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India's Residential Market Overview

THANE | JUL-SEP 2024

FOREWORD

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India's major cities remained bullish in Q3 (July-September) 2024, characterized by strong buyer sentiment* and rising demand. Many cities have witnessed a rise in inventory, particularly in the luxury segment, aligning with the growing aspirations of home buyers. Insights from over 20 million Magicbricks users reveal an 8.3% quarter-on-quarter (QoQ) rise in residential prices and a 12.3% (QoQ) surge in demand. This growth, fueled partly by heightened investor activity, has further propelled price appreciation, especially for luxury properties as buyer preferences shift.

The NCR region continues to pique buyer interest, with **Noida (15.6% QoQ), Greater Noida (14.4% QoQ), and Gurgaon (9.9% QoQ)** seeing significant demand growth. **Delhi (17.2% QoQ)** has maintained strong demand despite high property prices. In Bengaluru, a rise in demand is observed where RTM and UC properties both attract buyer interest equally.

This surge in demand has spurred **rising prices**, with Noida **(16.9% QoQ),** Greater Noida **(15.1% QoQ)**, and Gurugram **(15.5% QoQ)** showing the highest capital appreciation, reaffirming their appeal as prime investment destinations and attracting investors. Capital appreciation of residential properties in Thane, too, stands out **(9.8% QoQ)** driven by a reduction in supply.

The NCR region witnessed new supply, primarily in the luxury (priced above INR 2.5 Cr.) segment. Bengaluru and Kolkata were other cities where the supply of under-construction properties increased. The declining availability of affordable housing, coupled with an increase in luxury offerings, suggest a shift toward more aspirational buying patterns across the country.

The Indian residential real estate market appears healthy, though certain signs warrant attention. Demand growth has accelerated, accompanied by a surge in new launches, particularly in the NCR, Kolkata, and Bengaluru markets. The luxury segment, which includes over 45% of under-construction supply in Noida and Greater Noida, is expanding. This rapid growth may deter genuine homebuyers and raise concerns about potential oversupply and market stagnation. Most regions are experiencing growth based on solid fundamentals and show a promising outlook. Efforts to address the challenges in the affordable housing segment are underway, contributing to an increase in supply. Overall, the market outlook is increasingly positive in the mid-term, with sustained growth expected throughout 2024.

*HSI Report

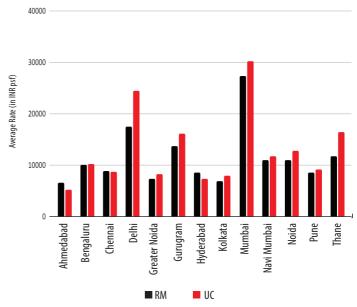## Market Dynamics

Pan India Demand, Supply and Rate Analysis

Region	Demand	Supply	Rates
India	12.3%	2.8%	8.3%
Ahmedabad	13.0%	-6.3%	3.3%
Bengaluru	18.2%	22.6%	9.1%
Chennai	11.4%	0.3%	1.3%
Delhi	17.2%	-4.7%	4.5%
Gr. Noida	14.4%	8.4%	15.1%
Gurugram	9.9%	18.3%	15.5%
Hyderabad	7.4%	-3.9%	3.2%
Kolkata	13.0%	9.3%	8.4%
Mumbai	7.9%	-1.9%	7.0%
Navi Mumbai	13.5%	-8.9%	5.7%
Noida	15.6%	4.0%	16.9%
Pune	9.1%	-0.2%	8.9%
Thane	2.5%	-16.9%	9.8%

Notes:
Demand represents QoQ change in the volume of property searches on Magicbricks website in Q3 2024.
Supply represents QoQ change in the volume of active listings on Magicbricks website in Q3 2024.
Rate represents the QoQ change in the weighted average price at India and city level in Q3 2024.

