

## HOMEBUYERS FAVOUR SMALLER, AFFORDABLE APARTMENTS

A large section of homebuyers prefer smaller, two-bedroom apartments and developers have maintained steady supply

**G**eneral business conditions, uncertainty over employment, and cutting down of family budgets amidst the pandemic-induced tough working environment may have affected homebuyer sentiments across India.

They want to play safe. A recent report from PropTiger Research, "Real Insight - Residential (July-September 2020)", has said that during the July-September quarter, 46% of the overall housing demand is from 2BHK configuration and 45% sales have been concentrated in the sub-Rs 45 lakh price bracket. It shows that the trend is more towards smaller apartments.

Experts say these units have remained favourites for various reasons. "The reduced average age of Indian homebuyers over the last decade possibly increased the popularity of small-sized apartments - particularly 2BHKs, which are just optimal for most (recently married couples, those with one child) in top cities," Anuj Puri, chairman of ANAROCK Property Consultants, said.

Data from ANAROCK supports the trend. ANAROCK's consumer survey conducted pre-pandemic (the second half of 2019) also pointed out that 52% of the respondents voted in favour of 2BHKs, followed by 31% for 3BHKs.

"The fact is, at least 27% of prospective buyers in the survey were aged below 35 years and, as

such, these young buyers prefer smaller homes in central locations over large-sized apartments in peripheral areas. Also, these fit well into the budget of most of these buyers and are easier to maintain than large houses," Puri said.

In a typical, 2BHK unit, very often, the amount of monthly maintenance charges are lower than that for a bigger unit. Developers have mixed reactions on the trend. "When it comes to investment or gaining higher appreciation on the money invested, customers do look to invest in 2BHK flats. With rise in the number of migrants, professionals, and students at home during this pandemic, a desire to invest in home comprising separate rooms has become a more favoured option," Amarjit Bakshi, CMD of Central Park, says.

There is demand for bigger units, too. "In sync with the demand, realtors have always maintained that the 2BHK segment has maximum demand. Recent surveys have only cemented our resolve to work according to market needs. However, this doesn't mean other segments are not selling," Vijay Verma, CEO of Sunworld Group, says.

Basic amenities and innovation: With market demand tilted towards smaller, affordable units, development firms are fortifying their projects with all amenities, which is encouraging innovative designs.



Hence, one can see the infrastructure in and around the project premise. This includes space for sports and outdoor activities, a clubhouse, a gymnasium, etc.

"Developers have also lived up to the demand, and that is why maximum flats in projects are 2BHKs," Ashok Gupta, CMD of Atnara India, says.

Innovative build and design concepts have made an entry making these units interesting for homebuyers, experts agree. For example, Central Park has announced the concept of 2.5BHK units, which offer some extra space for a study or a small home office.

With better design and space management, even a smaller 2BHK apartment can be made to look spacious. Several firms are now applying these to increase their sale value," Pranav P Kumar, a New Delhi-based architect, says.

"The idea is to make the use of natural light, bring in more features that save space, and create more storage space. Wall cabinets, foldable, modern furniture, and bigger windows are some of the features that can be used to make smaller apartments look bigger," Kumar says.

With the market witnessing slow recovery at this stage, 2BHKs will continue to dominate the market in the coming quarters too.

—Ankit Ihaan Sharma