



A STUDY ON REAL ESTATE TRENDS IN HYDERABAD

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ABSTRACT

Every individual in his lifetime has an idea to own a house and property for safeguarding his family and future. This very idea of providing secure future to one's family has motivated people to invest their excess money into buying land or property. This has led to the emergence of real estate boom in city of Hyderabad. Hyderabad, a dream city for many, is the fourth largest city in India and capital city of the newly born state of South India, Telangana Andhra Pradesh currently. With its busy people, sky touching buildings, IT hubs, wide range of cuisine, pleasant weather and affordable lifestyle, it has been the safest for many individuals from different parts of the world. People favour to keep on and resolve down in Hyderabad. With the IT boom, the population migrating to Hyderabad has further risen up leading to a hike in the land and residence value in market. With the varying needs of persons and the political circumstances in the state, there enclose been highs and lows in the real estate in Hyderabad. The present learn focuses on significance and the altering trends in the real estate in Hyderabad.

Key Words: Real estate, Property, Emergence, Hyderabad.

INTRODUCTION

Every person's dream is to have a house in the Metropolitan cities for safe and secure in future. They make investments in various financial for future. Of all the investments, investing in immovable assets has shown a considerable profit when compared to other forms of investments. This very business which involves investments in immovable assets like land or house has been given the term "REAL ESTATE". Real estate is "property contains of land and the buildings on it, all along with its ordinary resources such as crops, natural resources, or water; fixed property of this nature; an attention vested in this an thing of real property; buildings or accommodation in all-purpose. Also the big business of real estate is the occupation of buying, selling, or rent land, buildings or housing."

Real estate development (Development services, SDC Companies 2012) is a multifaceted business, encompassing activities that range from re-lease of existing buildings to the purchase of raw land and the sale of improved land or parcels to others. Developers are the coordinators of the performance, convert ideas on paper into real property. Real estate expansion is dissimilar from building, although a lot of developers also build. Developer Louis Lesser drew the difference in a 1963 New York Times article, "Developing is the input

word. We don't construct ourselves";Mr. Lesser stresses (2012). 'We purchase the land, finance the contract, and then we contain the best builders build beneath bond at a fixed cost'. Developers purchase land, investment real estate deals, build or have builders construct projects, make, picture, control and arrange the process of growth from the commencement to end. Developers frequently take the maximum risk in the formation or overhaul of real estate and take delivery of the maximum rewards. Characteristically, developers buy a tract of land, decide the marketing of the possessions, expand the building program and plan, get the essential public endorsement and financing, build the arrangement, and lease, run, and eventually sell it. Developers employment with a lot of dissimilar counterparts down each step of this procedure, counting architects, city planners, engineers, examiner examiner, contractors, hire agents and more.

1.2 REALESTATE SECTOR IN INDIA

The Planning Commission of India (Mr. Ashish Mittal & Ms. Khusboo Bhargava, 2014) defines, Real estate'' as land, including the air above it and the ground below it, and any buildings or structures on it. It is also referred to as realty. It envelop residential accommodation, commercial offices, trade spaces such as theatres, hotels and restaurants, retail outlets, manufacturing buildings such as factories and administration buildings. The activities of the real estate division encompass the housing and building sectors also. Real estate business engages transactions, such as buy, sale, and expansion of land, housing and non-residential buildings. Major players in the real estate market are the land owners, developers, builders, real estate agents, tenants, buyers etc.

Indian metropolis is usually categorized into three tiers (sunshineinfra.net, 2014):

Tier I comprises of Delhi, Mumbai and Bangalore.

Tier II consists of Hyderabad, Pune and Chennai, the cities targeted by companies as option off shoring purpose and which at the present possess a well-trained pool of expert labour. According to a Deutch Bank (DB) Research the price benefit of Tier II cities over those in Tier I am approximate at 15% to 20%.

