



FESTIVE SEASON SENTIMENTS: A POSITIVE OUTLOOK



THE GLOBAL HEADWINDS HAVE CREATED A SLOWDOWN AMONG COUNTRIES. INDIAN ECONOMY TOO HAS BEEN IMPACTED BY INTERNATIONAL VOLATILITY. IN SUCH A SCENARIO, THERE ARE EXPECTATIONS OF STRONG FESTIVAL SALES AND UPSURGE IN DOMESTIC DEMAND.

By: Sapna Srivastava

India a country of diversity celebrates many religious and cultural festivals. Generally speaking, August to January are the months of various festivals varying from region to region. What remains common is the significant importance this period holds for Indians due to their cultural and religious connotations. What's more, the general belief that buying property or gold during these times adds to the prosperity, drives many to invest in these assets during this time.

Banking on the upbeat citizen's mood, government expects people to switch to the shopping mode and support economic headway. In fact,

from car dealerships to consumer goods companies, there have been signs of upbeat sales. Real estate developers too are expecting a growth of 15-20% in sales lasting till end of the year.

According to the latest report released by Anarock, the demand for affordable housing has seen a dip compared to the pre-covid levels. Around 18% fall was seen across seven cities - Delhi-NCR, Mumbai Metropolitan Region, Chennai, Kolkata, Bengaluru, Hyderabad, and Pune. This has invariably prompted the real estate developers to focus on launching premium housing, apartments and townships during the festive times.

ANTICIPATING THE TRENDS FOR THIS FESTIVE SEASON, WE EXPECT THE MOST SOUGHT-AFTER PRODUCTS TO BE MID-INCOME SEGMENT HOMES, PRECISELY 2/3 BHK UNITS. THE REAL ESTATE MARKET STRONGLY FAVOURS PROPERTIES DEVELOPED BY GRADE A DEVELOPERS KNOWN FOR THEIR REPUTABLE BRAND NAMES.

ASHISH KUKREJA



The home buying trends witnessed this year includes homebuyer's investing in real estate over aspirational purchases and their clear preference is for ready-to-move-in options. On new launches, to attract customers, developers are offering, freebies like modular kitchen, home décor, car parking, and other discounts.

However, it goes without saying, it's important to carry out requisite due diligence before investing in property. Make sure to research about the property, title, clearances, location advantages & disadvantages, about the developer, and all the upfront, and associated costs. Also make sure to compare the discounts and deals offered by various developers. Most importantly make sure the project is RERA registered.

REAL ESTATE FESTIVE SALES

There are many a reasons for prospective homebuyers to schedule their property purchase during the festival times. Apart from the emotional reasons, it also makes a financial sense to buy property during this period.

Many developers launch their new projects during these auspicious time and with surge in availability of projects, homebuyers have more choices to select their dream home. Furthermore, developers offer additional benefits during festival seasons, from white goods to complimentary maintenance services for a certain period to sweeten the deal. One of the biggest advantage is the discounts and incentives offered by the developers during this time including reduced prices, special payment plans, extended warranties or no stamp duty & registration, making buying a home a lucrative proposition.

Festival fervour fuels property purchases and developers capitalize on the high sentiments by presenting enticing offers to attract potential buyers. This year particularly, the significant driver of housing demand is the consumer confidence in property as a hedge against rising inflation and the developers planning their launches to accommodate the needs of the customers keeping in mind the festival buying mood.

A recent industry survey clearly indicated that the real estate sector is expected to witness a significant rise in demand for residential real. A large number of home owners also indicated they are looking to upgrade to bigger and better homes, with focus on mid-segment and luxury segments. The survey clearly points towards an emergence of a real estate buying class that's making home buying an intrinsic part of their festive investments, with majority of buyers ready to spend anywhere between 1-2 Cr.

THE REAL ESTATE EXPERTS SHARE THEIR REASONS FOR THE OPTIMISM FOR INCREASE IN SALES DURING THIS FESTIVE SEASON.

