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DNA Property
What makes Maharashtra unique?
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India Media Monitor

CONCRETE **PERSPECTIVES**

What makes Maharashtra unique?

Extending their footprint beyond the home city has been a hallmark of Mumbai-based developers and in recent years, their Pune-based counterparts have reciprocated with projects in the financial capital and other cities. Meet the game changers

Maharashtra cities provide higher value

Kishor Pate, Chairman and Managing Director, Amit Enterprises Housing Ltd

Real estate is one of the key drivers of Maharashtra's economy. It creates jobs at a number of levels, from construction labour to architects, engineers and town planners. At the same time, it also fulfills the fundamental need of providing housing as well as workplace spaces to the common man. Like every other state, Maharashtra has its key hotspots for economic activity and therefore real estate development. These cities and towns each have their own individualistic demand patterns, and developers operating in them have to chart this demand pattern and cater to it accordingly.

At any given point in time, some Maharashtrian cities and locations within these cities definitely provide higher value to real estate investors than others. This is because the rate of job creation, infrastructure deployment and housing demand are higher in those markets than in others. As job creation and infrastructure deployment spread gradually to other areas via the 'fallout effect', these locations pick up in terms of viability for real estate investment as well. At AEHL, our primary focus is currently on Pune because of the excellent economic attributes of this city. However, we have also launched operations in Nashik because this city is fast becoming a very serious contender both in terms of economic activity and real estate demand.

In Maharashtra, Pune, Mumbai, Nashik and Nagpur are currently the most promising cities. However, with the new Chief Minister showing an unerring focus on developing the state as a whole, we see a very uniform pattern of growth emerging in the future. Over the next few years, we will see the arrival of other growth nodes within Maharashtra.

Residential real estate will continue to rule the roost, and budget housing as well as mid-income housing will be the most important categories driving real estate growth. That said, commercial space projects that open up employment opportunities will always work in tandem with residential real estate to unfold the state's fullest development and growth potential.

Nashik, Nagpur, Aurangabad have potential

Shashank Paranjape, Managing Director, Paranjape Schemes (Construction) Ltd.

The real estate business is most reliant on the location and where the developer proposes its projects. As a developer we were able to target this precise need and strategically purchased or developed properties in specific locations that are well connected to main hubs, market places or railway stations making them demanding locations.

This strategy over the years has helped us establish a presence at Pune, Mumbai, Kolhapur, Nashik, Chiplun, Ratnagiri in Maharashtra, also in Bengaluru in Karnataka and Vadodara in Gujarat.

The growth of real estate, specially residential and commercial spaces boost the overall development in surrounding areas. It also generates a lot of income opportunities thereby making it sought after vicinity.

Owning a home in such a location is the most fulfilling and satisfactory feeling an aspiring home buyer gets. Apart from that economic stability and reduction in the interest rate of housing loan is now turning the home buyer's aspiration into reality.

As the Government of Maharashtra is committed towards its agenda of development, this is a direct support to the real estate mechanism and adds to the value appreciation perspective.

The planned and already achieved huge infrastructure projects are giving edge to developers to come up with investment projects.

These locations are often places that people start frequenting once the proper connectivity is developed. Hence, they become locations of conveniences enhancing the land and property prices.

Therefore, investing is such specific areas may pose a good opportunity of returns on the amount invested.

Tremendous development is being witnessed across the MMR region extending north and eastwards making it a good decision to invest in this corridor.

Talking about Pune the fringe areas towards Mumbai, Nagar and Satara are demanding a lot of potential of growth. More so because of the excellent road network.

The expressway connectivity to Mumbai, similarly expressway connectivity to Kolhapur and Bangalore are attracting property aspirants to Pune for purpose of investment of migration.

In Mumbai, some of the locations to look out for are Chembur, Powai, Mulund, Vikhroli, Thane, Badlapur, Panvel and the likes on the central stretch.

Locations like Goregaon, Borivali, Vasai and Virar are options worth considering on the western stretch.

No sooner than the Navi Mumbai Airport project kicks off, the areas of Ulwe, Kalamboli, Kharghar and Panvel, are now being looked as the most promising property investment destinations.

