



Delhi-NCR Residential Market Watch H1 2022



Savills India presents its maiden research report covering market trends in the residential real estate segment in India.

In keeping with our familiar pattern of infographic-focused publications, this document presents a snapshot of key markets.

We focus on the premium, high-end and luxury residential segments in

the cities of Mumbai, Delhi, Gurugram and NOIDA. This report opens a window into the historical performances of key micro markets and strives to establish a relationship between recent socio-economic changes and their impact on residential price points. Various property types across the residential real estate spectrum like residential apartments,

independent floors, independent bungalows and plots are considered in analyzing the price movement and to showcase market trends over the years.

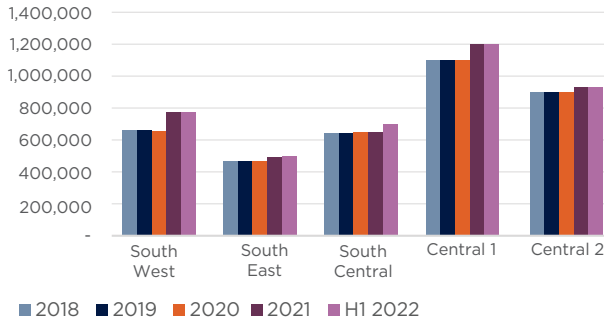
We hope you find this document insightful and will look forward to its sequels.



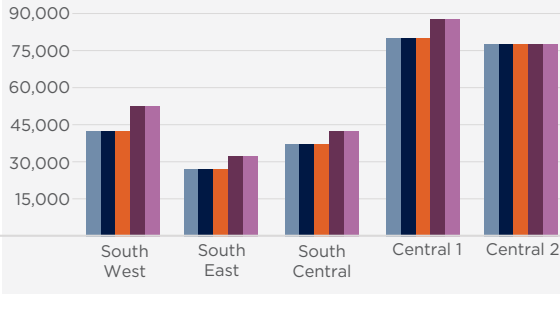
Capital values strengthened across most micro markets, and are expected to continue the momentum in 2022.

PRICE TREND

Average Capital Value for Plots
(INR per sq. yard)



Average Capital Value for Floors
(INR per sq. ft.)



Source: Savills India Research

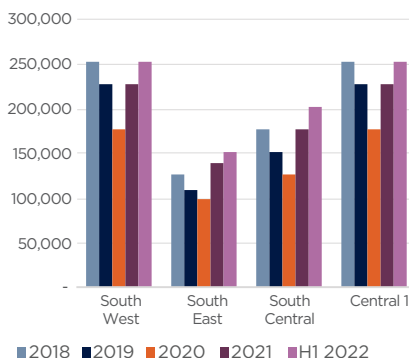
- Delhi's residential market is on a path to recovery after a prolonged slowdown.
- The city witnessed an increase in average capital value for land parcels in 2021 after remaining constant during 2018-20. With 4% YOY growth, the city continued witnessing increased prices in H1 2022. The South West region, with 11% YOY growth, saw the biggest hike in land prices in H1 2022.
- Demand for luxury floors also picked up, which, coupled with limited new ready supply, pushed up floor prices by 7% YOY in H1 2022.
- Delhi witnessed some notable land/bungalow transactions in Lutyens and the southern part of the city in the last few quarters.
- The circle rate breather, which was granted in H1 2021 and extended up to June 2022, resulted in

reviving sales volumes in some micro markets like Maharani Bagh, New Friends Colony, Friends Colony, etc. which were adversely impacted by the pandemic. The pent-up demand reduced the inventory pile-up which led to price rise while establishing new benchmarks.

- The Real Estate Regulatory Authority (RERA) of Delhi recently mandated the registration of projects of more than 500 square meters of land parcel irrespective of the number of apartments built on it. This will enhance buyers' and sellers' confidence in compliance and transparency. In the long run, this will provide a thrust to the overall market sentiment.
- The city witnessed the launch of approximately 1,168 units in the premium-to-luxury segment in H1 2022.

