

Clip: 1 of 2

QUICK BYTES

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■ THE DEMAND FOR REALTY IN PUNE IS DEFINITELY SOARING. THANKS TO THE LARGE NUMBER OF OFFICES, PROXIMITY TO THE AIRPORT, IMPROVED PHYSICAL AND SOCIAL INFRASTRUCTURE AND ESTABLISHED RETAIL MARKETS.



PHOTO BY ANURADHA RAMAMIRTHAM FOR TIMES OF INDIA

ADVANTAGE: INVESTMENT PUNE

Pune has always offered quality construction with all modern amenities at affordable prices, and a better quality of life, as compared to several other cities in the country, says **ANURADHA RAMAMIRTHAM**

Although, the distance between Mumbai and Pune is greatly reduced, there is a major difference in the realty segments in both these markets. The realty patterns in both the cities vastly vary. In the Pune market, the luxury segment is more about high-end specifications and lavish sizes whilst the Mumbai market is driven by per sq ft rate for a basic flat. "The main difference between Mumbai and Pune is the scarcity/paucity of land in the MM-RDA regions. Due to this, the land costs are substantially high in Mumbai, which eventually pushes up the price of the product. Pune, on the other hand, is expanding across all directions and there is still ample land available at reasonable costs, allowing the developers to provide much lower priced properties in Pune," explains Sumeet Bhatia, office head

Pune, Cushman & Wakefield. The growth of Mumbai is driven by the influx of professionals and entrepreneurs alike, who themselves are very driven to make it big. Also, the geographic makeup of Mumbai has evolved over time. The lifestyle, income and spending patterns, migration and consumption patterns, space availability, etc., greatly influence the real estate in a city. In Mumbai, homes are more compact and tend to be in tall towers. However, Pune is just opening up to high-rises. Being a historical city and important *Chawri* for the British, residences are sprawling with a lot of green cover. Development in Pune has been demand driven - the western Pune belt, due to its proximity to Mumbai, developed much before the east or south belts came into the limelight. Bungalows, row houses, villas are still a large attraction in Pune.

However, in Mumbai, it's largely the location that takes centre stage," points Kruti Jain, director, Kumar Urban Development Ltd (KUL). Thanks to the city's increasing commercial importance, Pune has witnessed higher demand for residential units in the last few years. "The demand for realty in Pune is definitely soaring, thanks to the large number of offices, proximity to the airport, improved physical and social infrastructure and established retail markets," says Dhaval Ajmera, director, Ajmera Realty & Infra India Ltd. Today IT hubs such as Hinjewadi, Kharadi, Magarpatta and Kalyani Nagar, are literally dictating the trend of residential real estate development in and around these areas. "Aundh, Baner, Ambegaon, Undri and many other locations from which these IT parks can be reached, are seeing mas-

sive development. Even then, property rates in Pune are still far more affordable than in Mumbai, as it is a smaller city and commuting time is also less. Additionally, as there are still a lot of rural areas around the city left to urbanise, property prices in Pune cannot rise as quickly or as steeply as in a land-deficient city like Mumbai," explains Kishor Pate, CMD - Amit Enterprises Housing Ltd. According to Vishwajeet Jhavar, CEO, Marvel Realtors, at the price of an average 2-BHK in Mumbai, Pune offers lavish sized apartments with best-in-class amenities and specifications, landscaped as well as open areas. Pune is still a cost-plus market, according to Marvel Realtors, with 85-90 per cent comprising of end-users, while 10-15 per cent comprises of long term investors who invest in properties either for a second home or they take a longer possession of minimum three to five years on the property. In short, the Pune market is driven by end-users than by short term speculators. However, Anil Pharanade, chairman, Pharanade Spaces and vice-president-CREDAI (Pune Metro), stresses on infrastructural issues affecting development of both the cities. "Pune is now following the same pattern of haphazard development that made Mumbai such a difficult city to invest and live in. There is no town planning to speak of in either of the cities and infrastructure has become a huge challenge in both. Even though, prices are still lower in Pune than in Mumbai, the gap is reducing every year," he feels.

PRICE POINTS AND LOCATION
The below mentioned price points are the basic cost according to the place and doesn't include any taxes that will be levied.