Beginning with Ganesh Chaturthi, September to December period is widely considered as the festive sales period where real estate developers across the country provide lucrative deals, attractive payment plans and opportunities to the homebuyers. An industry survey has revealed, trends that have shown homebuyer confidence at an all-time high with the market experiencing strong demand from end users, noticeably amongst buyers closing sales.

Building on the robust sales performance witnessed

throughout 2022 and the first half of 2023, the housing market is primed for further growth as we head into the second half of the year, primarily driven by the anticipated surge during the festive season in H2 2023. As per **Anshuman Magazine, Chairman & CEO - India, Southeast Asia, Middle East & Africa, CBRE**, "We expect a significant influx of first-time homebuyers during this period as an increasing number of fence-sitters are likely to finalise their decisions based on the enticing festive season offers and discounts extended by developers. The premium and luxury real estate segments (INR 2 to 4 crore and above) are set to emerge as highly coveted investment choices, particularly among high net-worth individuals (HNIs) and non-resident Indians (NRIs) looking to safeguard their investments amidst the prevailing global macro-economic uncertainties. We estimate a sustained high activity level in these segments supported by the promising outlook of long-term capital appreciation."

According to **Bhavik Bhandari, CSMO, Ashwin Sheth Group**, "The higher disposable incomes of millennial have driven the demand for larger and more luxurious spaces despite the recent increase in property prices and interest rates. According to a Consumer Sentiment Survey, about 59% of homebuyers still prefer mid-range and premium homes in a price range of up to INR 2 Cr, thus making it an opportune time for developers to amp up the sales by offering discounts to potential homebuyers. Furthermore, there has been a strong NRI demand witnessed as the festive tailwinds are expected to gain traction in the ownership and renting segments. The residential real estate market has observed a 35% y-o-y increase in NRI investments over last year with ticket size of up to

THIS YEAR'S FESTIVE SEASON IS POISED TO EXERT A FAVORABLE INFLUENCE ON THE REAL ESTATE INDUSTRY. WITH EXPECTATIONS OF RBI REPO RATE REMAINING STAGNANT, THE INDUSTRY MOOD IS POSITIVE AND BUYERS TOO ARE MORE INCLINED TOWARDS INVESTING IN REAL ESTATE.

INR 1.5 Cr. The steady growth forecast for the industry and the launch of new projects have revived the market sentiment for this year's festive season for property investment. Multiple macroeconomic factors including economic stability, rising home buyer aspirations among buyers, and the prevailing sense of stability and security have been driving the buoyant market."

Sharing his perspective, **Nagaraju Routhu- CEO Experion Developers** stated, "The market in the present times is quite healthy, with good demand from the customers whether its Festive season or not. It has been a festival season for a while now from the sales point of view. We have kept track of the response that different new projects that have been in a lot in the recent past kind of response we've been getting. For example, there was a project recently in which got phenomenal response which is projects by developers in Noida. I'm talking about the new launches specifically. So, from a demand perspective the market is quite healthy. Product that is coming from good developers with strong track record of delivery. Those products are taken up by

IN MUMBAI, THE MAXIMUM CITY, THE FESTIVE SEASON IS MUCH ANTICIPATED BY BOTH DEVELOPERS AND CUSTOMERS. THE SEASON IS CONSIDERED IDEAL FOR NEW BEGINNINGS AND PURCHASES AND FAMILIES OFTEN MAKE SIGNIFICANT DECISIONS DURING THIS PERIOD.

HARSH JAGWANI



the customers, either festive season or without festive season. There is demand. So, I don't see any market change as such, just because festive season. It's only about, you know, making the right product available to the customers."

Rakesh Setia, President - Sales, Marketing, CRM and Business Strategy of Rustomjee Group shared, "The festive season has always been a propitious time for homebuyers, not only for its auspicious significance but also for several other reasons. Firstly, during this period, families come together, and buying a home becomes a collective decision. Secondly, people seek to productively deploy their savings. Moreover, there are many attractive deals and incentives during this period, making it an ideal time to invest. Lastly, the positive sentiment that permeates this season naturally extends to home purchases, as individuals seek to establish a sense of security and prosperity for their families."

