



TERRA ECONOMICS AND ANALYTICS LAB



TEAL Analytics

Bengaluru - Sale, Lease & Mortgage Report 2021 - Q4 (October - December)

*Post-Pandemic Real Estate Recovery in
Q4 2021; Affordable Segment Drives
Market Demand*

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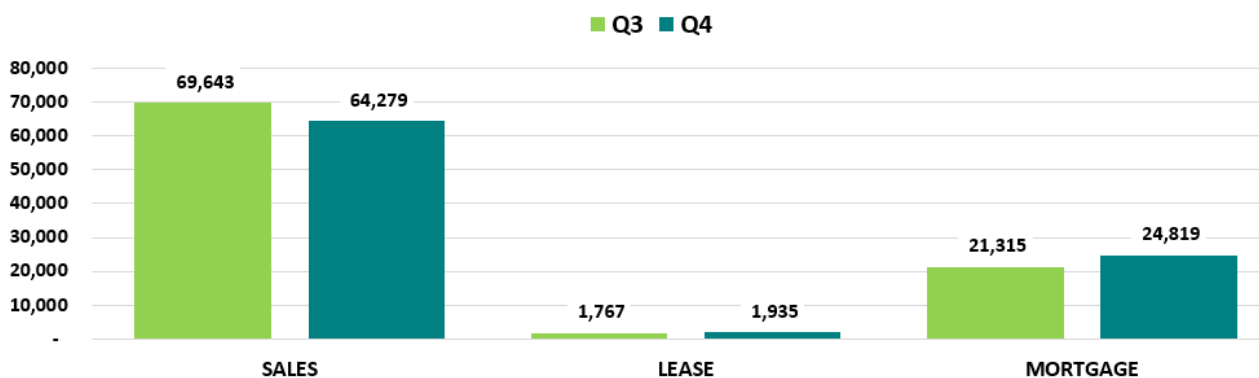
Market Updates

SUMMARY

The registered mortgage market in Bengaluru witnessed an uptick in transaction volume during the October - December quarter (Q4) of 2021, recovering significantly from the mid-year second wave pandemic slump. Favorable demographics, improved affordability of residential properties and historically low mortgage rates are pushing the demand for home loans. The demand for home loans can also be attributed to the recent work from home culture, with people realizing the need for additional space at home [1]. Although Q4 saw an overall uptick in property sales and leases, the affordable housing segment witnessed a dip in sales compared to Q3. Listing portals also reported a slight slowdown in demand and supply of sales during this quarter.

TEAL is India's largest repository of real estate data. At TEAL, we leverage cutting-edge big data analytics and machine-learning to power our range of due diligence products and valuation tools. Our data repository covers title documents, municipal and litigation records, RERA registration details among other data points in Delhi-NCR, the Mumbai Metropolitan Region, Pune, Bangalore, Hyderabad, Warangal, Chennai, Coimbatore and other cities in Maharashtra.

Property Sales, Lease & Registered Mortgage Performance in Bengaluru, Q3 vs Q4 2021



The property sales market in Bengaluru witnessed a QoQ 7.70% drop in total sales volume in Q4 2021, while registered mortgage transactions witnessed a QoQ 16.44% increase in the same quarter. **Affordable Home Loans (ticket size < Rs. 35 Lakhs) remained an important component of home loan disbursements, contributing 62.8% by volume in Q4 2021. Affordable property sales contributed to 65.1% of the overall property sales.**

For the purposes of this report we have placed reliance on digital data made publicly available by the respective state government within whose jurisdiction the property is situated. TEAL doesn't change the substance of the underlying data made publicly available by the respective state government while producing the this report. Terralytics Analysis Private Limited shall not take any responsibility for any information in the report which may be later found to be factually incorrect.

