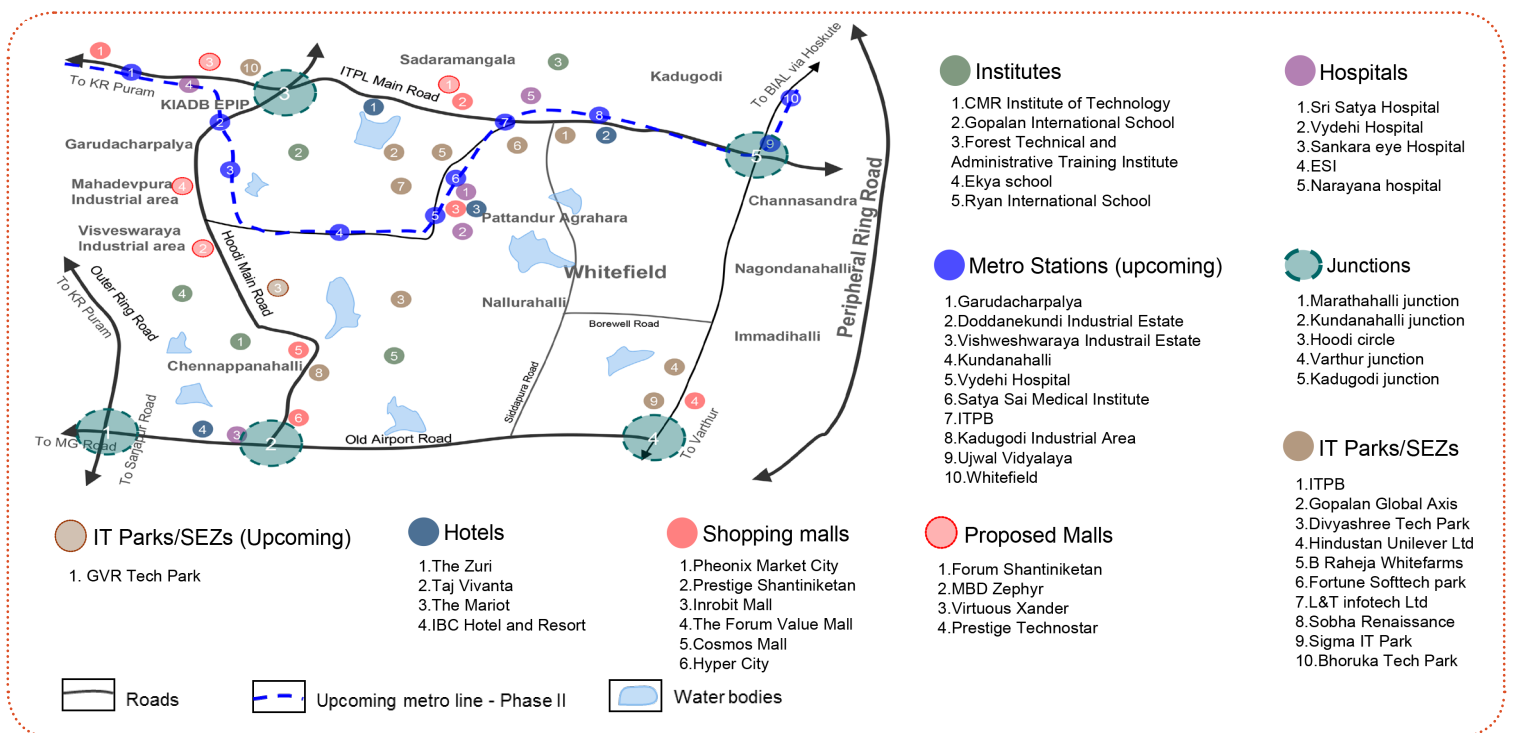


Real Insights: Locality Snapshot

# WHITEFIELD



## Overview

Whitefield, the jewel of the eastern suburbs, is one of the most preferred IT and residential catchments of Bangalore. It has emerged as a self-sustaining suburb with residential projects, office space, modern-format retail malls, hotels and other social infrastructure in place.

The micro market witnessed the 'work, live, play' concept way back in 1998 with the development of the first IT Park of the city. Initially, the residential development here targeted professionals working in the IT/ITeS industry. However, affordable rates of property, the constantly improving infrastructure and good connectivity to other regions has attracted the attention of varied professional class in the vicinity.

Currently, the key mode of public transport here is the BMTC bus service with high frequency and the

KIAL services that connect it to the Kempegowda International Airport. In future, the region will also be connected via the metro which will further boost real estate growth in the region.