Ashish Kukreja, Founder & CEO, Homesfy.in was of the view that despite the challenging global environment, India remains on solid footing in growth and overall macro environment. "Interest rate increases have paused, with rates currently at comfortable levels. Homebuyers remain optimistic due to strong affordability and a desire for homeownership, setting a positive tone for the upcoming festive seasons. To meet this high demand, many developers have a strong lineup of new launches in the second half of FY24."

Dr Vishesh Rawat, Vice President & Head - Sales, Marketing, CRM & Leasing, M2K Group added, "I have noticed from last few years that sales is spread almost evenly over full year. Now people do not wait to book the property in festival season only. However many customers do visit the site and keep searching



for the right property during Shraddh's and they book the property during the festive season, that way festive season witness slightly more bookings. Ready to move in homes also see slightly more sales closure as customers can also move into their homes during the auspicious season."

MY ADVICE IS, IF SOMEBODY IS REALLY LOOKING TO BUY A PROPERTY, I DON'T THINK HE NEEDS TO WAIT FOR ANY FESTIVE SEASON OR ANYTHING. THERE ARE ALREADY ENOUGH INCENTIVES FOR THE CUSTOMERS TO GO AHEAD AND BUY.
NAGARAJU ROUTHU





Harsh Jagwani Managing Director, Notandas Realty expressed, "In Mumbai, the Maximum City, the festive season is much anticipated by both developers and customers. The season is considered ideal for new beginnings and purchases and families often make significant decisions during this period. Real estate is viewed as a secure asset class, and positive market sentiment further encourages investments in real estate. New projects are launched, providing diverse options and developers offer attractive deals and discounts to cash in on the opportunity. These elements, along with auspicious connotations, attract individuals and families to invest in Mumbai's real estate market. The ongoing infrastructural developments in the city will prove to be a boon to the mid-segment and affordable segments and we will continue to see progress in that sector. These factors make these segments attractive to prospective homeowners and Mumbai's real estate

market is poised for growth in 2024. The scarcity of luxury projects in prime locations fuels property value growth, attracting high-net-worth individuals and non-resident Indians. A growing economy, increasing demand from affluent buyers, and limited prime luxury properties create a lucrative investment destination."

Ramani Sastri - Chairman & Managing Director, Sterling Developers on an optimistic note said that this year the festive season will shine through as the real estate market has already seen a significant uptick in demand with the economy showing great signs of stability and growth. "We are also expecting significant growth this year, building on the success of the previous year and the continued strong demand in the real estate sector driven primarily by burgeoning aspirations. As we approach the festive season, we are already witnessing a surge in inquiries and we are expecting around 20% growth compared to last year's festive season. This naturally offers a context for consumers to go in for their dream homes as the overall climate is geared towards sustained demand. Consumers are keen to buy homes as stability and security is on top of their mind now and the recent past has been testament to the fact that home buyer confidence is at an all-time high."

OFFERS, DISCOUNTS AND INCENTIVES GALORE

The festive season is the time of celebrations with people on a shopping spree whether it is for home or a home itself. Year on year, real estate sector sees increase in transactions during this time. This year too, despite the inflationary challenges, the sector is witnessing an exciting phase with developers geared up for making sales and offering attractive deals.

In India, it is also around this time that most working professionals receive their bonuses and appraisals and they look forward to utilizing it for buying a home or upgrading to a better home. The industry taking cognizance of all these factors makes sure to tap into the positive sentiments and offer lucrative discounts and incentives to make the property buying even more beneficial for the prospective buyers. **Anshuman Magazine** concurred that the real estate companies are gearing up to present a wide range of offers and discounts designed to attract prospective homebuyers. "These deals are likely to range from EMI waivers, goods and services

