

SPECIAL LUCKNOW EDITION

Compiled by
360 REALTORS
Commitment | Honesty | Reliability

Lucknow, the Hidden Gem in North India



Introduction

UP is becoming an increasingly attractive real estate investment destination on the back of massive infrastructure developments. The ministry of road transport has recently earmarked around INR 200,000 Crore for highway development and other major logistics development projects in the state.

The investment inflow will be a

major boost to infrastructure development in the city. In the next 10 to 15 years, it is estimated that near around 70% of the state will be urbanized.

Lucknow as the capital of the biggest state of India, natural-

ly becomes the focal point of its infrastructure, urbanization and real estate drives. Lucknow, along with nearby areas such as Kanpur, Bareilly, Sitapur, Unnao etc., is evolving as the State Capital Region (SCR), which is similar to Delhi NCR. The infrastructure in Lucknow has also developed notably as the city currently boasts of 22

top class malls. Likewise, high quality schools, medical facilities and flyovers are present in the market.

Lucknow is home to some of the major residential catchments including Saheed Path (23 KM stretch that connects central

Lucknow to Airport), IIM road, Gomti nagar, etc. In the current UP investor summit, numerous IT parks, SEZs, and other employment facilities have been proposed. This will give further drive to the Lucknow real estate. It is also noteworthy that at a time when most of the markets have either dipped or remained stable, house prices in

Lucknow have moved up

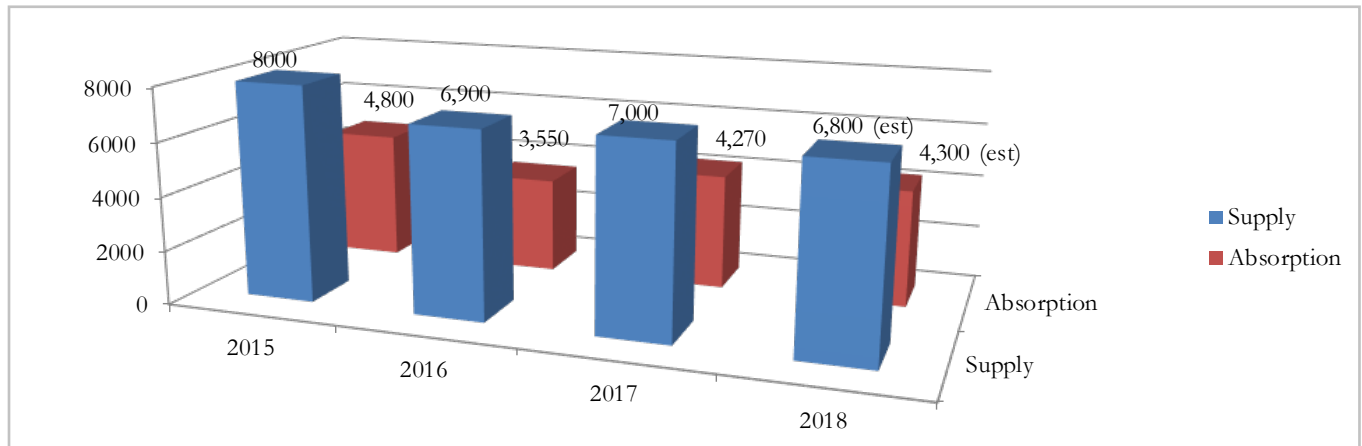
10.25% CAGR (Q1 2015-Q1 2018). Interestingly, as the market is end user centric, it is mostly stable and speculation free, which adds further to the potential of Lucknow real estate market.

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Market Dynamics

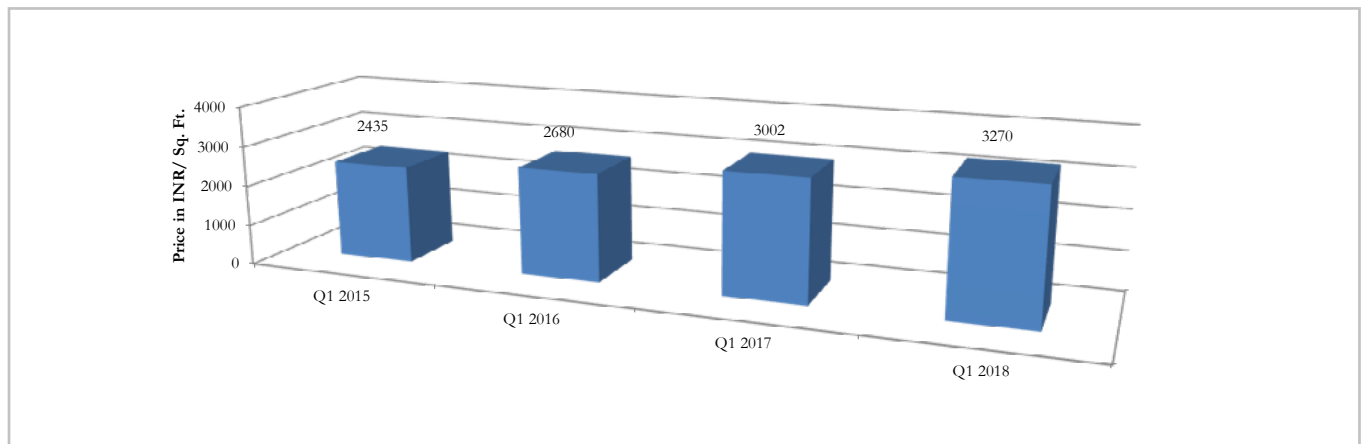
Supply Demand Dynamics

As the Lucknow market is pushing ahead, major big developers have started placing the market on their radars. Over the next 3 years, a total of around 25,000 units are expected to enter the market. Currently, average absorption vis-à-vis supply ranges 50-65% as indicated in the graph below.



