

Market Spotlight

Nandi Hills



A Vacation
Home Destination
at Bangalore's
Backyard

A Report by

360 REALTORS
Commitment | Honesty | Reliability



Abstract



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The Nandi Hills is fast emerging as Bangalore's own favourite vacation home or second home destination. Situated just ~ 60 km from Bangalore's city center, the Nandi hills region is endowed with plenty of natural beauty. It is blessed with misty clouds, green hills, eco-reserves, and much more. The tourist destination Chikkaballapur is also just at a distance of 10 km. Chikkaballapur has plenty of baroque archaeological sites, temples, springs, etc. and is a popular site for trekking and numerous other adventure sports.

Big developers are showing strong confidence in Nandi Hills with a slew of developers such as Prestige, Purvankara, Godrej, Axon, Mantri etc. planning new launches in and around the Nandi Hill region. A place that was hitherto less known amongst Bangaloreans is suddenly witnessing plenty of new launches of gated villas, plotted developments, farm house communities, lifestyle villas, row houses, second homes, and much more.

The growth in the Nandi Hills property market is not just pinned on its scenic natural beauties and its formidable reputation as Bangalore's lush green backyard. Nandi Hills' property market is also backed by a solid foundation of

demand and supply. Nandi Hills is closer to the North Bangalore region, which after the commencement of the airport is the new commercial capital of Bangalore.

Nandi Hill is close to the airport, which places it in proximity to IT parks, airport business parks, and numerous other business clusters in North Bangalore. The region is also included in the expansive ITIR, a proposed IT mega park in North Bangalore. Besides, in Chikkaballapur, a new pharma park is in the process of being developed. A thriving job market in the vicinity further drives demand for housing and plotted development in Nandi Hills.

The Nandi Hills Market will continue to grow at a steady pace in the foreseeable future, backed by strong organic demand and investor appetite. Besides the investment market, the rental growth is also appreciating steadily backed by a jump in workation, flexible working, long rentals, parties & events.



Nandi Hills Turning into a Thriving Vacation Home Destination

Located around ~ 60 km from the city center of Bangalore, the picturesque Nandi hills are emerging as one of the most sought-after retirement home destinations in the Silicon Valley of India. Till recently, a hidden gem in the wider Bangalore region, this beautiful location with misty hills, thick green forests, and a serene atmosphere is becoming a hotbed for retirement and second homes, plotted developments, low-rise homes, farmhouses, eco-resorts, cottages, etc. A further 10 km from the Nandi Hills is the picturesque region of Chikkaballapur, another calm and serene location with

plenty of greenery, temples, and natural lakes.

Hitherto the horticulture department takes care of the region and has invested systematically developed new tourist facilities and retail hubs such as food courts, greenhouse plantations, multi-cuisine restaurants, etc. thereby making it more attractive. Meanwhile, the region has been handed over to the state tourism board underscoring the government's ambition to transform the same into a bustling tourism avenue.



Nandi Hills at Glance

Proximity	City centre (60 km), airport (37 km), Chikkaballapur (10 km)
Total local population	~ 10,000
Tourist footfalls (Daily)	3000 (weekdays), 5000 (weekends), 10,000 (during monsoon)
Nearby Business Parks	ITIR, aviation park, Pharma Park, Devanahalli IT park
Nearby Railway station	Yeshwantpura Railway station, Nandi Hill station

Popular activities	Cycling, nature walks, jogging, trekking, hill climbing, photography, jungle tours, bird watching, outdoor sports, campfire, parties & picnics
Major Developers Planning Projects	Prestige, Purvankara, Brigade, Axon, Mantri,
Popular project configurations	Mansions, bungalows, plotted villas, farmhouse community, apartments, second home & vacation homes, cottages, studio apartments
Popular plot size	550- 4500 Sq Ft
Popular Tourist Destination	Sri Bhoga Nandishwara temple, Tipu's Drop, Tipu's summer palace, Kandavara lake, Nandi Hill viewpoint, sunset viewpoint, Nandi hills trek
Weather	Average rainfall (9.8 inches), Annual temperature (19-23 degree Celsius), Humidity (60%)
Types of hotels	Budget hotels, luxury suites, studio resorts, village cottages
Multispecialty hospitals	Columbia Asia Hospital, Narayana hospital

Backed by Solid Economic Foundation

The monumental shift in the fortunes of Nandi hills and its nearby region is not just pinned on misty clouds and enthralling drizzles. There is also solid infrastructure growth, which is pushing ahead the demand in the market.

