

Introduction

- It is no denying that the Bangalore residential market has withstood the test of times and has performed relatively better than its counterparts like Mumbai and NCR from 2012 onwards. From price appreciation to new launch supply to rental yield, among others, few markets within the city have shown very positive trends.
- Thus, in order to help the prospective property buyers plan their investments right, CommonFloor.com has identified the top micro markets in the city based on various parameters
 - 1.1 Price Variation
 - 1.2 Resale Unit Supply
 - 1.3 Rental Yield
 - 1.4 Absorption
 - 1.5 New Launch Supply
- Different weightage has been given to each of these parameters as shown in figure 1.
- Top markets are identified by considering the following aspects:
 - Capital Returns
 - Rental Returns

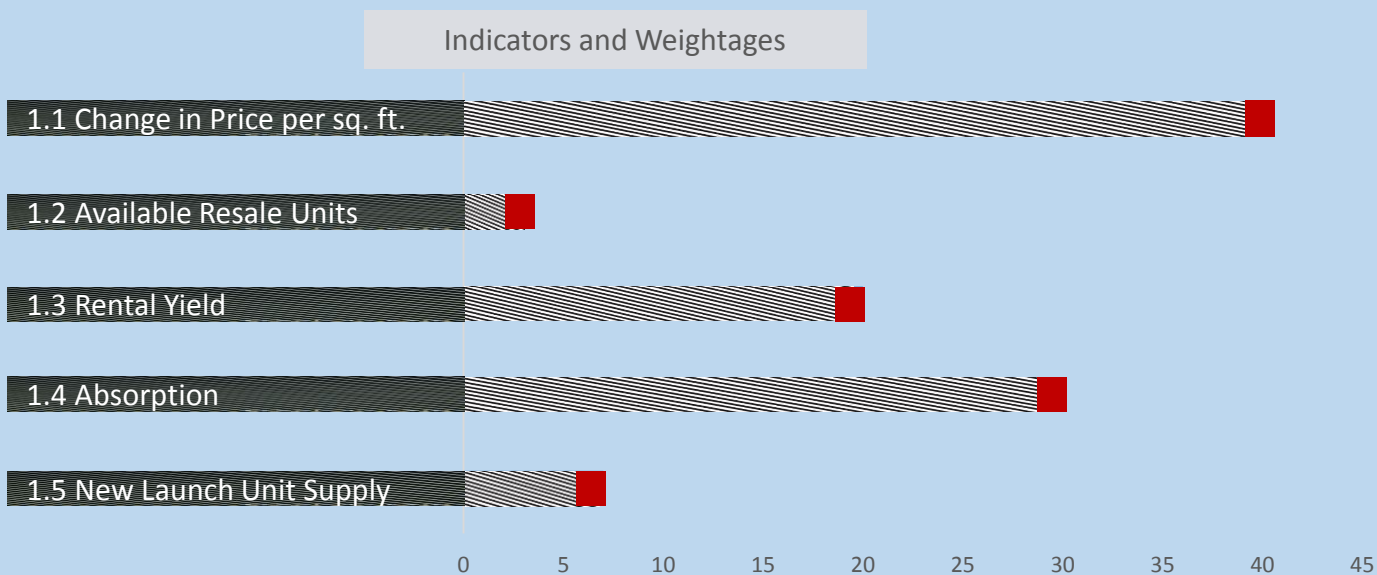


Fig 1: Indicators and Weightages of Investment destinations

Source: Real Insights by CommonFloor.com

Methodology

- For concrete analysis, 3 different data-types of **CommonFloor.com** are used:
 - Project Data
 - Listings Data
 - Seekers Data
- Project data has been considered from 2012 to 2015 with Y-o-Y comparison.
- Listing and seekers data is considered from H1 2014 to H1 2015 with H-o-H comparison. (H1= Jan-July)
- Besides using CommonFloor's Proprietary Data Model, secondary data information has also been collated for more accurate and precise results.

