

THE GDP HAS GROWN BY 5.7 PER CENT IN Q1 OF THIS FINANCIAL YEAR WHICH IS SUBSTANTIALLY HIGHER THAN THE PRECEDING 8 QUARTERS

10-DAY FESTIVALS; 10 BONANZA FOR REALTY

The ten days of Navratra will come with many discounts and freebies that developers will offer and hence, this is the ideal time to go in for your dream home

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Navratra is all about nine days of festivities, with the 10th day being celebrated as Dasera, which means the end of 10 evils. In terms of its significance for the real estate market which has weathered many challenges borne out of bearish macro-economic sentiments, leading to slow sales, squeezed funding and inventory hang-over, this Navratra seems to be the turn-around time. It is expected that the festivals will be the beginning of the revival of the fortunes of the sector in general, and the housing market in particular. There are not one or two indicators behind this optimism and high confidence index within the built environment, but 10 reasons to resonate with the festival of 10 days. First and foremost, is the stable government leading to end of the policy logjam; second is the high confidence index of the buyers; third is the improving GDP numbers; fourth is the investment inflow into the market leading to the Sensex breaching an all-time high; fifth is the stabilising job market which brings homebuyers into the market; sixth is the expected downward movement of interest rates; seventh reason is inflation in check if not curbed; eighth is the Real Estate Investment Trust (REIT) becoming a reality; ninth is the expected Public Private Partnership (PPP) for the creation of smart cities and the tenth reason is the government's focus on infrastructure development that is a key determinant for the growth of the real estate market. The real estate market is hence, elated in India's financial capital Mumbai. Rohit Poddar, managing director, Poddar Developers, agrees with the 10 bonanza leading to the revival of the real estate market. Based on data and the view of experts, the GDP has grown by 5.7 per cent in Q1 of this financial year which is substantially higher than the preceding 8 quarters. Additionally, the stock market is at an all-time high and business sentiment has improved substantially. Real estate is a derived demand sector and hence, the above will spill over into the realty sector in the foreseeable future. Hence, this is an ideal

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time to buy a home, especially in the affordable housing sector, since the timing is highly auspicious, which is also an important factor. "Real estate will do well as a sector when the economy grows, the interest rates are lower and inflation is under control and below 5 per cent. Savings will increase and people will either buy their first home or invest in the sector which has always provided excellent medium and long-term returns and security. There are also several special offers this Navratra and customers can be encouraged to take advantage of the festive offers to secure a great deal and great investment," says Poddar. Abhay Kumar, CMD of Grih Pravesh Buildteck, also expects good times for buyers as well as developers this Navratra, due to various reasons. There are lots of funds sitting on the fence to enter the market since these funds have been on hold for quite some time. Navratra is a festival after the shradh fortnight which is considered to be inauspicious among Hindus and fifteen days of a backlog too, leads to a sudden rise in sales. The stock market rally too, can act as a catalyst as one can see some funds percolating from the stock market to real estate. Most importantly, people wait for this festive season to avail discounts, freebies and incentives in real estate and builders too, plan such measures to take advantage of the annual trend of fresh buying in real estate. "Long-term measures to benefit real estate can be the reduction in prices by various means, like reduction in interest rates, developing new SEZs or other economic zones, developing new cities and increase in purchasing power. Builders would certainly do their bit to boost the sector in the short-term through festive offers in terms of discounts, freebies and other incentives but one step by the government that can bring great cheer to the market, is reduction in the interest

rates by the RBI," says Abhay Kishor Pate, CMD, Amit Enterprises Housing, maintains the overall mood that greets this year's Navratra is very different than in previous years. The traditional rise in property purchases will be very much in evidence because the cloud of gloom and hesitancy that had overshadowed the nation's real estate market since 2010 has finally lifted. "The bourses have picked up pace, sentiment is high and Indians are once again confident about their finances. Also, the budget has made availing of home loans attractive again. These have been the major sentiment influencers in the most recent times. Over the long-term, the incumbent government's obvious focus on infrastructure creation, subduing of inflation and bringing about economic stability and growth, provide a very positive forward-looking scenario for the real estate sector this Navratra," says Pate.

Hiral Sheth, director-marketing with Sheth Creators, adds that the festivities have always attracted consumers to invest in real estate. "Real estate has rapidly emerged as a mode of investment and it tops the investment priority list. With the festivities round the corner, we are foreseeing an elevation in the sector. This festivity will surely bring in a new thrust into the real estate market. With developers offering value-added services in terms of infrastructure and amenities as an incentive to their investment, buyers will be keen on investing during this festive season. Connectivity and social infrastructure will also work as the key pointers to add value to the property," says Sheth. Siddharth Bhatia, marketing head, The Wadhwa Group, concludes that the real estate sector has always witnessed growth during festive seasons. It is a lucrative period for buyers and the developers.

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10 REASONS TO CELEBRATE 10 DAYS OF FESTIVALS

- ★ Stable government leading to end of policy logjam.
- ★ High confidence index of the buyers.
- ★ Improving GDP numbers.
- ★ Investment inflow into the market leading to the Sensex breaching an all-time high.
- ★ Stabilising job market which brings homebuyers into the market.
- ★ Expected downward movement of interest rates.
- ★ Inflation in check if not curbed.
- ★ Real Estate Investment Trust (REIT) becoming a reality.
- ★ Expected Public Private Partnership (PPP) for the creation of smart cities.
- ★ Government's focus on infrastructure development as a key determinant for the growth of the real estate market.

QUICK BYTE

NAVATRA IS A FESTIVAL AFTER THE SHRADH FORTNIGHT WHICH IS CONSIDERED TO BE INAUSPICIOUS AMONG HINDUS AND FIFTEEN DAYS OF A BACKLOG TOO, LEADS TO A SUDDEN RISE IN SALES. THE STOCK MARKET RALLY TOO, CAN ACT AS A CATALYST AS ONE CAN SEE SOME FUNDS PERCOLATING FROM THE STOCK MARKET TO REAL ESTATE. MOST IMPORTANTLY, PEOPLE WAIT FOR THIS FESTIVE SEASON TO AVAIL DISCOUNTS, FREEBIES AND INCENTIVES IN REAL ESTATE AND BUILDERS TOO, PLAN SUCH MEASURES TO TAKE ADVANTAGE OF THE ANNUAL TREND OF FRESH BUYING IN REAL ESTATE.