Average Rates in INR psf

Notes:
Above table represents the average rates for Ready to Move (RM) and Under Construction (UC) properties on Magicbricks website in Q3 2024 for the cities covered under the report.
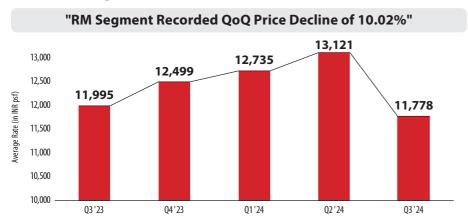
Source: Magicbricks Research

Residential Market Insights

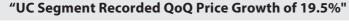**Modest Demand Growth meets Unprecedented Supply Contraction**

In Q3 2024, the Thane residential market experienced a dramatic 16.9% QoQ drop in supply, while demand QoQ growth remained modest at 2.5%. This significant imbalance between supply and demand led to a price increase of 9.8%, surpassing the national growth rate of 8.3%.
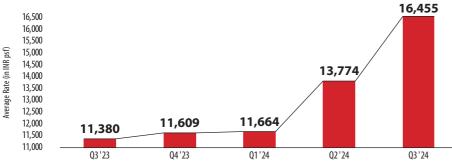
After a period of intense activity, the Thane housing market is seeing a decrease in supply , even as it benefits from a strategic location, excellent connectivity, and the development of both commercial and residential projects. The Thane Metro project, among others, is expected to further enhance property values and attract new investments. Despite the slower demand growth this quarter, Thane's market remains dynamic, offering opportunities for both buyers and sellers, driven by ongoing infrastructural enhancements and a robust investment environment.

Market Dynamics

Parameters	India	Thane
Demand+	12.3%	2.5%
Supply++	2.8%	-16.9%
Rate Index+++	8.3%	9.8%

Notes: Above parameters represent QoQ change in Q3 2024 at India and city level
+ change in volume of property searches
++change in volume of active listings
+++change in the average rate of Under Construction
(UC) and Ready to Move (RM) properties

Source: Magicbricks Research

RM Rate Change

"RM Segment Recorded QoQ Price Decline of 10.02%"

Average Rate (in INR psf)

- Q3 '23: 11,995
- Q4 '23: 12,499
- Q1 '24: 12,735
- Q2 '24: 13,121
- Q3 '24: 11,778

UC Rate Change

"UC Segment Recorded QoQ Price Growth of 19.5%"

Average Rate (in INR psf)

- Q3 '23: 11,380
- Q4 '23: 11,609
- Q1 '24: 11,664
- Q2 '24: 13,774
- Q3 '24: 16,455

Notes:
1. RM rate index represents the weighted average rate of completed properties on the Magicbricks website as of September 2024.
2. UC rate index represents the weighted average rate of under-construction properties on the Magicbricks website as of September 2024.
3. The graph represents the average rate of the dominant asset class in each locality of the city.

Source: Magicbricks Research

Key Developers based on active listings

Lodha
Kalpataru Ltd.
Raymond Realty
Hiranandani Group
Runwal Developers
Godrej Properties
Rustomjee
Dosti Realty
Piramal Realty
TATA Housing Development Company Ltd.

Note: The above table represents the top developers by the share of active listings on Magicbricks website in Q3 2024.
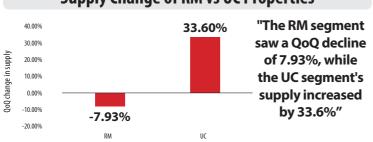
Key Projects and Localities

Project Name	Locality
Samrin Heritage	Panch Pakhdi
The Icon by Risland	Dhokali
Nexus Hyde Park	Thane West
Lodha Casa Viva	Majiwada
Sunrise by Kalpataru	Kolshet Road
Sheth Avalon	Thane West
Dosti West County	Balkum Pada
Hiranandani The Walk	Hiranandani Estate
Rosa Gardenia	Ghodbunder Road
Lodha Amara	Kolshet Road

Note: Above table lists the most searched projects on Magicbricks website in Q3 2024