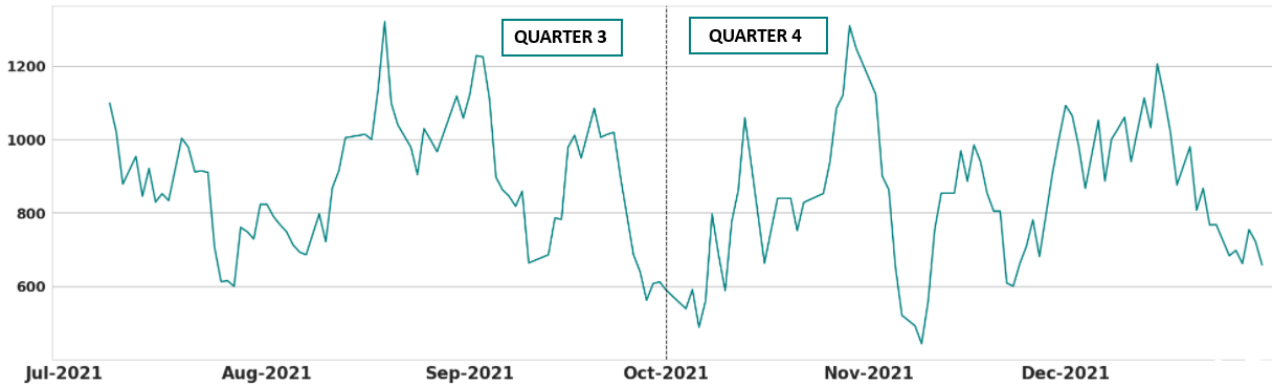
[1] https://www.business-standard.com/article/finance/improved-affordability-lowest-ever-interest-rate-pushing-home-loan-demand-121101700411_1.html

Bengaluru

Property Sales Activity - Q3 vs Q4

Comparing the daily property sales trends in the third and fourth quarter of 2021

Daily Property Sales Transactions in Bengaluru Urban & Rural (Q3 & Q4 2021)



64,279

Number of registered sales transactions in Q4 2021.

-7.70%

QoQ change in property sales volume compared to Q3 2021.

+43.20%

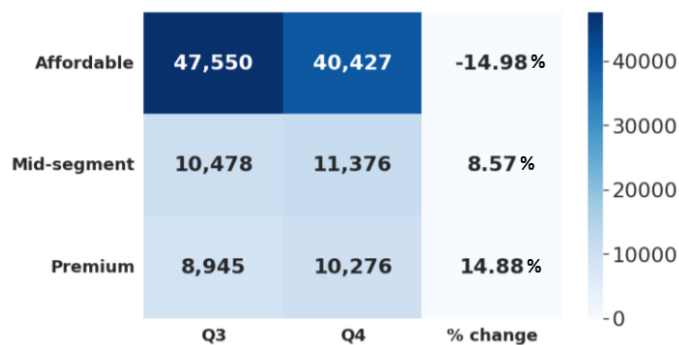
YoY change in property sales volume compared to Q4 2020.

Property Sales by Market Segment - Q3 vs Q4

Comparing the property sales in Noida by the performance of market segments in Q3 and Q4.

