

**99acres**

India's No.1 Property Portal

**PUNE**

# PROPERTY CAPSULE

**2019**



# PUNE

Driven by improved home buying sentiment on the back of unchanged circle rates and revised Goods and Services Tax (GST) slabs, Pune reported an improvement in the annual sales by six percent in H1 2019. The unsold inventory of 40,000 units, however, limited the increase in average property prices to 1-2 percent, YoY. In cognisance to the prevailing market sentiment, developers tried selling the existing units. Barring a few new launches along the Mumbai-Pune Expressway and close to the commercial hubs of Kharadi and Hinjewadi, residential supply subdued across quarters. Currently, the city has over 2,800 ongoing housing projects with over 2.8 lakh units in the making.

Noticeably, the year began with the addition of around 9,000 new and resale housing units and nearly 12,000 property registrations in Q1; however, the ensuing quarters failed to uphold the growth trend. General Elections, withdrawal of Input Tax Credits (ITC) from the GST ambit and torrential downpour impacted the market performance. Both sales and new launches were under pressure between May and September. The year 2019 was the third wettest monsoon period for Pune in history, which not only marred the construction activity but also pulled down enquiries and site visits.

Nevertheless, the market sentiment witnessed some improvement in October. Sales clocked an uptrend with Grade A developers emerging as the prime choice of end-users. Borrowing rates at 8.15 percent and discounted deals in the festive season were seen as growth stimulators.

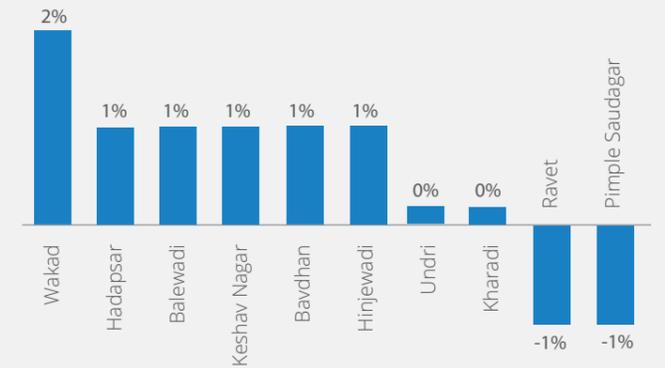
## GROWTH INDUCERS

- Commercial real estate expansion, especially in the pockets of Baner, Balewadi and Hinjewadi posed a significant bearing on the residential growth. The three locations captured almost 33 percent of the total new housing supply in the city.
- Approval of 1,100 housing units under the Pradhan Mantri Awas Yojana (PMAY), unchanged Ready Reckoner Rates (RRR) and access to the relatively affordable residential stock in the newly merged villages of Lohegaon, Mundhwa, Undri, Ambegaon Budruk, and Phursungi kept the city's home buying trend upbeat.
- The speedy development of Shivajinagar-Swargate underground metro stretch, coupled with the proposed Railway Ring Road Project and Chinchwad-Nigdi Metro corridor, is set to boost the city's infrastructure expansion as well as residential demand.
- The impetus to the overly delayed Dighi-Bhosari Road project cheered the residents in Bhosari Dighi, Bharat Mata Nagar, Adarsh Nagar, Krushna Nagar, and Ganesh Nagar, as the stretch will reduce the traffic woes of commuters in the region.
- The tightening of the noose on builders of delayed projects and the approval to the lease renewal policy boded well for city's skyline.

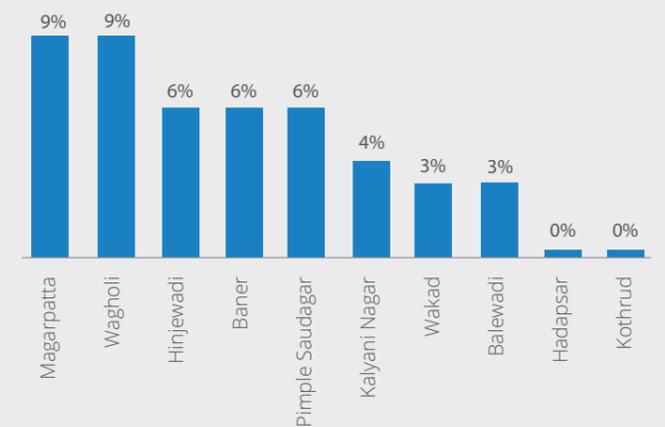
## GROWTH IMPEDIMENTS

- Hike in the commercial and residential property tax by 10 and 5 percent, respectively, marred the realty traction in the city in the last quarter of the year. The move did not go down well with the homebuyers expecting a reduction in property rates.
- The Pune Municipal Corporation (PMC) repealing the 40 percent rebate on property tax offered to those living in self-owned homes also weakened the homebuyer sentiment.
- Illegal construction continued to be a cause of worry for the investors in the city. Charholi, Moshi and Chikhali accounted for the maximum number of unregistered housing units in the Pimpri-Chinchwad region.
- No progress on the 3.5 km-long Katraj-Kondhwa Road project since last one year worsened the traffic situation between Rajas Society Chowk and Khadi Machine Chowk. The project has been facing delays due to land acquisition issues in Gokulnagar and Khadi Machine Chowk.

## YOY CAPITAL PRICE MOVEMENT IN POPULAR LOCALITIES OF PUNE



## YOY RENTAL PRICE MOVEMENT IN POPULAR LOCALITIES OF PUNE



## MARKET INDICATORS

	Jan-Mar 2019	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020*
Capital Values	<>	<>	>	<>	<>
Rental Values	>	>	>	>	>
Supply	>	<	>	>	>

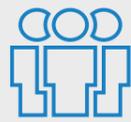
\* Projected price movement and inventory status

\*\*Rental values depict annual change in average asks for respective quarters

# RERA IN FOCUS



Registered Projects  
23,557



Registered Agents  
22,436



Complaints Resolved  
9,910

\*Data shows approximate registrations till December 27, 2019

\*\* Source: State's RERA website

## DEC

Work commences on Shivajinagar-Swargate underground metro stretch

# 99acres

India's No.1 Property Portal

### CONTACT US

0120 4879400

Monday - Friday

9:30 AM to 6:30 PM IST

Email: [content@99acres.com](mailto:content@99acres.com)

## IN NEWS

### JAN

Pune civic body proposes FSI of 4 along transit routes

### FEB

Pimpri Chinchwad civic body keeps property tax unchanged

### OCT

MahaRERA allows owners to complete stalled projects in Talegaon

### NOV

Pune board increases residential and commercial property taxes

### MAR

State allots Rs 1,722 crore for infra projects and approves Chinchwad Nigdi metro corridor

Maharashtra keeps circle rates unchanged

### APR

MahaRERA empowers homebuyers to revive stalled projects

### MAY

Pune civic body approves over 1,100 residential units under PMAY

### JUN

Maharashtra announces 90 pc waiver on stamp duty penalties

### JUL

State allots 21 hectares to PMRDA for Pune metro

### AUG

CIDCO approves construction of 94,000 affordable homes

### SEP

Construction work on Dighi-Bhosari road commences after 22 years