DESPITE ANTICIPATION AROUND A LAGGED IMPACT OF MONETARY TIGHTENING, OUTSTANDING HOUSING CREDIT ROSE SUBSTANTIALLY BY ABOUT 37% ANNUALLY IN JULY 2023. THIS INDICATES THE ENDURING STRENGTH OF THE HOUSING DEMAND ACROSS MAJOR CITIES IN INDIA. FURTHERMORE, WITH THE INTEREST RAISE CYCLE EXPECTED TO NEAR AN END, WE EXPECT HOME LOAN RATES TO STABILISE

ANSHUMAN MAGAZINE



tax (GST) exemptions, free registration and stamp duty, and flexible payment schemes to complimentary amenities such as modular kitchens, electronics, car parking, or fully furnished apartments, among other incentives. Furthermore, in a strategic move to attract homebuyers, select developers may forge partnerships with banks to extend fixed interest rates for a specified number of years."

Nagaraju Routhu expressed, "We are at the moment selling in Gurgaon and Lucknow. We have seen strong demand for plots in Gurgaon, we are also seeing a good demand for apartments. In Lucknow we are selling mostly commercial product at the moment. In Amritsar, we are selling plots. Demand continues to be good there as well. We are quite satisfied with the way the market is. This is not something which has happened in the last one month or two months this has been happening for a while. Now, for example, I know there was this project by one of the largest developers, which was launched about 7-8 months back. The entire product got sold in quick time. So there seems to be a robust demand generally at present in the market. My advice is, if somebody is really looking to buy a property, I don't think he needs to wait for any festive season or anything. There are already enough incentives for the customers to go ahead and buy. I don't see, developers doing anything different just because some festival is coming up already. I mean, India is a land of festivals. So, if somebody is really looking to buy property for one his own use, I would advise him to just simply go ahead. Do his research and select."

Bhavik Bhandari agreed that multiple offers such as discounts, deals and tax redemption are keeping the demand afloat during the festive season. "The range of ongoing properties and completed projects has in-

creased massively, offering a large number of options to discover ideal properties that blend perfectly to individual needs and desires. This year's exciting shift towards infusing cutting-edge technology in real estate has also attracted several home buyers to invest in real estate. As a customer-centric company, we at Ashwin Sheth Group, introduce several incentives such as brokerage ladder, cash discounts, registration benefits, stamp duty registration, no floor rise, no view premium, gold coins, and white goods are some of the exciting offers that homebuyer can look forward to during the festive season."

Ashish Kukreja added, "Anticipating the trends for this festive season, we expect the most sought-after products to be mid-income segment homes, precisely 2/3 BHK units. The real estate market strongly favours properties developed by Grade A developers known for their reputable brand names, which makes them a significant focus of attention among prospective homebuyers. At the onset of the festive season in India, typically starting in September or October, many individuals make their most substantial purchasing decision – buying a home. To capitalize on this and boost sales, many real estate developers introduce a variety of incentives and discounts for homebuyers that include – Reduced property prices, Developer subvention plans, an array of discount offers, such as cashback and holiday packages, Waivers on additional costs such as floor rise charges and stamp duty."

Dr Vishesh Rawat shared the company plans for the season, "Last 1-2 years have been phenomenal in terms of sales. Some of our projects like M2K Adani Oyster Grande (Platinum Tower), SCO commercial project Oyster Arcade and residential plotting development

Oyster Greens on Dwarka Expressway Gurgaon got 100% sold out. Currently plots in our M2K Swastik project Dharuhera are on sale and are getting extremely positive response from the customers. We also have a very limited number of exclusive, luxury, ready to move in Penthouses in our flagship project M2K Victoria Gardens in North Delhi. We are planning to come up with a new premium plotted development project "M2K Olive Greens" spread over 15 acres in sector 104 on Dwarka Expressway, Gurgaon. Where customers can get great deals on first cum first serve basis."

Rakesh Setia added, "This festive season, we anticipate projects across the spectrum to do well. We have launched attractive and flexible payment options across projects and we see them getting picked across. Home buyers can plan for upgrading their lifestyle in various Rustomjee Projects.

