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KOLKATA

City Snapshot

Jan-Mar 2023

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RESIDENTIAL

The city has the lowest unsold inventory among the top 8 cities; with less than 25,000 units available for sale at the end of FY2022-23. Kolkata accounted for just 3% and 4% of Pan India's new supply and residential sales, respectively. The official introduction of the RERA portal, which includes details on registered projects, registered agents, a grievance procedure, etc., as well as the need that all active projects be registered by April 30 of 2023, characterised the quarter. Moreover, with the extension of 2% stamp duty cut and 10% circle rate reduction up to 30 September 2023, the sales momentum remained upbeat during the quarter and will continue in the next couple of quarters.

OFFICE

Along with BFSI and IT/BPM strong business demand is being seen by flex operators, particularly from professional services companies aiming to grow in the city. Such businesses occupied strong amounts of flex space throughout the quarter, reaffirming the notion that solid leasing activity will continue to be accounted for by flex spaces in the future. On a quarterly basis, rents were constant throughout the city. Due to the large supply addition in the remaining months of 2023, an increase in the short term seems unlikely. Developers and landlords in Kolkata are expected to continue to focus on attracting and retaining tenants in order to keep occupancy levels in their office portfolios at a healthy level.

RETAIL

In the first quarter, Kolkata had strong retail leasing activity in a variety of sectors, including fashion and clothing, jewellery, consumer goods, and food and beverage. The city also saw several new businesses take up space by opening their stores on well-known main avenues.

Main Streets continued a trend that has been seen over the last several quarters, driving lease volumes in the quarter, accounting for over 90% of transactions whereas Malls recorded very limited transactions. Retailer growth plans are likely to benefit prominent major streets, as space in the city's prominent malls is relatively restricted and no additional supply is anticipated in the near future.

KOLKATA

Synopsis Q1 2023

Source: Reliant Surveyors Research

RESIDENTIAL SNAPSHOT



~11,830 UNITS
New Supply in FY23

~11,730 UNITS
Sales in FY23

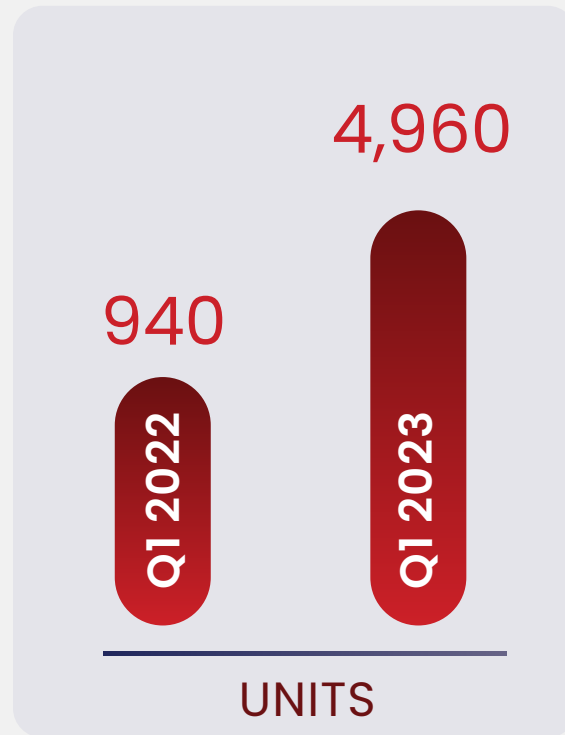
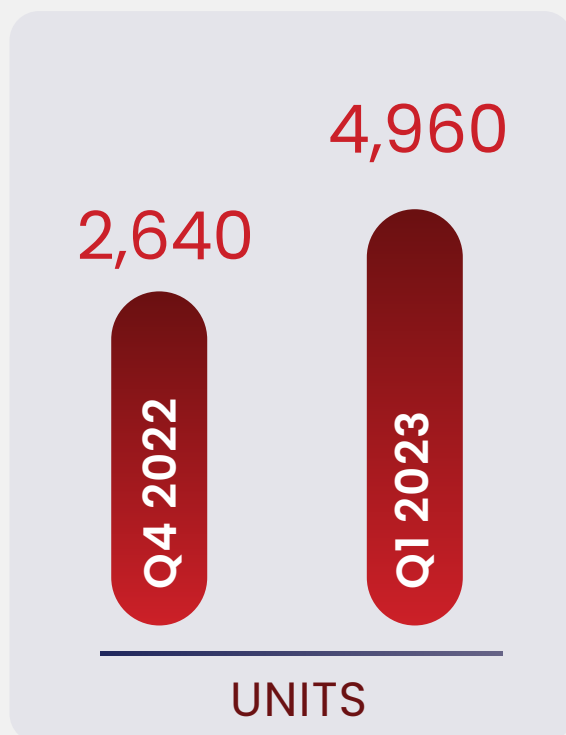
~24,960 UNITS
Unsold Inventory in FY23

