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● **A SERIES OF LAUNCHES LINED UP**

Realtors expect 20-40% jump in festive sales

RAGHAVENDRA KAMATH
Mumbai, October 3

PROPERTY DEVELOPERS ARE expecting 20-40% yearly growth in festive sales in the December quarter of FY25. Most of them have lined up a series of launches during the quarter.

The October-December quarter is crucial for developers as it accounts for about 40% of their sales. During the corresponding quarter a year ago, companies in the BSE Realty Index had posted 5.4% growth in net sales.

During Q3, Bengaluru-based Prestige Estates Projects is expecting about 40% yearly growth in sales and combined with the upcoming launches, it expects to more than double its sales over the September quarter, said Irfan Razack, chairman and managing director, Prestige Estates.

"We are expecting a very healthy uptake of homes across cities this festive season. We have received very good response to the recent launches in Bengaluru and Mumbai and a certain number of customers are waiting to confirm their purchases," Razack said.

This festive season is coming on the back of surplus monsoon rains and also with the promise of home loan rate cuts in the near future owing to the rate cuts in the US, he said.

Prestige is planning to launch more than 10 projects across Delhi-NCR, Bengaluru, Hyderabad, Chennai & Goa in

ON EXPANSION MODE



■ Prestige expects **40%** jump in sales in October-December quarter

■ Shriram Properties is expecting **20%** growth with four launches

■ Sunteck expecting **30-35%** growth

■ K Raheja Corp Homes expecting **35%** growth

this quarter. Some of these will be large-format projects with an inventory of over ₹3,000 crore.

Viswa Prathap Desu, chief operating officer, residential, Brigade Enterprises, said during the September quarter, buyers held back their purchases as this was an inauspicious time and they prefer to wait for Dussehra and Deepavali festivals to finalise their investments.

"This festive season has already seen increased sales in consumer durables which is a very positive sign. Further, we have seen the home loan rates remain unchanged. All these signs indicate that we could look forward to a positive quarter in terms of sales," Desu said.

Shriram Properties is expecting 20% growth with four launches in Q2, said Vivek Venkateswar, chief sales & marketing officer, Shriram Properties.

Mumbai-based developers

are also equally buoyant about festive sales.

Kamal Khetan, chairman and managing director of Sunteck Realty, said they are expecting 30-35% growth this year compared to 20-25% growth in the previous season on the back of positive market sentiments. "Positive market sentiment is supporting this momentum, with discerning buyers increasingly seeking premium and high-end properties," Khetan said.

Ashish Dhami, chief of sales, and marketing at K Raheja Corp Homes, is optimistic about achieving a 35% growth in its revenues over Q2.

Pradeep Aggarwal, founder & chairman at Gurugram-based Signature Global said: "During the last financial year, we clocked the pre-sales of ₹7,270 crore and this year we are targeting the pre-sales to the tune of ₹10,000 crore."

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Developers aim for 20% YoY home sales boost this festive season

Schemes and launches planned despite interest rate disappointment

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BENGALURU, DHNS

Home buying sentiments are strong this festive season, according to realty developers and consulting firms, particularly for the mid-market and premium segments.

Many developers are expecting more sales compared to last year's festive season. Some such as Shriram Properties and Sterling Developers have said they are aiming for up to 20% year-on-year (YoY) growth compared to last year.

"I foresee at least 1.5 lakh new homes being sold in the next three months across the top six cities in the country," said Ravi Shankar Singh, Managing Director, Residential Transaction Services, Colliers India. Over 1.27 lakh units were sold across the top seven cities in the October-December 2023 period, as per Anuj Puri, Chairman, ANAROCK Group.

Anshuman Magazine, Chairman and CEO, India, South-East Asia, Middle East and Africa, CBRE, said that rising property prices are affecting buyers' decisions. Still, the luxury housing segment is seeing demand driven by a desire to fetch higher return on investments amid global economic uncertainties.

This period is also expected

to see a boost in new property launches, with Brigade Group and Concorde among those who are planning new launches.

Developers are also launching schemes and discounts during this period to attract home buyers. "These range from equated monthly instalment (EMI) waivers, GST exemptions, and free registration and stamp duty to added benefits like modular kitchens, electronics, free car parking spaces, and even furnished apartments. To further attract buyers, some developers are partnering with banks to offer fixed interest rates for a set period," Magazine explained.

Real estate companies have also pitched perks like flexible payment plans and return on investment (ROI) programmes. During this period, Concorde has increased its marketing expenses by 25%.

"Despite higher loan rates, homeownership remains a priority for many. RBI data shows a substantial 40% increase in home loan deployment," Magazine said.

Many realty developers were also hoping for a reduced repo rate given by the RBI, which remained unfulfilled. Still, they remain optimistic about the unchanged rate.

"Policy stability bodes well in the ongoing festive season. As and when a rate cut is anticipated, which, when implemented, will benefit both homebuyers and real estate developers to capitalise on the market and strengthen overall economic growth," said Pradeep Aggarwal, Founder and Chairman, Signature Global (India).