There is also great potential awaiting to be explored in cities like Nashik, Nagpur and Aurangabad, etc.

"Housing for all by 2022" a pledge by Government of India is a benchmark vision which requires sole support from the States for its accomplishment.

Maharashtra being the highly industrialized and modernized state has the best potential to transform the vision into reality.

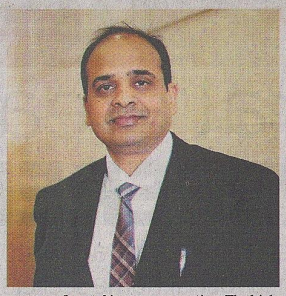
Affordable housing projects are the need of the hour. This is especially relevant in prominent cities like Nasik, Pune and Mumbai where the land resources are extensively used.

The outskirt areas of these prominent cities are being identified by the developers for their integrated township projects, one stop destination for all the home buyers.

Also, the fringe areas pose a great potential for affordable homes.

Mumbai is an important market, investors are betting on Pune

Arvind Jain, Managing Director, Pride Group



Maharashtra and development are more or less synonymous concepts. This is a state that works very hard, and on a multitude of levels. Almost every manner in which the work that is happening in Maharashtra is either directly or directly or indirectly tied into real estate development. Be it IT/ITeS, manufacturing or the services industry, the demand for housing and commercial spaces is a given. In Maharashtra, developers are constantly engaged in meeting the demand for housing at every budget level, from the LIG to the HNI segments, and they have been rather successful at plumbing the nature and direction of demand. Home ownership in Maharashtra is not just about stability and security - the desire to own a home is an inalienable part of the Mahashtrian psyche.

The first and foremost real estate investment should be in one's primary home, which should obviously offer reasonable accessibility to one's place of employment. Given that residential property close to workplace hubs tends to appreciate the fastest in any case, the primary home is also the most important real estate investment one tends to make. After the first home is secured, it makes perfect sense to scan one's city for the more promising of emerging locations wherein to invest into a property for the purpose of rental income generation. The higher the rental income potential of a property is, the faster will be its capital appreciation as well.

In Maharashtra, Mumbai and Pune continue to be the fastest revving real estate dynamos. Though a lot has been said about overpricing, oversupply and market stagnation in Mumbai, the fact is that it is the country's financial capital. It remains unmatched in terms of its ability to draw people from all over the country who seek to make their living and hopefully fortune there. However, this is a city with very finite geographical borders and land is scarce, which makes any kind of real estate very expensive. Areas like Navi Mumbai and Thane are currently the new havens for growth because of their more realistic pricing. However, one cannot write off Mumbai as yet. It will take a large-scale market correction to bring it back into the running, but it is still a very important market in Maharashtra. Meanwhile, most investors are now rightfully betting on Pune. This city has held its own even during the worst of real estate market slowdowns, and continues to grow on all fronts. Its growth is driven by a number of sectors, including information technology, automobile industries and other manufacturing, healthcare as well as a thriving services sector. Pune is seeing a massive inward migration of talent, even as its high-class educational institutes continue to churn out highly qualified manpower every year. As a result, demand for residential and commercial real estate is very high in Pune, making it the ideal real estate investment destination.

Maharashtra is a work-oriented state, and the most apt and successful residential projects are geared towards providing housing for the working class. Be it white collar or blue collar, every working Maharashtrian wants to own a home. This is where the highest growth will be; any development plan that does not factor in the needs and aspirations of Maharashtra's working class will fall short.

There is tremendous development witnessed across the MMR

Kruti Jain, Director, Kumar Urban Development Pvt. Ltd

Mumbai and Pune have beautifully blossomed into a hotspot for economic, social and cultural growth in the past few years. I would emphatically agree that real estate in Pune and Mumbai has managed to fulfill the aspirations of many home buyers, residing in the city as well as across India. Be it flats, penthouses, villas, row houses or office the demand for properties in both these cities is ever increasing.

