

Homebuyers To Avail The Best Deals On Offer

To continue with the ongoing sales momentum, developers have now introduced a host of festive offers and payment schemes to attract home seekers

Real estate buying has always been a sentiment driven activity and making purchases in the festive mood sounds to be a prudent decision by availing the best annual deals, schemes and freebies offered on spree by the developers across the board. Although festive days don't increase the demand, yet fast tracks the decision-making process. Industry experts and stakeholders believe that while this is an opportune time for developers to clear off their existing ready inventory to generate cash flows, it's an ideal time for discerning homebuyers to grab the best in platter.

Despite spiralling Covid-19 cases in the second quarter of 2020, residential sales rose significantly. This provides sufficient reason to expect a significant increase during the upcoming festive season, which will prompt many fence-sitters to avail the best deals on offer. According to the experts, the last 45 days have been the best for real estate across all major cities. Santhosh Kumar, vice chairman, Anarock Property Consultants, informs that the Q3 2020 base period saw nearly 29,520 units sold across the top seven cities, much lower than the pre-covid quarter (Q1 2020) which saw nearly 45,200 homes sold. This effectively results in larger scope for growth.

As per Gulam Zia, executive director - valuation & advisory - retail & hospitality, Knight Frank India, if sales number of September is to be relied upon, then this festive season may bring cheers for the developers. The September sales number also assume significance as it had the 'pitrapaksh', the period during which any kind of transaction is assumed to be inauspicious, when normally sales figures dip to the lowest in a year, but this time even this period recorded bumper sales.

The months of August and September have been exceptionally ground-breaking for Lodha Group. "Looking at the consumer buying sentiments, this has by far been the best quarter across all categories witnessed in the last three years, and the same will continue in the coming festive season," avers Prashant Bindal, chief sales officer, Lodha Group. Ritesh Mehta, senior director & head - West India, residential services, JLL India observes, "We are back to 65 per cent of pre-covid levels in terms of customer walk-ins and 54 per cent on closures. Optimistic sentiments and a faster pace of construction has set a backdrop for increase in sales. The markets will continue to recover at fastest pace majorly due to all time low prices, low interest rates and government duties, demand-supply parity in terms of ready-to-move-in homes.

Also agrees Dr Niranjan Hiranandani, MD, Hiranandani Group and national president, NAREDCO, that the reduction in the stamp duty, lowering of risk weightage in accordance with loan to value making home loans cheaper, historically low interest rate and availability of ready-to-move-in stock fosters the consumer confidence and makes it an ideal time to log the sales.

Mehul Ved, CEO, Ace Realtors (realty transaction services) is optimistic that this festive season will see momentum picking up in the real estate industry subject to reasonable and fair pricing. "Low-cost housing and small-size apartments are a major chunk of the segment wherein we can see most of the transactions happening. Realty giants like Godrej Properties, Mahindra Lifespace Developers, Embassy Group to name a few have already experienced good sales even during the pandemic, so festive season is busy days for their sales force. One segment of buyers is NRIs who have returned to their home town in India due to the

covid-19 pandemic and now contemplating to either settle back in India or at least buy one property in their homeland for their family's safety and security.

For property developers, as Akash Kohli, founder & CEO, Elante Group points out, things have improved tremendously as the absorption rate of housing units has increased across towns, liquidity avenues have started to flow, and demand for homes is again at its height. Developers are busy planning for this great opportunity to sell once-in-a-year housing as deals, discounts and enticing payment systems are ready to appeal to homebuyers' upcoming deluge.

Prashant Solomon, managing director, Chintels India and hon. treasurer, CREDAI NCR too looks forward to a continued rise in demand and recovery. "Cheer has already spread with the sector showing some recovery and developers are looking at boosting demand with various attractive schemes and offers.

Parag Munot, managing director, Kalpataru Limited emphasises that the cost of purchase has reduced as savings on account of lower interest and stamp duty should translate to between 5 and 7 per cent benefit for homebuyers. This is the best time to purchase a home. Hence, Kalpataru has launched a bank subvention scheme where the customer pays just 10 per cent now and nothing for the next two years. The realty major is also offering zero stamp duty burden for customers on select projects. Also Arjun Aggarwal, managing director, Bhartiya Urban, feels that despite the hardships imposed by Covid-19, this festive season will prove to be a game-changer for the real estate sector with an increased demand, advent of new trends and significant increase in the sales.

Sharing the fact that home sales at the end of the third quarter reflected a remarkable recovery with sales crossing the Rs 9,000 crore mark from Rs 3,500 crore in August '20, Manju Yagnik, vice chairperson, Nahar Group says, "It's no secret that home sale values will rise further during the festive months from October to December, owing to upcoming demand, bottomed-out property prices, buyers will surely en-cash the festival offers by developers."

But Zulquer Nain, VP - real estate advisory, REPL (Rudrabhishek Enterprises Ltd.), while believing that the festive season will play an important role in restoring the confidence of buyers and sellers, he is sceptic also that builders are factoring in innovative measures to drive the demand forward, but expecting the demand to reach the pre-pandemic level would be unreasonable right now.