

# Residential Real Estate Market

## Q4 13-14



**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.

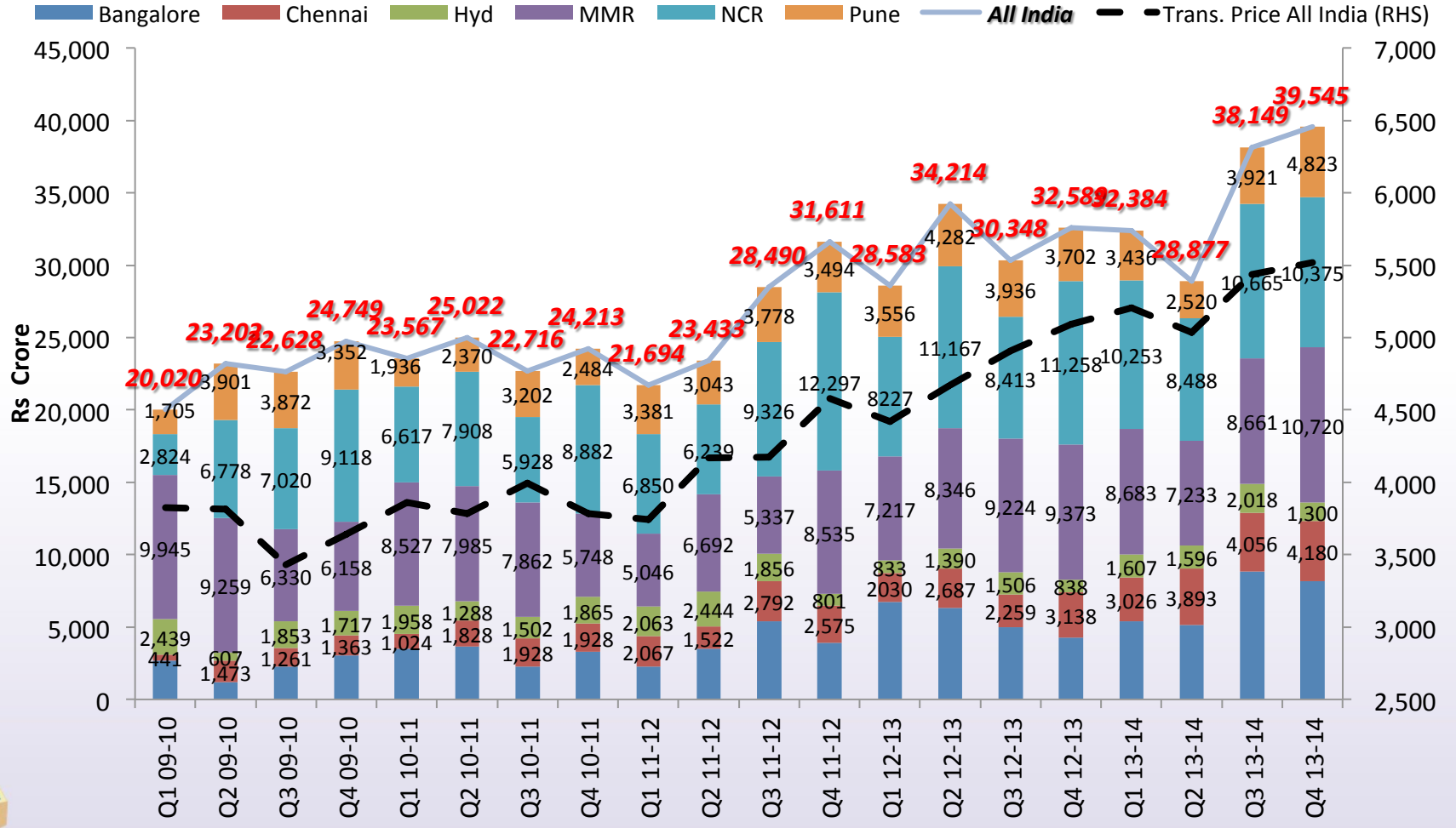
**Business Turnover / Value of Goods Sold** - Represents the value of the trade or the business done in a certain period. It is calculated by multiplying the total sqft sold during the period with the prevailing prices.

