

QUICKTAKE

PROPERTY PRICES MUST FALL: RBI GOVERNOR

Reserve Bank Governor Raghuram Rajan made a case for reduction in property prices, given the high inventory of unsold flats across the country. "If real estate developers, who are sitting on unsold stocks,



start bringing down prices, that will be a big help to the sector because once there is a sense that the prices have stabilised, more people will be willing to buy," Rajan said. "I think we need the market to get clear and with growing unsold stock, we need to figure out ways to do it."

CONTROVERSIAL TEASER LOANS BACK IN FOCUS

Piling inventory levels of real estate players in the country brought the controversial 'teaser loans' back into focus, with State Bank of India asking the Reserve Bank of India to allow lenders to sell loans below the base rates.



"I am told that real estate stock is at two-year high and I was thinking if it is possible for a little while. Could something of this (teaser loan) kind could be allowed given the fact that this is one of the portfolio where NPAs (non-performing assets) are the lowest," Arundhati Bhattacharya, chairperson of the country's largest lender, told RBI governor Raghuram Rajan at a conference in Mumbai recently.

ON A RISING SPREE

2015 shall be a year of development towards 'Housing for all by 2022'



HIGH POINTS

► The Government of Gujarat has taken up major steps to realise the future of Gujarat as a 'slum-free state'

► Many organised real estate players have announced low-cost housing schemes for low and middle-income groups

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One of the basic needs that has to be fulfilled in order to ensure a life with dignity is housing. Housing for one and all. Affordable housing has been the buzzword in the whole of India and Gujarat is already on its way to provide holistic facilities to the people. Gujarat has taken optimum steps to make the reality of affordable housing available to

those from the lower economical background. There are different projects for varying income groups, making it easier for the youth to buy homes along with apt loan facility.

The Government of Gujarat has taken up major steps to realise the future of Gujarat as a 'slum-free state'.

In the state, affordable homes have gained popularity, with both, the state government and real estate industry set to build

a slew of affordable residential complexes in various parts of the state. Many organised real estate players have announced low-cost housing schemes for low and middle-income groups. Almost all the players are

offering residential properties in various locations, thereby catering to the lower-income group (LIG) and middle-income group (MIG). The focus is also on providing infrastructure, including public transport, solid waste disposal, sewerage treatment and drinking water, in the urban and rural areas.

Affordable housing is a buoyant move by the government and the real estate sector shall be uplifted with the society as a whole.

WAYFORWARD

Better days are coming

The property market in Ahmedabad is highly lucrative right now and the outlook does look promising

Last decade belonged to the real estate sector. In each and every urban centre, property prices have touched new highs. Healthy return on investment, capital growth and capital security have attracted property buyers/investors to invest in real estate.

Predominantly, real estate is considered to be the safest market

for investment.

With a share of 6.3 per cent in the country's GDP, the sector makes a sizeable impact on India's economic growth, both, in terms of employment generation as well investment creation. Undoubtedly, with rising population, demand will be always there. The realty industry is in a promising stage.

In cities like Ahmedabad, opportunities and options available to invest are many. There are many project options available to property buyers.

From developers' point of view high land prices, jantri-linked paid extra FSI, stringent approval process, higher prices of construction material, lesser credit limits in materials and



higher labour costs and taxes make prices justifiable. Developers also understand that the need of the hour is 'Building a

place not just a project'. Now, a property buyer is not buying property, but a lifestyle.

—Arushrav Bhatt

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RESIDENTIAL APTS: AHMEDABAD

Locality	Capital Values (₹/Sq feet)
Bopal	2950 to 3750
Gota	2600 to 3000
Motera	2750 to 3450
Naranpura	4150 to 5350
Navrangpura	5200 to 6600
New CG Road	2600 to 3050
South Bopal	3050 to 3650
Thaltej	4500 to 5700
Vaishno Devi	2850 to 3300
Vasna	2800 to 3500
Vejalpur	2950 to 3600

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