~26 MONTHS
Inventory Overhang in FY23

NEW SUPPLY Q1 2023

VS Q4 2022

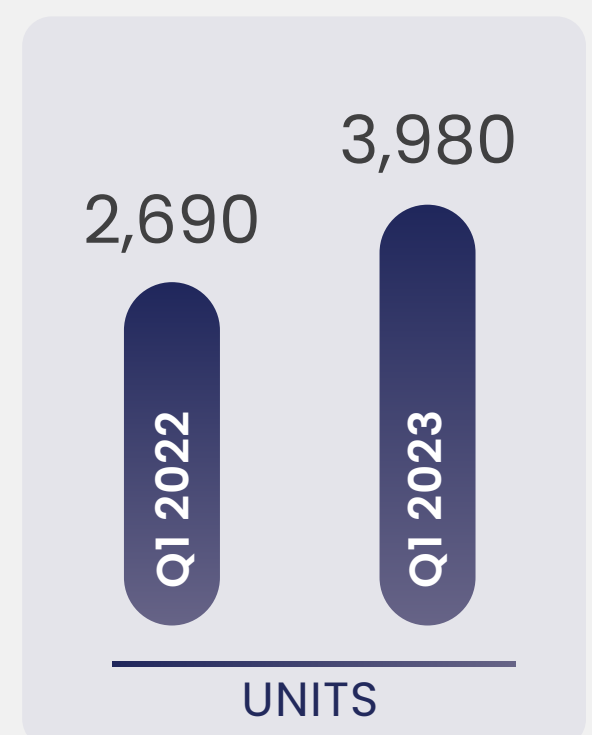
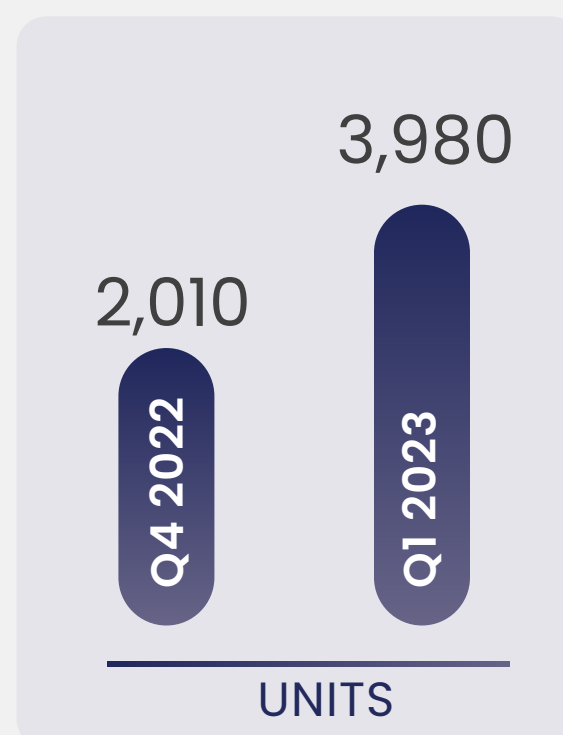
VS Q1 2022



