



More space for less price, an emerging trend

Since the work-from-home trend has now become the new normal, many homebuyers are shifting to cheaper suburbs to get larger homes

By **Kausar Firdausi**

The Covid-19 pandemic has catapulted us to the 'next normal' and altered the way we live, think, work, or even socialise with people around us. The increased adoption of remote working practices, renewed focus on health and well-being, the unwillingness to travel long distances for work and the desire to stay in an integrated environment will further drive change in the residential market.

Industry experts say that with work-from-home (WFH) gaining prominence during the pandemic, homebuyers are looking for larger homes with study rooms and outdoor areas. As per

JLL's Home Buyer Preference Survey 2020, over 90 per cent of the prospective homebuyers surveyed wanted a study room and/or outdoor area. This will result in demand for larger homes than pre-covid era. "Our survey clearly brings to light that majority of the prospective homebuyers are extremely sensitive about price and overall budget and hence we expect demand to shift to suburbs and peripheral locations of the top cities in India where homebuyers can get bigger homes within their budget," says Dr. Samantak Das, chief economist and head of research & REIS, India, JLL.

However, we also need to factor in the length of the 'new normal' which is uncertain. In certain industries, it might not be possible to work from home on a regular basis while for others the WFH option might be feasible. Santhosh Kumar, vice chairman, Anarock Property Consultants is of the view that while some companies have given their employees a permanent WFH option, others have extended it to mid-2021. A separate workspace is therefore essential, and many homebuyers are willing to shift to cheaper suburbs and even to smaller cities to get larger homes. "In most cities, homebuy-



Realtors' Forum

Industry stalwarts are of the view that the unlocking process now witnesses the return of end-users in the residential market which seems a matter of cheer for the realty sector. Excerpts...



PRASHANT SOLOMON
MD, Chintels India and
Hon. Treasurer, CREDAI
NCR

"With the demand for residential properties rising, developers are also seeing strong sales. The festival season is also likely to bolster buying sentiments and we are offering attractive incentives to enhance demand. It is indeed good tidings for the industry, and we look forward to strong sales going ahead."



AMARJIT BAKSHI
Chairman & Managing
Director, Central Park

"As we have entered the unlocking phase, the realty sector has been quick to adapt and align the crisis despite challenges. Festivals are considered as the most awaited time to invest in a property and lucrative deals and ease of lowest home loan interest rate has further accelerated the demands for houses. Thus, we expect this time to witness an increase in demand."

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are opting for 2.5-3 BHK configurations wherever they can purchase them within their budgets. The peripheral areas of our cities are invariably cost-effective and even a larger home amounts to an added expense, homebuyers correctly see it as a secure investment for what are currently less-than-certain times," further says Kumar.

Also agrees Nimish Gupta, managing director, RICS South Asia that investing in spacious properties is a viable option as it allows homeowners to create and demarcate a separate work area within the house enabling optimal productivity. "With the increase of employed people in a household, a bigger house with an earmarked workspace also ensures privacy in terms of official calls and is conducive to work. As suburbs are comparatively more economical, buyers can get more space for less price. Living in the suburbs also gives one the advantages of lesser congestion, being closer to nature, and accessibility to amenities," adds Gupta.

While moving to the suburbs will have the benefit of having larger homes, the need of the hour is homes that are functional, accessible and have a great social and civic infrastructure. "Contrary to the general perception, homebuyers are looking at more functional homes which could double up as office during these times," says Lalit Makhijani, chief marketing officer, Godrej Properties Ltd.

Experts are of the view that from the tier II and tier III markets perspective, the demand has always been higher compared to bigger cities. As Amit B Wadhvani, MD & Co Founder, Sai Estate Consultants Chembur Pvt Ltd (SECCPL) observes, "One of the biggest reason being, lesser population and now along with that the lower risk of infection, making it furthermore attractive." Also as per Santosh Agarwal, CFO, AlphaCorp, tier-II cities are a priority for the homebuyers looking for a superior lifestyle, due to their smooth connectivity to metro cities, presence of branded developers and lifestyle at par with metro cities. Homebuyers are also looking for designs and layouts which are spacious and have provisions for study room/workspace.

It is not only about cheaper suburbs being in demand from the middle class as even the high net worth individuals (HNIs) are also looking for bigger spaces in the suburbs. "The demand for farmlands and farmhouses has gone up as these spaces provide healthy lifestyle options. People at farmlands can grow organic vegetables and enjoy the fresh air. Another requirement is that these options should be closer to the connectivity points so that they can commute easily to work," avers Achal Raina, COO, Raheja Developers.