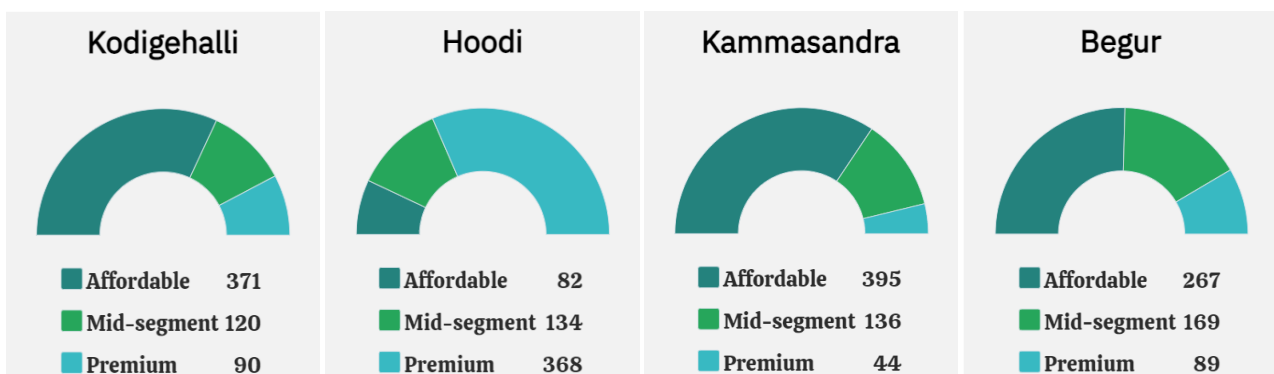
65.1%

of the overall property sales transactions were in the Affordable Market (< Rs. 45 Lacs)



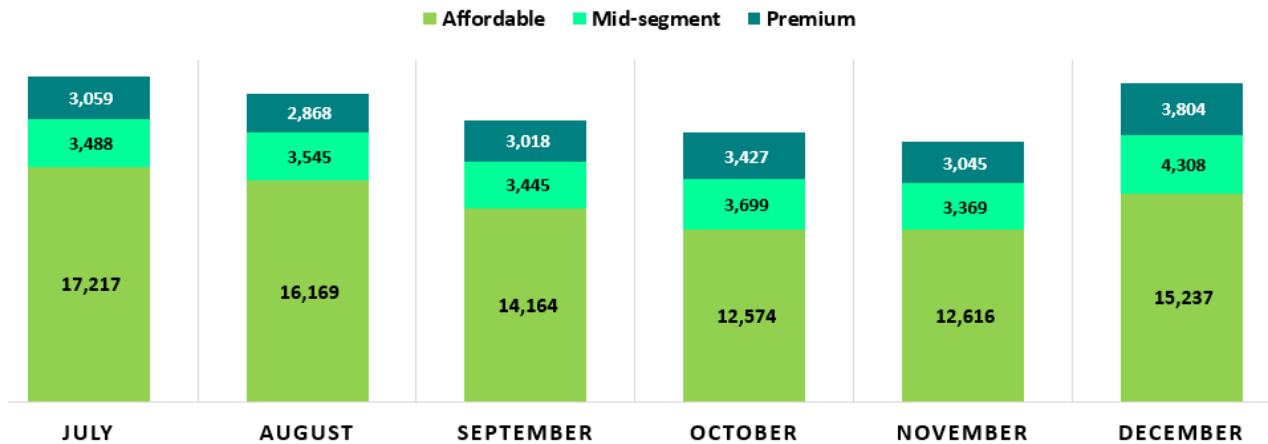
Key Localities for Property Sales

Kodigehalli recorded the highest property sales transaction in Q4 2021 with 371, 120 and 90 transactions in the Affordable, Mid-segment and Premium market respectively.



Monthly Breakdown of Market Segments

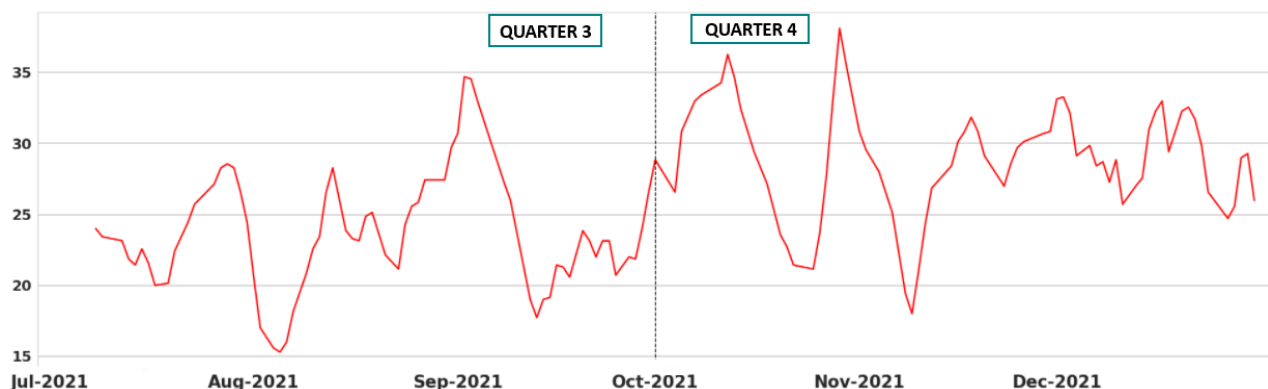
Comparing the property sales in Bengaluru by the performance of market segments in Q3 and Q4 2021.