Tier III cities: But known the increasing costs in Tier II cities in new years, companies are increasingly eyeing Tier III cities. These are cities with populations of extra than a million (10 lakhs) are not yet totally established as outsourcing and off shoring destinations. Their absolute cost advantage over Tier I cities is approximate at between 15% and 30% by the same DB Research.



As real estate structure and standards (Overview of India's Real Estate Sector,2007) have expanded in India buoyed by well economic enlargement, and joined with a series of I.P.O.s by possessions firms so in new years has India's property division distorted considerably. These trends of enlargement and transformation are set to carry on, with a number of marketplace participants forecasting that real estate growth in India will produce from US\$12 billion in 2005 to US\$90 billion by 2015. In addition, global capital has turn out to be more interested in Indian property and is seeking see-through and fluid ways to spend. Furthermore, with a additional worldwide property market, the stage of opposition in the Indian property business is increasing, while the require for possessions firms to reinforce their functioning infrastructures, employees and finances to better struggle is also attractive more acute.

India's GDP enlargement rate has averaged extra than 8% over last few years, up as of an average of around 6% during the 1990s and has touched the 9% last fiscal. India emerges as a land of opportunity. The standard drivers of India's GDP are altering demographics, increasing levels of overseas investment, a vibrant services sector powered by the IT and ITES sectors and buoyant exports. Notwithstanding anxiety in excess of lack of structural reform, these factors are likely to be continued in the predictable future, resultant in sustained strong GDP growth. This monetary growth has, in turn, enthused demand for possessions to help convene the needs of business, such as contemporary offices, warehouses, hotels and retail shopping centres. It has also boosted accommodation demand as a wealthier populace seeks upgraded accommodation. Moreover, shrinking household size and improved access to housing finance have boosted the demand for residential property. Tax inducement have too been decided to attention and principal waged on home loans, which has complete owner-occupied property additional attractive.

1.3 REAL ESTATE IN HYDERBAD

Hyderabad, the city of smiles, of lights, of a thousand faces, beautifully called the Pearl City, has an extended rich history. Being the 4th largest metropolis of India, the capital city of Telangana, it is blessed with rich cultural inheritance and history. Hyderabad (Hyderabad Master plan 2013, 2014) occupies 650 square kilometres, the length of the banks of the Musi River; it has a populace of about 6.8 million and metropolitan inhabitants of about 7.75 million, making it the 4th most crowded city and sixth most populous urban agglomeration in India. A review by Telangana State Government, 'Samagra kutumba survey' on August 19,



2014, reveals that Hyderabad's population has crossed 12 million. At a standard elevation of 542 meters, much of Hyderabad is located on hilly terrain around false lakes, counting Hussain Sagar predating the city's beginning north of the then city hub. The pleasing weather, the mounting job opportunities, the appearance of the IT hub, the reasonably priced living, all these have provided marvellous opportunities for the growth of the real estate in Hyderabad. Post-independence, the state of Andhra Pradesh was shaped on November 1, 1956 which comprised of Rayalaseema, Coastal Andhra and Telangana regions. There was a campaigning for separate Telangana during the year 1969. Due to these developments, capital was changed from Kurnool to Hyderabad. Hyderabad was and is a gorgeous city to live in. In this period, many people migrated to Hyderabad from diverse states. It was in 1975 that primary scheming was underway in real estate in Hyderabad. In 1980s, migrations were chiefly for instructive purposes like Polytechnic, Engineering and Post graduate studies. From the cost of living point of view, Hyderabad has always been a reasonably priced city. Among all the cities in India, Hyderabad is measured the best city after Bangalore. There used to be large open spaces in the city. Due to the migration of people in enormous number to the capital city of Hyderabad, the rental values have risen up radically and old land values have also increased. However land rates in Hyderabad have augmented amazingly. Since 1960, land rates encompass augmented considerably.

