

Real estate developers in NCR are venturing into the coliving segment



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Delhi-based ASF Group, which has a residential complex in Gurgaon, has decided to construct a model tower for coliving before it considers converting the existing complex into a coliving building.

Real estate developers in NCR are venturing into the coliving segment as demand for houses continues to be sluggish.

Delhi-based ASF Group, which has a residential complex in Gurgaon, has decided to construct a model tower for coliving before it considers converting the existing complex into a coliving building.

According to Cushman and Wakefield, India's coliving market size is expected to double by 2025 to \$13.92 billion across top 30 cities.

"Coliving is a real possibility and we expect a return of 8-9% there against 2-3% return in rental," said Anil Saraf, chairman of ASF Group.

"While we will construct a model tower keeping in mind the requirement of coliving, we can also convert the existing complex into a coliving facility."

ASF is developing an IT sector specific special economic zone (IT-SEZ) in Gurgaon and the coliving will be part of the campus.

Noida-based Gaur's Group, which has delivered more than 50,000 units in 25 years, said time is changing and in the next 4-5 years coliving will be a major market.

"In the next few years, rental housing and coliving is going to emerge as a major market, and since we aim to deliver another 50,000 flats in 5-7 years, we have to keep pace with the changing market," said Manoj Gaur, managing director, Gaur's Group.

A Cushman and Wakefield report on coliving has said the market for coliving in India is evolving at a rapid pace, with investments from national and international institutional investors bringing in much-needed seed capital.

"Within India, the coliving model is currently catering to mostly millennials comprising single, young working professionals and students. Furthermore, as the business evolves, coliving shall transform the face of the rental housing market in urban centres," said Anshul Jain, country head for Cushman and Wakefield.

Coliving facilities are now becoming prominent in Gurgaon, driven by working professionals.

"There is definitely opportunity in coliving, but players need to wait for profit. In future, we might see developers constructing flats just for coliving," said Amarendra Sahu, cofounder of NestAway Technologies. NestAway is in the home rental market and forayed into the coliving space with its subsidiary Hello World.

The cost of a private room in a coliving facility is generally lower than renting apartments in Delhi, Sushant Lok-Gurgaon, and Sector 61 in Noida, thereby making coliving an attractive prospect for millennials.

Stanza Living, a shared accommodation company, has been targeting this high-demand space through a tech-enabled, service-led living solution curated for student needs.

"There has been a steady increase in migrant student housing needs, as well as spending appetite for achieving better standards of living. Instead of traditional rental setups, parents and students are choosing professional operators that offer high-quality propositions curated to suit the unique lifestyle needs of new-age students," said Anindya Dutta, co-founder of Stanza Living.

The Elara Technologies that owns several housing portals has tied up with Oyo Life and Zolo to promote their co-living spaces on its platform, as it enters the co-living market.