- The market share of Affordable segment property sales was the highest in July and August 2021, taking up 72.4% and 71.6% of the market share respectively.
- The market share of Premium segment property sales was the highest in October 2021, taking up 17% of the market share.

Property Leasing Activity - Q3 vs Q4

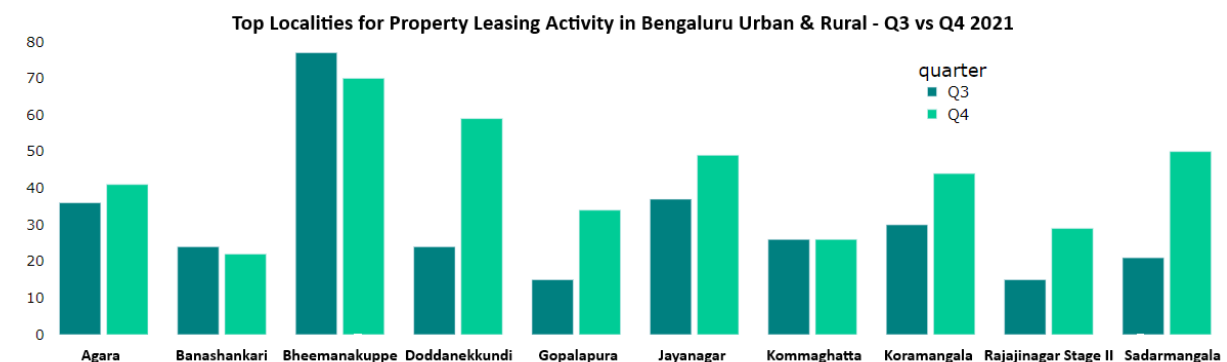
Comparing the daily property lease trends in the third and fourth quarter of 2021



- Q4 2021 recorded a 9.5% increase in leasing volume compared to Q3 2021
- Q4 2021 recorded a 23.3% increase in leasing volume compared to Q4 2020.