Standalone homes are the safest bet in a pandemic situation and with people prioritising safety, the demand for such homes is increasing and will continue to be on the rise. "The plotted developments of suburban areas allow for spacious recreational and garden spaces both inside the plot and as a part of the larger community space. These are considered of utmost value when one is confined to a home environment and also promote a healthy lifestyle," says Rahul Kadri, partner & principal architect, IMK Architects.

Given the need of the hour, a lot of developers are now coming up with projects with functional apartments and amenities for health and wellness of homebuyers. Our developments in Bengaluru and Chennai are placed around growth corridors with right mix of necessary infrastructure. These self-sustained developments provide spacious apartments which have easily helped our residents to create an exclusive space for their work-from-home requirements. The wide range of amenities and infrastructure has enabled the buyers to live, work, and rejuvenate without the need of travelling far off from the residence," proclaims Surendra Hiranandani, CMD, House of Hiranandani.

Vikas Chaturvedi, CEO, Xanadu Group emphasises that the desire for larger homes with lifestyle amenities make extended suburbs like Thane, Kalyan and Panvel extremely attractive for buyers today. "We have generated interest from across Mumbai in our sky-bungalow style living project at The Verraton, Thane. Not only are we offering more space than most developments in central locations and suburbs within Mumbai, but also with 2.5, 3.5 and 4 beds, buyers are looking at converting the additional 'half' space to a dedicated office space within the house," affirms Chaturvedi. Also agrees Deepak Goradia, vice chairman and managing director, Dosti Realty that while central locations would retain their allure for HNIs who can invest in larger spaces there, spacious budget-friendly homes with generous open spaces in extended Mumbai locations will draw demand from buyers and investors alike. Additionally, the change in location preference will also lend a positive push to millennial's encouraging them to buy rather than rent homes.

Larger space for WFH and that too within the budgets are only a possibility in the suburbs, and developers who fulfill both these criteria are largely being considered. "We at Nahar also introduced spacious 2-BHK residences in our new project, Olivia, with flats size ranging from 653 sq.ft. to 665 sq.ft. with an attractive bank subvention scheme that too at zero extra cost," asserts Manju Yagnik, vice chairperson, Nahar Group and vice president, NAREDCO (Maharashtra). The clients coming to Pune-based realtor Goel Ganga Developments are looking more for houses which provide them with that 'extra space' for that extra work desk or a 2.5 and 3.5 bedroom apartment. "Even in our sample flats we have tried to showcase the WFH concept. As in our Ganga Fernhill project located in Undri Pune, we have created a working corner with a foldable desk from IKEA to give the client an idea for their WFH corner," states Annuj Goel, CMD, Goel Ganga Developments.

NoBroker has seen over 50 per cent increase in enquiries for home-buying in suburbs post covid. As per our data, localities such as Horamavu, Yelahanka, RT Nagar and Hebbal in Bengaluru have seen greater interest from homebuyers post May 2020. A similar trend is observed in Hyderabad, Chennai, Pune and Delhi-NCR," updates Saurabh Garg, co-founder & CBO, NoBroker.

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KARAN KUMAR
Chief Marketing Officer,
DLF Ltd.

"Currently real estate is being looked upon as a safe haven when it comes to securing accumulated wealth. Despite the slowdown that the industry has witnessed in recent past, buyers have become more active. Factors like low-interest rates on home loans, and the government's aggressive reforms and policies have improved the attractiveness of realty as an investment."



NITESH KUMAR
MD and CEO, Emami Realty

"We have seen very good response for our Emami Nature project at Jhansi. It has achieved 100 sales booking milestones merely in 100 days with the sales value of Rs 40 crore. The success of the project despite covid restrictions indicates robust pent-up demand for quality projects by trusted brands with a track record of offering great values."



DHRUV AGARWALA
Group CEO, Housing.com, Makaan.com and Proptiger.com

"The excitement in the residential sector is palpable this festival season; this optimism can be attributed to the recovery over the last few months. As per the recent Proptiger.com report, home sales aggregated to 35,132 units during Q3, an increase of 85% over the previous quarter. Unsold stock in the top eight markets was at 7,23,060 units, a reduction of 12% y-o-y."