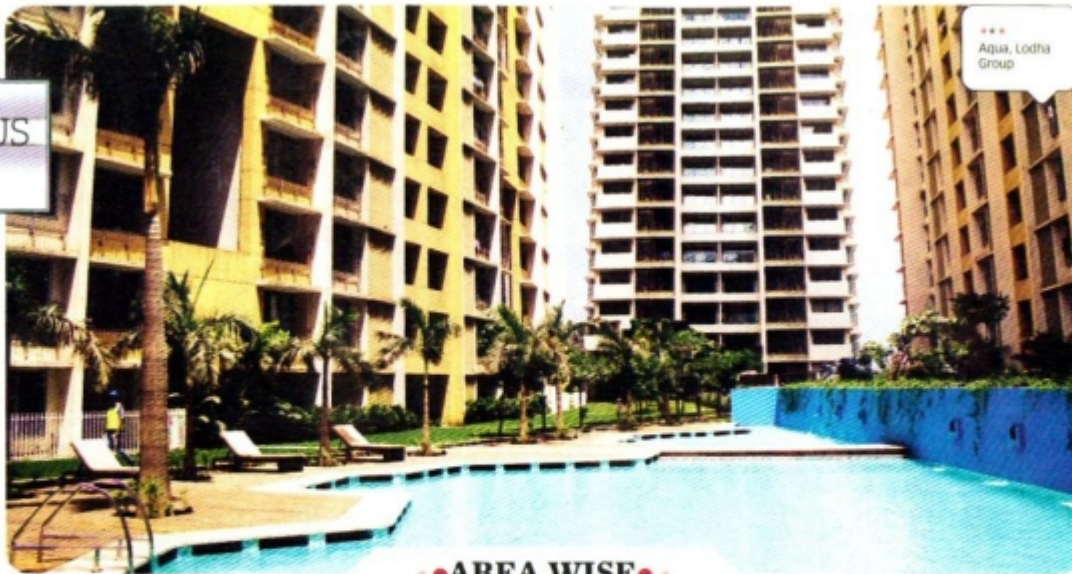


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PUNE FOCUS



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• AREA WISE •

PUNE: A SAFE BET

Investing in residential property in Pune is one of the safest and the most rewarding investment avenues in the long run and there is a large cross-section of players in the market that reconfirm this fact

NIKITA PEER

You are planning to invest some money in real estate and are all geared up to do some homework. You tour around Mumbai, to find out that homes certainly don't come cheap. Here's a simple solution: drive a little further away and you'll find yourself in Pune. Though the growth of property values cannot be compared to that of Mumbai, Pune has the advantage of being a stable market with consistent demand coming from a number of strong and dependable business sectors. While explaining what makes Pune a good bet, Sanjay Bajaj, MD-Pune, Jones Lang LaSalle India says, "The primary catalyst for Pune's residential real estate market is the Information Technology and Information Technology-Enabled Services sectors. Pune's manufacturing sector, which features a number of international names, also drives residential demand. This fact has always given Pune's residential property market, an edge over cities, which have less diversified demand." After the Mumbai Pune expressway, many Mumbaikars have invested in Pune. Kirti Ajmani, who bought a property in NIBM and Kondhwa says, "In

Mumbai, the investment is very high and the rental value is not that much. The returns on buying a property here are far better as the houses are cheaper and comparatively, the rental value is high." No wonder, about 10 per cent of the total flats in Amanora Township have been sold to buyers from Mumbai. Prasad Wagh, manager - media and events, City Corporation Limited also emphasises on the fact that Pune has better rental values, which is what attracts Mumbaikars. "The rates will always be stable as Pune has a geographical advantage and it can expand in all four sides. Currently, the eastern and western parts are doing really well. The western part has IT hubs and is connected to the express highway too."

A spokesperson of Kalpataru Developers adds, "The buyers have varied options for investment in different parts of Pune, as residential development has been taking place here. The appreciation is 10-15 per cent, year-on-year. Besides, it is easy to rent out because lot of IT people and students migrate to the city. A 1-BHK is rented out for about Rs 13,000 in Amanora Township and the surrounding areas. The flats were sold at the

rate of Rs 1,900 per sq ft in 2009 and now it is Rs 4,600 per sq ft. The spokesperson further adds, "Pune is now considered one of the fastest growing markets for real estate, with national players vying for space here because of the consistency in demand and supply. While commercial development is the prime feature to attract a buyer in any city, Pune has certain exclusive aspects that compel buyers to choose it as their destination. The infrastructural development has played a key role in the real estate development of Pune. However, in the last two decades, the major reason has been the influx of IT and manufacturing companies."

Pune's manufacturing sector has many companies - from pharmaceuticals to automobile manufacturing operations. The city has a saturation of IT parks within a relatively small geographic area. These sectors are driven by a highly trained workforce and lower real estate costs to both, the company and its employees. With all these factors working in favour of Pune's property market, it is certain that residential property in Pune will continue to be one of the safest and most rewarding investment avenues for a long time to come. **H**