1.4 CHANGING TRENDS OF REAL ESTATE IN HYDERABAD

The Hyderabad Real Estate marketplace trends have been stagnant for the past Five years. Residential values in Hyderabad haven't enthused since 2009 due to the Telangana campaigning, pouring investors to other cities such as Bangalore and Chennai. Around 2009 (Aju Thomas 2014) solitary of the issues which were beginning to take root was faith deficit" between buyers and developers / builders / brokers. Due to more great issues like divergence & recession, the faith deficit issue was place on the back burner. On the opposing, be short of adequate sales and ensuing lack of development in many projects has widened this faith deficit to disturbing levels today. Another expansion over the past few years is that customer expectations are altering quite fast. This is fairly obvious in the real estate sector. One have to evaluate the specs and facilities that projects offer prior to 2008-10 with present date projects and the dissimilarity is evident. Customers nowadays ask for the best of facilities, VRV air-conditioning, and 100% power back-up, home mechanization, biometric locks etc. Customers nowadays are looking for the finest value luxury proposal than just an inexpensive buy.

Real-estate trends in the year 2016

Areas	Jan- Mar 2016 (Approx. Value Rs/Sqft)	Apr-Jun 2016 (Approx. Value Rs/Sqft)	Jul- Sep 2016 (Approx. Value Rs/ Sqft)	Oct- Dec 2016 (Approx. Value Rs/ Sqft)
Ameerpet	4190	4228	4117	4071
Banjarahills	6794	6883	6858	7112
Jubilee hills	5876	4876	5200	6206
Begumpet	4554	4584	4826	4740
ECIL	2800	3800	4802	5880
Hitechcity	4666	4598	4534	4654
Kompally	2395	2614	2539	2510
Tarnaka	3736	3770	3736	3831
Barkatpura	3400	3205	4200	4664
Himayathnagar	4068	4725	4878	5006
(*Source: http://www.magicbricks.com/Property-Rates-Trends, Dream city)				

Fig: 2: 2016Year Real-estate Trends

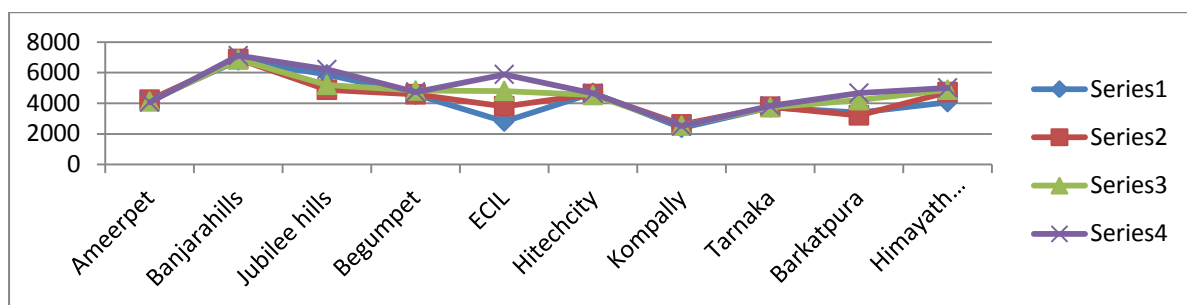


Table 2 shows trends in 2016. A stagnant phase is experiential in first quarter but after formation of Telangana growth was recorded except for Ameerpet and Hitech city. Uncertainties will become paler away. Clarity will boost the enlargement other than all are expecting 40-50% growth in the upcoming years.

Table: 3 **Real-estate trends in the year 2017**

Areas	Jan- Mar 2017 (Approx. Value Rs/Sqft)	Apr-Jun 2017 (Approx. Value Rs/Sqft)	Jul- Sep 2017 (Approx. Value Rs/ Sqft)	Oct- Dec 2017 (Approx. Value Rs/ Sqft)
Ameerpet	4479	4520	4401	4352
Banjarahills	7283	7379	7352	7624
Jubilee hills	6317	5242	5590	6671
Begumpet	4909	4946	5207	5114
ECIL	3021	4112	5196	6274