RENTAL TREND

(INR per month)



Source: Savills India Research

- An increase in average housing rentals by 50% YOY in H1 2022 signals the further uptick in demand in rental housing.
- The South Central region, with 60% YOY growth, reported the highest rise in rental prices in H1 2022.
- With increased Covid vaccinations giving impetus to in-bound migration and the re-opening of offices, rentals are further expected to witness a healthy recovery in the upcoming quarters.

DELHI MICRO MARKETS

South West - Shanti Niketan, Anand Niketan, Westend, Vasant Vihar

South East - Friends Colony East, Friends Colony West, Maharani Bagh, Greater Kailash - I, Greater Kailash - II

South Central - Defence Colony, Anand Lok, Niti Bagh, Gulmohar Park, Hauz Khas Enclave, Safdarjung Development Area, Mayfair Gardens, Panchsheel Park

Central 1 - Jorbagh, Golf Links, Malcha Marg

Central 2 - Amrita Shergill Marg, Aurangzeb Road, Prithviraj Road, Sikandara Road, Tilak Marg, Ferozshah Road, Mann Singh Road, Tees January Marg, Sunder Nagar, Chanakypuri

KEY TRANSACTIONS

Transaction: Sale
Location: Shanti Niketan
Asset Type: Bungalow
Area: 1,000 sq. yard
Asset Description: Park-facing with wide road on the front side
Price: INR 84 Crore

Transaction: Sale
Location: Vasant Vihar
Asset Type: Bungalow
Area: 600 sq. yard
Asset Description: Independent bungalow with modern interiors
Price: INR 45 Crore

Transaction: Sale
Location: Maharani Bagh
Asset Type: Bungalow
Area: 1,200 sq. yard
Asset Description: Corner bungalow with two sides open
Price: INR 43 Crore

Transaction: Sale
Location: Jorbagh
Asset Type: Apartment
Area: 3,000 sq. ft.
Asset Description: A floor in a park-facing corner property with ultra-luxe specifications
Price: INR 24 Crore

Source: Savills India Research

Notes:

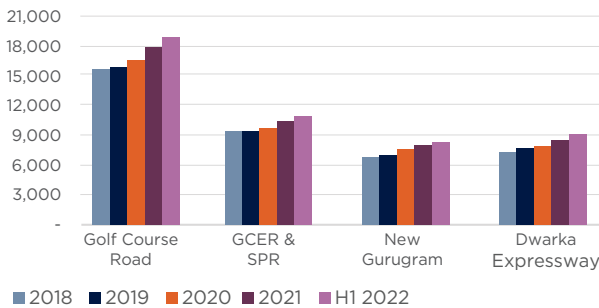
- Average capital value for floors is the quoted base price on saleable area
- Average rentals are for apartments/floors with average size of 2,000-2,500 sq. ft. with still car parking
- The capital and rental values are as of June 2022 for H1 2022

“ Capital values of completed and under-construction projects increased by 10% YOY in H1 2022.

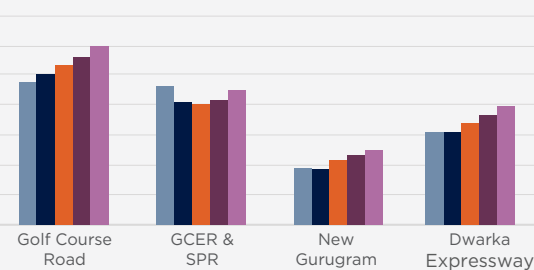
Gurugram

PRICE TREND

Average Capital Value for Completed Properties (INR per sq. ft.)



Average Capital Value for Under-Construction Properties (INR per sq. ft.)