## Factors for Growth in the past

- ◆ The EPIP zone and the Information Technology Park were the key drivers for real estate growth here. Other renowned IT park developments include Sigma IT Park and Bhoruka Tech Park.
- ◆ Unsurpassed connectivity via ORR and proportionate growth of social infrastructure such as banks, schools, hospitals and shopping centers also changed the skyline of this suburb significantly. Large land parcels in the region have been a major attraction for a number of IT companies.

◆ Whitefield still continues to remain one of the most preferred market for expansion by IT/ITeS companies mainly due to the availability of Grade A office spaces. **Currently, over 30% of total Grade A office stock of Bangalore is found here. Moreover, the locality boasts of a total stock of about 30 million sq. ft. office space.**

◆ Prominent malls such as Phoenix Market City Mall, Inorbit Mall and the Forum Value Mall have also boosted the real estate market of the locality.

## Residential Market Analysis

◆ Whitefield residential market is largely dominated by the end-users due to the availability of various options ranging from affordable to mid to high-end segment. Fig. 1 shows the percentage distribution of these residential market segments. It is based on both size and sale price of the property type.

### Residential Market Segmentation

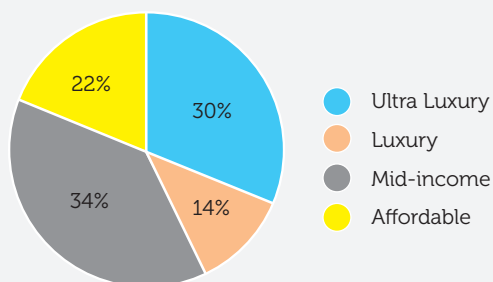


Fig. 1: Residential Market Segmentation

Source: CommonFloor Listing Data, Q4 2013

◆ According to CommonFloor data, around 40 projects are nearing completion in 2014 with a total supply of 6556 units. Hence, there will be ample ready-to-occupy inventory in the market. The secondary market for new properties, which was not so active earlier, will also gain momentum.

### Total Units Supplied in 2013

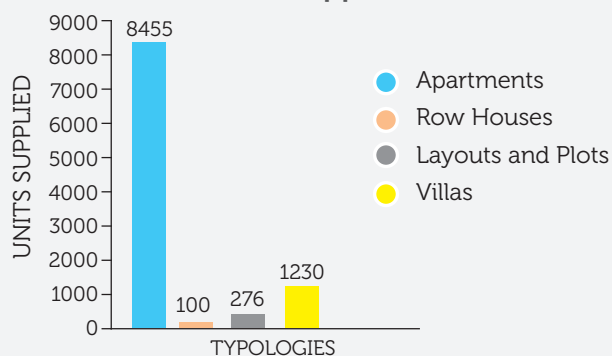


Fig. 2: Number of units supplied for each property type

Source: CommonFloor Data, 2013

◆ The weighted average price of properties in Whitefield is about Rs Rs 4500/sqft. Fig. 3 shows the price per square feet (psft) for different kind of properties. While Fig. 4 shows the range of area for each property type. It can be inferred here that there is significant variation in areas of apartments and villas to cater to different segments of the market.