Rustomjee Seasons proudly stands as the only ready-to-move-in gated community property in BKC, offering an exceptional advantage that brings unprecedented value for money to discerning homebuyers. Rustomjee Seasons' last tower represents your final opportunity to buy a ready-to-move-in unit, and Crown Tower A, which has just received its Occupancy Certificate, offers attractive 4 and 5 BHK options. For Crown Tower A, this is a fantastic chance to secure a home in this prestigious development.

These projects offer a range of typologies, including 3 BHK, 4 BHK, and 5 BHK options, catering to the diverse needs of our customers. We understand the importance of sound financial planning and have designed these discounts and incentives to empower buyers to embrace the exceptional lifestyle that Rustomjee offers.

THERE IS NO DOUBT THAT THE REAL ESTATE SECTOR IS UPBEAT ABOUT THE FESTIVE SEASON AND EXPECTS A WINDFALL THROUGH INCREASE IN SALES. FOR PAST 2-3 YEARS, DEMAND FOR HOUSING HAS ALREADY BEEN AT AN ALL-TIME HIGH AND THE DEVELOPERS ARE POSITIVE ABOUT FESTIVITIES ADDING TO THE BUYING SENTIMENTS OF THE POTENTIAL CUSTOMERS SITTING ON THE FENCE. WITH THE ATTRACTIVE SCHEMES AND OFFERS, THE UPTAKE FOR RESIDENTIAL REAL ESTATE ACROSS INDIAN CITIES IS EXPECTED TO RISE.

We are pleased to introduce a hassle-free payment plan for Rustomjee Crown Tower B, allowing you to make the first payment of 20% within 60 days. Subsequently, the next 30% can be comfortably paid within the following 90 days, with the final payment due upon the receipt of the Occupancy Certificate (OC). Similar to Rustomjee Crown Tower B, Rustomjee Parishram has newly launched 3, 4 and 5 Bed Homes offering a 20% payment plan. Once we complete the top slab, you can proceed with the payment of the next 30%, with the final installment to be settled upon OC receipt.

Rustomjee Ashiana promises plush living with thoughtfully designed 3 & 4 bedroom residences, and presents a 20% payment plan as well. Upon completion

AS WE APPROACH THE FESTIVE SEASON, WE ARE ALREADY WITNESSING A SURGE IN INQUIRIES AND WE ARE EXPECTING AROUND 20% GROWTH COMPARED TO LAST YEAR'S FESTIVE SEASON. THIS NATURALLY OFFERS A CONTEXT FOR CONSUMERS TO GO IN FOR THEIR DREAM HOMES AS THE OVERALL CLIMATE IS GEARED TOWARDS SUSTAINED DEMAND.
RAMANI SASTRI



of the 5th slab, you can proceed with the next 30% payment, with the final installment due upon OC receipt. Rustomjee Crown Tower C offers a unique payment plan of 25% - 25% - 25% - 25%. This arrangement ensures that the final payment is made when the OC is received, providing added convenience and peace of mind.

These offers have been thoughtfully crafted to offer flexibility and affordability to our valued customers. We understand the importance of sound financial planning and have designed these discounts and incentives to empower buyers to embrace the exceptional lifestyle that Rustomjee offers. We are confident that these new offerings will be warmly welcomed by our discerning buyers. Our project has been thoughtfully designed to foster a vibrant community spirit, where residents can thrive in an atmosphere of togetherness and harmony with meticulously planned amenities and features."

Harsh Jagwani informed about their project Notandas Realty 96 Tagore, located in Santacruz West that stands out this festive season. "Rapid construction progress ensures delivery by September 2024, a rarity in the neighbourhood. It offers luxurious amenities, including a rooftop lounge and pool, making it appealing to discerning investors and homebuyers. Most importantly, this season '96 Tagore' presents exclusive festive discounts, enhancing the value for prospective homeowners. Banking institutions offer incentives like reduced interest rates and waived processing fees, aligning with our commitment to a rewarding home buying experience."

