

MMR Real Estate reaches new peak in 1H24

- **MMR is the largest residential market in terms of sales value in India.**
- **1H24 witnessed sustained growth in residential sales driven by growing propensity among buyers to purchase homes, favourable economic growth, rising disposable income and improving infrastructure landscape.**
- **Developers anticipating sustained healthy demand in residential sales have been aggressive in their growth strategies acquiring land parcels.**
- **The upcoming and planned infrastructure expansion projects should also complement this positive real estate momentum.**

MMR residential real estate market hits new highs in 2024

City at a glance:

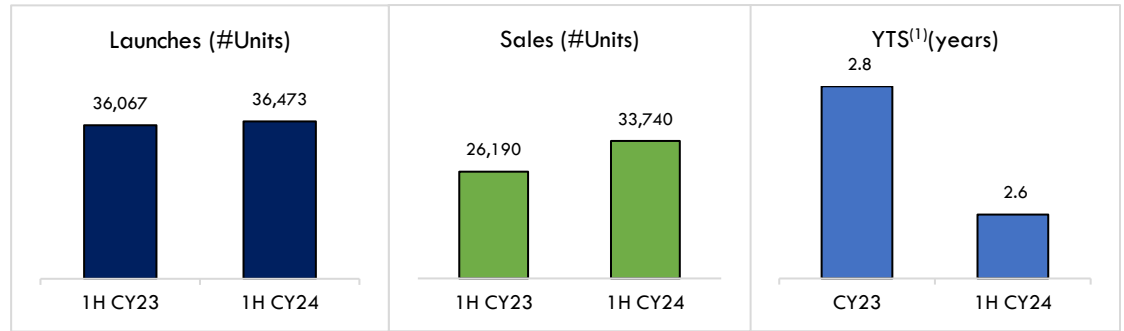
- ✓ Mumbai is the financial capital of India with around 40% of Indian taxpayers residing in Mumbai.
- ✓ Mumbai has a diversified economic base, with sectors such as business services, trade and transport, manufacturing, BFSI and IT being the major job creators and economic drivers.
- ✓ In 2023, Mumbai's household disposable income was INR 12.8 lakh which is among the highest compared to all cities in India.
- ✓ Mumbai has a young population with ~74% of the population in the working age group (15 – 64 years) and only 7% of individuals over 64 years in age.
- ✓ MMR (Mumbai Metropolitan Region) which comprises of Mumbai city, Navi Mumbai, Thane, Kalyan Dombivali, Vasai Virar, Mira Bhayandar, Bhiwandi is one of the major economic drivers of India.
- ✓ MMR is undergoing a comprehensive infrastructure transformation which is expected to significantly improve connectivity between the main city, suburbs, extended suburbs and major commercial hubs. The Government's investment in multi-modal infrastructure projects is expected to transform the city into a global services hub further boosting real estate prospects in the city.

MMR Real Estate

- ✓ MMR is one of the leading residential markets in India contributing 25% of new launches and 22% of overall sales in India during 2022-1H2024.
- ✓ Expected time to liquidate unsold residential inventory in MMR decreased by ~47% during 2022-1H2024.
- ✓ Real estate players have acquired (outright or through joint development agreement) more than 260 acres of land in MMR in recent years for residential projects with a development potential of ~42-48 MM sf and sales potential of ~ INR 70,000 crore.
- ✓ MMR which is home to many domestic and multinational companies comprises of ~19% of the overall Grade A office stock in India. Andheri Kurla belt is one of Mumbai's largest business districts with 13% of operational office stock.
- ✓ MMR is only the second city amongst top 6 cities in India where vacancy levels showed improvement between 2021-1H2024 (MMR's vacancy levels improved by 3.6%).

MMR Residential market:

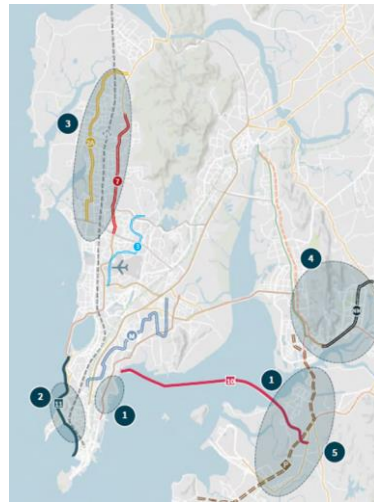
- ✓ Over 1.15 lakh property registrations done during the first 10 months of this year (Jan-Oct 2024), already reaching 90%+ of registrations done in CY23.
- ✓ Maharashtra government's revenue from property registrations from Jan to Oct 2024 has touched close to INR 10,000 Cr, also already reaching 90%+ of revenue from registrations done in CY23.
- ✓ As per JLL, residential sales value is expected to increase in CY24 by 15% y-o-y.
- ✓ 1H24 recorded highest ever half yearly sales:
 - In 1H24, sales grew by 29% y-o-y while launches grew by only 1% y-o-y.
 - YTS⁽¹⁾ (expected time to liquidate the unsold inventory) also dropped to a record low of 2.6 years in 1H24, down from 2.8 years in the previous year.