**Receipts** - Represents amount developers may have received from the Business Turnover during the quarter. This is calculated on the basis of expected payment due, depending upon the construction stage of the units sold.



- Pune witnessed maximum of 22% hike in sales from previous quarter followed by MMR with 17%. Hyderabad sales is plunged by -24% from previous quarter while Bangalore and NCR shows marginal drop of -7% and -1% respectively in sales from previous quarter. Chennai sales were increased by 8%.
- MMR and NCR contributes more than half of new supply during last quarter. Chennai and MMR witnessed 48% and 53% hike in new supply from previous quarter while Hyderabad and NCR shows decrease of -69% and -4% respectively in new supply from previous quarter. The cost bracket of 25 lac - 50 lac witnessed maximum new supply with 35% followed by the cost bracket 50 lac - 1 crore with 32%. Pune shows maximum new supply in affordable segment while MMR and NCR are in luxury segment.
- The wt Average residential price in MMR is increased by 7% followed by NCR with 5%, the YoY growth of MMR and NCR are 10% and 14% respectively. Chennai prices are remained stable both on YoY and QoQ basis. Bengaluru, Hyderabad and Pune doesn't show any sign of appreciation in price on QoQ but YoY basis increased by 5%, 10% and 9% respectively.
- In MMR, the prices of 1025 projects remained unchanged, while prices of 731 projects increased form 2% to 15% and 269 projects showed decline in the prices.

# Composition of Value of Stock Sold across Cities



# Summary Performance across Cities in Q4 13-14 Quarter

| Particulars                          | Bangaluru | Chennai | Hyderabad | MMR    | NCR    | Pune  |
|--------------------------------------|-----------|---------|-----------|--------|--------|-------|
| Inventory (Mn Sqft) (Unsold + Sales) | 126.06    | 68.45   | 56.02     | 176.27 | 304.74 | 74.77 |
| Unsold (Mn Sqft)                     | 109.95    | 59.64   | 52.25     | 164.72 | 283.17 | 64.93 |
| Sales (Mn Sqft)                      | 16.11     | 8.81    | 3.77      | 11.54  | 21.57  | 9.83  |
| New Supply (Mn Sqft)                 | 10.34     | 8.14    | 3.24      | 15.25  | 21.55  | 11.81 |
| Value of Stock Sold (Rs Cr)          | 8,149     | 4,180   | 1,300     | 10,720 | 10,375 | 4,823 |
| Wt Avg Price per sqft                | 5,242     | 4,744   | 3,914     | 12,748 | 5,151  | 5,091 |
| Wt Avg Cost of Flat (Rs Lac)         | 86.76     | 61.14   | 70.86     | 130.62 | 74.68  | 55.72 |
| Wt Avg Area per flat (Sqft)          | 1,659     | 1,274   | 1,809     | 1,098  | 1,455  | 1,089 |
| Sales Velocity (%)                   | 1.97%     | 1.98%   | 1.01%     | 1.24%  | 1.11%  | 1.86% |
| Months Inventory                     | 20        | 20      | 42        | 43     | 39     | 20    |