Buyers who were till now hesitating to invest their money in property, waiting for the economy to revive, have now started to respond favourably. Mumbai has recently witnessed a string of executed surface transport infrastructure projects i.e. the Santacruz Chembur Link Road (SCLR), the Wadala-Chembur Monorail and the Versova-Andheri-Ghatkopar metro corridor which is indeed proving to be a good decision to invest in these specific areas.

There is tremendous development being witnessed across the MMR region. Moreover, Pune East and West are employment zones which are making for good value appreciation. Since entertainment and better lifestyle are the face of Greater Mumbai, the trend for new project launches will only continue. Thus investing in such areas is indeed a good idea to grab such opportunities.

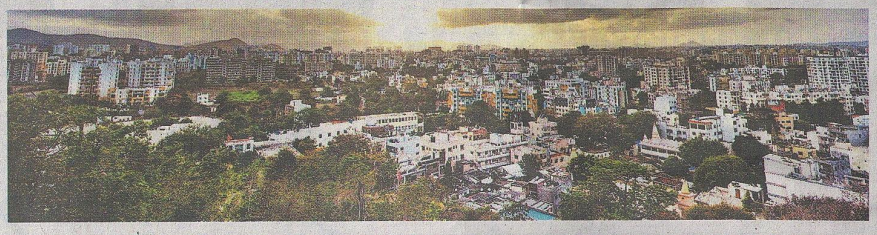
Kharadi is a popular IT destination and upcoming suburb in Pune.

Also in Mumbai, the entire city is seeing a sea change, some locations to look out for are Worli, Lokhandwala, Sahar Airport.

Affordable housing projects are the need of the hour. The government needs to grant industry status to the real estate sector and accord top priority to affordable housing.

The government should give direct and indirect tax concessions to developers building for this segment since it addresses the needs of the poor. This will indeed be in sync with the pro-development image that Maharashtra is trying to project.

Also, integrated townships with vast open spaces and greenery all around and facilities including swimming pools, gymnasium, jogging track, fitness centres, hi-tech security systems, playgrounds for kids etc., all within the township are going to reflect the future growth story of Maharashtra.



Mumbai, Navi Mumbai, Pune have a mature property market

Vishwajeet Jhavar, Chief Executive Officer, Marvel Realtors

Over the past decade real estate market in general and customers aspirations has undergone a sea of change. It is important for developers to understand consumer needs / expectations in each market and should always aim to address those requirements. With rising income levels, greater exposure to national and international markets along with increased awareness of global standards of luxury and living has led the Indian consumer to make informed choices and demand the best in everything that they invest in. So as a developer matching your offerings to those aspirations and exceeding those expectations should be the utmost priority.

The major driving force behind value appreciation for any real estate property is its strategic location that offers future growth potential, accessibility, proximity to prime locations and overall infrastructure development.

Maharashtra is considered as one of the most investment worthy states of India. The state includes many tier-2 cities which are also emerging as industrial hubs of the country. The growth pockets on the peripheral of Mumbai, Pune and Nasik serve as suitable illustrators of how the real estate market in Maharashtra is performing.

Labelled as India's 'Power House', Maharashtra is home to the most expensive residential and commercial properties in the country, concentrated in Mumbai, Navi Mumbai and Pune. All these cities have a mature property market with high end residential apartments. In Pune, property prices have appreciated between 10% to as much as 70% in areas like Hinjewadi, Baner, Kharadi, Kalyani Nagar, Wakad, Undri and Pimpri-Chinchwad. Talegaon, Neral and Karjat on the Mumbai- Pune corridor is also seeing fast paced development where realtors are taking up large projects in view of Indian corporates and multinationals setting up manufacturing facilities there. Another key element that makes Pune a promising market is the ability to expand to peripheral areas.

Also according to the recent real estate report Nagpur is another fast growing market which has already become a favourite offshoring destination for IT companies.

Going forward, we foresee developers providing an all inclusive township projects and affordable housing supporting governments' vision of 'Housing for All' which will reflect the growth trajectory of the state of Maharashtra. The demand for luxury housing in places like Maharashtra will always be poised towards an upward trajectory, and will continue to evoke an upbeat response owing to rising investment interest by NRI's, rapid urbanization and penetration of High-Networth-Individuals (HNI's) category in India.