- The Kempegowda International airport in North Bangalore is situated at a distance of just 20 km (~ 25 mins.) from the Nandi hills region. There are flourishing commercial cum residential markets in Yeshwantpura, Hebbal, Hennur, Devenahalli, etc. With thriving residential neighborhoods in close proximity, it is natural that demand for real estate in Nandi Hills is moving upward.
- Recent times have also seen evolving social infrastructure in the form of new schools, multispecialty hospitals, universities, hotels & resorts, which is adding to the overall liveability in the region.
- A pharma SEZ is being developed across ~ 300 acres of land in Chikkaballapur. The Bangalore Aerospace Zone spread across 950 acres of land is also operational.

- An expansive ITIR (Information Technology Investment Region) has been proposed in North Bangalore. The massive infrastructure project was proposed in 2010 and further revived in 2018. More than 50 major IT companies have shown interest in setting up base in this region. The ITIR will intersect the Nandi hills region as well.
- The region enjoys greater connectivity. Via NH 7 it is linked with Devanahalli and other parts of North Bangalore. Through a flyover, it is linked with Hebbal. It will also be cohesively connected with the under-construction 116-km-long Peripheral Ring Road in Bangalore.
- The state government is developing resorts, theme parks, food courts, plantation parks, retail hubs, etc. in Nandi hills to cater to the growing tourist demand.
- Nandi hills region is well connected with the central parts of Bangalore through Bellary road and NH 44.
- Nandi hills' reputation as a popular tourist destination also helps drive its property market. It receives around ~ 3000 tourists from Bangalore. During weekends and the monsoon, which is one of the best times to visit Nandi hills, the daily tourist volume is n/w 5,000-10,000 persons.
- The government has recently given a nod to build a ropeway in the Nandi hills. The project built under the PPP will be prepared at a cost of 93 Crores and cover a distance of 2.9 km.
- The state government in Karnataka is making huge investments in Nandi Hills to transform it from Bangalore's favourite weekend gateway to a tourist destination of domestic and international repute.


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Infrastructure Investments in Nandi Hills

Ropeway project	INR 93 Crores ropeway project spanning 2.9 km in the midst of Nandi hills	Operational by 2025
Disney World	A 100+ Crore proposed amusement park project at the foothill of Nandi Hills	NA
Parking spot	A 30-acre parking spot has been purchased at the foot of Nandi hills	Operational
Infrastructure	10 Crores has been allotted by the state government to develop infrastructure and social facilities	Announced
Trekking Trails	Trekking trails has been proposed across 5 hills near Nandi Hills	Announced



An emerging hub for Nature-based activities

SWOT Analysis of the Nandi Hills Property Market

<p>Strength</p>	<ul style="list-style-type: none"> • Plenty of natural endowments, lush greenery, serene & calm atmosphere. • Host of tourist attractions across the Nandi hill region. • Proximity to the airport (~ 30 mins). • Growth in employment opportunities in North Bangalore driving demand. • It is conveniently linked with North Bangalore, CBD, ORR, etc.
<p>Weakness</p>	<ul style="list-style-type: none"> • The rise in daily tourist volume has affected the natural beauty & tranquillity of Nandi hills in recent years. • Overcrowded roads during weekends. • The problem of waste disposal persists. • The social infrastructure is still developing.
<p>Opportunity</p>	<ul style="list-style-type: none"> • State govt. is developing a ropeway, food court, concert and event venues, retail communities to attract more tourists. • Ideal locations for wellness tourism, eco sports, adventure travel, etc. for the people of Bangalore. • Attractive appreciation and rental yield potential for real estate investors & buyers. • Ample opportunities for investment in the retail sector, F&B outlets, resorts, etc.
<p>Threat</p>	<ul style="list-style-type: none"> • Intense competition from other vacation home locations in South India such as Coorg, Ooty, South Goa, Mopa, Sindhudurg, Vizag, etc. • Protests from local communities over rampant development.

Nandi hills is a reminder of quaint natural beauty with misty clouds across green hills. It is very peaceful & serene, and when it drizzles, the natural beauty grows multifold. Its calm and pristine environment is perfect for someone who would like to decongest from the busy streets of Bangalore and spend some peaceful and

calm moments during the weekends. This is one of the reasons that many top-ranking government officers, corporates, business owners, and start-up junkies are owning cottages & second-home properties in Nandi hills.

Thanks to unique poetic vibes, it is also drawing the attention of writers, poets, art enthusiasts, and other creative souls looking for inspiration within the smouldering heart of nature. Bangaloreans have always taken a special interest in owning a second home or a retirement bungalow. While in the past the focus was more on popular tourist destinations in South India such as Munnar, Coorg, Ooty, Back Waters, etc., things are altering with

the discovery of the lush green beauty in their own backyard. Nandi hills are becoming the new favourite for owning a vacation home. There are plenty of gated communities available with plots priced between INR 35- 80 lacs. The region also offers tremendous appreciation potential, stemmed by steady growth in demand. Major developers such as Prestige, Purvankara, Axon, Brigade, etc. are coming up with new launches in the market.