Transforming MMR’s infrastructure landscape:

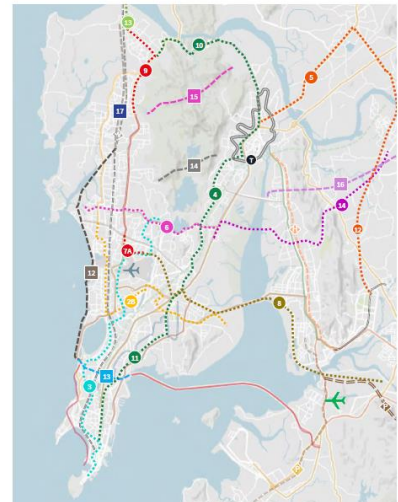
- ✓ MMR is currently amidst major revamp in the city’s physical landscape promoting economic growth and enhancing connectivity.
- ✓ Projects like the Mumbai Trans Harbour Link, coastal roads and completion of some metro lines have boosted connectivity and enhanced accessibility to major commercial hubs.
- ✓ The government’s investment in multi-modal connectivity projects (integrating different modes of transportation such as road, rail and ports) is expected to ensure better connectivity across the city in coming years.
- ✓ Opening up of Metro Line 3 (Phase 1- BKC to Seepz) provides direct connectivity for the residential clusters in Andheri-Kurla belt to the airport and commercial hubs of BKC.
- ✓ The planned Mumbai-Ahmedabad bullet train will also strengthen connectivity to commercial hubs like BKC from Vasai-Virar, Virar station being one of only 4 stations planned in Maharashtra, along with BKC, Thane, and Boisar.
- ✓ Below image captures the current infrastructure landscape and proposed infrastructure landscape in 2030:

Infrastructure landscape in 2024



- 1 MTHL
- 2 Coastal Road (Phase 1)
- 3 Metro Yellow Line- 2A
- 4 Metro Red Line- 7
- 5 Navi Mumbai Metro Line 1
- Navi Mumbai Suburban Rail (Port Line)
- Metro Line 3, Phase 1: Bandra to Seepz

Proposed infrastructure landscape in 2030



- Metro Line 2B: DN Nagar (Andheri West) –BKC-Mankhurd (2025)
- Metro Line 3: Colaba –Bandra –SEEPZ (2024 & 25)
- Phase 2: Colaba –Bandra (Mar 2025)
- Metro Line 4: Wadala to Kassarvadavali (2026)
- Metro Line 10: Gajmukh – Shivaji Chowk (Mira Road) (2026)
- Metro Line 5: Thane to Kalyan (Phase 1: 2026)
- Metro Line 12: Kalyan – Dombivli – Talaja (Planning stage)
- Metro Line 6: Lokhandwala to Vikhroli (2026)
- Metro Line 7A: Extension to Airport (2026)
- Metro Line 8: Andheri-Kiropt to Proposed Navi Mumbai Airport (in planning phase)
- Metro Line 9: Dahisar to Shivaji Chowk (2026)
- Metro Line 13: Shivaji Chowk to Virar (in planning phase)
- Metro Line 14: Vikhroli to Badlapur (in planning phase)
- Metro Line 11: Wadala-Byculla –CSMT (2030)
- Thane Integral Ring Metro (2029)
- Coastal Road (Second Phase – 2027)
- Coastal Road (BWSL-Bhayandar-2030)
- Worli – Sewin Connector (2026)
- Goregaon – Mulund Link Road (2028)
- Borivali – Thane Tunnel (2028)
- Airoli to Katali Naka Freeway (2024)
- Upcoming Navi Mumbai Airport (2024)
- Panvel- Jajgat Rail Corridor

Source: JLL Research, Mumbai Residential Market, 2024

(1) Years to sell (YTS) is calculated as the number of years to sell the unsold inventory considering the rolling 4-quarter average sales

References

1. Hindustan Times Article - <https://www.hindustantimes.com/real-estate/diwali-2024-record-11-861-properties-registered-in-mumbai-in-october-2024-a-21-spike-compared-9-736-in-diwali-2023-101730270442810.html>
2. JLL Naredco Research, Mumbai Residential Market, 2024
3. Cushman and Wakefield Marketbeat Mumbai Office Q3CY24
4. Knight Frank Research, Mumbai Property Review, 2023

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