Source: Magicbricks Research

Supply Change of RM vs UC Properties

QoQ change in supply

- RM: -7.93%
- UC: 33.60%

"The RM segment saw a QoQ decline of 7.93%, while the UC segment's supply increased by 33.6%"

Notes:
1. Above graph represents the supply changes for RM and UC properties as of September 2024

In the News

1. Mumbai and Thane will receive a ₹12,500 crore boost with MMRDA's contracts for nine major road projects. This will enhance transport across 6,328 sq km, improving connectivity and spurring regional development. – Swarajyamag

2. The Union Cabinet's approval of new Metro corridors in Thane and Pune, worth over ₹15,000 crore, will enhance connectivity and likely boost property values and demand in both cities. – Hindustan Times
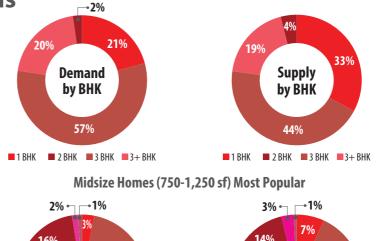
Demand-Supply Analysis
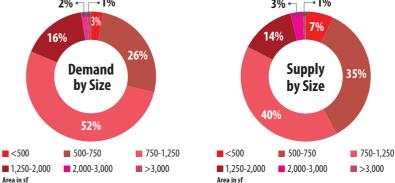
Thane Homebuyers Opt for Midsized, 2 BHK Units

The demand trends in Thane highlight a clear preference for 2 BHK units, which command a substantial 57% share of the market. They are followed closely by 1 BHK and 3 BHK units, with demand shares of 21% and 20%, respectively.

Moreover, more than half of Thane's homebuyers prefer properties with size ranging from 750 to 1,250 sf being the most sought-after category, accounting for 52% of the market demand. This category also leads in supply, with a share of 40%.
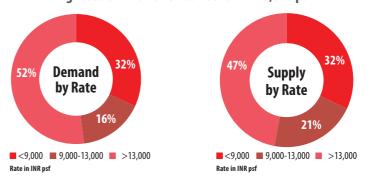
Higher Price Range: A Preferred Choice Among Homebuyers

Thane's real estate market demonstrates a clear preference for properties priced above 13,000 psf, indicating strong demand for high segment property seekers in the area.
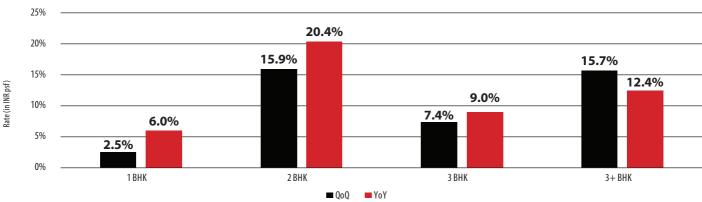
Demand by BHK

- 2%
- 21%
- 57%
- 20%

■ 1 BHK ■ 2 BHK ■ 3 BHK ■ 3+ BHK

Supply by BHK

- 4%
- 33%
- 44%
- 19%

■ 1 BHK ■ 2 BHK ■ 3 BHK ■ 3+ BHK

Midsize Homes (750-1,250 sf) Most Popular

Demand by Size

- 2%
- 1%
- 3%
- 26%
- 52%
- 16%

■ <500   ■ 500-750   ■ 750-1,250
■ 1,250-2,000   ■ 2,000-3,000   ■ >3,000
Area in sf

Supply by Size

- 3%
- 1%
- 7%
- 35%
- 40%
- 14%

■ <500   ■ 500-750   ■ 750-1,250
■ 1,250-2,000   ■ 2,000-3,000   ■ >3,000
Area in sf

Highest Demand For Units Above INR 13,000 psf

Demand by Rate

- 32%
- 16%
- 52%

■ <9,000   ■ 9,000-13,000   ■ >13,000
Rate in INR psf

Supply by Rate

- 32%
- 21%
- 47%

■ <9,000   ■ 9,000-13,000   ■ >13,000
Rate in INR psf

Source: Magicbricks Research

BHK-wise Average Rate Change (in INR psf)