Nandi HILLS

NATURE BASED
ACTIVITY



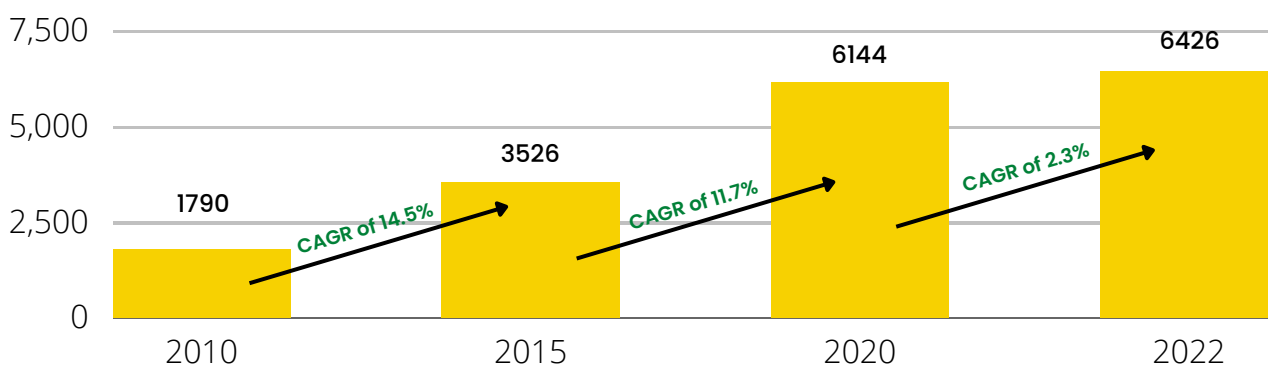
Potential property categories

Property Category	Salient Features
Weekend Homes / Second Homes	<ul style="list-style-type: none"> • Gated villas & apartments amidst plenty of natural beauty. • Gated development with swimming pools, sports, clubhouses, and plenty of other amenities. • Perfect for spending time with close friends and family.
Eco-hotels	<ul style="list-style-type: none"> • Plenty of natural endowments comprised of green backyards, hilly terrains, misty clouds, drizzling rain, etc. • Perfect for yoga retreats, cycling, nature walk, etc. • Vineyards and plantations nearby. • Mountain climbing and trekking facilities in Nandi Hills and nearby Chikkaballapur region.
Premium Resorts	<ul style="list-style-type: none"> • The perfect destination to connect with nature • Home to food courts, retail hubs, community centers, etc. • Perfect place to host parties, marriages, anniversaries, and other events. • Conducive for corporate retreats, outdoor business activities, etc.
Long Rentals	<ul style="list-style-type: none"> • A calm and serene environment makes it an ideal destination for workation, flexible working, and hybrid working. • Plenty of complementary activities to indulge in such as nature walks, sports, cycling, sightseeing, etc. • The place has a natural poetic flair, which makes it a perfect destination for creative professionals, writers, etc.
F&B Outlets	<ul style="list-style-type: none"> • Growth in weekenders, long leases, MICE travellers, and local tourists will drive demand for F&B in the region. • Presently, the market is in its nascent phase, which further makes it a lucrative region to enter. • The state horticulture department is developing a large food court.
Wellness Centers	<ul style="list-style-type: none"> • The Panoramic Nandi hills are perfect for wellness tourism such as Ayurvedic resorts, spa, massage centers, naturopathy hotels, etc. • It can blend Karnataka's rich tradition in Ayurveda and large tourist footfalls in the Nandi Hill region. • Custom-built massage packages can be marketed to business tourists coming to Bangalore as a complimentary offering.
Forest Lodges & Guest Houses	<ul style="list-style-type: none"> • The Nandi hills jungle is home to sloth bears, leopards, and numerous exotic birds. • There are 6 rivers originating from the Nandi hills, further making the region a picturesque location. • The location is emerging as a popular destination for amateur and expert photographers alike.

Price trends in Nandi Hills

The Nandi hills region continues to gain momentum as home buyers, second-home enthusiasts, investors, hospitality developers, and vacation villa operators are getting lured to the region in big volume. The average property prices have jumped up 4.6% during 2020-22, despite the slowdown caused due to the pandemic. During 2015-2020, the average property prices have grown by a CAGR of 11.7%.