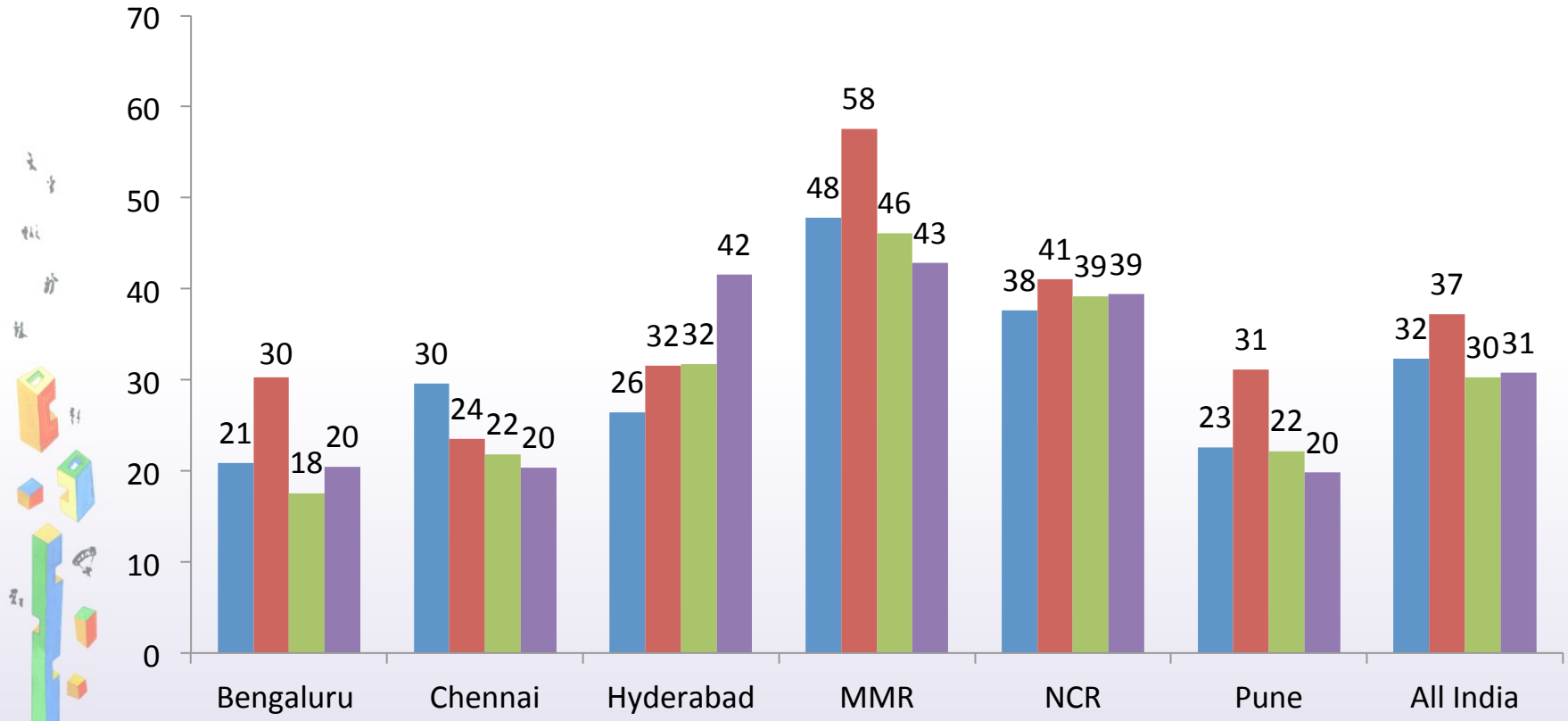
# Residential Market Performance across six cities