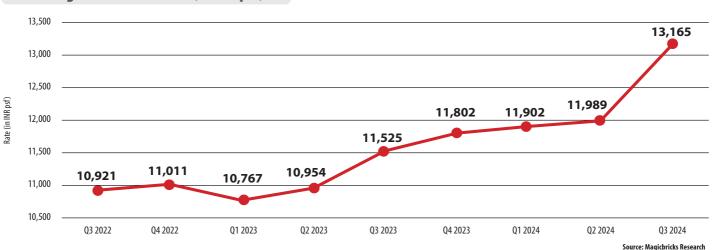| BHK	QoQ	YoY
1 BHK	2.5%	6.0%
2 BHK	15.9%	20.4%
3 BHK	7.4%	9.0%
3+ BHK	15.7%	12.4%

■ QoQ ■ YoY

Source: Magicbricks Research

2 BHK units have experienced the most significant increase, with a 20.4% YoY rise, highlighting strong demand in this segment. In contrast, 1 BHK units saw modest changes, with a 6.0% YoY increase, reflecting comparatively subdued interest. The 3 BHK category saw a balanced growth pattern, with 9.0% YoY, suggesting stable demand. Notably, 3+ BHK units witnessed a 12.4% YoY increase, suggesting rising interest among larger households or investors looking at premium spaces.

Rate Analysis

Average Rate Movement (in INR psf)

Rate (in INR psf)

	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Rate	10,921	11,011	10,767	10,954	11,525	11,802	11,902	11,989	13,165

Source: Magicbricks Research

The Thane real estate sector has recently surged, showing a notable 14% growth over the past year across four consecutive quarters. This increase highlights a rise in property values and market activity. However, price trends have been inconsistent, reflecting market volatility. This unpredictability may stem from shifts in demand and supply, regulatory changes, or variations in investor sentiment. Stakeholders should carefully monitor these fluctuations and adjust their strategies to effectively navigate this evolving market.

Property Type Wise Average Rates (in INR psf)

Builder Floor	Multi-storey Apartment	Residential House	Villa
8,800	14,000	15,200	17,000

Source: Magicbricks Research

Thane's real estate market showcases a variety of pricing tiers; builder floors average INR 8,800 psf, multistorey apartments are at INR 14,000 psf, residential houses stand at INR 15,200 psf, and luxurious villas are priced at INR 17,000 psf based on their covered area.

BHK Wise Average rates (in INR psf)

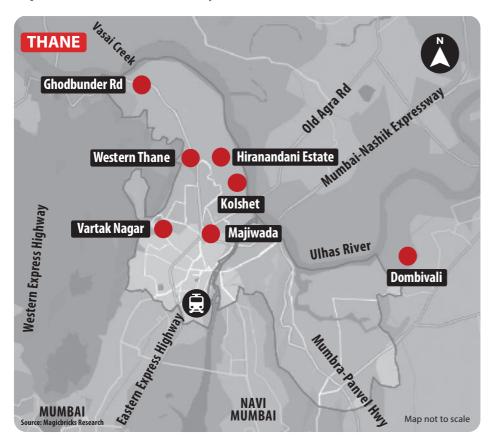| 1 BHK	2 BHK	3 BHK	3+ BHK
8,700	13,200	15,100	17,500

Source: Magicbricks Research

In Thane, residential properties span a diverse pricing spectrum, ranging from INR 8,700 to 17,500 psf, encompassing various configurations and building typologies. The average rate for 1 BHK residences is INR 8,700 psf, while luxury segments, particularly 3+ BHK, command an average rate of INR 17,500 psf.

This price variability reflects the wide array of choices available to homebuyers in Thane, accommodating different budget constraints and lifestyle preferences.