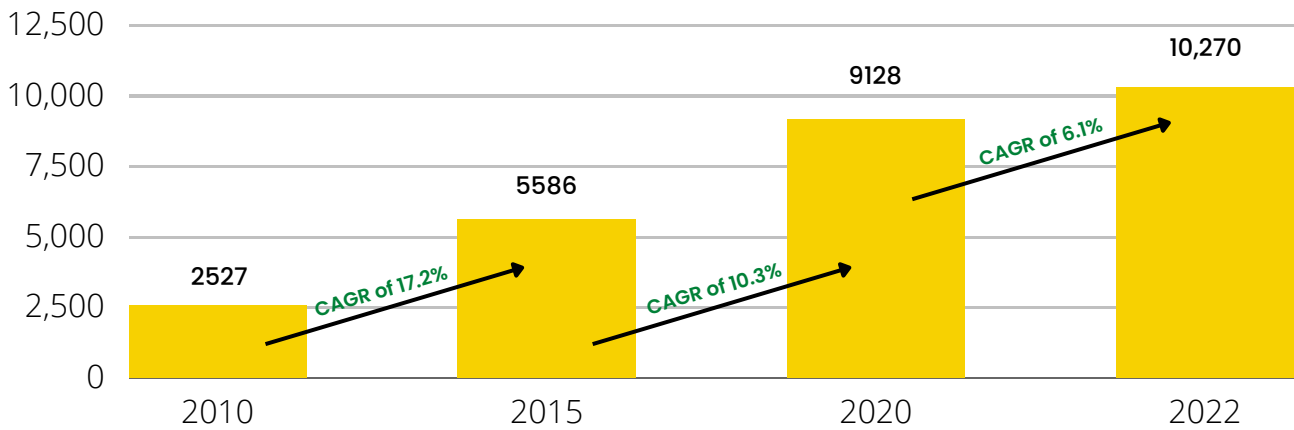
Average property price trends in Nandi Hills Region (INR/ Sq. Ft)



If we talk about the premium villa segment then the growth in the past 2 years has been steeper. Prices have moved up by around 12.5% in the last 24 months. During 2015-2020, the CAGR of property growth has been 10.32% in the category.



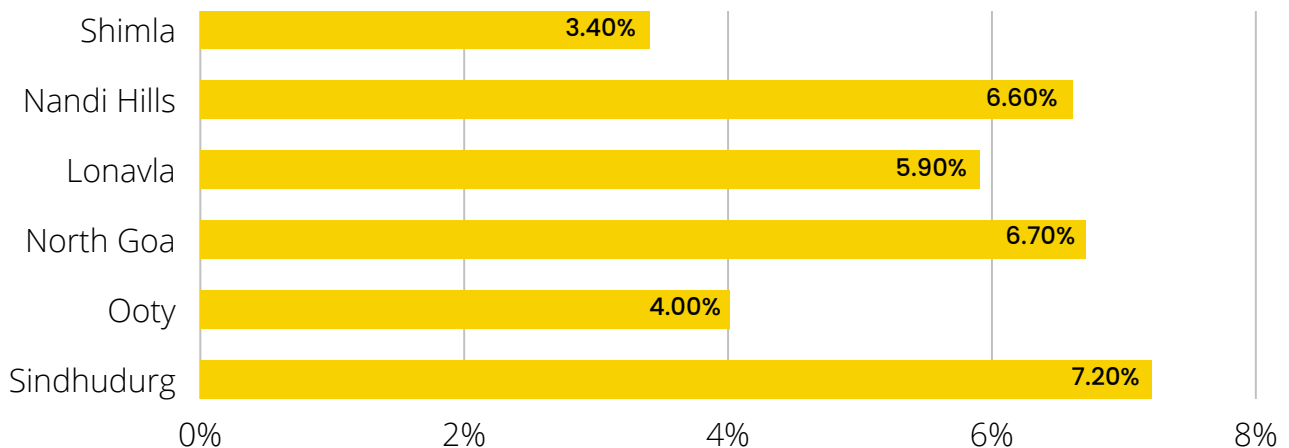
Average property price trends of premium properties in Nandi Hills (INR/ Sq. Ft)

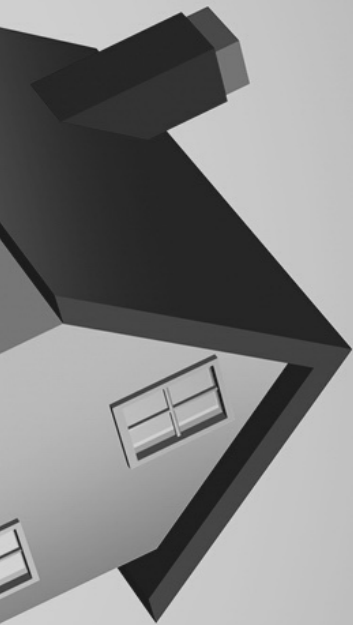


Like other major second-home destinations in India such as Lonavla, North Goa, Konkan ranges, etc. the Nandi hills region is one of the most promising rental markets in India with an average annual rental yield of around 6.6%, as per the research by 360 Realtors. In the premium segment the rental of 3 BHK, 4 BHK villas can range b/w INR 80,000-450,000/ month. There are affordable options available as well.



Annual Rental Yields of major vacation home destination





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