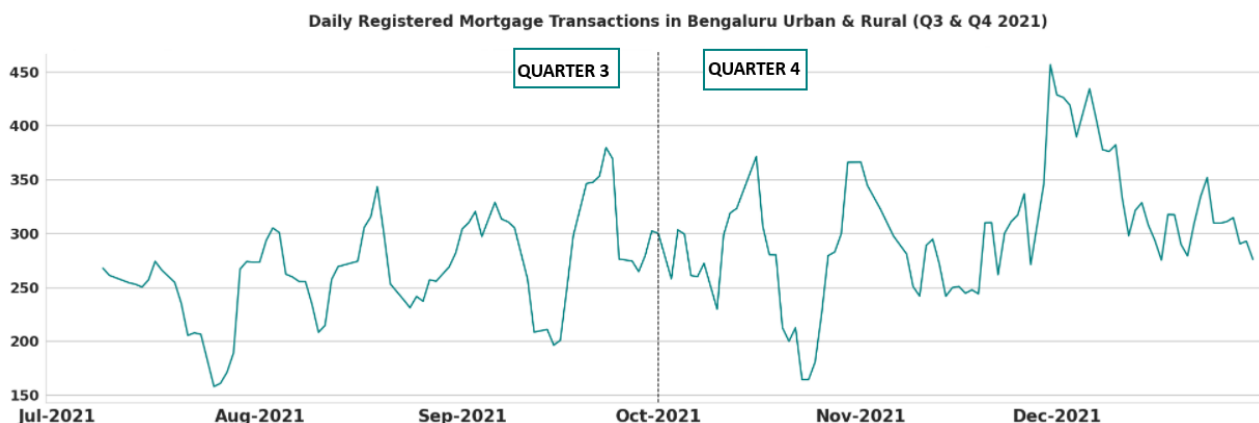
Key Localities for Property Leasing

Bheemanakuppe and Doddanekkundi emerged as the leading localities for property leasing activity in Bengaluru in Q4 2021.



Registered Mortgage Activity - Q3 vs Q4

Comparing the daily property sales trends in the third and fourth quarter of 2021



24,819

Number of registered mortgage transactions in Q4 2021.

+16.44%

QoQ change in property leasing volume compared to Q3 2021.

+18.39%

YoY change in property leasing volume compared to Q4 2020.

Mortgage Transactions by Market Segment - Q3 vs Q4

Comparing the registered mortgage transactions in Bengaluru by the performance of market segments

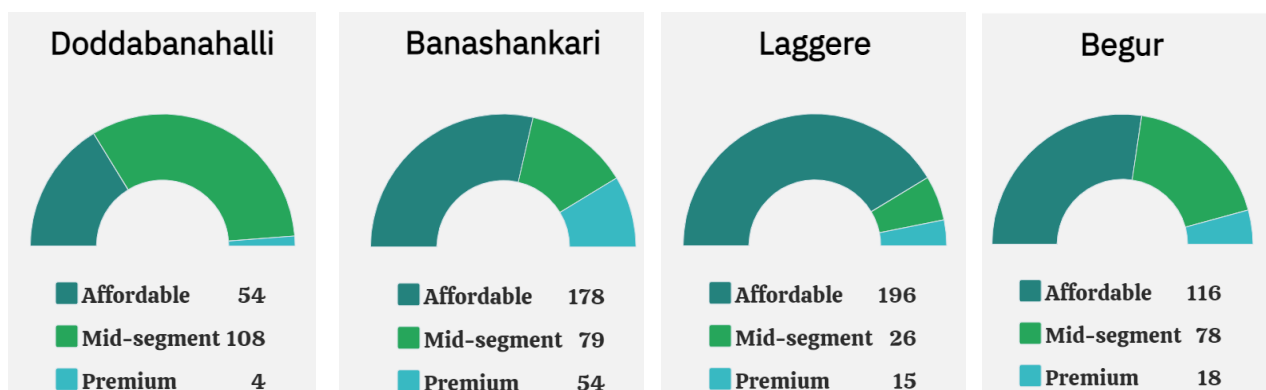
62.8%

of the overall property sales transactions were in the Affordable Market (< Rs. 45 Lacs)

	Q3	Q4	% change
Affordable	11,094	12,989	17.08%
Mid-segment	4,135	4,773	15.43%
Premium	2,293	2,909	26.86%




























Key Localities for Mortgage Activity

Doddabanhalli recorded the highest registered mortgage transaction in Q4 2021 with 54, 108 and 4 transactions in the Affordable, Mid-segment and Premium market respectively.



Leading Players in the Mortgage Market Across Price Segments

State Bank of India, Karnataka Bank and Can Fin Homes are the leading institutions for mortgage transactions in Public Banks, Private Banks, and Home Finance Companies respectively.