RISING INFLATION & HOME BUYING

Despite the initial expectations of a potential dip in home buying sentiment due to inflationary pressures



and global headwinds, the appeal of homeownership remains steadfast among the masses. Recent data indicates that home sales have surged in H1 2023 to exceed 150,000 units, thereby surpassing sales reported in H1 2022 and H2 2022 by around 4% and 6%, respectively. This positive sentiment reveals a remarkable shift in the attitudes of potential homebuyers across generations -- among those planning to move in the next two years, who expressed a desire to purchase their own home. **Ramani Sastri** stated that the market continues to experience end user-driven demand and we are already witnessing a trend of more serious buyers closing sales. "Rising homeownership amongst millennials supported by higher disposable income and willingness to upgrade to larger, luxurious spaces

WITH INDIA'S ECONOMY CONTINUING TO GROW AND WITH A VISIBLE WAGE GROWTH WITNESSED IN THE MARKET, A RISE IN THE INTEREST RATES SHOULD NOT PARALYSE THE AFFORDABLE RESIDENTIAL MARKET. FURTHERMORE, THE INCREASE IN THE ECONOMIC ACTIVITY AND THE EMPLOYMENT PROSPECTS, TIER 2 CITIES ARE ANTICIPATED TO GAIN EVEN MORE TRACTION.

BHAVIK BHANDARI



RISING INFLATION DOES POSE CHALLENGES, ESPECIALLY FOR HOMEBUYERS IN THE AFFORDABLE AND MID-SEGMENT. IT CAN IMPACT PURCHASING POWER AND CREATE UNCERTAINTY. HOWEVER, WE MITIGATE THIS BY OFFERING TRANSPARENT PRICING, FLEXIBLE PAYMENT PLANS, AND INNOVATIVE FINANCING OPTIONS.

RAKESH SETIA



equipped with better amenities have also sparked a sharp growth in housing demand in the recent past. The revival in market sentiment against the backdrop of accelerating economic activities makes this festive season more attractive."

Nagaraju Routhu stated, "I think now we have reached a stage where I don't personally see any further increase by the RBI in repo rates. It might not go down as well certainly I expect the rates to kind of plateau at this level and the Indian consumer today is able to access home loans. Despite the increase in the last couple of years rates which are lower than what they used to be before. So the the the market as such So the market as such at the moment has not been affected much because this is something an Indian consumer is used to. But if for some reason we don't know globally anything can happen. There are many factors which are beyond our control. So, if for some reason the rates go further up and into double digits. Then maybe you know, it might start affecting the market. But at the moment where the rates are customer is fine with those

rates, because market has seen these rates earlier and consumer Indian consumers are used to."

Bhavik Bhandari added that with India's economy continuing to grow and with a visible wage growth witnessed in the market, a rise in the interest rates should not paralyse the affordable residential market. Furthermore, the increase in the economic activity and the employment prospects, Tier 2 cities are anticipated to gain even more traction. "Rising income and employment levels, increasing spending capacity, the need for financial security and the demand for bigger homes along with the upgraded amenities have led to a surge in the property sales this year. While the rate hikes are a sentiment dampener, they are not the sole factors governing affordable and mid-segment housing sales. Geography, demographics, and the growing culture of nuclear families are a few aspects that further influence the home-buying sentiment. Moreover, favourable tax regimes and the government's thrust on the real estate sector also support the favourable uptick in the housing demand."

RISING INFLATION DO EFFECT THE MONTHLY BUDGET OF THE COMMON MAN, BUT REAL ESTATE INVESTMENT IS THE BEST HEDGE AGAINST INFLATION OVER THE TIMES. MOREOVER THE GENERAL ECONOMIC OUTLOOK IS SOUND AND POSITIVE AND GIVES CONFIDENCE TO THE CUSTOMERS TO GO AHEAD WITH THE PROPERTY PURCHASE DECISION.

DR VISHESH RAWAT



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Ashish Kukreja was of the view that although inflation dampens a consumer's purchasing power, it can impact short-term discretionary spending. "Buying real estate is a well-planned and long-term decision. It doesn't significantly impact the home-buying decision unless there is a sharp increase in home prices, which affects a buyer's affordability significantly. The primary factors influencing real estate demand are job security and home loan interest rate trends."

