



# Home-buying is now a priority

Kanchan.Gogate @timesgroup.com

The next normal could be a potential opportunity for homebuyers to seal the dream deal. While a lot has been said about how tough time these have been across sectors really included, it's time we drew attention to the fact why this is the best time for investors, first time home-buyers and also those who want to upgrade. With a decade low home loan interest rates, maximum possible price correction, this is the best time to invest.



## HOW OF NOW

Unchanged repo rate by RBI in the recent monetary policy gives a solid indication at the policy level that home loan rates will be steady in the times to come. Manoj Gaur, CMD.Gaurs Group and vice-President-North. CREDAI National says, "Real estate sector needs hand-holding at this point in time. Though unchanged repo rate is understandable the need to have special measures in place cannot be denied. The buyers are coming back to the sector after realizing the importance of real estate asset backed by historically low EMIs, the developers, too, need some interventions that can help them expedite the process of development."

Realty is on the path of recovery and buyers shouldn't wait for the

further price correction. Murali Krishna V, realty analyst, says, "There is uncertainty around real estate prices looming large across markets, but markets like Bengaluru (5%) and Pune (2%) have witnessed the least reduction in prices during this lockdown. And we are almost on the edge of recovery. I strongly feel this is the right time to buy residential real estate assets. One of the reasons I prefer investing in real estate versus in other assets is its resilience."

He adds that home affordability is at its best, making it one of the best times to buy property in markets like Pune, Bengaluru and other metros. "There are fewer launches but good reputed developers are focussing on sales and

product quality. And further correction, especially in primary projects, is difficult, and with lowest inventory burden for developers. I am seeing incredible values out here, and it's exciting from an investment point of view. The big question of price correction will remain a myth. And this is an opportunity for an aspirational home buyer to lock in home at the best price and get better appreciation on the recovery as the experts expect a "V" shape recovery," Krishna adds.

## BUYING OVER RENTING

As high as 91% respondents wanted to buy a home when asked to choose between buying and renting in a survey by property consultancy JLL. About 67% believe that buying a home is a necessity, not a luxury. "Real estate has emerged as the most resilient asset class today and we see potential for more consumers to pivot towards home ownership in the longer-term. In tandem, ongoing work from home arrangements are pushing developers to become more flexible and give homebuyers the option of creating a study room," the survey says.

## WHAT'S NEXT FOR REAL ESTATE TRANSPARENCY?

The JLL survey reveals new pressures emerging that will reshape the landscape of transparency as the real estate industry responds to this period of disruption:

- A fast-changing legal and regulatory environment, as hastily enacted regulations intended to address the unfolding COVID-19 pandemic introduce a new layer of complexity
- The imperative to tackle cli-

- mate change and build a significantly decarbonized economy as the real estate industry comes under pressure to transform to a net zero carbon and resilient future
- Health and wellness rising to the fore, with an elevated awareness of personal and environmental hygiene, health, work-life balance and social relations
- The mass adoption of technology, with proptech platforms and digital tools boosting the volume of data available



## WHY NOT UPGRADE

It is time to upgrade. Those looking forward to upgrade form a new chunk here. Manju Yagnik, industry expert, says, "Due to the pandemic, people are spending most of their time indoors, and have realised the importance of owning a home, which has led to many first time home buyers in the market.

Homebuyers prefer a spacious home, which has resulted in upgrading to a bigger apartment in order to utilize the additional space for various purposes like-boardroom, work station, home-schooling. People are assessing the value of owning a home in safer surroundings like townships that provides the convenience of varied amenities."

PICS: ISTOCK