

New launches in Mumbai residential market up 33% in April-June: Report

Synopsis

Most of the new launches in Mumbai were in the affordable and mid segment with ticket size up to Rs 2 crore and formed 84% of the launches during the quarter. In sync with demand, developers are expected to focus on these price segments.



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New launches in the **Mumbai** residential market increased 33% in June quarter to 6,143 units led by affordable to mid-income category projects in suburban locations. Of this, eastern suburbs accounted for the majority of new launches with 25%, followed by Western suburbs II comprising Malad, Kandivali, Borivali and Dahisar with 22%, showed data from JLL India.

While sales in the city remained at similar levels of March quarter, transactions were concentrated in the price segment of Rs 50 lakh to Rs 1 crore, which accounted for 40% of the sales during the quarter.

In terms of sales, Thane and Navi Mumbai combined reported close to 50% of sales. When compared to Q1 2021 capital value of residential units in the city remained stable in Q2 2021.

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"The increase in sales presents clear signs of demand and buyer confidence coming back to the market. This has been on the back of historically low home loan interest rates, stagnant residential prices, lucrative payment plans and freebies from developers and government incentives such as the reduction of stamp duty," said Karan Singh Sodi, Regional Managing Director, JLL India.

Mumbai has consistently been the largest contributor to sales over the past five quarters and the trend continued in June quarter as well. Almost one-third of the sales volume was contributed by the city during the quarter.

Residential sales across the top seven cities in April-June increased 83% across the top seven cities. This was mainly due to low base effect, less stringent lockdowns, and accelerating vaccination drives during the quarter, demonstrating improved resilience in the market.

During the first wave of COVID-19, residential sales dropped by a record 61% quarter-on-quarter to 10,753 units in April-June 2020. However, the impact of the second wave has been limited with sales in June quarter dipping by relatively lower 23% to 19,635 units.

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