Dr Vishesh Rawat said, "Rising inflation do effect the monthly budget of the common man, but property / real estate investment is the best hedge against inflation over the times. Moreover the general economic outlook is sound and positive and gives confidence to the customers to go ahead with the property purchase decision."

Harsh Jagwani added, "Our primary focus is luxury real estate. Despite rising inflation and interest rates, demand remains strong. Luxury buyers prioritize location, size, and quality, emphasizing reputable developers."

Rakesh Setia expressed, "Rising inflation does pose challenges, especially for homebuyers in the affordable and mid-segment. It can impact purchasing power and create uncertainty. However, we mitigate this by offering transparent pricing, flexible payment plans, and innovative financing options. Additionally, we at Rustomjee focus on quality construction and timely project delivery, this ensures that buyers receive value for their investment. At Rustomjee, we remain committed to providing affordable housing solutions that cater to various income groups while maintaining our commitment to quality and transparency. If we see the trend of the last 3 years the prices have appreciated and real estate investment have yielded good results. It will continue to encourage home buyers to invest in projects that promise quality living and carry a potential of capital appreciation."

THE FUTURE FORECAST

Indian buyers believe in auspicious occasions for investing & more importantly starting something new for better endeavours. From Ganesh Chaturthi to beginning of new year is festive season in India and market is anticipated to achieve great sales continuing the momentum. Developers understand this and are ready to offer best suited products for customers with innovative financing, great locations, pocket-friendly



• The residential real estate has seen remarkable sales during the first two quarters and is expected to get a further boost in festive period

• The growing inclination towards hard assets such as gold and property is driving more people towards investing in real estate with many looking forward to making festive investments.

• The concept of homeownership has evolved, from a necessity to a lifestyle choice and an investment, and accordingly buyers are investing to create an asset for their future.

• The real estate industry expects mid-segment housing and luxury homes to be the fastest selling products this festive season.

• This year, a sizeable number of home owners are considering upgrades to larger and/or more luxurious properties.

• The demand for superior housing is anticipated to keep rising beyond the festive season in the coming few years.

WE APPROACH THE FUTURE WITH CAUTION, HOPING FOR STABLE OR DECREASING OIL PRICES, A STABLE GOVERNMENT OUTCOME FROM THE ELECTIONS, AND A TEMPORARY RESOLUTION TO EMPLOYMENT STRESS. SHOULD THESE CONDITIONS NOT MATERIALIZE, WE ANTICIPATE FACING CHALLENGES AHEAD.
SACHIN BHANDARI



products and also ready to move in supply as well. Many buyers, especially in Maharashtra wait for the auspicious time to purchase new properties. Both supply and demand are at optimum level during this period creates very positive sentiments in real estate market. In 2022, approx. 25% higher residential sale happen in Mumbai comparing H1 & H2."

There has been a growth this year in the real estate sector driven by the favourable national economic environment with, bolstered infrastructure growth plans, alternative investment models and a rise in domestic consumption. Year 2023 has witnessed an escalating demand in the residential segment. "With home sales going up by nearly 50% till June 2023 and the trend seen in emerging micro markets in Mumbai such as Worli and Mumbai Central, we expect to see affordability still persist next year.

For premium properties, investors are increasingly inclined towards gated communities and land investments, a prop-tech revealed that gated communities are leading up to 98% demand due to their abundant amenities and ease of renting. Investors have been driving about 25-30% demand and are seeking good returns while the remaining portion is for self-use, seeing a notable rise in 4BHK units, we expect this trend to continue even in 2024. With wealth creation in India rising at a fast pace, and the recent report predicting a rise in residential prices in Mumbai by 5%, we believe that there's resilience in Mumbai's luxury housing market which will continue even in the coming year," stated **Bhavik Bhandari**