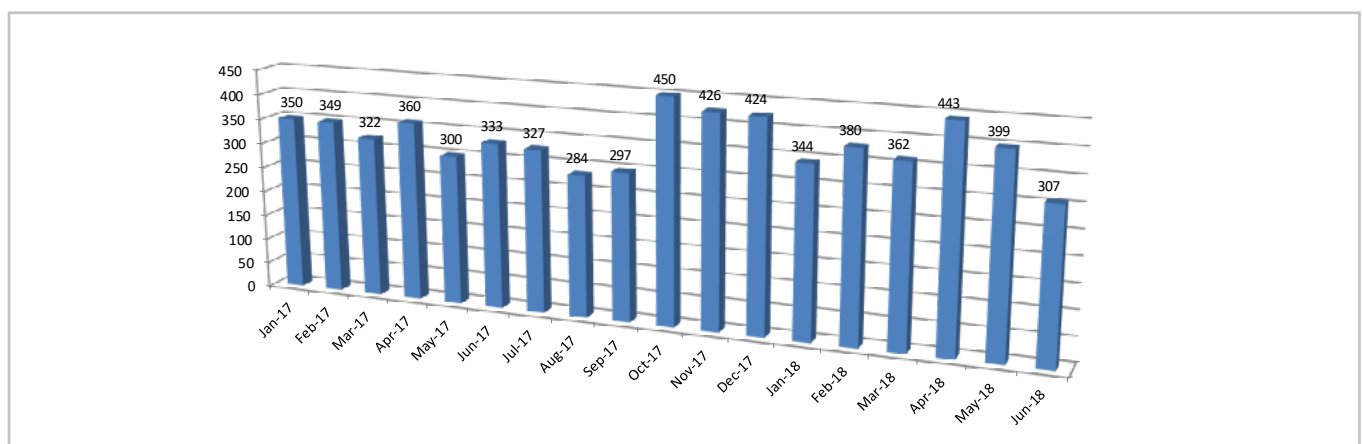
Real Estate Price Movement

As discussed above, prices in Lucknow have appreciated at the rate of 10.25% CAGR from Q1 2015 to Q1 2018. Currently, prices in Lucknow city range INR 3,000-3,500/ Sq. Ft. (average price is INR 3,270/ Sq. Ft. as per the data revealed by 360 Realtors’ business intelligence team.). However, going forward prices will continue to spiral upward at an accelerated rate. As per the estimates by 360 Realtors’ business intelligence unit, the prices will appreciate by 13% in 2018. This will be higher than the average growth rate of 10.25% during the previous 3 years.



Monthly Transaction Analysis

The current monthly run rate in Lucknow stands at around 350-400 units. (This includes the transaction conducted by both organized real estate consultants as well as local brokers.)



The Rise of Organized Real Estate in Lucknow

As Lucknow continues to gain momentum and become one



of the significant real estate markets in northern India, the structure and the nature of the market are also becoming more

organized. Major real estate consulting players such as 360 Realtors, Square Yards, India Bulls and SMC are betting big on the market by setting up larger offices and deploying

bigger sales force in the city. Currently, around 54% of the market is dominated by such organized players. The rest of

the transaction is conducted by other smaller brokers and developers through their individual marketing departments.

As more organized players are coming to Lucknow, they are entailing a major makeover to the real estate market dynamics of the city in the form of frequent usage of advanced real estate technologies, conducting big events and targeted marketing campaigns that adopt multiple channels simultaneously. This is further helping in tapping into the unmet potential of the market. At the current speed, it could be safely estimated that the present monthly run rate of 350-400 units can reach up to 550 units/ month in another 12 months.

About 360 Realtors

Growing at a breakneck yet sustainable momentum, 360 Realtors has emerged as the largest player in primary Indian residential sales in just a short span of time. Having sold over 10,000 individual units, its accomplishments are yet to be matched in the organized primary residential space. The company was founded in March 2014 by a visionary entrepreneur with vast experience in a host of business areas – Mr. Ankit Kansal (also the current Managing Director of the company).

Apart from its relentless drive and unrivalled dominance, 360 Realtors is also known for its stellar reputation in Ethics, Honesty and Reliability. It is greatly credited for bringing in transparency and client centric practices to the Indian real estate, which has otherwise been known for being much unstructured, poorly organized and led by unprofessional middlemen.

Till recently, property purchase in the country has been a cumbersome task due to information misrepresentation alongside uncountable documentations that are required

with each house purchase. Synonymous to its name, 360 Realtors has been bridging the gap by offering unbiased advisory and handholding the client through every step to ensure a hassle free and memorable home buying experience.

Our team of seasoned property experts has successfully been catering to both the customer segments: end users looking for the best-fit solutions that can take care of all their housing needs, as well as pure play investors scouting for risk adjusted greater returns.

“At a time, when major property markets in India are either spiraling down or staying stable, house prices in Lucknow are clocking impressive growth rates. The organic growth in Lucknow’s property prices is backed by unprecedented infrastructure development, surge in employment opportunities and an end user centric housing demand.”



Ankit Kansal, CEO and MD, 360 Realtors

“Over the years, Lucknow market has evolved notably. The market is aggressively moving towards more organization and structure, as major property consultants are deploying larger sales force in the city. This will give further push to the sales volume in the foreseeable future.”



Prashant Mishra, AVP and Head UP, 360 Realtors

“Currently, the market is end user dominated. However, Lucknow’s housing market is luring investors from nearby regions in UP such as Kanpur, Sitapur, Barabanki, Allahabad, Varanasi etc. Going forward, other investors from North India will like to enter the city in search of risk adjusted higher returns.”



Sanjeev Arora, Director, 360 Realtors



Upcoming Developers in Lucknow



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