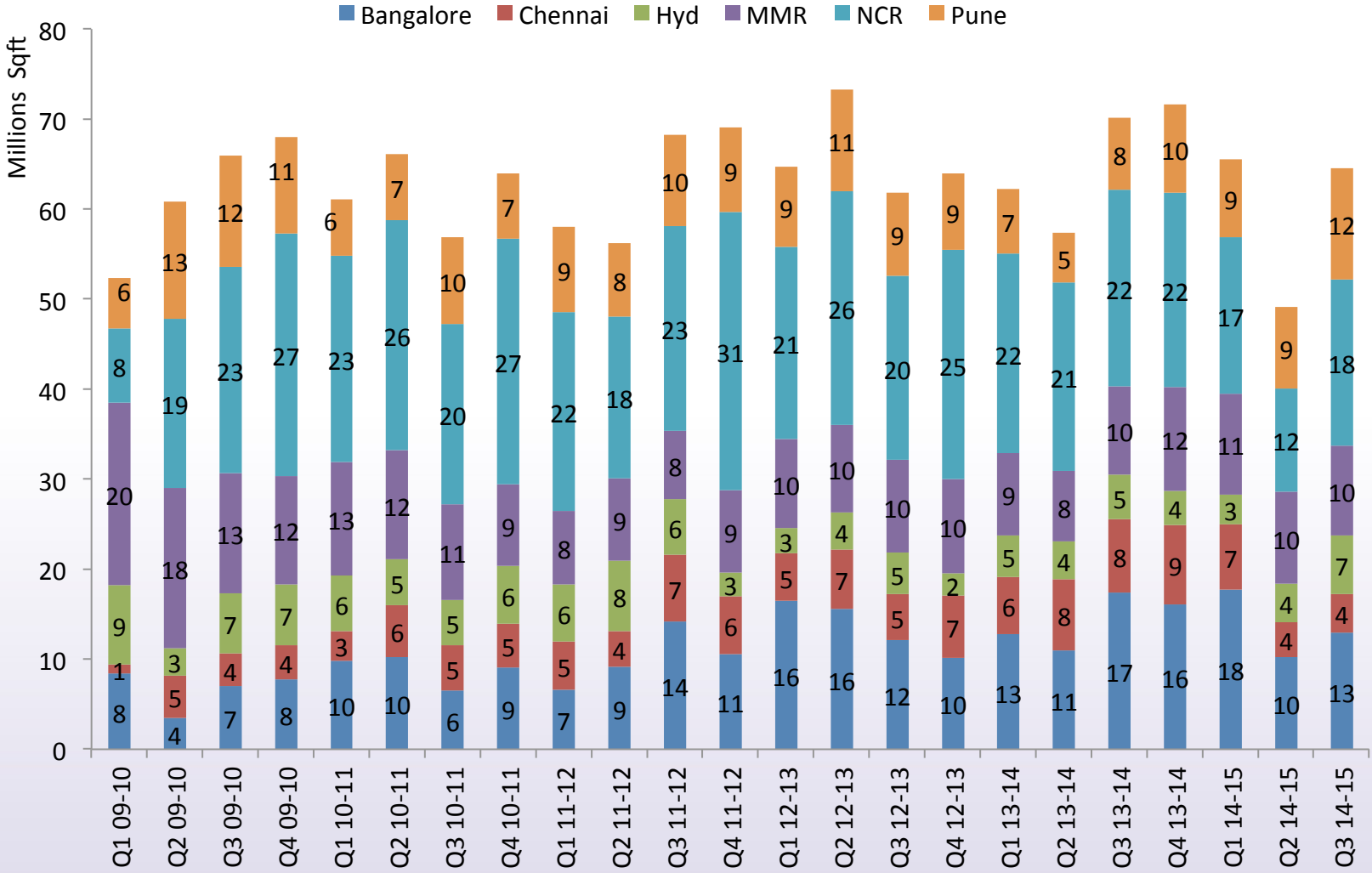
Particulars	Bangaluru	Chennai	Hyderabad	MMR	NCR	Pune
Inventory (Mn Sqft) (Unsold + Sales)	162.90	65.19	58.87	193.90	333.87	81.88
Unsold (Mn Sqft)	149.93	60.95	52.30	183.95	315.39	69.58
Sales (Mn Sqft)	12.97	4.24	6.57	9.95	18.48	12.30
New Supply (Mn Sqft)	19.37	0.99	5.72	11.06	6.72	9.52
Value of Stock Sold (Rs Cr)	6,655	2,444	2,843	9,363	9,929	6,074
Wt Avg Price per sqft	5,179	4,962	4,199	13,121	5,080	5,381
Wt Avg Cost of Flat (Rs Lac)	86	63	75	132	75	57
Wt Avg Area per flat (Sqft)	1,624	1,251	1,825	1,088	1,447	1,071
Sales Velocity (%)	1.35%	0.91%	1.42%	0.94%	0.76%	2.05%
Months Inventory	35	41	24	55	51	17