| Region /City | Sales n Mn sqft |          |          |              | Unsold stock n Mn sqft | Months Inventor y in Months | Price Rs per sqft |          |          |               | YOY   |       | QoQ   |       |
|--------------|-----------------|----------|----------|--------------|------------------------|-----------------------------|-------------------|----------|----------|---------------|-------|-------|-------|-------|
|              | Q4 11-12        | Q4 12-13 | Q3 13-14 | Q4 13-14     |                        |                             | Q4 11-12          | Q4 12-13 | Q3 13-14 | Q4 13-14      | Sales | Price | Sales | Price |
| Bengaluru    | 10.55           | 10.18    | 17.37    | <b>16.11</b> | <b>109.95</b>          | 20                          | 3,975             | 5,004    | 5,200    | <b>5,242</b>  | 58%   | 5%    | -7%   | 1%    |
| Chennai      | 6.45            | 6.87     | 8.16     | <b>8.81</b>  | <b>59.64</b>           | 20                          | 4,035             | 4,705    | 4,814    | <b>4,744</b>  | 28%   | 1%    | 8%    | -1%   |
| Hyderabad    | 2.64            | 2.48     | 4.95     | <b>3.77</b>  | <b>52.25</b>           | 42                          | 3,191             | 3,565    | 3,900    | <b>3,914</b>  | 52%   | 10%   | -24%  | 0%    |
| MMR          | 9.13            | 10.45    | 9.87     | <b>11.54</b> | <b>164.72</b>          | 43                          | 10,833            | 11,626   | 11,956   | <b>12,748</b> | 10%   | 10%   | 17%   | 7%    |
| NCR          | 30.89           | 25.47    | 21.77    | <b>21.57</b> | <b>283.17</b>          | 39                          | 3,570             | 4,500    | 4,902    | <b>5,151</b>  | -15%  | 14%   | -1%   | 5%    |
| Pune         | 9.40            | 8.53     | 8.05     | <b>9.83</b>  | <b>64.93</b>           | 20                          | 4,065             | 4,661    | 4,997    | <b>5,091</b>  | 15%   | 9%    | 22%   | 2%    |
| <b>Total</b> | 69.06           | 63.98    | 70.18    | <b>71.63</b> | <b>734.67</b>          | 31                          | 5,285             | 6,134    | 6,381    | <b>6,742</b>  | 12%   | 10%   | 2%    | 6%    |

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

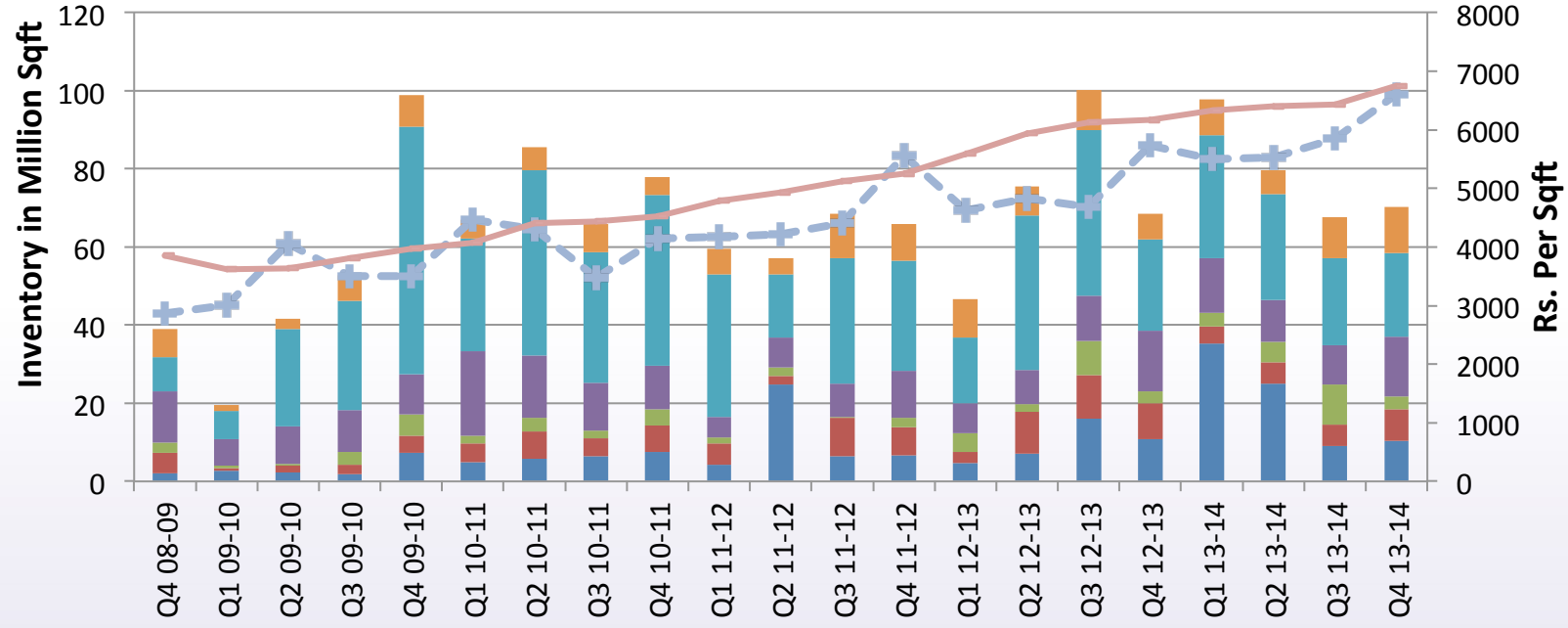
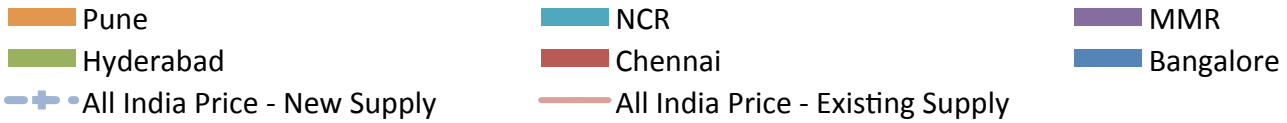
# Months Inventory across cities