"I see the trend continuing for a while of the upward cycle in which we are to continue when we talk to people on the ground. The sentiment, seems to be,

at the moment positive. So that sentiment generally tends to stay for a while. Of course, there could be some unforeseen factors which we can't predict. But we are hoping that there won't be any such disruption, and the market continues to be healthy. And we are planning considering that this trend will continue for the next couple of years," expressed **Nagaraju Routhu**

Looking ahead to the next year, we remain optimistic about the real estate sector. The sector has shown resilience and adaptability, and we anticipate continuous growth. According to **Rakesh Setia**, factors such as government initiatives, stable interest rates, and increased consumer confidence are likely to drive growth. "We will continue to innovate, adapt to market dynamics, and offer enticing opportunities to our customers to ensure their dreams of homeownership are realized. In conclusion, the festive season presents a unique opportunity for both homebuyers and developers alike. We are excited to be a part of this journey, offering attractive projects and financial solutions to make our customers' dreams of owning a home a reality."

Ashish Kukreja agreed, "Real estate typically follows a cyclical pattern, fluctuating between downturns and upswings. CY22 was when we first breached the last peak achieved in CY11 regarding absorption volume. The ongoing real estate cycle still has multiple legs of growth driven by – strong intent of home ownership, an affordable pricing scenario, comfortable interest rates compared to historical highs and a robust macro environment.

Dr Vishesh Rawat added, "India's real estate market is one of the most dynamic and fastest-growing in the world. Factors like demographic advantages, improving business and investment sentiments, and government



policy push towards high-value output sectors such as manufacturing, infrastructure etc. will robustly support the economic expansion of Indian economy. The economic growth will lead to more urbanisation and demand for homes. It is expected that demand for larger size and premium apartments and plots will continue to grow next year as well."

Ramani Sastri opined, "The forecasted steady growth of the industry and an array of new project launches also makes it an attractive investment for those looking to invest this festive season. However, while investing in a property, buyers should not only look at the attractive deals but also consider the reputation of the developer and other factors like location, execution capability, and amenities that the developer has to offer. Overall, the market outlook is certainly positive and given the confidence built this year, we do believe that markets will see sustained growth over the next few years."

Anshuman Magazine stated, "With a focus on attracting homebuyers during the festive seasons, we have witnessed a consistent trend of increased new property launches in the latter half of the year. Buoyed by the optimistic home buying sentiments that have characterized the first half of the year, we witnessed new launches to cross the 150,000-unit mark. Going forward, we anticipate that developers will continue to leverage the momentum. As a result, new launches in 2023 are expected to surpass the significant milestone of 300,000 units potentially."

Sachin Bhandari Executive Director & CEO, VTP Realty expressed his caution on forecasting for the

industry in the upcoming year. "Several factors will play a pivotal role in this regard. Firstly, we have been fortunate to enjoy low oil prices in India and globally for several years, but this trend is changing with oil prices on the rise. If this continues, inflation may enter a danger zone, putting a strain on the business's cost and overall feasibility. Consequently, we anticipate witnessing some industry stress. Secondly, the next year will witness significant elections at both the national and state levels, attracting substantial financial resources for campaigning.

While other expenditures might be controlled, the uncertainty surrounding these elections may lead to delays in customer decision-making, resulting in short-term impacts. The stability of the government formed after these elections will determine the duration of these impacts. Thirdly, there remains some economic stress, both nationally and globally. Reports already indicate a decline in tech sector hiring, which significantly influences cities like Pune, Bangalore, Hyderabad, and others where IT employment is a major driver of the real estate industry. Any adverse effects on IT employment would directly impact the real estate sector. In conclusion, we approach the future with caution, hoping for stable or decreasing oil prices, a stable government outcome from the elections, and a temporary resolution to employment stress. Should these conditions not materialize, we anticipate facing challenges ahead."

On a positive conclusion, as per the industry experts, RBI, most likely than not is expected to keep the repo rate unchanged at 6.50 per cent, in line with the government's stance of keeping inflation in check while maintaining liquidity in the economy. This pause in the repo rate in combination with the ongoing festive season and the government's supportive policies for the real estate sector will improve market sentiments and drive housing demand even further.