Bangalore - ROI Destinations

Top 10 Investment hubs in Bangalore

Electronic City Phase I

Sarjapur Road

Whitefield

Kanakapura Road

Yelahanka

Hosur Road

Begur Road

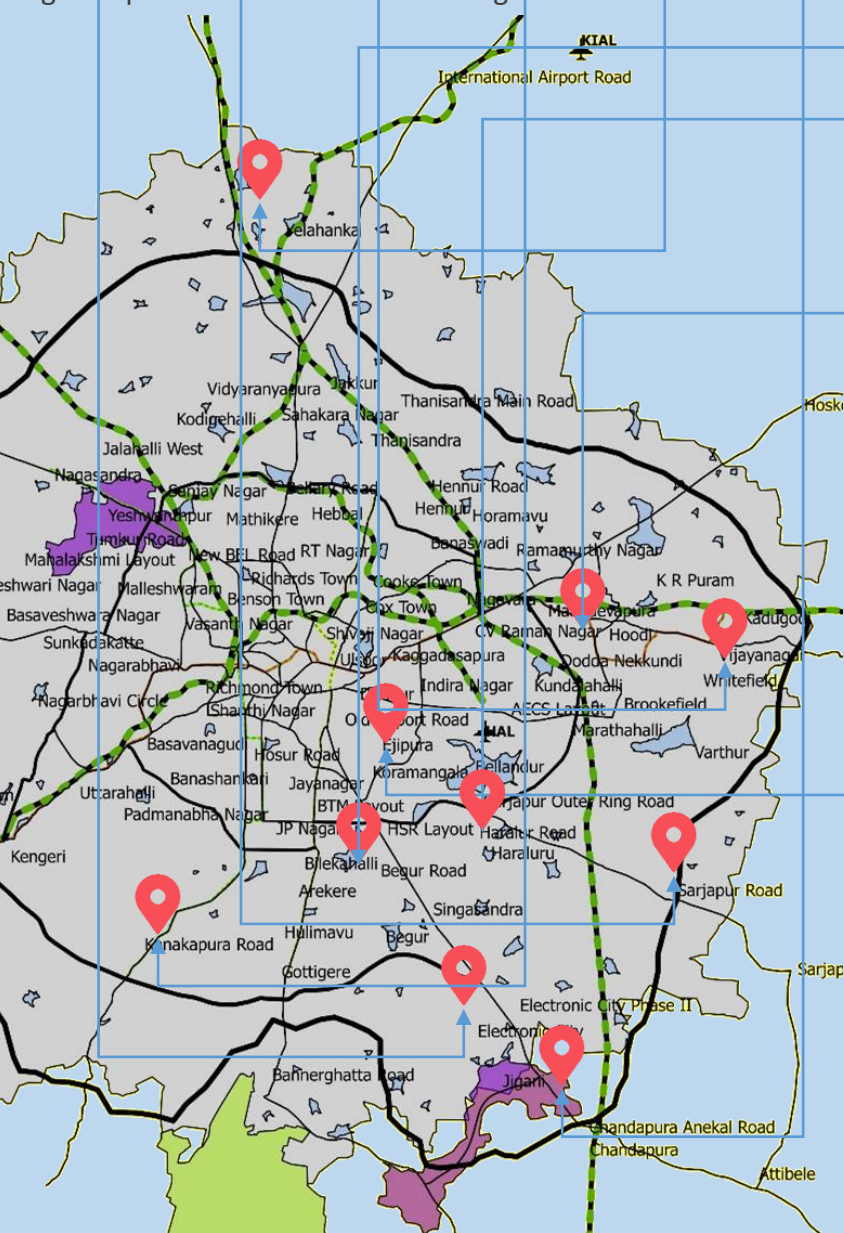
Marathahalli

Haralur Road

Koramangala

Fig 2: Top 10 Investment hubs in Bangalore

Source: Real Insights by CommonFloor.com



Key Takeaways

- Among the top 10 investment destinations in [Bangalore](#), Electronic City Phase I topped the list, followed closely by Sarjapur Road and Whitefield respectively. All 3 markets are major IT hubs within the city.
- East & South Bangalore emerged as prominent zones with 4 markets each while North & West zones comprised of just 1 locality each.
- While Electronic City Phase I, Kanakapura Road, Haralur Road and Begur Road are essentially affordable markets, Sarjapur Road and Hosur Road have properties in mixed categories.

Fig 3: Map showing top Investment destinations of Bangalore.

Source: Real Insights by CommonFloor.com

***Note:** Data has been considered till September 2015.

1.1 Bangalore - Change in Price per sq.ft.

Top Markets based on Change in Price per sq.ft.

■ H1 2014 - H2 2014 ■ H2 2014 - H1 2015 ■ H1 2014 - H1 2015

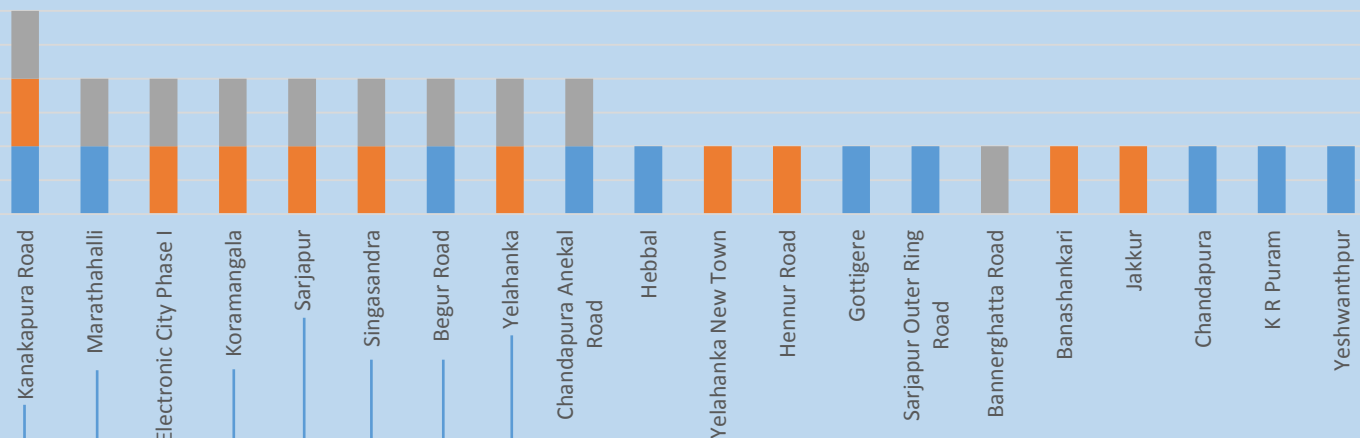


Fig 4: Top markets based on change in price per sq.ft.