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



Q4 13-14

# 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 2% lower than the wt avg price of existing supply as of Q4 13-14.

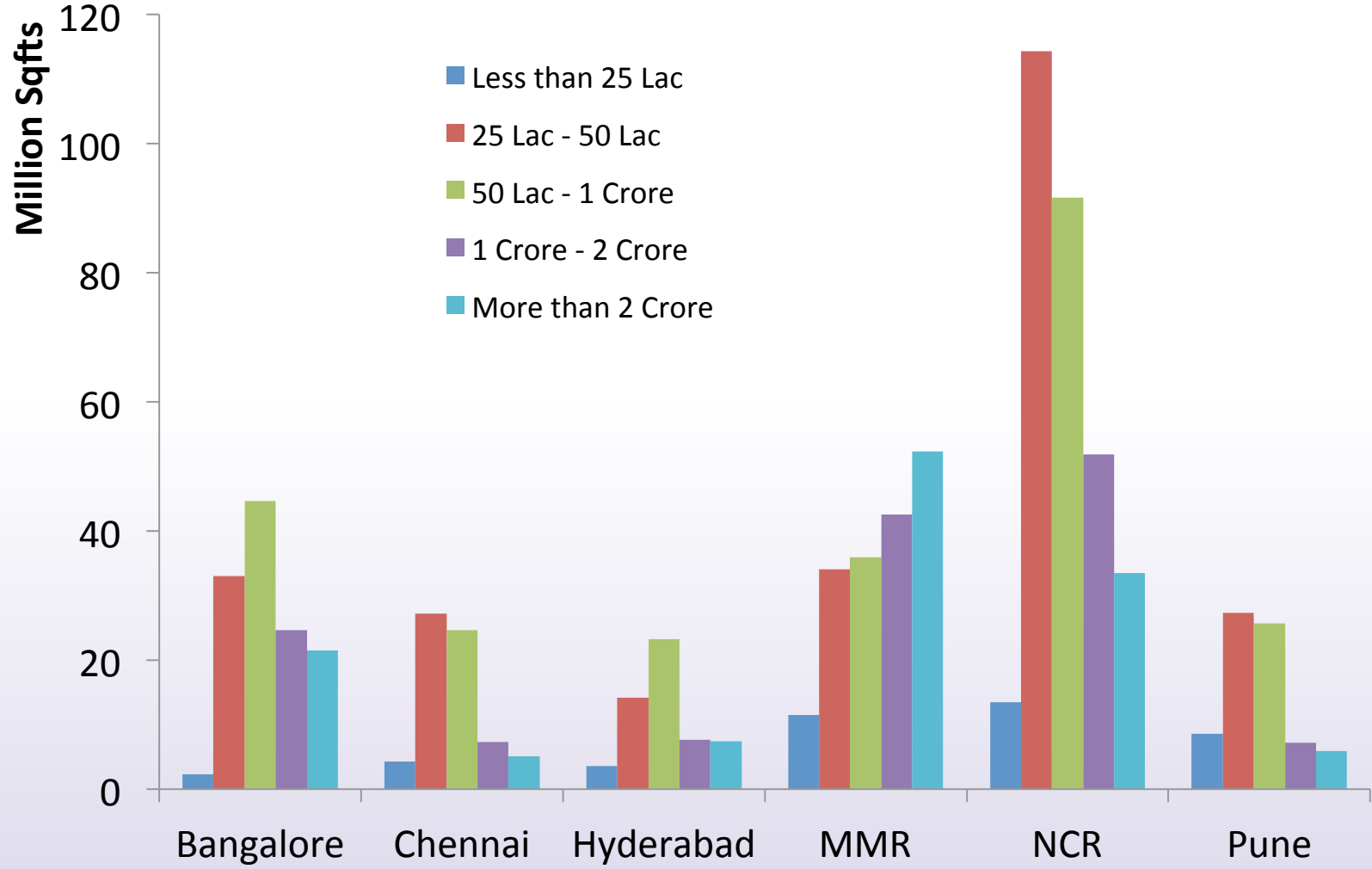


# Sale and Inventory in Cost Brackets

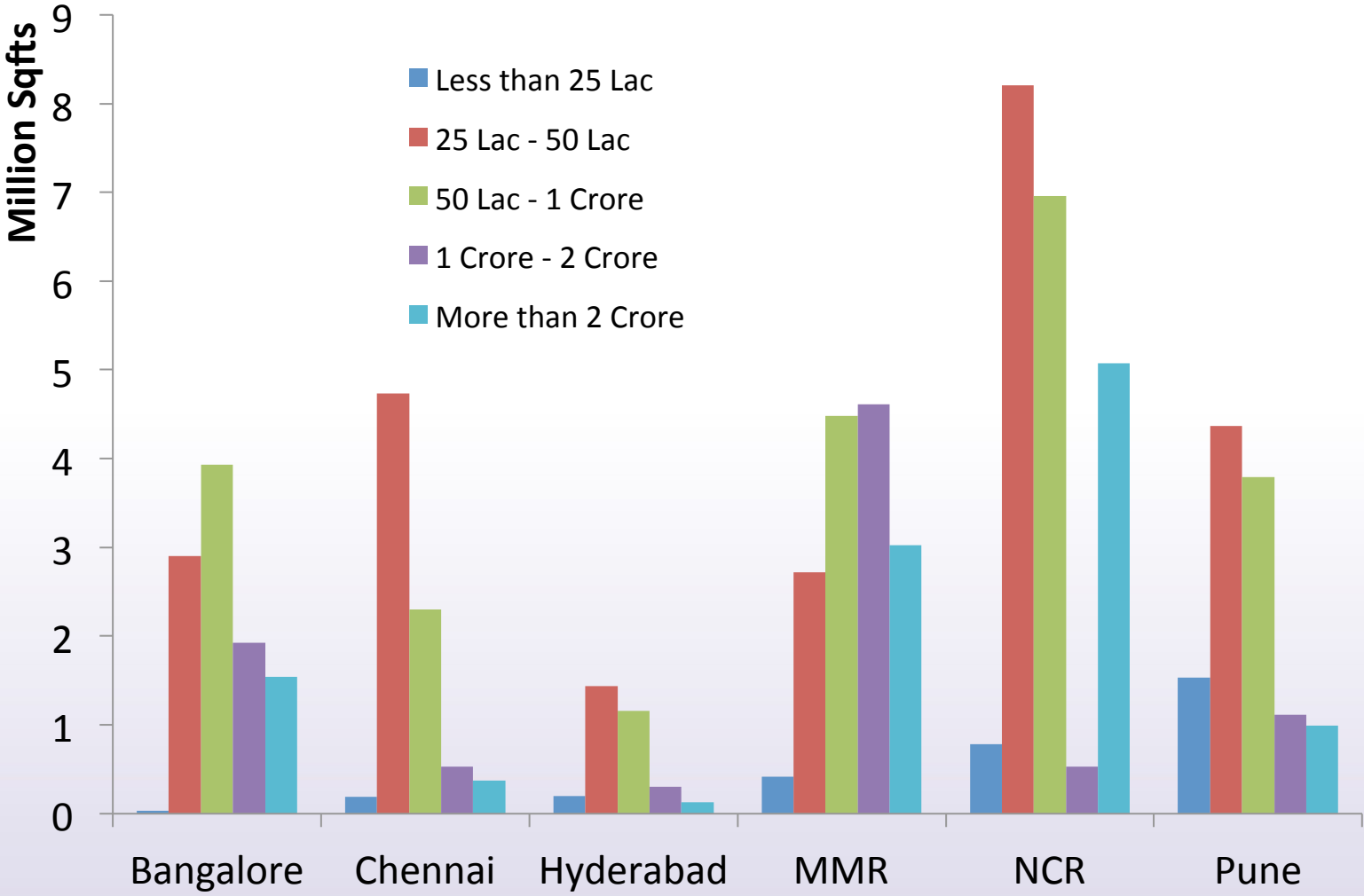
| City               | Cost Range        | Supply during Q4FY13 (Mn Sqft) | Sales (Mn Sqft) |
|--------------------|-------------------|--------------------------------|-----------------|
| Bangalore          | Less than 25 Lac  | 2.27                           | 0.30            |
|                    | 25 Lac - 50 Lac   | 32.99                          | 4.72            |
|                    | 50 Lac - 1 Crore  | 44.65                          | 5.44            |
|                    | 1 Crore - 2 Crore | 24.64                          | 2.84            |
|                    | More than 2 Crore | 21.50                          | 2.81            |
| Chennai            | Less than 25 Lac  | 4.31                           | 0.50            |
|                    | 25 Lac - 50 Lac   | 27.16                          | 3.33            |