Hitechcity	5049	4989	4919	5050
Kompally	2599	2847	2765	2733
Tarnaka	4069	4117	4080	4183
Barkatpura	3713	3509	4599	5107
Himayathnagar	4454	5188	5356	5497

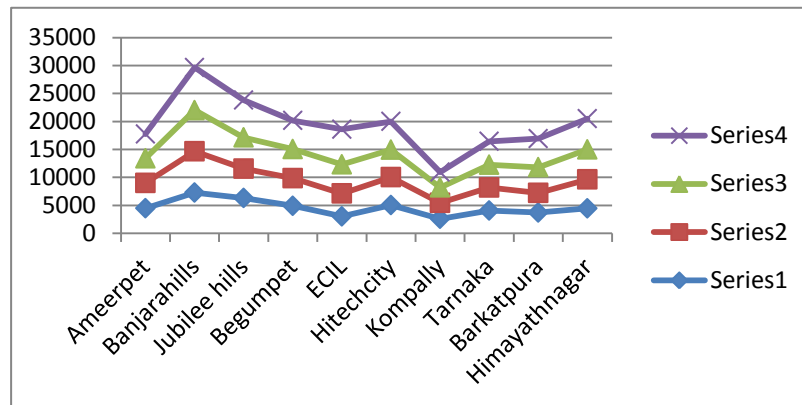


Table 3 shows trends in 2017. A stagnant stage is observed in first quarter but after formation of Telangana growth was recorded except Ameerpet and Hitech city. Uncertainties will fade away. Clarity will boost the growth but all are expecting 30-45% growth in the upcoming years.

Table: 4 Real-estate trends in the year 2018

Areas	Jan- Mar 2018 (Approx. Value Rs/Sqft)	Apr-Jun 2018 (Approx. Value Rs/Sqft)	Jul- Sep 2018 (Approx. Value Rs/ Sqft)	Oct- Dec 2018 (Approx. Value Rs/ Sqft)
Ameerpet	4788	4832	4705	4665
Banjarahills	7808	7910	7881	8188
Jubilee hills	6790	5635	6015	7198
Begumpet	5148	5337	5619	5534
ECIL	3269	4449	5622	6801
Hitechcity	5478	5413	5328	5499
Kompally	2830	3100	2997	2985
Tarnaka	4443	4496	4439	4577
Barkatpura	4066	3843	5022	5597
Himayathnagar	4891	5696	5860	5958

Fig:4

2018 Year Real-estate Trends

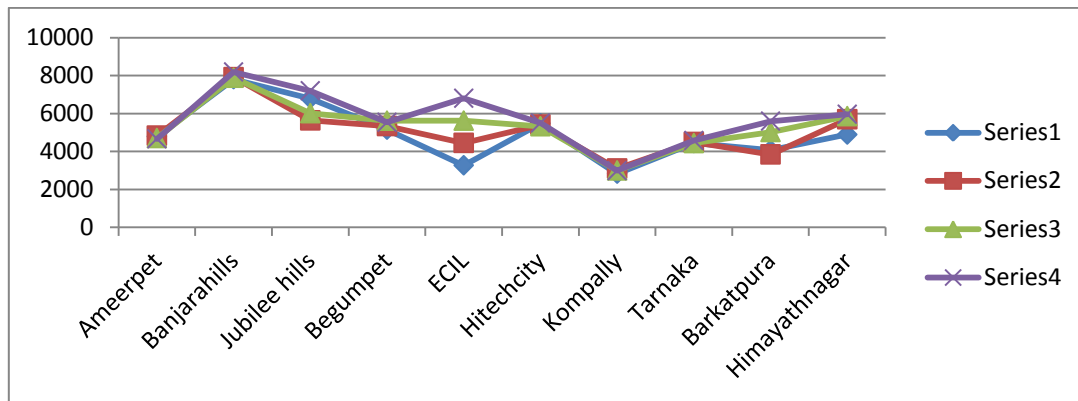


Table 4 shows trends in 2018. A constant growth observed in the city. Uncertainties will fade away. Clarity will boost the growth but all are expecting 40-50% growth in the upcoming years.

