

# 2022: A banner year for the Indian realty sector

Industry experts and stakeholders not just foresee an upsurge in residential sales across various cities of India, but also expect a huge opportunity for the commercial and industrial segments to bounce back in the new year.

By **Kausar Firdausi**

In the post-covid world, there is a shift in demand for homes with large open spaces like balconies, terraces, courtyards, gardens and parks in the vicinity. Work-from-home culture has changed the pattern for most homebuyers in the post-pandemic era. Owning a home is no more a matter of investment preference, but a necessity. The latest trends of customer preferences have shifted from premium real estate to a more sophisticated approach, buyers who want to get a lifestyle which can flawlessly include the work-from-home notion, while not giving up on the lavishness and comforts of luxury living. These trends are expected to continue in 2022 as well.

Real estate experts and stakeholders believe that the year 2022 will be a banner year for the Indian realty sector with strong buyer demand and market



momentum carrying forward into the new year. With rising desire for house ownership, the housing market has rebounded from the pandemic. Stamp duty was reduced in certain areas, making house ownership considerably more affordable. As a result, Knight Frank predicts a 5 per cent capital growth in residential real estate in 2022.

“Strong end-user interest for spacious homes aided by government impetus and incentives by developers will keep the housing market hot, converting more fence-sitters into prospective homebuyers. Residential prices will zoom upwards buoyed by heavy pent-up demand and sound property investment goals,” says Kanika Gupta Shori, founder and COO, Square Yards.

Nish Bhatt, founder & CEO, Millwood Kane International updates that the sector has witnessed strong traction in the past 14-16 months. “The low-interest rate regime is likely to continue for at least 1-2

quarters. This coupled with government subsidy for low-cost housing is likely to create demand for real estate,” feels Bhatt.

As per the experts, developers will capitalise on this sales momentum to offload pending inventory and keep their balance sheets in the pink of health. According to Shradha Kedia-Agarwal, director, Transcon Developers, the residential real estate market in India has become more lucrative for ultra-high net-worth individuals (UHNIs) and NRIs as a result of the increased transparency and ease in investment norms. “With RERA ensuring transparency and laws allowing 100% FDI in construction, Indian real estate is witnessing sharp investment infusions from NRIs,” says Shradha, adding, “The new class of ultra-rich people is on a buying spree of luxury homes in global cities like Mumbai, Bangalore, etc. With a huge part of the vulnerable population already vaccinated, the Indian markets are proving their grit

and potential, it is now time for investors to decide if they want to benefit from India’s future potential.

As per the estimates of Rajan Sood, business head, PropTiger.com, housing prices will remain stable though there is upward pressure because of rising input costs. Some branded developers have raised prices, albeit marginally, to offset increase in input costs. Consumers are also ready to pay a premium to those builders who have an impeccable execution track record,” says Sood.

Anilcy Verghese, AVP sales & marketing, Karle Infra, a Bangalore-based integrated township has started seeing a trend in the younger generation, especially in Bangalore, to move into a community which has good amenities. “This ongoing quarter has seen considerable growth in sales – three times as much as compared to last year. This surge in numbers is not limited just to our domestic market, as there’s been a 2x rise in sales for the same project in the NRI market compared to the last festive season. These numbers are a clear indication of what the future holds for gated communities. This will be an ongoing trend in 2022 as well,” elaborates Verghese.

While residential sales are witnessing an upsurge across various cities of India, the commercial and industrial real estate segment also has a huge opportunity to bounce back in 2022. “The commercial

sector is also expected to bounce back with the office market leading the charge, fuelled by improvement in occupier sentiments, incremental demand for IT/ITeS firms, coupled with an investment sentiment in commercial spaces,” adds Shori.

Co-working sector is too expected to witness a sharp rebound as demand will grow for flexible office spaces with shorter leasing terms. Abhishek Trehan, director, Trehan Iris points out, “As corporations review expenses and choose for flexible arrangements, shorter leases, and other perks associated with co-working space, the co-working industry may experience greater demand as well. Given the frequency of lockdowns, larger corporations have also embraced similar flexible systems.”

While there is an emphasis on space and amenities, new-age homebuyers have also become conscious of green architecture and sustainable construction. This trend is too expected to further getting stronger in the new year.

With the Indian government showing an urgency to achieve the target for full vaccination, Yuvraj S Rajan, director, Raiaskaran is of the view that chances of a severe lockdown seem unlikely, even though the Omicron threat looms large. “Economic fundamentals are thus expected to remain strong enough to continue the uptrend for the real estate sector in the year 2022,” opines Rajan.



