



## No slowdown, say builders

Will the mayhem in the Wall Street create a ripple effect as to affect Indian builders? Some details from a panel discussion by SUDHINDR A.B.

The message was loud and clear. At the panel discussion on current real estate market held as part of Makaan.com Property Show in Bangalore, the speakers said that the ripple effects of the mayhem on Wall Street will reach India and builders dependent on the U. S. banks will face a financial crisis, which will eventually affect their projects. The consolation — the men will be separated from the boys from now on, and those builders who have strong fundamentals will weather the storm.

A.V. Suresh Babu, Managing Director, Apoorva Horizons, Vijay Prasad Reddy, Vice-President (Operations), Mahaveer Group, and B. Srinivas, Director, Anya Concepts, claimed that the real estate market is not seeing a slowdown and they were not under pressure to reduce property prices. "Now, people with real need are buying properties. Speculators are not investing any more. We are convinced that it is a good trend and it will continue. Hence, we are not compelled to rework our strategies on the pricing front," said Mr. Srinivas.

"Today there is demand for good quality housing with first-rate infrastructure, international standards and world-class amenities. With disposable incomes rising and lifestyles changing, people are looking for class and comfort," said Mr. Reddy.

Mr. Babu said that the areas surrounding Bangalore are seeing major real estate activity. "It is an interesting bit that many areas in city have morphed into bustling commercial centres and hence property prices have gone over the roof. Because of affordability, people are now looking to invest in properties close to Bangalore," he said.

Bidadi, Ramanagarm, Bagepalli, Doddaballapur and Chikkaballapur are some of the hotspots. "It is here that people are investing in sites," he said.

Adithya Verma, Business Head, Makaan.com, presented "makaan IQ", a study on real estate trend in Bangalore. It belied general perception about property scenario in the IT City. It said, "We notice a very unique trend in Bangalore. An astonishingly high 63 per cent of the property seekers were not looking for a property in any specific area and were willing to purchase a property anywhere in Bangalore, as long as their essential requirements were being met." The study said that there has been a slowdown in demand in the range of 6 per cent to 11 per cent, depending on the sub-city (Bangalore was divided into five sub-cities).

"Bangalore South is most in demand, followed closely by North and East. Together, these three account for 77 per cent of the demand. The demand in Bangalore South is triple that of West. The demand in Bangalore North is roughly twice the demand in Bengaluru Central," the study based on the feedback of about 80,000 visitors to the makaan.com website stated.

"When taken as a percentage of total demand, there has been absolutely no variance in the demand within sub-cities, indicating that the property hotspots and the demand equation within different sub-cities has stabilised in the last few months."

"The demand for rental properties is maximum in Bangalore South (33 per cent), followed by Bangalore East (29) and Bangalore North (17). The demand for residential properties on rent in Bangalore South is thrice the demand in Bangalore Central, and twice the demand in Bangalore North. There has been a drop in the demand for rent for most of Bangalore sub-cities during the review period (June to August), ranging between 1 per cent and 10 per cent. Maximum drop in demand has been observed in Bangalore West (10 per cent)."