

# DECCAN Chronicle *On The Web*

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## An end-user market

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The real estate market in India continues to be an end-user market. However as far as investments are concerned, Delhi, Mumbai and Hyderabad are the top three most preferred real estate investment destinations in 2010, nationally. According to a recent survey, 'Realty Trends 2010' for Indian metros and Tier II cities by web portal Makaan.com, the realty sector in 2010 is going to be driven by end-users. Interestingly, the market on a whole is buzzing with a lot of activity.

As per the survey findings, amongst the respondents, the national capital tops the chart with 34 per cent buyers wanting to buy a house here. This is followed by Mumbai with 28 per cent interested buyers nationally and 11 per cent each in Bengaluru and Hyderabad. The survey also reveals that due to recession and fluctuating property prices, property seekers were shying away from making a property purchase last year, but with the improving economy and slightly stable property prices, property seekers are ready to jump into the market this year. It's interesting to know that most buyers, who are interested to buy a house, this year, want it for self-consumption. This confirms the fact that speculators, which drove the real estate boom from the years 2004 to 2007 are more or less out of the market. And even the ones who are willing to invest at this time are long-term investors.

About 67 per cent of the national property seekers want to buy a house for self-consumption. Only 23 per cent are looking for property options from a long-term investment perspective. Short-term investors have only 10 per cent takers.

When it comes to Hyderabad, the trend is in line with the national findings as 71 per cent of the property seekers from the city want to buy a house for self-consumption. On the other hand 25 per cent buyers from Hyderabad, who want to buy a house this year, are only looking at it from a long-term perspective. Only 4 per cent of the survey takers from Hyderabad want to invest for the short term. The study also aimed at gauging the most preferred areas, amongst homebuyers, to make a real estate purchase in Hyderabad this year. Around 49 per cent interested buyers and a majority of property seekers from the city want to own a house in Greater Hyderabad. The main city of Hyderabad comes next in demand with about 36 per cent property seekers looking for options in this area. Nearly 13 per cent of the survey participants preferred Secunderabad as a real estate investment in 2010.

Informing Aditya Verma, Business Head and Vice President Makaan.com, "With economies stabilising around the globe, the domestic market has also started showing signs of recovery and the buzz around property has started again. However, this time the buyer is more discerning while investing his money in projects. Our recent survey 'Realty trends 2010' is an effort to discover the psyche of current property seekers and help them in making an informed property buying decision."

The study was conducted on the portal between 15th February 2010 — 5th March 2010. The majority of respondents who participated in the survey belong to the age group of 26- 35 years. The study was conducted online and the survey saw participation from over 5,000 property seekers from all over the country.

With the recent moves taken by the government and RBI to infuse liquidity into the market, the property market is showing some noticeable signs of recovery post some more price corrections. It would be wise for property seekers to continue their search and close deals when the prices come to their budgeted levels.

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