Source: Real Insights by CommonFloor.com

Key Takeaways

- [Kanakapura Road](#) has seen maximum increase in price per sq. ft. of properties from H1 2014 till H1 2015.
- The change in price per sq. ft. was largely influenced by the fact that the region boasts of improved connectivity via metro and NICE corridor. Moreover, properties here are mainly available in the affordable category.
- Interestingly, Bannerghatta Road was the new entrant in the list in H1 2015 that saw some price variations. Infra upgrades including metro project could be one of the major reasons for spike in prices.

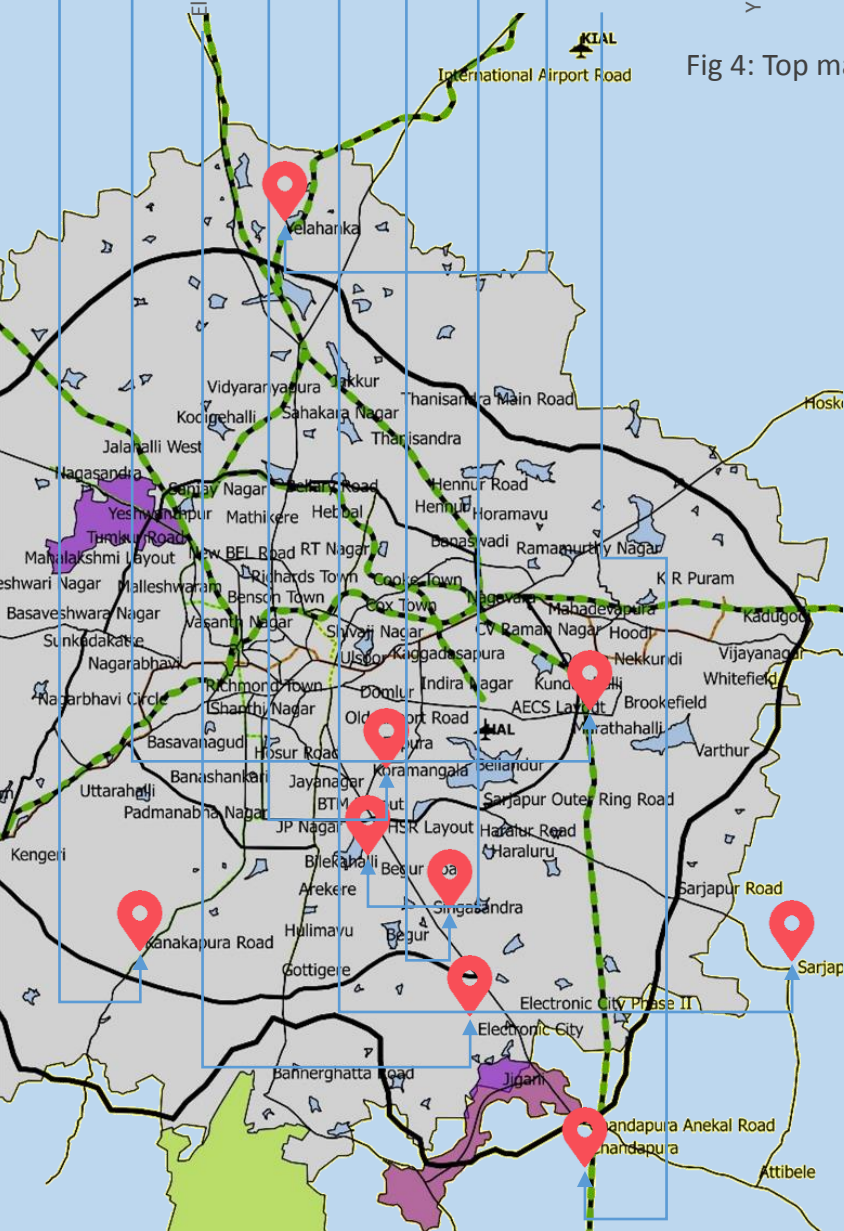


Fig 5: Map showing top markets based on change in price per sq.ft.