	Affordable Segment	Mid-Segment	Premium Segment
Private Banks	 Karnataka Bank 44.80 Cr	 Karnataka Bank 55.31 Cr	 AXIS BANK 1406.1 Cr
	 JANA Jana Small Finance Bank 36.10 Cr	 FEDERAL BANK 29.07 Cr	 Karnataka Bank 264.8 Cr
	 Bandhan Bank 21.83 Cr	 ICICI Bank 15.49 Cr	 Kotak 219.4 Cr
Public Banks	 SBI 793.9 Cr	 SBI 1380.3 Cr	 SBI 2976.9 Cr
	 Canara Bank 131.3 Cr	 बैंक ऑफ बड़ोदा Bank of Baroda 134.7 Cr	 बैंक ऑफ बड़ोदा Bank of Baroda 740.2 Cr
	 बैंक ऑफ बड़ोदा Bank of Baroda 71.36 Cr	 Canara Bank 119.6 Cr	 Canara Bank 528.4 Cr
HFC	 CanFin Homes Ltd 346.1 Cr	 CanFin Homes Ltd 117.3 Cr	 HDFC 3801.0 Cr
	 IIFL 47.35 Cr	 Chola 33.88 Cr	 TATA CAPITAL 361.3 Cr
	 Chola 40.40 Cr	 BAJAJ 32.41 Cr	 ADITYA BIRLA CAPITAL 223.0 Cr

Affordable Housing Loans

62.8%

of the overall registered mortgage transactions were in the Affordable Market

4.4%

of the overall loan amount disbursed were in the Affordable Market

12,989

of the overall registered mortgage transactions were in the Affordable Market

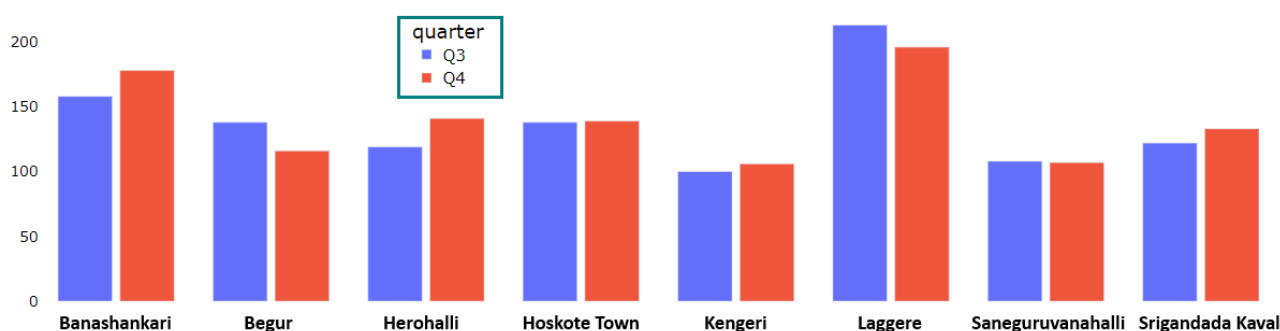
2971.6 Cr

is the total loan amount disbursed in Q4 2021 in the Affordable Market

22.9 Lacs

is the average loan amount disbursed in Q4 2021 in the Affordable Market

Key Localities Mortgage Transactions in th Affordable Segment



MARKET UPDATES

The Karnataka State government passed an amendment to slash the stamp duty payable on flats priced between Rs 35 lakh and Rs 45 lakh to 3%, from the previous 5%. The 2% reduction, however, is applicable only on primary sales. This move is expected to revive the real estate sector as well as low-income group families

The Karnataka government on Saturday reduced the guidance value of immovable properties across the state by 10 per cent for three months from January 1, 2022, which is expected to give a boost to the economy and allow the government to recover the loss in revenue suffered due to the Covid-19 pandemic [2].

Welspun One Logistics Park, an asset management and development platform, has acquired 40-acres land on the Malur-Hosur Road near Bangalore, to set up a large-scale warehousing facility. The development project will service Bengaluru's industrial and warehousing demand for space [3].

