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NOIDA

Real Estate

MARKET OVERVIEW 2017

A report by Square Global Research.

SQUARE GLOBAL GROUP
1800 208 33444



Noida Market General Overview

Noida is considered the most robust real estate industry in the Delhi-NCR region. Market dynamics in the Noida have been primarily driven due to affordable price ranges (35-60 Lacs), large employment hub & notable development in the infrastructure in the recent times. Noida offers cost effective suitable investment opportunities to discerning buyers, with 2/3 BHK units available in at (~55 Lacs) at the Noida City Center. More economical units are available at Expressway, Noida Extension & NH-24. Noida's lower cost of living further drives its residential market.

NOIDA is an acronym for New Okhla Industrial Development Authority. It came into existence in 1976

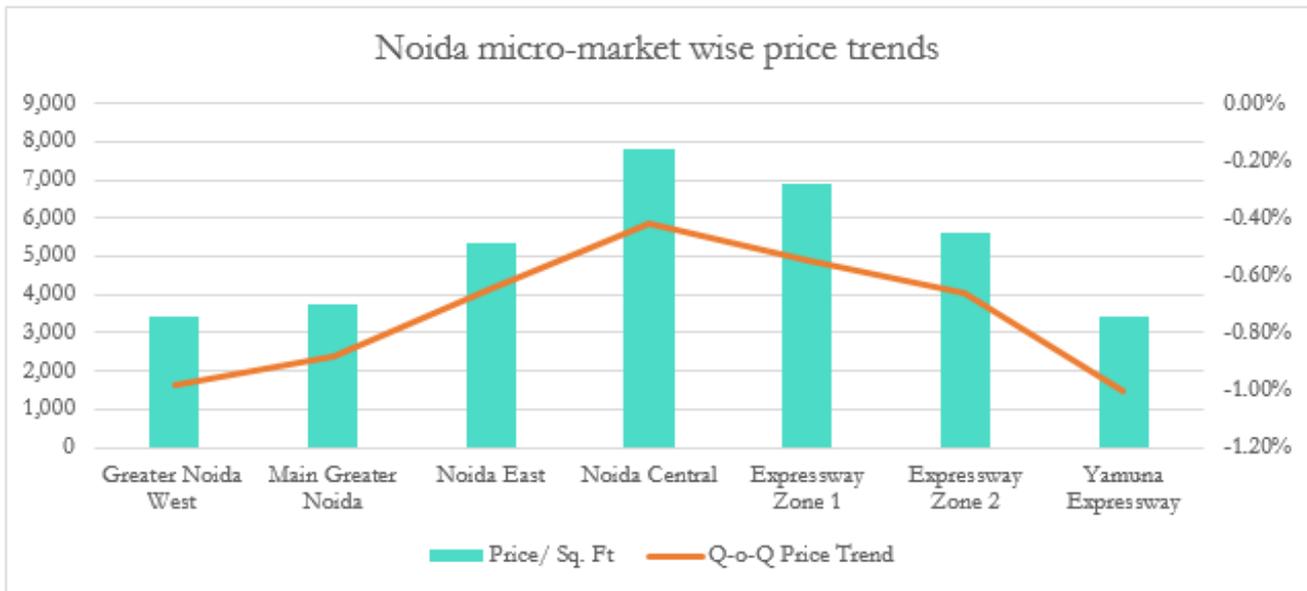
Along with end users that primarily comprises of individuals from Noida & Delhi, Noida also consists of healthy percentages of the investor class. Near around, 40% of the buyers consists of pure investment purpose. Besides, Delhi NCR, the investors come from UP & Bihar cities such as Meerut, Moradabad & Patna.

In addition to Noida & Expressway; Noida extension is touted as the next sunrise market in the in the region. Noida Extension, that is also called Greater Noida West is growing at an unprecedented pace with the surge in infrastructure development & arrival of new IT/ITeS hub.

It is believed, that at the current pace, Noida Extension will be completely ready in the next 2-3 years. It is believed, that at the current pace, Noida Extension will be completely ready in the next 2-3 years.

A lot of investors are also betting heavily on Yamuna Expressway, that is supposed to be home to some of the world-class tourism & commercial destinations are touted as India's reply to the Manhattan. However, it will take some more time before actual work will commence in these projects.