Residential Market Performance across six cities

Region /City	Sales n Mn sqft				Unsold stock n Mn sqft	Months Inventor y in Months	Price Rs per sqft				YOY		QoQ	
	Q3 12-13	Q3 13-14	Q2 14-15	Q3 14-15			Q3 12-13	Q3 13-14	Q2 14-15	Q3 14-15	Sales	Price	Sales	Price
Bengaluru	12.16	17.37	10.21	12.97	149.93	35	4,705	5,200	5,288	5,179	-25%	0%	27%	-2%
Chennai	5.06	8.16	3.92	4.24	60.95	43	4,548	4,814	5,063	4,962	-48%	3%	8%	-2%
Hyderabad	4.61	4.95	4.24	6.57	52.30	24	3,444	3,900	4,306	4,199	33%	8%	55%	-2%
MMR	10.30	9.87	10.22	9.95	183.95	55	11,295	11,956	13,186	13,121	1%	10%	-3%	0%
NCR	20.49	21.77	11.52	18.48	315.39	51	4,339	4,902	5,183	5,080	-15%	4%	60%	-2%
Pune	9.20	8.05	9.02	12.30	69.58	17	4,549	4,997	5,375	5,381	53%	8%	36%	0%
Total	61.82	70.18	49.13	64.52	832.09	39	5,909	6,381	6,824	6,837	-8%	7%	31%	0%

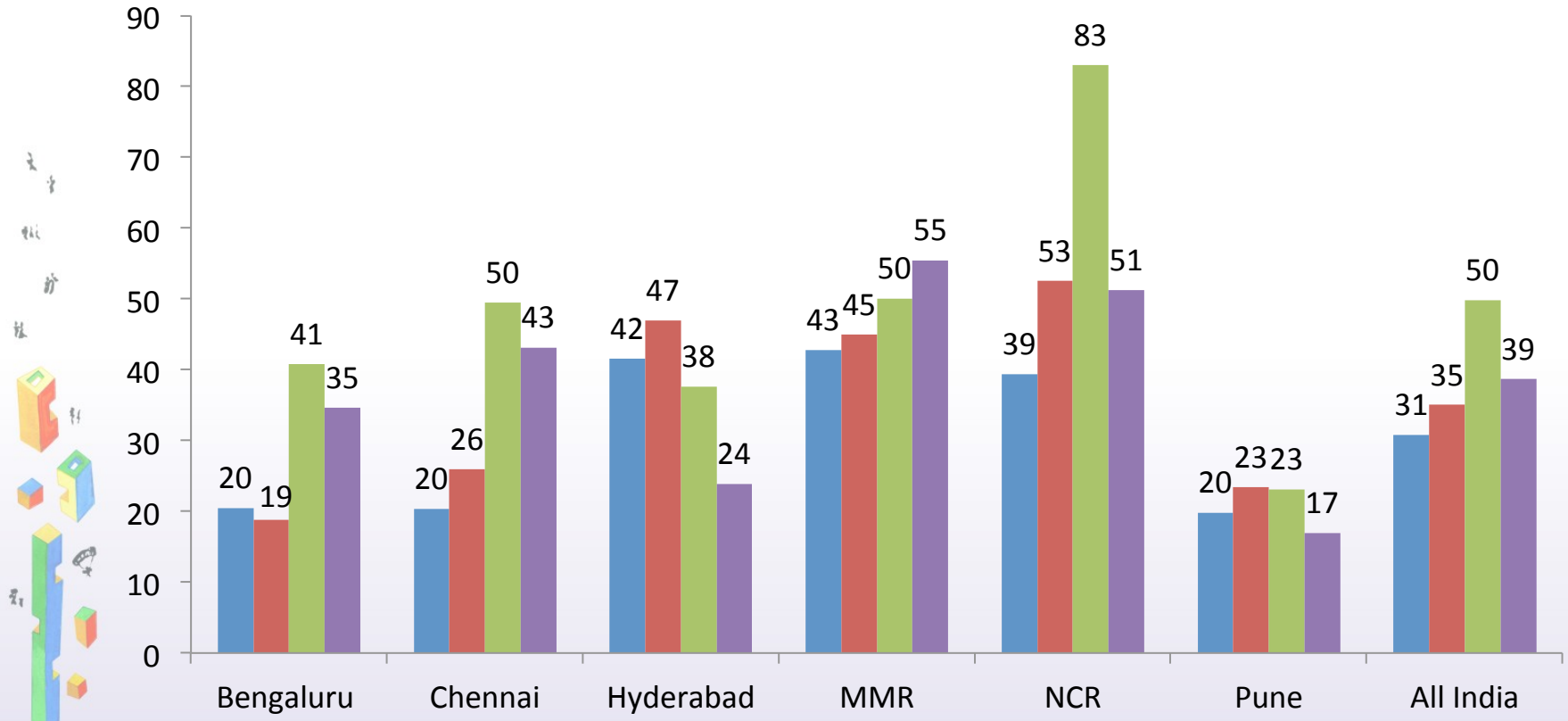
- Months inventory denotes the months required to clear the stock at the existing absorption pace. A healthy market maintains 8 months of inventory