The Namma Metro received the approval for a 58 km-long metro corridor from Outer Ring Road (ORR) to Kempegowda International Airport, connecting Central Silk Board to KR Puram under Phase 2A and KR Puram to Airport under Phase 2B. This connectivity is expected to boost real estate market in the region [4].

Motilal Oswal Real Estate has cumulatively committed Rs 1,200 crore through its platform post the outbreak of COVID-19, and has committed across residential and commercial projects in major cities - including Bengaluru. The investments have been made with Pacifica Group and Casagrand group in Bengaluru [5].

315Work Avenue, a flexor office space provider, has leased around 80,000 sq.ft commercial office space in Bengaluru. The Grade-A office space is located at Indiranagar will have 1500 seats. The company also plans to add another 5 lakh sq.ft office space over a period of 6 months [6].

REFERENCES

[1] <https://economictimes.indiatimes.com/industry/services/property/-/cstruction/karnataka-assembly-passes-bill-slashing-stamp-duty-by-2-on-flats-priced-below-rs-45-lakh/articleshow/86371245.cms?from=mdr>

[2] <https://www.newindianexpress.com/states/karnataka/2022/jan/02/real-estate-guidance-value-reduced-by-10-in-karnataka-2402176.html>

[3] <https://economictimes.indiatimes.com/industry/services/property/-/cstruction/welspun-one-logistics-to-build-1-million-sq-ft-warehousing-park-near-bangalore/articleshow/88139099.cms>

[4] <https://www.99acres.com/articles/bangalore-real-estate-market-trend-report-2021-growth-inducers.html>

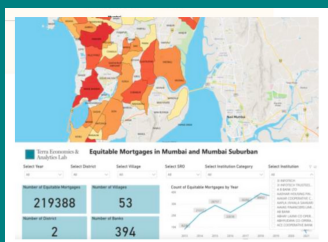
[5] https://www.business-standard.com/article/companies/motilal-oswal-s-pe-arm-plans-rs-1-000-cr-investment-in-realty-by-march-121122200921_1.html

[6] <https://economictimes.indiatimes.com/industry/services/property/-/cstruction/315work-avenue-leases-80000-sq-ft-commercial-office-space-in-bengaluru/articleshow/88315249.cms>

GET A CLOSER LOOK WITH TEAL ANALYTICS

TEAL Real Estate Analytics Suite leverages our unmatched access to real estate data to produce actionable insights that give you an immediate competitive edge in the market. Our analytics is driven by key parameters and determinants relied upon by leading players in the real estate and allied sectors including developers, aggregators, and lenders. Our state-of-the-art data aggregation, cleaning, and ingestion processes deploy cutting-edge natural language processing, artificial intelligence, and machine-learning capabilities to standardize data from diverse datasets to power your insights. Get in touch with us directly to know how we can answer the following questions and more:

- **Bank and HFC wise mortgage distributions**
- **Housing sales and mortgages by price range**
- **Developer wise sold and unsold inventory units**
- **Office and retail lease insights**
- **Micro-locality level lease rate per sq. ft.**



Transaction Monitor

Explore in-depth real estate market movements through our Transaction Monitor. Transaction Monitor captures information on inventory movement, mortgage lending, rentals, and leases at the pin code level. Annualised and monthly visualizations allow you to identify growth areas and underserved markets with unparalleled ease

Interactive Dashboards

Benchmark your business to the real estate markets you operate in. Track vital property market metrics and get fast access to the answers you need for better decision-making. Our intuitive and easy to use interactive dashboards allow you to dig deeper into broader trends and unpack insights that can drive intelligent business decisions.



Market Reports

On demand micro-market reports take a no-stone untouched approach to analysing selected localities on demand. These reports include demographic profiles, historic transaction trends, and key-market determinants such as local infrastructures, upcoming projects, etc. to provide in-depth evidences and compare the attractiveness of local markets.

Reach out to us directly to find out how our data can transform your real estate intelligence process.

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