Noida Market Sentiments in 2016



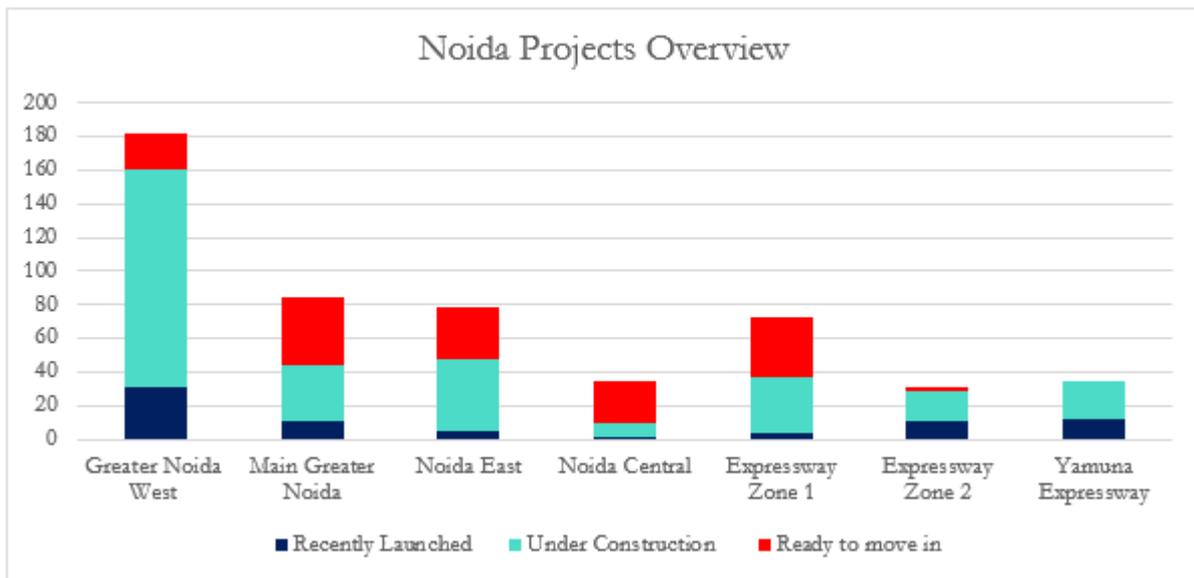
The Noida Authority is among the richest civic bodies in the country.

Aligned with other parts of Delhi- NCR, market sentiments in Noida has been mostly moderate in 2016. The market continued to suffer from higher inventories of under construction projects, with many developers suffering from crunch cash, thereby delays are happening in projects. It is estimated that around 500,000 grand-A units are in pipeline in the primary real estate.

However, the silver lining was that, to tackle with investment gap, the market has been consolidating with increased volume of M&A activities. Smaller developers are increasingly taken by larger players in the market.

The possible implementation of RERA in early 2017 has further expedited market consolidation.

Another major happening was the demonetization, that impacted the market significantly & reduced the transaction volume by near around 45%.



Noida Real Estate Market in 2017

Although sentiments have recovered post demonetization, it is believed that market would continue in a flat pace for the next 6 months, before showcasing a possible upward movement. In between, the consolidation of the market will continue at a high pace; either leading to natural perishing of smaller players or acquisitions by bigger players in the market.

In line with the prevailing sentiments in 2016, there would not be any new launches in Noida market in 2017, with the focus been put on turning around the existing inventories. Even in central parts of the city, it is estimated that around 50,000 residential units are under construction. Major markets to look out for will include- Sector 96 to 98 in Expressway; Sector 62 & 63 and Sec-80 on NH-24 & Sec- 70 to 79.

Sector 96-98, located on Expressway will continue having a higher demand for 3 & 4 BHK units. Sector 62 & 63 in the Northern parts of Noida looks suitable to give promising returns. These markets have a healthy mixture of under construction & ready to move in projects. A host of major educational institutions & IT/ITeS companies further drives demand.

Its tree-lined streets and greenbelts make NOIDA India's greenest city with about 50% green cover.

The markets are well connected with other parts of Delhi-NCR through NH-24. With the opening of the metro station in Sector-62, connectivity in the region will get further boosting. Work is going in full steam on the Dwarka-Noida City center metro line, extending it till Sector-62. The sectors are also conveniently located with New Delhi (~18 KMs), that further drives the demand.

Future Growth Factors

In the coming time, unfolding infrastructure development, especially logistics developments would entail major impact on the infrastructure of Noida. Work has started on the widening of NH-24, that many believe is the lifeline of the Noida region, connecting it with the national capital.

New strategic metro lines are carved out, that will exponentially enhance the connectivity in the region. The proposed lines will include the 11 KM line connecting the Botanic garden station with sector-142 in Expressway & 15 KM long line connecting Sector-71 in Noida with Knowledge Park V in Greater Noida.

The former will improve connectivity for the major industrial & IT/ITeS hubs in Expressway. The latter will enhance connectivity in the upcoming employment hubs in Noida extension. Both the projects are expected to be completed by 2021.

Yamuna Expressway will still need some time before it completely morphs into a self-sufficient urban catchment. However, with a host of major tourism infrastructure project, including Jewar airport, wildlife night safari & sporting complexes in offing; the micro-market holds all the potential to make a mark on the global map as a reputed international trade & residential destination.

The 56 KM Faridabad-Noida-Ghaziabad (FNG) Expressway is soon to be completed, that will enhance connectivity between Haryana & UP bypassing Delhi. Once completed, FNG is expected to attract more investment from UP in the Noida real estate market in near future.

**For further details about property investments in NOIDA-
Contact**

SquareYards

B-2, 5th floor, Sector-4, Noida - 201301

A-9, First Floor, Sec-4, Noida 201301

Email - connect@squareyards.com