### Price Per Sq ft

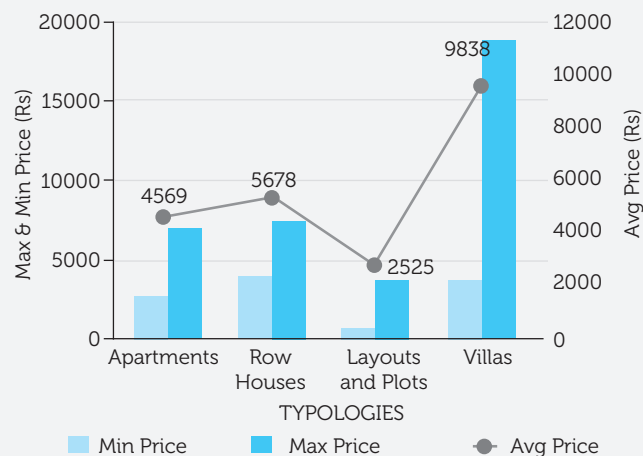


Fig. 3: Range of Price per square feet (Rs) for different property types

Source: CommonFloor Data, Q4 2013

### Area (sq ft)

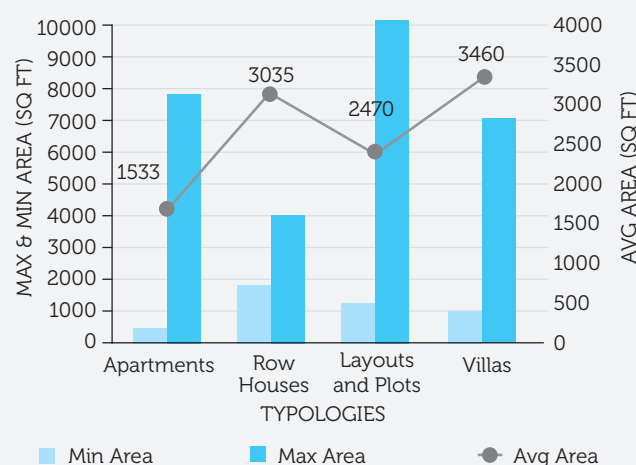


Fig. 4: Range of Area (square feet) for different property types

Source: CommonFloor Data, Q4 2013

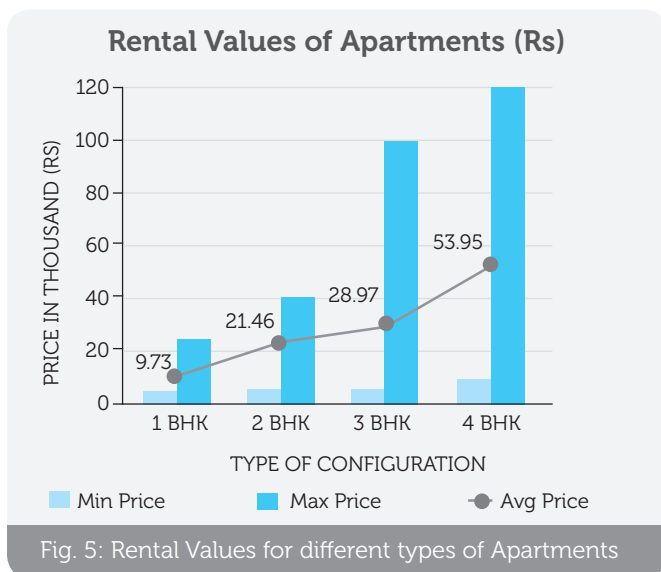
◆ Whitefield main road, ITPL road and Pattandur Agrahara and Nallurhalli Lake area are the high-end areas of the region, having **capital values in the range of Rs 4000 - Rs 6000 per sq.ft.** While Borewell Road, Kadugodi Road and Channasandra Road, all near Whitefield, are comparatively cheaper. These areas hold a promising future with steady increase in capital and rental values. Table 1 shows that there is a significant variation in the ticket size in property types which also depends on its location besides their size, number of bedrooms, quality etc.

Ticket Price	Min (Rs)	Max (Rs)	Avg (Rs)	Comments
Apartments	9 lakhs	6 cr	73 lakhs	The high variation and high average value is due to different BHK type, sizes and level of finishing.
Row Houses	81 lakhs	3 cr	1.7 cr	The variation is due to location, sizes and quality.
Layouts and Plots	10 lakhs	3.2 cr	74 lakhs	This primarily depends on size and location factor.
Villas	32 lakhs	10.5 cr	3 cr	Price variation in Villas is due to location and quality of construction and furnishing.

Table 1: Ticket Price (Rs) for different property types

Source: CommonFloor Data, Q4 2013

- The monthly rental values for villas range from a minimum of Rs 22,000 to a maximum of Rs 2 lakhs with an average value close to Rs 77,500. **The average rental yield for villas is about 3%.** Fig. 5 shows the variations in the rentals for different types of apartments. **Data reveals that average rental yield varies from 3-4.2% with maximum yield of 4.2% for 2BHK type.**



Source: CommonFloor Listing Data, Q4 2013

- The number of residential launches is expected to zoom in this year, owing to the growing demand. There is also adequate land for further development.
- Some popular developers in the locality include Prestige Group, Sobha Developers Ltd., Brigade Group, Adarsh Developers, Chaithanya Projects Pvt. Ltd., Skylark Mansions Pvt. Ltd., Confident Group, Adithya Constructions, Mahaveer Group, ARK Infra Developers, Sumadhura Infracon Pvt. Ltd. etc.

- To conclude, enhanced connectivity clubbed with infrastructural benefits will keep the demand at a steady pace for both residential and office space. Consequently, the retail demand will also be high.