Source: Savills India Research

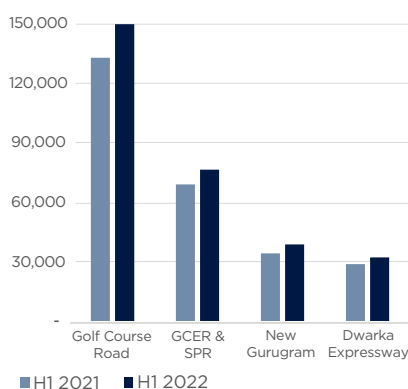
- Gurugram's micro markets witnessed a steady growth in capital values with the YOY increase confined to 12% in the last few quarters.
- With 12% YOY, Dwarka Expressway registered the highest growth in capital values for both completed and under-construction projects in H1 2022. This can be attributed to higher demand owing to improved connectivity with Dwarka Expressway nearing completion and new launches at a higher rate offering better amenities.
- Newer condominiums with premium facilities have witnessed better price appreciation as

compared to relatively older ones. This reflects the change in the behavior of buyers, as they are becoming more quality-conscious and are considering paying a premium for higher living standards. As a result, the price range in some micro markets of the city has expanded, thus creating a spectrum of varied capital values.

- The city witnessed an increased demand for larger apartments (2,500 sq. ft. & above) in high-rise developments. There was also pent-up demand for top floors with terrace in builder floor projects, owing to the need for bigger living spaces and private open areas post covid.

RENTAL TREND

(INR per month)

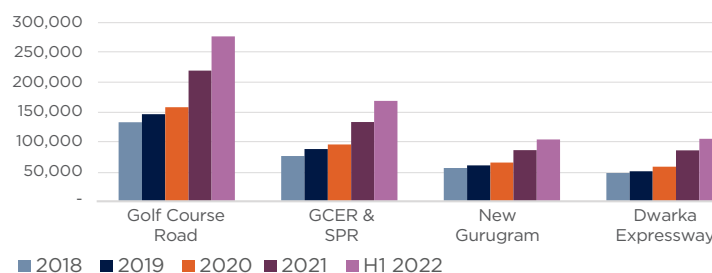


Source: Savills India Research

- Average rentals in Gurugram increased by 12% YOY in H1 2022.
- Golf Course Road and New Gurugram witnessed the highest growth with an increase of 13% YOY, followed by Dwarka Expressway with 12% YOY.

PRICE TREND FOR PLOTS

Average Capital Value (INR per sq. yard)



Source: Savills India Research

- The price hike of plots was quite significant with 41% YOY in H1 2022.
- This was mainly due to improvement in buyer sentiment and approval being given for an additional floor in 2019, which is now seeing traction from investors and end users as the impact of the pandemic is subsiding.
- Plotted developments are witnessing increased demand from end users due to the price arbitrage they offer as compared to Delhi. Need for larger spaces post Covid has been another factor giving impetus to increased interest in plots/bungalows.

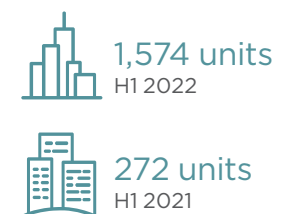
KEY TRANSACTIONS

Transaction: Sale
Location: DLF Phase I
Asset Type: Independent Floor
Area: 500 sq. yard
Asset Description: Independent floor with modern specifications
Price: INR 5.39 Crore

Transaction: Sale
Location: DLF Phase IV
Asset Type: Independent Floor
Area: 360 sq. yard
Asset Description: Independent floor with modern specifications located next to Galleria Market
Price: INR 3.7 Crore

Transaction: Sale
Location: Sobha City, Sector 108, Dwarka Expressway
Asset Type: Apartment
Area: 2,072 sq. ft.
Asset Description: 3-BHK apartment
Price: INR 2.3 Crore
 Source: Savills India Research

NEW LAUNCHES



Gurugram witnessed a substantial increase in launches in H1 2022

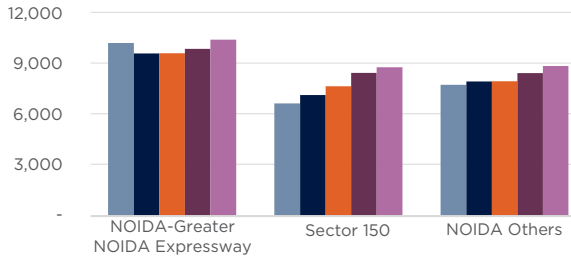
- Notes:
- Average capital value for projects is the quoted base price on saleable area
 - Capital values are reflective of properties priced INR 2 crores and above.
 - Average quoted rentals are for 3 & 4-BHK apartments on Golf Course Road and 3-BHK apartments in other micro markets
 - The quoted capital and rental values are as of June 2022 for H1 2022
 - GCER - Golf Course Extension Road
 - SPR - Southern Peripheral Road

Capital values witness an increase in the range of 9-11% YOY in H1 2022.