|                    | 50 Lac - 1 Crore  | 24.68                          | 3.35            |
|                    | 1 Crore - 2 Crore | 7.25                           | 1.03            |
|                    | More than 2 Crore | 5.06                           | 0.59            |
| Hyderabad          | Less than 25 Lac  | 3.61                           | 0.09            |
|                    | 25 Lac - 50 Lac   | 14.12                          | 1.17            |
|                    | 50 Lac - 1 Crore  | 23.27                          | 2.39            |
|                    | 1 Crore - 2 Crore | 7.64                           | 0.02            |
|                    | More than 2 Crore | 7.38                           | 0.10            |
| MMR                | Less than 25 Lac  | 11.49                          | 0.83            |
|                    | 25 Lac - 50 Lac   | 34.01                          | 3.17            |
|                    | 50 Lac - 1 Crore  | 35.95                          | 2.57            |
|                    | 1 Crore - 2 Crore | 42.52                          | 2.85            |
|                    | More than 2 Crore | 52.30                          | 2.13            |
| NCR                | Less than 25 Lac  | 13.50                          | 0.76            |
|                    | 25 Lac - 50 Lac   | 114.24                         | 8.33            |
|                    | 50 Lac - 1 Crore  | 91.65                          | 6.44            |
|                    | 1 Crore - 2 Crore | 51.82                          | 3.85            |
|                    | More than 2 Crore | 33.52                          | 2.19            |
| Pune               | Less than 25 Lac  | 8.60                           | 1.33            |
|                    | 25 Lac - 50 Lac   | 27.30                          | 3.62            |
|                    | 50 Lac - 1 Crore  | 25.72                          | 3.20            |
|                    | 1 Crore - 2 Crore | 7.19                           | 1.04            |
|                    | More than 2 Crore | 5.96                           | 0.64            |
| <b>Grand Total</b> |                   | <b>806.30</b>                  | <b>71.63</b>    |

Q4 13-14

# Inventory distribution by Cost Range Q4 13-14



# New Supply distribution by Cost Range Q4 13-14



**THANK YOU**

