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Leading realtors see a boom in pre-sales in FY24

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Thirteen leading listed real estate players have sold an area of over 100 million sq ft (msf) in FY24 worth over ₹1.1-lakh crore, up around 40 per cent on year and this is set to go to well over 150 msf in the current fiscal year with a total value of over ₹1.5-lakh crore.

The companies have added projects with a gross development value of around ₹2.5 to 3-lakh crore forming an impressive pipeline of launches in the current year and giving the companies ample revenue visibility over the next several years. The companies will be adding more projects every year as part of their business development ensuring that they have enough housing stock to meet the demand momentum that doesn't look as if it will abate very soon.

Housing sales in FY24 for the industry as a whole crossed 1 billion sq ft, with 20

per cent growth year-on-year (y-o-y). This has come at a time of elevated mortgage rates and higher home prices. The RBI has held key lending rate steady for a year now at 6.5 per cent and housing prices have increased in FY24 by over a tenth.

SALES TARGET

Almost all the companies comfortably achieved their sales targets for the last financial year and some of them overshot it as demand kept up ahead of supply. Mumbai-based Godrej Properties in Mumbai and Bengaluru-based Prestige Estates Projects were far ahead of the competition.

Godrej Properties sold 20 ms f in FY24 with booking value of ₹22,527 crore, up 84 per cent on year and 61 per cent above its guidance. The management has set a target of achieving sales of ₹27,000 crore in the current fiscal year. Prestige Estates sold over 20 ms f with a booking value of



₹21,000 crore and in FY25, it has projected sales of ₹26,000 crore. It launched around 32 msf of housing projects.

Sales have been robust especially in the two major real estate markets of Mumbai Metropolitan Region and the National Capital Region. In NCR, Godrej saw a 180 per cent growth on sales and in MMR, it was 114 per cent. Prestige had more sober growth metrics with Bengaluru, dominating both in sales and in growth, followed by Hyderabad.

Smaller players are also riding on the demand momentum. Keystone Realtors,

which sells under the Rustonjee brand and had sales of over ₹2,200 crore last year with more than one launch a quarter, is planning to accelerate the pace of its launches in FY25. Bengaluru-based Shriram Properties, which sold 4.59 msf last year with a value of ₹2,362 crore aims to sell 15 per cent more this year.

PIPELINE

Buying land, signing up for re-development projects and monetising existing land bank are some of the ways that the real estate companies are adding to the project pipeline. Macrotech Developers or Lodha added new projects with a GDV of ₹20,300 crore in FY24 and expects to add projects worth ₹21,000 crore this year.

Mumbai-based Sunteck Realty, which sells houses from mid-income to luxury, has projects with a gross development value of ₹28,965 crore in the pipeline in the current year.