



‘Housing for All’ gears up

The Government of India is set to materialize the program of ‘Housing for All’ by the year 2019 much before the given deadline of year 2022. The Government’s target is 11 million homes out of which 4.5 million units have already been sanctioned.

The flagship program of ‘Housing for All’ had been launched, on June 25, 2015 and the program is divided into the Pradhan Mantri Awas Yojna (Urban) and PMAY (Rural). In addition to 3 to 5 lakh additional urban units sanctioned every month, the Government is going to sanction 1 crore rural units by December 2018. Affordable housing has been attracting attention from realty developers and financiers over the past few quarters and the pace of development is getting faster. The move is allowing developers of projects to get seamless access to institutional funding with better terms.

The fence sitters are now making purchase decisions with the recent move of the Government of India to reduce GST rates to 8% from 12% for affordable housing. A dedicated national housing fund of Rs. 65,000 Crores has been created that will be utilized only for developing mass housing across the nation. The Government is also planning to reduce the GST rates more for rural housing under PMAY scheme.

Presently, Maharashtra is leading the pack in terms of affordable housing in India. Construction of around 20 lakh housing units will start this year in Maharashtra. Additional FSI will be granted to the developers for mass scale construction.

Huge Private Equity fund Inflow

With proactive reforms and policy initiatives from the Indian Government, huge private equity (PE) funds have entered the Indian real estate market for propelling the sector's growth. The inflow of PE funds during the first quarter 2018 stood at Rs. 16,530 Crores which is an 11-year high.

Driven by strong end-users' demand and initiatives from the Government for the developers and buyers, the residential sector has highly attracted the institutional investors. The industrial & warehousing sector, backed by key economic reforms, including the Goods & Services Tax (GST), infrastructure status to logistics, 100% FDI in e-commerce marketplace, is also emerging as a compelling opportunity for investors.

Aggregate housing sales picks up

As per recent research reports, the aggregate sales of housing across seven major Indian cities increased by around 12% in the time span of January to March, 2018. The market has responded positively to aggressive reform push by the Government of India backed by new environment of transparency, accountability and financial discipline.

Residential market is basically the 'sweet spot' of Indian Real Estate market's growth dynamics. End-use and buyer-friendliness are the prime characteristics of the market presently. The trigger in the demand can be attributed to the following:

- PMAY
- 8% GST on Affordable Housing
- 'Housing for All' initiative
- Low home loan interest rates
- RERA
- PPP (Public-Private-Partnership) model
- Private equity flow

Warehousing leasing to touch 20 million sq.ft. in 2018

As per recent research reports, the leasing activity in the industrial and warehousing segment is expected to touch 20 million sq.ft. in 2018 which is up by 17% in 2017. Increased transparency and successful implementation of several regulatory reforms have given significant impetus to the sector. Considerable infrastructure development across key cities, improvement in ease of doing business, renewed focus on attracting investments in the sector and enhanced transparency are changing the market dynamics.

Year 2018 is expected to be a turnaround year for the whole ecosystem of the industrial and warehouse segment in India. The market is witnessing increased interests from off shore equity investors and, large corporates especially the e-commerce companies and HNIs (High Net Worth Individuals) among others.

Property search increases by 173% in Tier II cities

As per recent research reports, property searches in tier II Indian cities has increased by around 173%, majorly due to the significant push to affordable housing by the Government of India. The leading real estate portals reveal that lead generation has amplified considerably and intent of people to inquire about a purchase is much more robust. There has been significant rise in property listings on the portals as well.

The leading property portal companies reveal that there has been around 22% increase in property searches this financial year vis-à-vis the previous one. They also iterate that the quality of leads generated is high as majority of the people enquiring have genuine interests of purchasing.



West-bound ramp of Maa flyover by Puja

By Puja, the west bound ramp of Maa flyover that will link AJC Bose Road flyover should be completed. This will reduce the travel time from EM Bypass to Rabindra Sadan to 10 minutes. The commuting time will be also halved for traffic between Dalhousie and Alipore and Howrah-bound traffic from the city's eastern fringes. This is also going to benefit the commuters heading towards Salt Lake, Lake Town, Baguiati and airport in the north-east and Ruby and Patuli in the south-east.

The Bengal Government is significantly emphasizing on developing infrastructure in and around Kolkata. The Maa flyover has literally transformed the commuting mechanism of the city and completing the whole flyover within time is top priority of the Government.

In a recent announcement, the Bengal Government has declared that Rs. 12,180 Crores will be spent on infrastructure, in addition to Rs. 20,155 allocated in this year's budget. Among others, the projects that will be developed are four-laning of the Kalyani Expressway (42km) and Belgharia Expressway (4km), Kolkata-Basanti Road up to Ghatakpur (25km) and 4 laning of Bankura-Durgapur road. The three upcoming flyover projects include Ganesh Chandra Avenue to New Market and the others from Taratala to Tollygunge and Anwar Shah Road to Jadavpur Phari respectively.