Micro-Market Statistics

Top Micro-markets in the City

THANE

Vasai Creek

Ghodbunder Rd

Old Agra Rd

Mumbai-Nashik Expressway

Western Thane

Hiranandani Estate

Kolshet

Western Express Highway

Vartak Nagar

Majiwada

Ulhas River

Dombivali

Eastern Express Highway

Mumbra-Panvel Hwy

MUMBAI

NAVI MUMBAI

Map not to scale

Source: Magicbricks Research

Inference

The western regions of Thane have become highly attractive to homebuyers for several reasons. Their close proximity to Mumbai, a major economic and cultural center, significantly adds to their appeal. Additionally, these areas offer well-developed infrastructure and convenient access to essential amenities. The presence of numerous job opportunities further boosts their attractiveness. Consequently, neighborhoods like Western Thane, Ghodbunder Road, and Dombivli are frequently listed as top choices for potential buyers, underscoring their popularity as prime residential areas in western Thane.

Notes:
1. Map above represents the top preferred micro-markets in the city in Q3 2024

Micro-Markets with Highest Demand

Micro-Market	Average Rate	Rank Q3-24	Rank Q2-24
Western Thane (Near Teen Haath Naka)	16,300	1	1
Majiwada	15,700	2	4
Kolshet	15,700	3	7
Ghodbunder Road	11,700	4	2
Dombivali	7,300	5	5
Hiranandani Estate	16,900	6	6
Ghodbunder Road Prime	16,800	7	3
Vartak Nagar (Near Cadbury Junction)	17,500	8	8

Notes:
1. Top micro-markets ranked by number of searches on Magicbricks in Q3 2024.
2. Average rate in the micro-market in INR psf.

Micro-Markets with Highest Supply

Micro-Market	Average Rate	Rank Q3-24	Rank Q2-24
Kolshet	15,700	1	4
Ghodbunder Road	11,700	2	2
Dombivali	7,300	3	1
Western Thane (Near Teen Haath Naka)	16,300	4	3
Ghodbunder Road Prime	16,800	5	6
Majiwada	15,700	6	8
Kalyan	6,100	7	5
Ambernath-Badlapur	4,600	8	7

Notes:
1. Top micro-markets ranked by their active listings on Magicbricks in Q3 2024.
2. Average rate in the micro-market in INR psf.

Source: Magicbricks Research

Glossary

1	BHK	Bedroom, Hall, Kitchen	16	Q1	January, February and March
2	CG Road	Chimanlal Girdharlal Road	17	Q2	April, May and June
3	Cr	Crore	18	Q3	July, August and September
4	ECR	East Coast Road	19	Q4	October, November and December
5	EM Bypass	Eastern Metropolitan Bypass	20	QoQ	Quarter on Quarter
6	Exp	Express	21	Rd	Road
7	Expy	Expressway	22	RERA	Real Estate Regulatory Authority
8	Extn	Extension	23	RM	Ready to Move
9	ft	feet	24	S	South
10	Hwy	Highway	25	sf	square feet
11	INR	Indian Rupee / Indian Rupees	26	SG Highway	Sarkhej Gandhinagar Highway
12	N	North	27	UC	Under Construction
13	OMR	Old Mahabalipuram Road	28	W	West
14	ORR	Outer Ring Road	29	YoY	Year on Year
15	psf	per square feet	30	Z	Zone

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NOTES

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India's No. 1 Property Site

As the largest platform for buyers and sellers of property to connect in a transparent manner, Magicbricks has monthly traffic exceeding 2 crores and an active base of over 15 lakh property listings. Magicbricks has metamorphosed into a full-stack service provider for all real estate needs, with 15+ services including home loans, pay rent, movers and packers, legal assistance, property valuation, and expert advice.

With 15+ years of experience and deep research-based knowledge, Magicbricks also presents a repertoire of insight-driven platforms like MBTV- India's leading online real estate YouTube channel, and other proprietary tools so that home buyers can access all information related to price trends and forecasts, locality reviews and more.

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