## Major Challenges

- The key challenges in the region include poor street lighting, heavy traffic due to narrow roads, less number of footpaths, road-side land encroachment, illegal slums and rampant construction all around.
- Similar to other localities in Bangalore, there is an acute water crisis in the region. Borewells have been exploited thoroughly and water tankers are currently the main source of water.
- However, the Cauvery Water Supply Scheme, Stage IV is under execution. BWSSB has nine divisions in Bangalore, of which north, north-west and east divisions (Whitefield) are getting the highest amount of water. **About 40 per cent of Whitefield would receive water under the Stage II of Phase IV of the Cauvery project.**

## Future Prospects for Growth

- The key factor driving future growth in the locality is the proposed Phase II of the metro corridor which will be 18 km long. It will include 6 stations namely Kundalahalli, Vaidehi Hospital, Satya Sai Medical Institute, ITPL, Kadugodi, Ujwala Vidyalaya and Whitefield and is expected to get completed by 2017-18. As a result, there will be a significant growth in real estate activity.
- The Bangalore Master Plan 2015 has marked the Planning District of Whitefield as a priority area for IT-related activities mixed with residential development.** The land use proposal along the ORR and Whitefield Road seeks to encourage development along this belt with high floor area ratio (FAR).
- A significant area between Whitefield (ITPL) and Electronic City is proposed to be developed as 'High Tech Zone' with great potential zone for urbanization located between the Bellandur valley, the railroad Salem, the new Peripheral Ring Road (PRR) and Hosur Road. This zone will strengthen the already developed Bangalore East and accommodate future demands.
- IT special economic zones (SEZs) spanning over 254 acres has been planned at Hoodi village in Whitefield, Bagur village in Hoskote taluk, and, Devarabeesanahalli, Boganahalli and Bellandur in Varthur.

## CommonFloor Ratings

- As per \*Real Insights @ Commonfloor.com, based on varied parameters such as livability, accessibility, infrastructure, entertainment and recreation, **Whitefield has been rated 7 on a scale of 10.** Taking into cognizance all the proposed and planned developments, the locality has been rated 8 out of 10. The region has a bright future and investment, as such, would reap high returns in the long run making it one of the most sought-after area for investment in the city. **The return on investment for Whitefield has been rated a perfect 10.**

## Promising Locations in Whitefield

Markets	Key Factors of Growth	Potential for Growth
Hoodi Circle	<ul style="list-style-type: none"> <li>Metro Station</li> <li>Sri Sathya Sai Hospital</li> <li>KIADB EPIP Zone</li> </ul>	Scope of high appreciation but limited land stock
Mahadevpura	<ul style="list-style-type: none"> <li>Metro Line</li> <li>Upcoming Malls</li> <li>Mahadevpura Industrial Area</li> </ul>	Moderate to High Growth
Kadugodi	<ul style="list-style-type: none"> <li>Metro Line</li> <li>Proximity to PRR</li> <li>Proximity to BIAL Airport via Hoskote</li> </ul>	High Growth expected with sufficient land stock
Chanasandra	<ul style="list-style-type: none"> <li>Linkage with PRR</li> <li>Proximity with Metro</li> </ul>	Potential for growth of Industrial and Residential Real Estate
Immadihalli	<ul style="list-style-type: none"> <li>Proximity with PRR</li> </ul>	Ideal for Long Term Investment
Sadaramangala	<ul style="list-style-type: none"> <li>Sufficient land stock</li> </ul>	Scope for Moderate Growth in Residential sector
Patandur Agrahara	<ul style="list-style-type: none"> <li>Industrial and Commercial Development</li> </ul>	Scope of high appreciation but limited land stock
Varthur	<ul style="list-style-type: none"> <li>Linkage with PRR</li> <li>Close to Sarjapur Corridor</li> </ul>	Suitable for Long Term Investment

Short Term Growth (Up to 5 Years)

Medium Term Growth (Up to 10 Years)

Long Term Growth (More than 10 Years)

### List of Acronyms

**IT** Information Technology  
**BTMC** Bangalore Metropolitan Transport Corporation  
**KIAL** Kempegowda International Airport Limited  
**EPIP** Export Promotion Industrial Park  
**ORR** Outer Ring Road  
**ITeS** Information Technology Enabled Services  
**PSF** Per Square Feet  
**ITPL** International Technology Park  
**BWSSB** Bangalore Water Supply and Sewerage Board  
**FAR** Floor Area Ratio  
**SEZ** Special Economic Zone  
**PRR** Peripheral Ring Road

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