

Mumbai real-estate industry displays affinity for PM's vision of Housing for All

Mumbai, 06 November 2017: The high – priority initiative of Hon'ble PM Shri Narendra Modi "Housing for All by 2022" is proving to be a booster dose for Real – Estate industry players, especially in Mumbai and MMR who envision to provide a home to every Mumbaikar. To add to this, the interest subvention scheme in home loans taken for buying affordable homes which was announced in this budget, opened doors for many middle-class aspirant home – buyers. In the first 9 months of 2017, the affordable housing sector has witnessed a surge of over 27 per cent in new units launched in the top eight cities in India. Mumbai witnessed the highest number of launches at over 19,400 new residential units till September 2017; out of the total launches in Mumbai, affordable housing sector had a share of close to 10000 units registering a rise of three - fold over same time last year.

This year two major developments impacted real-estate sector – RERA & GST. The preparedness of the industry was palpable with a number of RERA Registrations taking place in Mumbai & MMR, thus leading the industry towards transparency and organisation. This further boosted the confidence of home–buyers who were swinging in a dilemma whether – To be or Not to be, a home–buyer. The enhanced confidence resulted in many enquiries for the right kind of properties in Mumbai, which witnessed good traction during the current festive season.

As expressed by **Mr Mayur Shah, President, CREDAI – MCHI**, "The market is looking up with the positive festive season when developers are receiving a good number of enquiries. There's festive mood in the market, thus demand is picking up starting Diwali season. If things go the way sales are picking up, we may even reach our peak in another six months. The focus being on affordable housing, we aim to work towards providing a home for every Mumbaikar besides making Mumbai a world-class city with our Clean and Green City initiative."

Now, with India's enviable feat in World Bank's ranking to 100th position from 130 in Ease of Doing Business. The stellar role played by Hon'ble CM Shri Devendra Fadnavis has made Maharashtra contributing towards this remarkable feat of the country. During January-September 2017, the supply of affordable homes increased to 26,081 from 20,485 houses in the corresponding period last year. Among these new launches, almost 40 per cent of affordable housing projects were launched in Mumbai, followed by Kolkata and Pune.

We need to acknowledge that the real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow by 30 percent over the next decade. The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes approx. 8 per cent of the country's Gross Domestic Product (GDP). In the period FY 2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent.

Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

The real estate sector comprises four sub-sectors - housing, retail, hospitality, and commercial. The growth of this sector is well be complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

The Government's decision to include the middle-income group category in the flagship Pradhan Mantri Awas Yojana (PMAY), or housing-for-all scheme, would change the market dynamics. For the first time any Government has recognised middle class as potential customers, thus the demand from MIG is going to be much more than EWS and LIG.

Under CLSS, NHB has already disbursed over 1000 Cr till date. Under PMAY, GOI has so far sanctioned projects worth over 25000 crore which works out to over million homes.

Looking at the figures, real-estate industry is a huge opportunity for India and developers across are putting their might to make this "Miracle" happen.

Taking cognizance of the scenario: RERA Registrations, a RARE feat in EODB, GOVT. Push for Affordable Housing, ENHANCED buyer confidence, SPURT in festive buying and EASING of interest rates, CREDAI – MCHI is bringing to you a host of Property and housing finance options in its – MAHA Property Expo to be held from November 16 -19, 2017 at MMRDA Grounds, BKC, Mumbai. Leading real-estate brands are displaying their RERA registered properties along with interesting housing finance options and other services by leading Banks & HFCs. This is the industry's first and largest property exhibition in India post RERA.

About MCHI: MCHI, formed in 1982, is the most prominent and the recognized body of Real Estate Developers in Mumbai and MMR. CREDAI-MCHI- brings together members dealing in Real Estate Development on one common platform to address various issues facing the Industry. With a strong Membership of over 1800 leading Developers in Mumbai and The CREDAI – MCHI has expanded across MMR, having its own units in Thane, Kalyan - Dombivali, Mira - Virar City, Raigad and Navi Mumbai. Members of CREDAI – MCHI accounts for 80% of the organized Development of new residential and commercial properties in Mumbai and MMR. CREDAI – MCHI is recognized by Government of Maharashtra and the Central Government and helps in meeting their objectives of providing housing, which is a basic necessity. CREDAI – MCHI works towards raising awareness among the General Public, Real Estate and Construction Industry while providing them with detailed information on new developments in and around Mumbai and MMR. www.mchi.net

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