Source: Real Insights by CommonFloor.com

1.2 Bangalore – Available Resale Units

Top Markets based on Available Resale Units

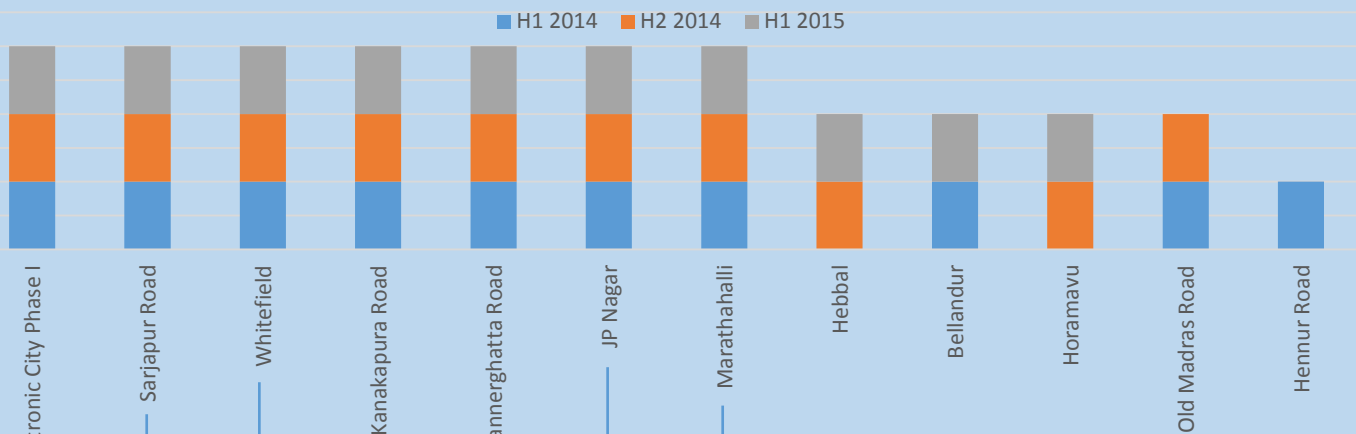


Fig 6: Top markets based on available resale units
Source: Real Insights by CommonFloor.com

Key Takeaways

- East Bangalore markets such as [Sarjapur Road](#), Whitefield, Marathahalli and Bellandur top the list of markets that have maximum number of resale units. This is followed by markets in South and North Bangalore.
- Bellandur and Old Madras Road are the new entrants in the list.

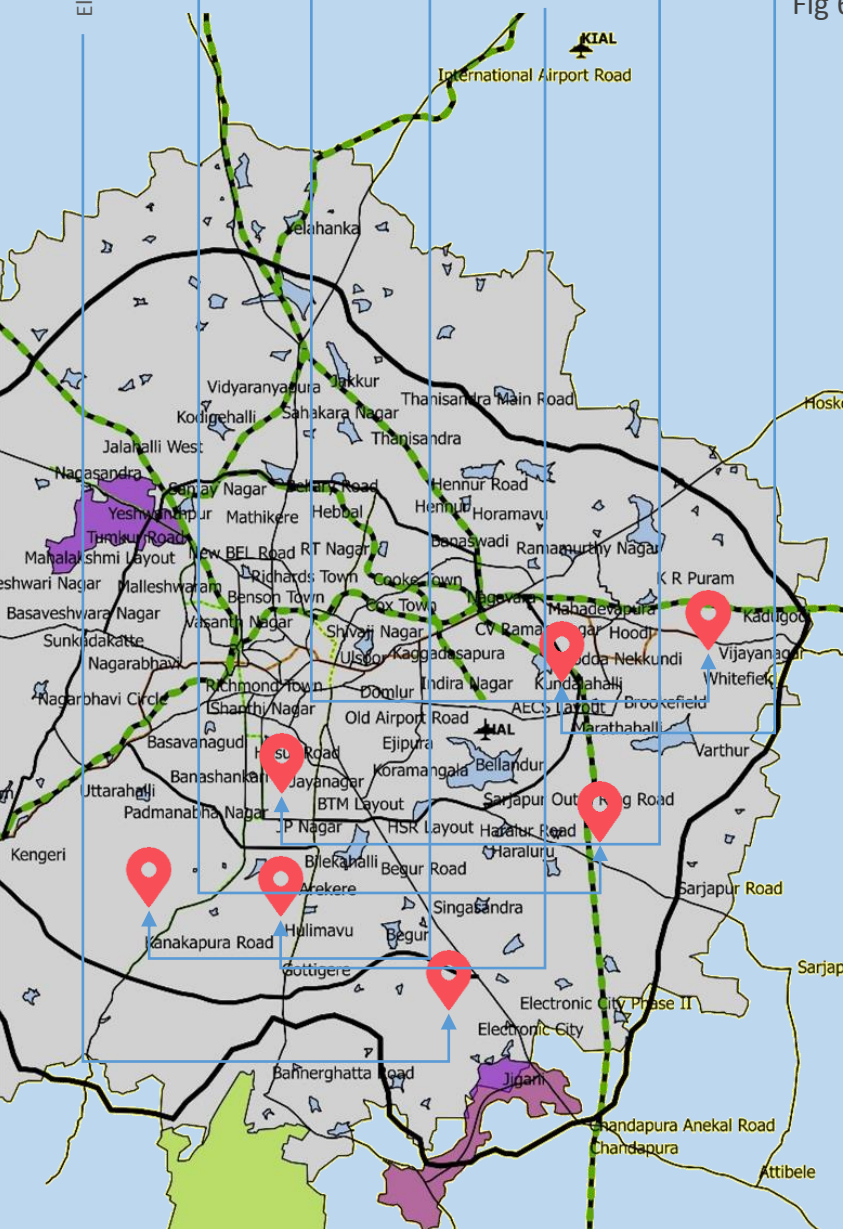


Fig 7: Map showing top markets based on available resale units
Source: Real Insights by CommonFloor.com