Composition of Sales across Cities



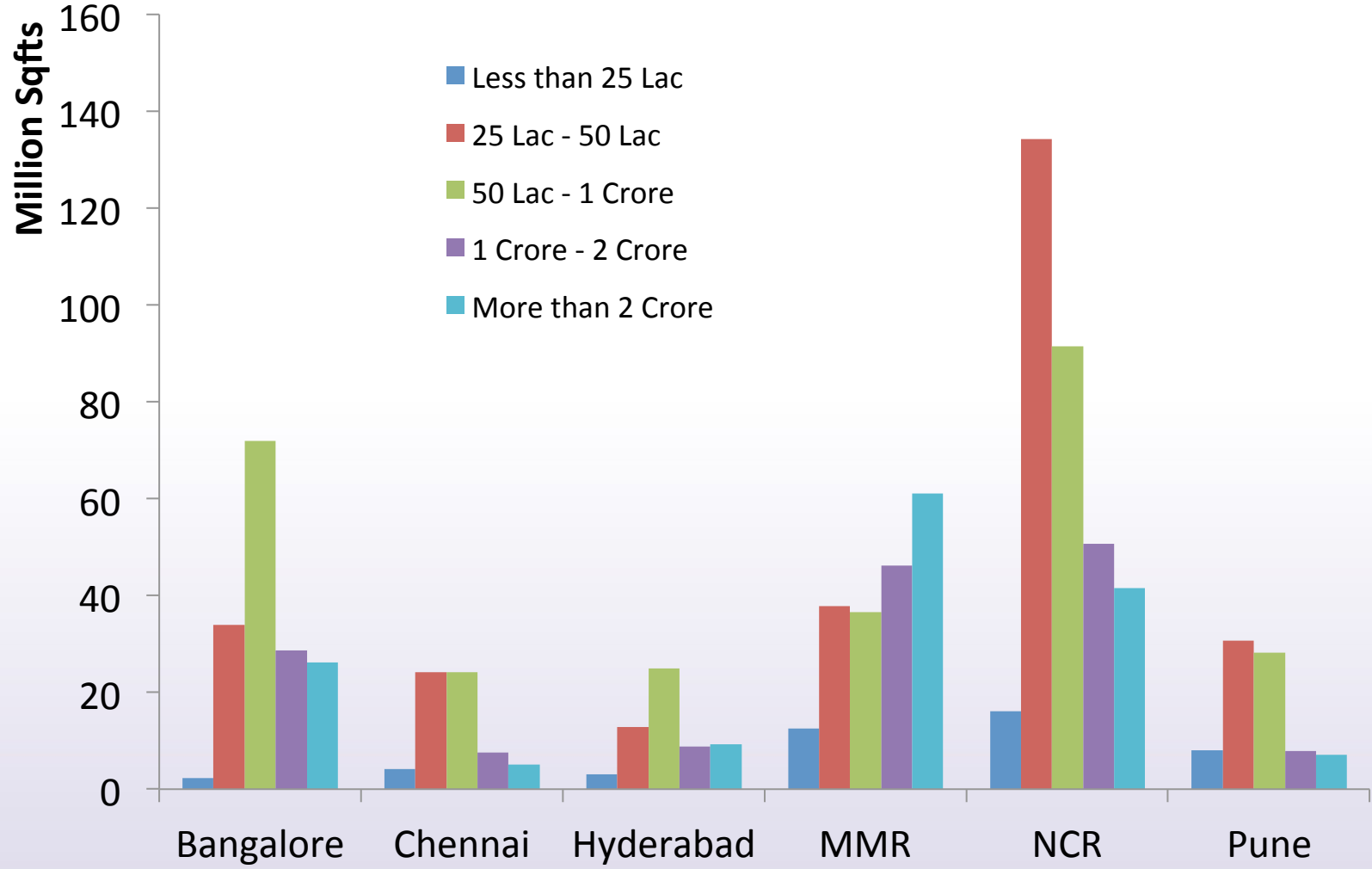
Months Inventory across cities

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

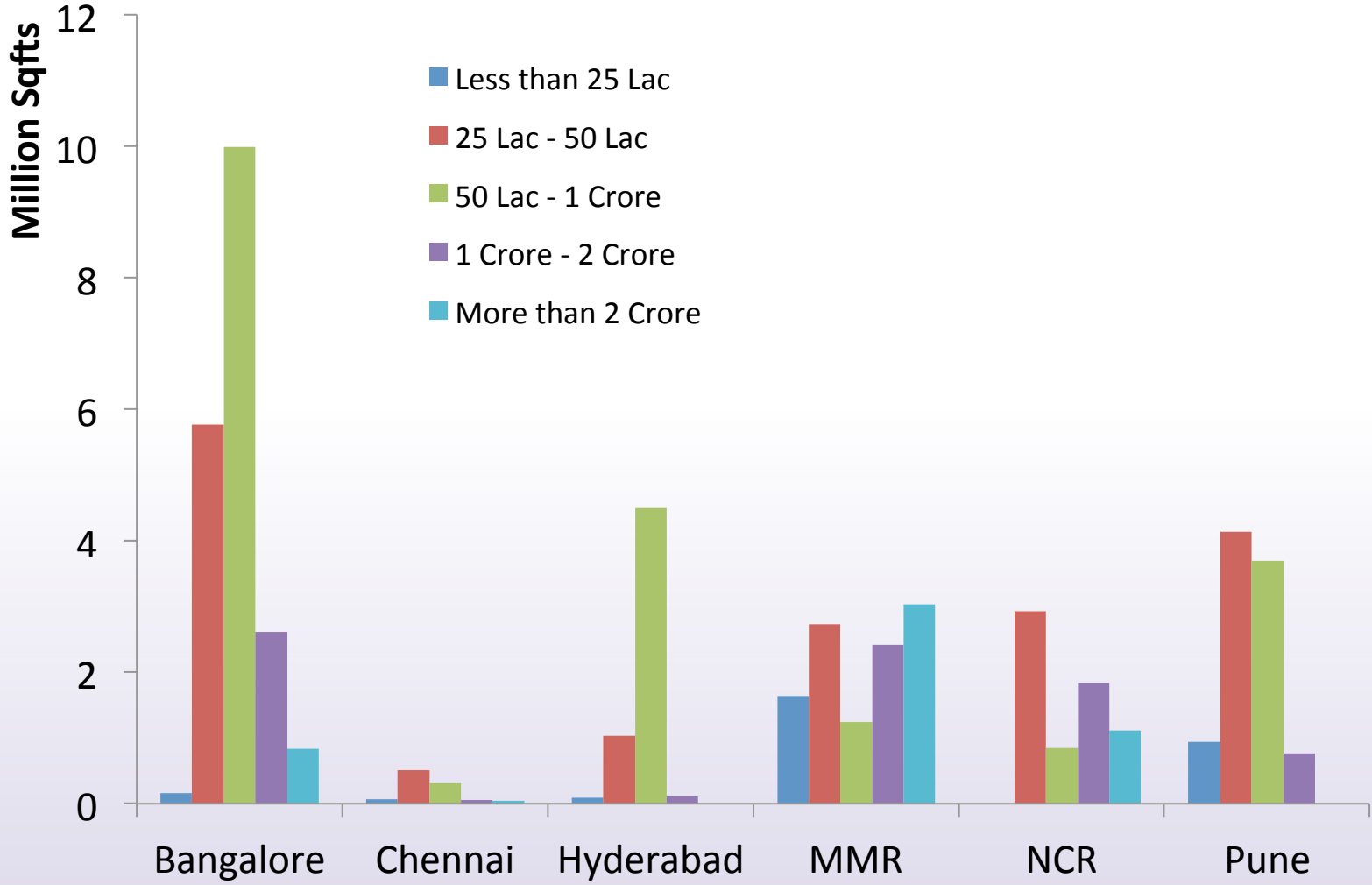


Q3 14-15

Inventory distribution by Cost Range Q3 14-15



New Supply distribution by Cost Range Q3 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.

Unsold Stock – Stock unsold at the end of the period

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