SALES Q1 2023

VS Q4 2022

VS Q1 2022



RESIDENTIAL SNAPSHOT



TOP LOCALITIES BY SALES

Rajarhat

New Town

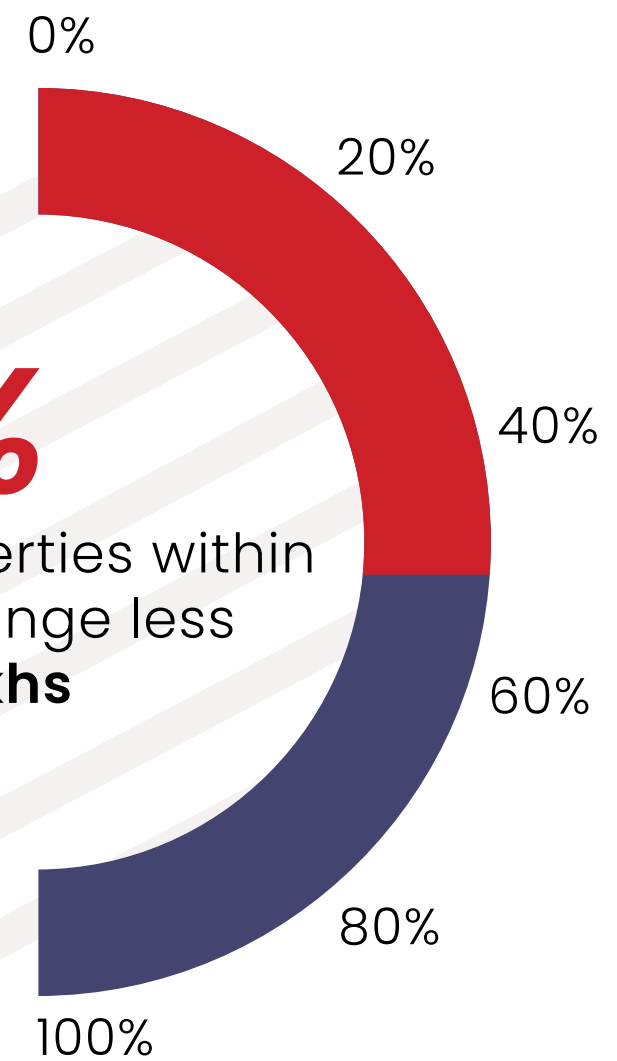
Madhyamgram

Tollygunge

Joka

55%

Prefer Properties within a Budget range less than **45 Lakhs**



6%

4 BHK

6%

1 BHK

42%

3 BHK

46%

2 BHK

RESIDENTIAL SNAPSHOT

New supply of over 4,900 units were registered in Kolkata during the first quarter of 2023, with a 4x year-over-year growth and 88% growth over the previous quarter. New launches were majorly dominated by themed-ranged projects and affordable segments. The city also witnessed the launch of a large residential township on the banks of the Hooghly river and an ultra-luxury project at Elgin Road in central Kolkata.

Sales, on the other hand, continued to record the highest quarterly numbers in the last 4 years, which stood at nearly 4,000 units. Maximum demand was registered in the affordable projects of the prominent localities of Rajarhat, New Town, Joka and Madhyamgram.



