

## Residential Launches Jump Over 68% Across Top Eight Cities

Kailash Babar & Sobia Khan

**Mumbai | Bengaluru:** Residential launches have more than doubled sequentially during the first half of 2018, indicating a big recovery in realty developers' confidence in the market. Residential launches across top 8 cities have jumped over 106% sequentially and 68% on-year basis during the period.

The rise in number of launches by developers is led by improvement in homebuyers' response and marginal drop in inventory levels despite new supply addition. While prices have remained stagnant during the period across top 8 cities, sales have grown by 11% from a year ago, showed data from Liases Foras Real Estate Rating & Research.

Several policy interventions at the national level such as increase in limit of size of flat for subsidy under the Prime Minister Awas Yojna



(PMAY), implementation of Real Estate (Regulation & Development) Act, 2016 (RERA), Goods & Services Tax (GST) etc.,

although caused an initial chaos but has definitely helped bring back the confidence of both end users and developers in the industry.

"The sales have been growing consistently since the past four quarters and that has convinced the developers to go ahead with their launches. Good response to launches has propped up their confidence further and this is expected to continue," said Pankaj Kapoor, MD, Liases Foras Real Estate Rating & Research.

Mumbai Metropolitan Region (MMR) has contributed maximum new launches of 27,798 units followed by Bengaluru where new launches were 18,193 units during the first half of this year.

Quarterly sales have been consistently growing since the third quarter of 2016-17 and have recorded a cumulative 39% growth since then. The recently concluded June quarter posted a growth of 8% with the sales of 69,897 units across 8 tier-1 cities. MMR contributed almost a quarter of total sales in tier-1 cities and witnessed a growth of 15% from a year ago.

"The market seems to be gaining traction as despite nearly 2% increase in pricing, we have managed to see 70% on-year rise in sales booking during the first half of this year," said Ashok Chhajer, CMD, Arihant Superstructures.