1.3 Bangalore – Rental Yield

Top Markets based on Rental Yield

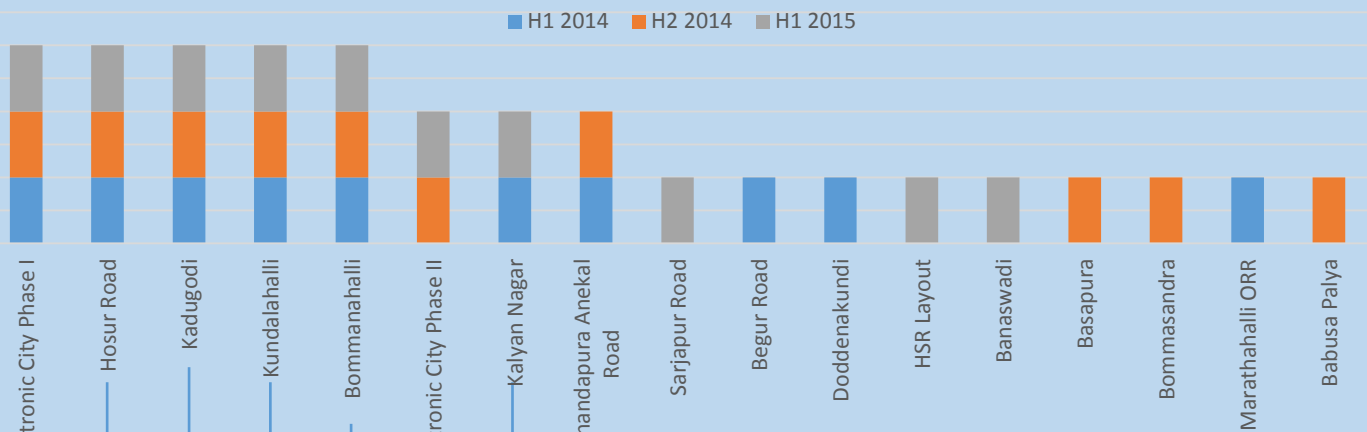


Fig 8: Top markets based on Rental Yield

Source: Real Insights by CommonFloor.com

Key Takeaways

- Electronic City, [Hosur Road](#), Kadugodi, Kundalahalli and Bommanahalli are the Top 5 markets in the city based on Rental Yield from 2012 onwards.
- Clearly, most of the top markets here are established residential destinations or seeing spillover demand from the nearby IT/ITeS destinations.
- IT/ITeS destinations can be broadly divided into 2 categories:
 - Whitefield and ORR Stretch:** Kadugodi, Kundalahalli, Doddenakundi, HSR Layout, Sarjapur Road and Marathahalli
 - Electronic City Stretch:** Hosur Road, Bommanahalli, Electronic City Phase II, Chandapura-Anekal road, Begur road, HSR Layout, Basapura and Bommasandra