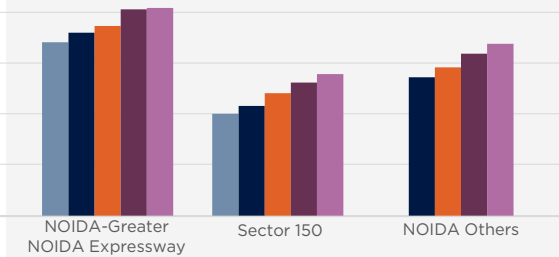
NOIDA

PRICE TREND

Average Capital Value for Completed Properties (INR per sq. ft.)



Average Capital Value for Under-Construction Properties (INR per sq. ft.)



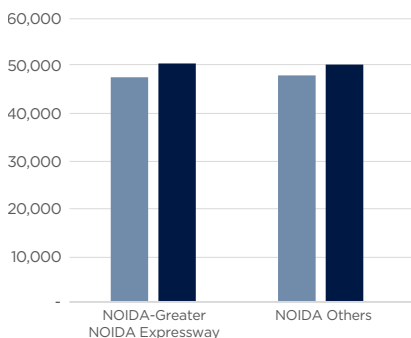
■ 2018 ■ 2019 ■ 2020 ■ 2021 ■ H1 2022

Source: Savills India Research

- Ready-to-move projects in NOIDA saw a steady growth in capital values coming in at 9% YOY, an increase from 6% seen in the previous year. Sector 150 with 13% YOY increase witnessed the highest growth.
- Under construction projects saw a steady growth of 11% YOY as well, compared to 9% in the prior year. The highest jump was witnessed in NOIDA Others and Sector 150 with 13% and 11% YOY increase respectively.
- The rise in values in Sector 150 is largely attributed to its smooth connectivity to Delhi through NOIDA Expressway. Additionally, the sector has been witnessing an influx of renowned builders such as Godrej, ATS and Tata among others, launching a slew of high-end luxury projects. This has upped the confidence of customers, thus causing prices to go up for high-quality constructions.

RENTAL TREND

(INR per month)



■ H1 2021 ■ H1 2022

Source: Savills India Research

- Average rentals increased by 6% YOY in H1 2022.
- The rentals for these two micro markets are in the range of INR 49,000-50,000 per month in H1 2022.

NOIDA MICRO MARKETS

NOIDA Others - Sectors 50, 75, 78, 79 & 107

Notes:

- Average capital value for projects is the quoted base price on saleable area
- Capital values are reflective of properties priced INR 2 crores and above.
- Average quoted rentals are for 3-BHK apartments
- The quoted capital and rental values are as of June 2022 for H1 2022

NEW LAUNCHES

269 units
H1 2022

910 units
H1 2021

The micro markets witnessed fewer launches in H1 2022 as compared H1 2021

Savills Property Services (India) Private Limited
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KEY TRANSACTIONS

Transaction: Sale
Location: ATS Knightsbridge, Sector 124
Asset Type: Apartment
Area: 6,000 sq. ft.
Asset Description: Fully furnished apartment with ultra luxe specifications
Price: INR 8.60 Crore

Transaction: Sale
Location: ATS Knightsbridge, Sector 124
Asset Type: Apartment
Area: 6,000 sq. ft.
Asset Description: Fully furnished apartment with ultra luxe specifications
Price: INR 8.60 Crore

Transaction: Sale
Location: ATS Greens Village, Sector 93A
Asset Type: Apartment
Area: 3,000 sq. ft.
Asset Description: Park-facing unit with modern specifications
Price: INR 2.90 Crore

Source: Savills India Research

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