● **Rs 40-80 lakhs**
"Pune offers properties with the configuration of 2 and 3-BHK units in areas like Ravet, Punavale, Kiwale, NIBM Annexe, Undri, Pisoli and Wagholi. For the same budget, Pune city offers 2-BHK units in Hinjewadi, Baner, Kharadi, Hadapsar, Balewadi, Wanowri and NIBM," informs Bhatia, Ambegaon, Mundhwa, Hadapsar, Phursungi, Kondhwa, Wakad and Bhugaon, are other locations in Pune that fall in this category.

Continued on page 8

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Continued from page 1

In Mumbai, for a budget of Rs 40-80 lakhs one can look properties in the far-flung suburbs like Virar, Vasai, Nalasopara, Kalyan, Dombivli, Ambemath and Panvel. In the range of Rs 65 lakhs to Rs one crore, in Pune, one can find 2 and 3-BHK units in locations like Wagholi, Kondhwa and 2-BHK units in Balewadi. In this range, in Pune, one can also find 2 and 3-BHK units in Kharadi Annex and Mahalunge Balewadi-Baner with top-of-the-line lifestyle amenities. In Mumbai, one can find studio apartments, starting at Rs 73 lakhs in the western suburbs like Andheri (e).

●●● **Rs 80 lakhs-Rs 1 crore**

"Under this budget, one can explore options for a 3-BHK unit in Baner, Balewadi, Hinjewadi, Viman Nagar, Kharadi, NIBM and Pashan, which

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are all high-end areas of Pune. On the other hand, for the same budget, one has to still go in for far flung locations like Dahisar, Mira Road, Thane, Kharghar, Belapur in Mumbai city," says Bhatia.

Pate outlines Wanowrie, BT Kawade Road and Bibwevadi as areas falling under this budget category. In Pune, one can find larger 3 and 4-BHK units that fall in this price range - in Kharadi, Kalyani Nagar, Baner, Pashan and Balewadi. In Mumbai, one would find 1-BHK units starting at Rs 93 lakhs in some of the western suburbs.

●●● **Rs 1-4 crores**

According to Bhatia, in Pune, this budget offers configuration of 3 and 4-BHK units in areas like Baner, Balewadi, Koregaon Park, Boat Club Road, Kalyani Nagar, Viman Nagar, Kharadi, Magarpatta and Kothrud. Sopan Baug, Prabhat Road, Model Colony, Dhole Patil Road, also make it to the list in this budget category. In Mumbai, major parts of the

suburban area are covered, with the exceptions of south Mumbai (Golden Triangle, Worli, and Prabhadevi). In the range of Rs 1-2 crores, one can find 3 and 3.5-BHKs in Kharadi, 3.5-BHK apartments in NIBM, 2 and 3-BHKs in Magarpatta, 3 and 3.5-BHK apartments in Magarpatta. Between Rs 2-4 crores, one can find 3 and 3.5-BHKs in Koregaon Park, 3.5-BHKs in Bavdhan, 4-BHKs in Magarpatta, 4.5-BHKs in Magarpatta, 4-BHKs in NIBM, 3, 3.5, 4.5 and 5-BHKs in Kharadi and 4.5-BHKs in Balewadi. In this range, one will find luxury properties in Pune, in areas like Kalyani Nagar, Karve Road (Kothrud) and Mulund Nagar, with premium specifications and amenities. In Mumbai, one can find 3-BHK projects in areas like Goregaon-Malad Link Rd, Goregaon (w), Wadala, etc.

●●● **Rs 4 crores and upwards**

In the range of Rs 4 crores and above, one can find homes which are 3.5, 4 and 5-BHKs in areas like Boat Club Road, 4.5-BHK villas in areas like Bavdhan, Magarpatta, 4.5-BHK apartments and penthouses in areas like Bhosale Nagar, Kanchangalli, Koregaon Park, 3-BHK apartments and penthouses in Salisbury Park, off Shankarsheth Road, etc. Developers are coming up with ultra-luxury projects with luxurious amenities, at areas like Koregaon Park, with prices as high as Rs 9 crores. "Finally, the distances between the two cities are still wide enough to justify the rate difference. However there is a possibility of faster mode of transportation, like bullet/maglow trains in the future, which can play a dramatic role in price bridging," shares Lalit Kumar Jain, chairman and managing director, Kumar Urban Development Limited.

Currently, the rates are influenced by commercial establishments and socially established locations, fetching irrational rates. "Though, the growth of property values cannot be compared to that of neighbouring Mumbai, Pune has the advantage of being a stable market with consistent demand coming from a number of strong and dependable business sectors," concludes Sanjay Bajaj, managing director-Pune, Jones Lang LaSalle India.