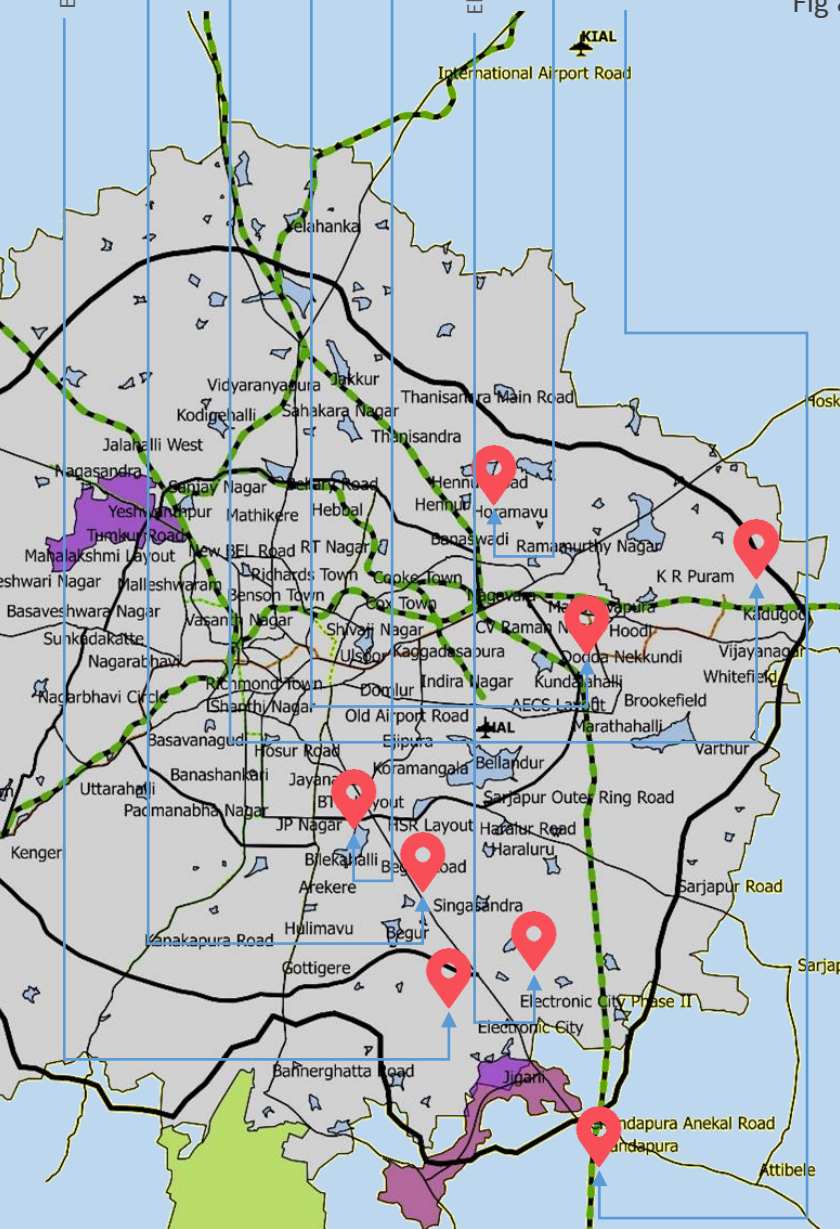


Fig 9: Map showing top markets based on Rental Yield

Source: Real Insights by CommonFloor.com

- Interestingly, there are very few markets from North Bangalore and no markets from West part of the city in this overall list .

***Note:** Data has been considered till September 2015.

1.4 Bangalore - Absorption

Top Markets based on Absorption

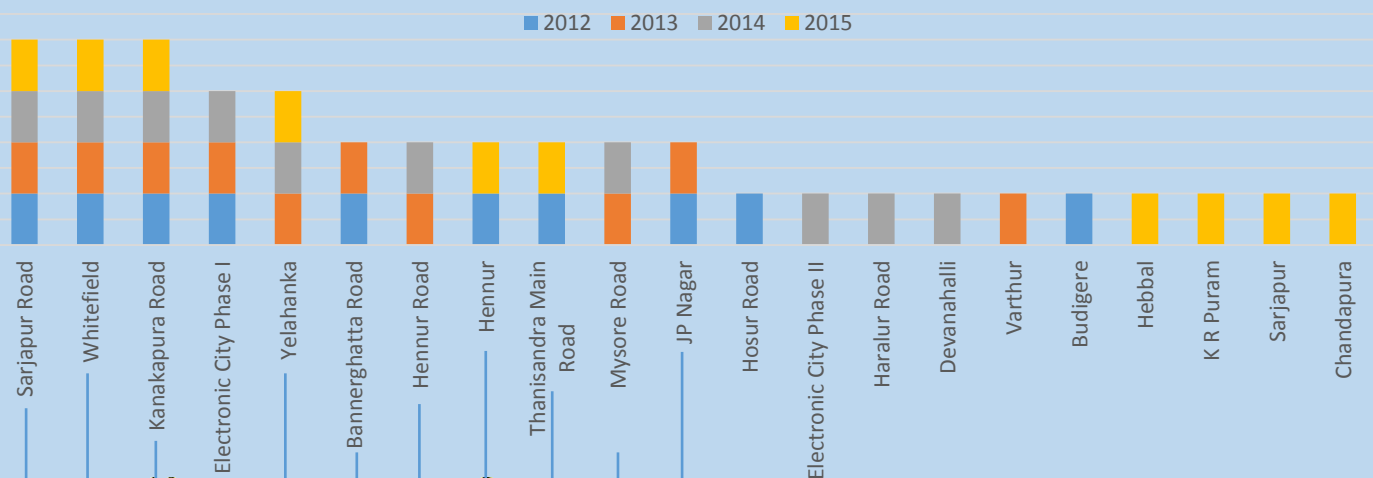


Fig 10: Top markets based on Absorption

Source: Real Insights by CommonFloor.com

Key Takeaways

- Sarjapur Road, Whitefield and [Kanakapura Road](#) are the top 3 markets that saw maximum units absorption from 2012 onwards.
- While Sarjapur Road and Whitefield were basking in the glory due to the IT/ITeS sectors, Kanakapura Road saw absorption due to its affordability and improved connectivity via metro and NICE corridor.
- Interestingly, in 2012, five out of 10 markets with maximum absorption were from South Bangalore.
- On the contrary, in 2015, the focus shifted to East and North Bangalore with both zones comprising of 4 markets each in total units absorption.
- Surprisingly, Mysore Road is the only market from West Bangalore that saw decent absorption in 2013 & 2014.