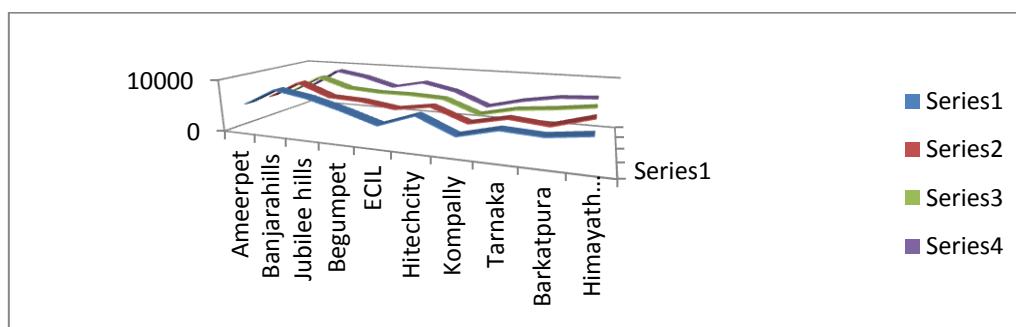
Table: 5

Real-estate Trends in the year 2019

Areas	Jan- Mar 2019 (Approx. Value Rs/Sqft)	Apr-Jun 2019 (Approx. Value Rs/Sqft)	Jul- Sep 2019 (Approx. Value Rs/ Sqft)	Oct- Dec 2019 (Approx. Value Rs/ Sqft)
Ameerpet	5119	5165	5029	4987
Banjarahills	8370	8479	8449	8778
Jubilee hills	7293	6052	6460	7731
Begumpet	5549	5753	6057	5965
ECIL	3527	4800	6066	7338
Hitechcity	5927	5857	5765	5950
Kompally	3068	3360	3249	3236
Tarnaka	4825	4882	4820	4970
Barkatpura	4464	4219	5514	6146
Himayathnagar	5375	6260	6440	6548

Fig:5

2019 Year Real-estate Trends





- Time period of conducting the study was very limited.
- Data has been collected through Personal interaction with Hyderabad real estate people only.
- Since the Real-estate values are fluctuating constantly the values given in the study are limited only to the above study period and may be subject to variations with changing market trends.
- Only some of the companies were chosen for this study.

6. CONCLUSION

Real estate in Hyderabad as seen from 1969 onwards has emerged and grown into a big industry. Many people have largely relied upon the real estate for earning their livelihood. But due to constant ups and downs in the real estate prices from time to time, a person in real estate industry suffers profits as well as losses. Just like any other industry, even the real estate industry has to be authenticated by the Government. The real estate agents have to be appointed in an authentic manner as done in other developed countries. The trends in the real estate market are constantly fluctuating and purely dependent on the political scenario and situation in the city. Hyderabad was home for people from Andhra, Rayalaseema and Telangana. Most of the people from different regions of the state settled in Hyderabad. But when the agitation for a separate Telangana had begun, due to change in the scenario, disturbances in everyday living and education of students, people belonging to regions of Andhra and Rayalaseema started selling their properties in Hyderabad at very low prices and started shifting back to their home towns. The sudden selling of many properties had raised the supply but the demand has not risen at the same rate. This was the major cause of sudden decline of prices during 2010-2012. However, after the announcement of separate Telangana, the things slowly started to fall in place. As the uncertain situation in Hyderabad, such as agitations, bandhs, rasta rokos have come to an end; people started preferring to stay in Hyderabad again. Due to peace restoring back in Hyderabad after formation of the separate Telangana state, the real estate prices would further boom up and restore back as earlier giving profits to those investors who have been badly running into losses. The sector will soon revive back and Hyderabad will once again be known for the real estate sector. The revival of the real estate sector would bring back job opportunities and restore back the glory of the city.

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