

Riding high on hope



With the recent reduction in home loan rates, developers hope that sales on the auspicious day of Akshaya Tritiya will boost the sluggish market

Sparsh Sharma
htspecialprojects@hindustantimes.com

Akshaya Tritiya, which falls on April 24 this year, is considered one of the four most auspicious days of the year by Hindus and believed to bring luck and success. It is particularly considered favourable by investors for purchasing property. The 'feel good' factor of investing on this day is taken advantage of, by most developers, and they promote their projects at this time of the year. People often pay token money and sign deals for under-construction flats or take possessions of ready flats on this day.

HOPING FOR A POSITIVE MARKET SENTIMENT

Most experts expect a better market movement this Akshaya Tritiya, especially in the light of home loan rate cuts. Lalit Kumar Jain, chairman of Kumar Urban Development and national CREDAI president, says, "Post-budget, the concept of affordable housing has definitely become more alluring to the general public. Housing loans are far easier to obtain now and interest rates are slated to come down."

Akshaya Tritiya has traditionally been a time when the real estate sector witnessed an increased activity. This time around people will be looking forward to making investments, according to Jain. "The Reserve Bank of India's move to cut repo rates by 50 basis points is welcome and should help stimulate the economy. The repo rate cut should also

translate into lower home loan rates for consumers, which will benefit them and the entire sector. This move will hopefully boost consumption and investment demand and lead to a more positive market sentiment," says Brotin Banerjee, MD, Tata Housing. The group has offered 10 gram gold coins for every booking made at their project Amantra near Kalyan.

Ashok Chajjer, chief managing director, Arihant Superstructures, is confident of a higher volume of sales this Akshaya Tritiya compared to last year. "Going by our experience in the previous years, Arihant expects to see a rise in sales this year too and buck the sluggish sales volumes that the real estate industry has seen in the past 12 months. In 2011, on Akshaya Tritiya, we touched volumes close to ₹500 lakh and it shouldn't be a problem for us to match or better the figure this year as well."

CONNECTIVITY VS COST

Properties at strategic locations will see more transactions, according to Atul Modak, head of the Kohinoor City project in Kurla. "The changes in Developmental Control Rules (DCR), along with the additional burden of service tax and VAT had a compounding effect on the increased property prices in Mumbai. The added cost of construction has pushed the property prices further, which may affect the market sentiment this Akshaya Tritiya. All these factors will make projects at strategic locations with good connectivity and value for money see more transactions,"

he says.

Well-connected localities will be preferred by first-time buyers, according to Parthajeet Sarma, director of Projectwell Management. "As new linkages like metro/mono rails and highways begin to see the light of day, buyers realise that living in a well-connected locality will far outweigh other factors in a city, where the average speed on the road is about 10 to 12 km/hour," he says.

SECOND HOMES

According to Sammeer Sheth, a city-based realtor, buyers are opting for properties with sea views in coastal towns or at hill stations and other vacation spots.

"The residential market in most of the larger cities currently offers some excellent options for serious home buyers, who are willing to do their homework. The Akshaya Tritiya period could be the best time to take the plunge if the selected property stands up to scrutiny from all investment angles. But interestingly, this year, we will expect a bulk of real estate transactions to be done in the domain of second or weekend homes as many buyers will opt for such purchases," he says.

Ram Makhecha, director of Vakratunda Group, adds, "Many small entrepreneurs, who consider buying office space on the day to be lucky for their businesses will do so while others, who cannot afford to invest in property, will opt for investing in real estate mutual funds. Housing societies too will be seen finalising redevelopment deals on this day."

estates CLASSIFIEDS
stantimes

PROPERTY

COMMUNICATION AVAILABLE

TH MUMBAI

Property Representation
Selling/Leasing of
South Mumbai. Contact
9819193373
tore@rediffmail.com

Right-leave/licence,
Rest., South Mumbai/
var. SAN Properties
tla 9870009777,
9821666323

ERN SUBURBS

ND BORIVALI

TOPIWALA CENTER

IDEAL LOCATION OF BUSINESS ADDRESS
Opp Goregoan Station west, Off S.V Road
Call:- 9920057799/9773957799

READY POSSESSION

FOR SALE/LEASE: SHOWROOM • SHOPS • OFFICES
FOOD COURT • CINEMAS • SPECIALITY RESTAURANT
BANQUET HALL • AMPLE CAR PARKING • SHOPS
AREA FROM 75 TO 5000 SQFT. (1.4'HT)
OFFICE AREA FROM 345 TO 7500 SQFT. (1.2'HT)

RACHANA ASTRA CONSTRUCTION PVT.LTD.
SITE OFFICE: 65157799. CORP. OFFICE: 67254195
Email: topiwalacenter@gmail.com. Web: www.topiwalacenter.com