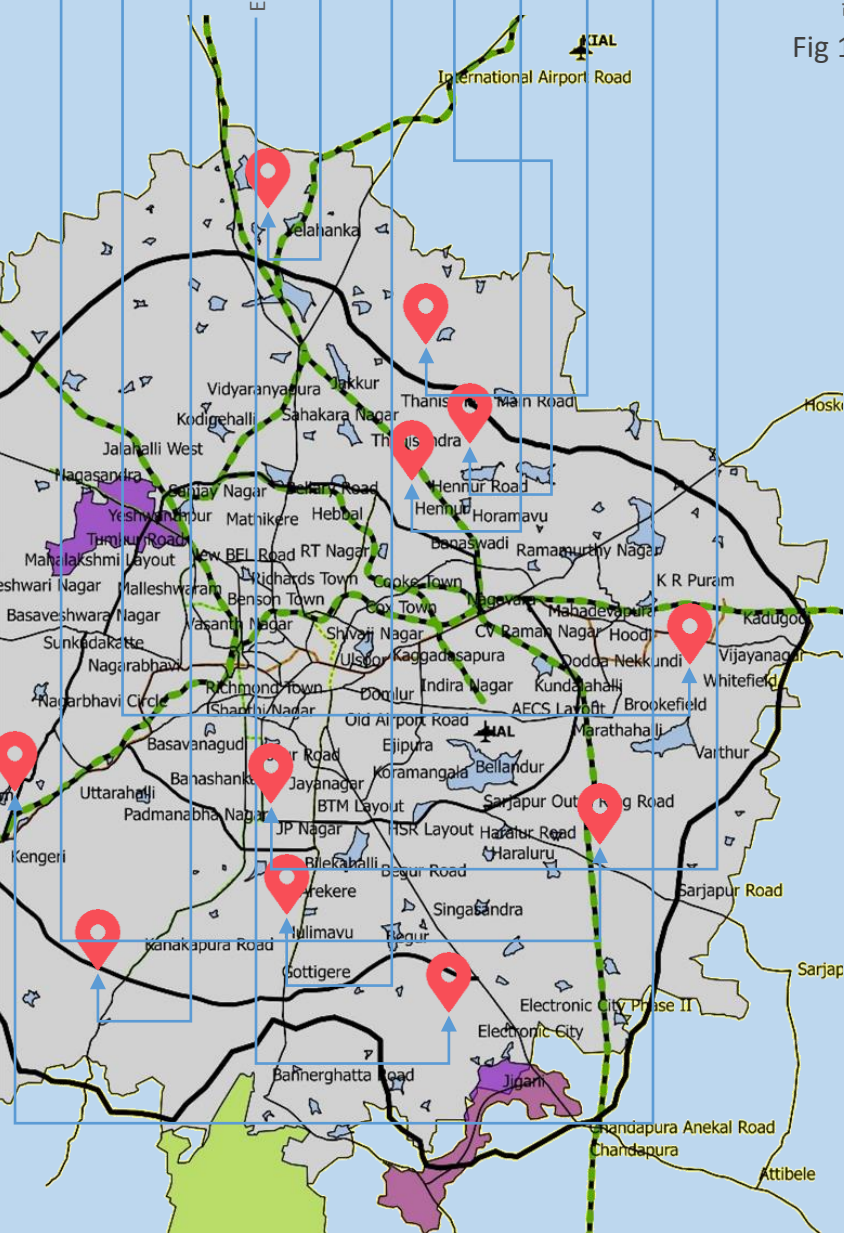


Fig 11: Map showing top markets based on Absorption

Source: Real Insights by CommonFloor.com

1.5 Bangalore – New Launch Unit Supply

Top Markets based on Unit Supply

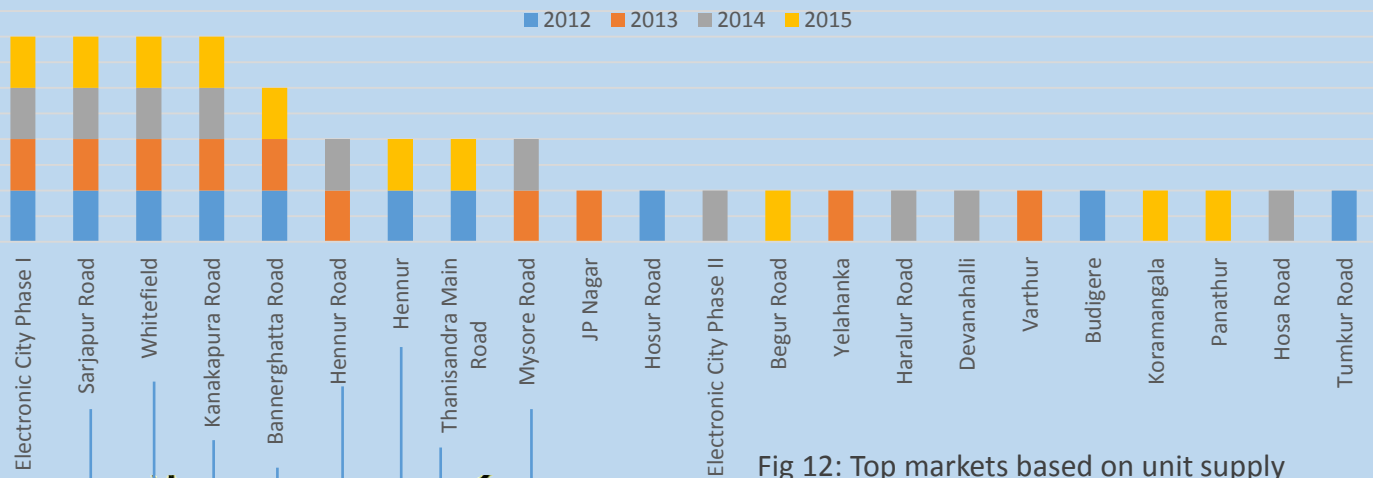


Fig 12: Top markets based on unit supply

Source: Real Insights by CommonFloor.com

Key Takeaways

- [Electronic City Phase I](#), Sarjapur Road, Whitefield and Kanakapura Road are the top 4 markets that witnessed maximum new supply from 2012 to 2015.