## Realtors' Forum

Industry bigwigs are upbeat that the Indian real estate, which has witnessed strong traction in the past couple of quarters, will continue to dominate in the year 2022. Excerpts...



**DR. NIRANJANI HIRANANDANI**  
Vice Chairman, NAREDCO and MD, Hiranandani Group

“While 2021 was all about resilience, the year 2022 will script new age trends, growth and dynamics in the realty sector. The new year will witness a string of new project launches in the residential and commercial market. An uptick of buyer’s confidence will augment home-ownership value and will further fast-track home up-gradation mode.”



**PRITAM CHIVUKULA**  
Co-founder & Director, Tridhaatu Realty, and Hon. Secretary, CREDAI MCHI

“Residential sales momentum is expected to continue in 2022 as prospective homebuyers’ preferences for bigger homes, better amenities and attractive pricing will keep them interested to seal the deals. Trusted developers shall be witnessing better sales in the mid-income & affordable housing segments.”



**NAVIN MAKHIYA**  
Managing Director, The Wadhwa Group

“We anticipate the government to announce incentives in 2022 which will propel the growth of the sector such as introducing tax breaks which will increase public spending, less transaction cost, etc. Developers should focus to complete the existing projects, sales will happen as the buyer gets to see development and the project reaches a close to completion stage.”



**RAJAN SOOD**  
Business Head, PropTiger.com

“The contribution of real estate in employment generation as well as the country’s GDP is immense. So, the recovery in the housing market is the need of the hour. As per our estimates, housing prices will continue to stable in 2022, though there is upward pressure because of rising input costs. Some branded developers have marginally raised prices to offset increase in input costs.”

## IN SPOTLIGHT

### ATS Homekraft receives grand response for its Pious Orchards in Noida

ATS HomeKraft has received an overwhelming response for the first phase of its Pious Orchards project in Noida. The company has achieved sales value of more than INR 350 crore in the project in a single day event, where in 290 apartments were sold with an area of approx. 700,000 sq.ft.

Pious Orchards, situated in Sector 150, Noida is being developed on an 18-acre land parcel along with Pious

Hideaways, another project of the company. The overall development comprises a mix of 3-, 4- and 5-bedroom apartments with only 2 apartments a floor, ensuring ultimate peace and privacy.

The well-ventilated apartments in Pious Orchards offer stunning and uninterrupted views of the river Yamuna and come with a host of internal amenities including premium flooring, air conditioners and spacious balconies. The project offers a state-of-the-art lifestyle and over 30 amenities which include lush orchards, swimming pool, tennis court, reflexology path, yoga garden, an amphitheatre and many more.

Commenting on the positive response to the project, Getamber Anand, CMD, ATS Group, said, “We are delighted and motivated by the

overwhelming response from our customers who have time and again reposed their faith in ATS HomeKraft. We will build on this launch momentum and strive to ensure that our customers are delighted by entrusting us with the important responsibility of building their home.”



### Arete Group builds India’s largest privately integrated industrial park

Arete Group, a diversified business conglomerate, has recently built and developed ‘Payal Industrial Park’, India’s largest privately integrated industrial park with world-class infrastructure and superlative facilities conducive for setting up manufacturing plants and large-scale industries.

The park, located in Dahej, Gujarat, and approved by the Government of Gujarat, has been developed within the Gujarat PCPIR (Petroleum, Chemicals and Petrochemicals Investment Region), as declared by ministry of chemicals and fertilisers, Government of India. Therefore, it is surrounded by fast-growing industrial projects within PCPIR, a pioneering breeding place for myriad industrial developments. Payal Industrial Park is spread over a vast 3500 acres of area earmarked for large-scale industrial development, logistics parks and utilities.

Its master planning is done by engineering & construction giant CH2M Hill, and the park’s facilities are customised to specific water-intensive and polluting industries’ requirements, hence making it easy and seamless to kick-start their operations. In terms of connectivity, it has excellent multimodal connectivity via ports, air, railway and road. It is accessible via the NH-48 along the Delhi-Mumbai Industrial Corridor (DMIC).

Payal Industrial Park truly stands out amongst other private industrial parks in the country today. Besides offering a plethora of geographical, demographical and infrastructural advantages, it also boasts of providing its clients/partner companies with single window clearance and environmental clearance (given by ministry of environment, forest and climate change, GoI), as well as having under its aegis a team of experts from across diverse industries who understand critical infrastructural requirements for success.