- [Begur Road](#), Hosur Road and Haralur Road, the spillover markets of Electronic city, witnessed good supply during 2014 & 2015.
- Varthur saw spillover demand from Whitefield whereas Panathur and Haralur Road witnessed spillover demand from ORR.
- Interestingly, Mysore Road and Tumkur Road are the only 2 markets from West Bangalore. Both markets are essentially industrial hubs with relatively affordable property options.

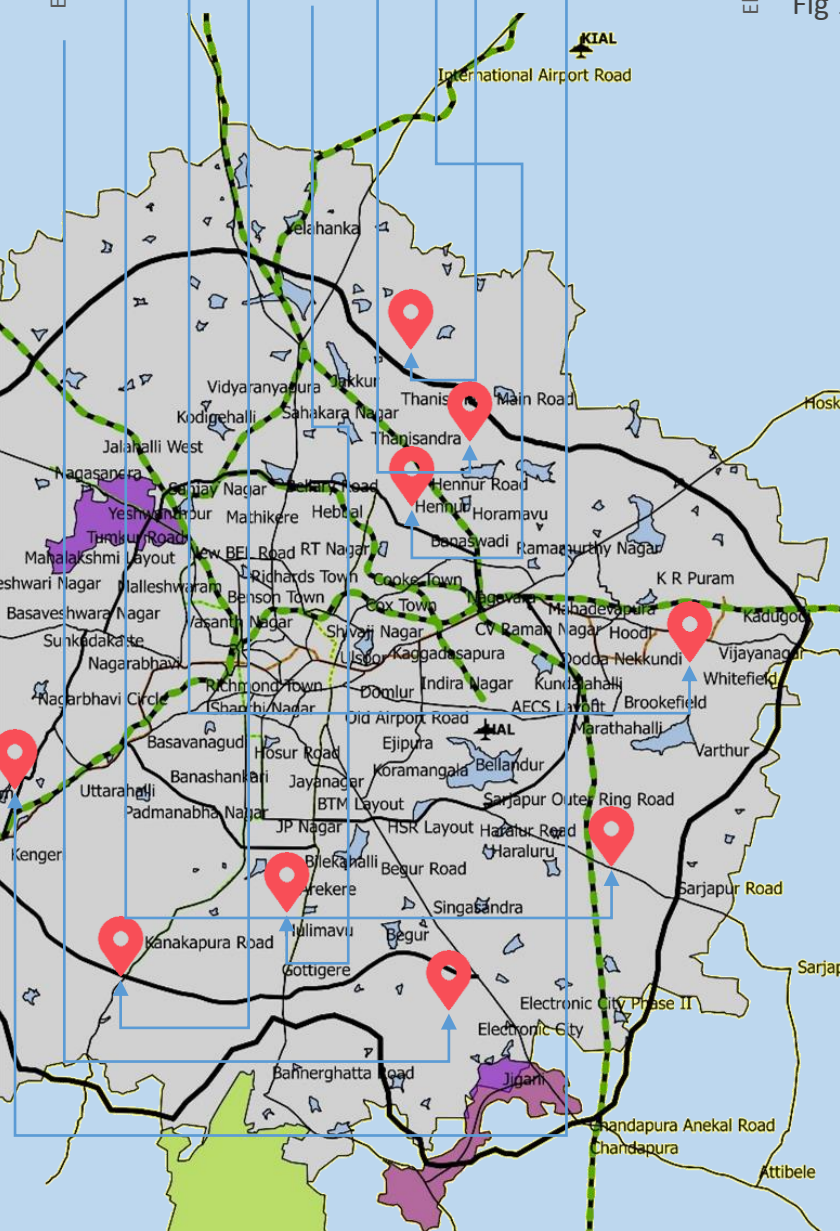


Fig 13: Map showing top markets based on unit supply

Source: Real Insights by CommonFloor.com

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