OFFICE SNAPSHOT



~0.30_{MSF}
New Supply in FY23

~1.76_{MSF}
Gross Leasing in FY23

~1.26_{MSF}
Net Absorption in FY23

~29.7%
Overall Vacancy in FY23

NEW SUPPLY Q1 2023

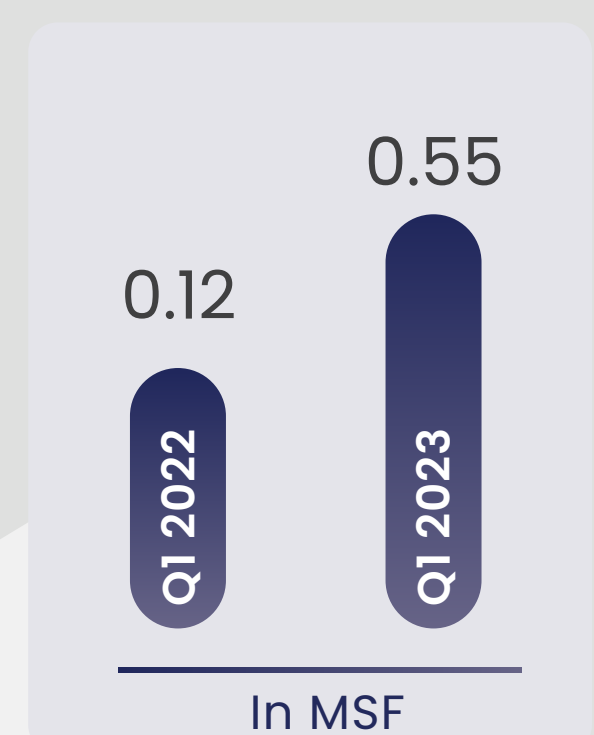
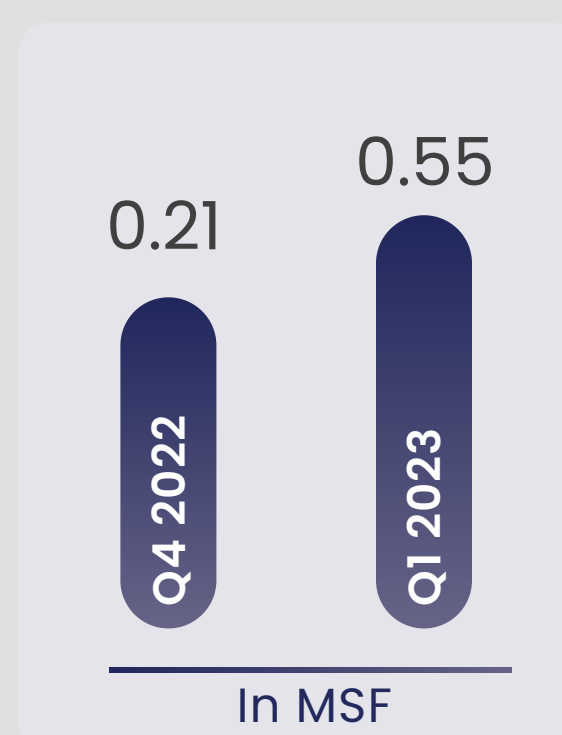
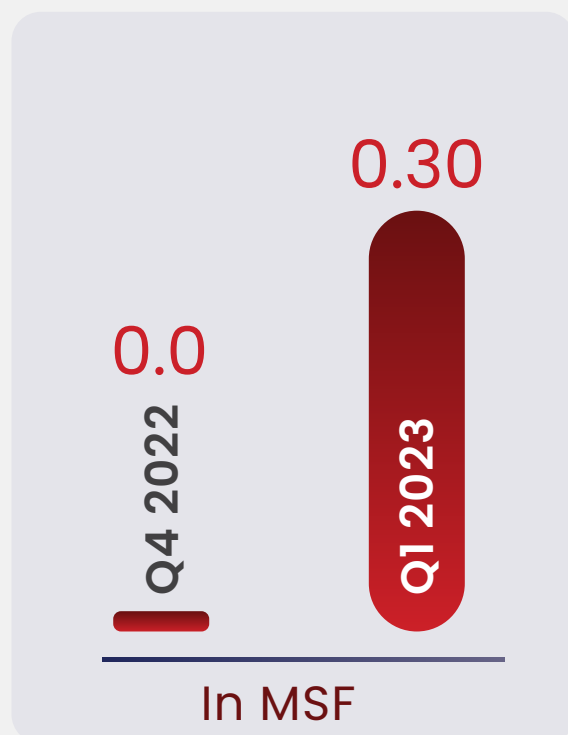
NET ABSORPTION Q1 2023

VS Q4 2022

VS Q1 2022

VS Q4 2022

VS Q1 2022

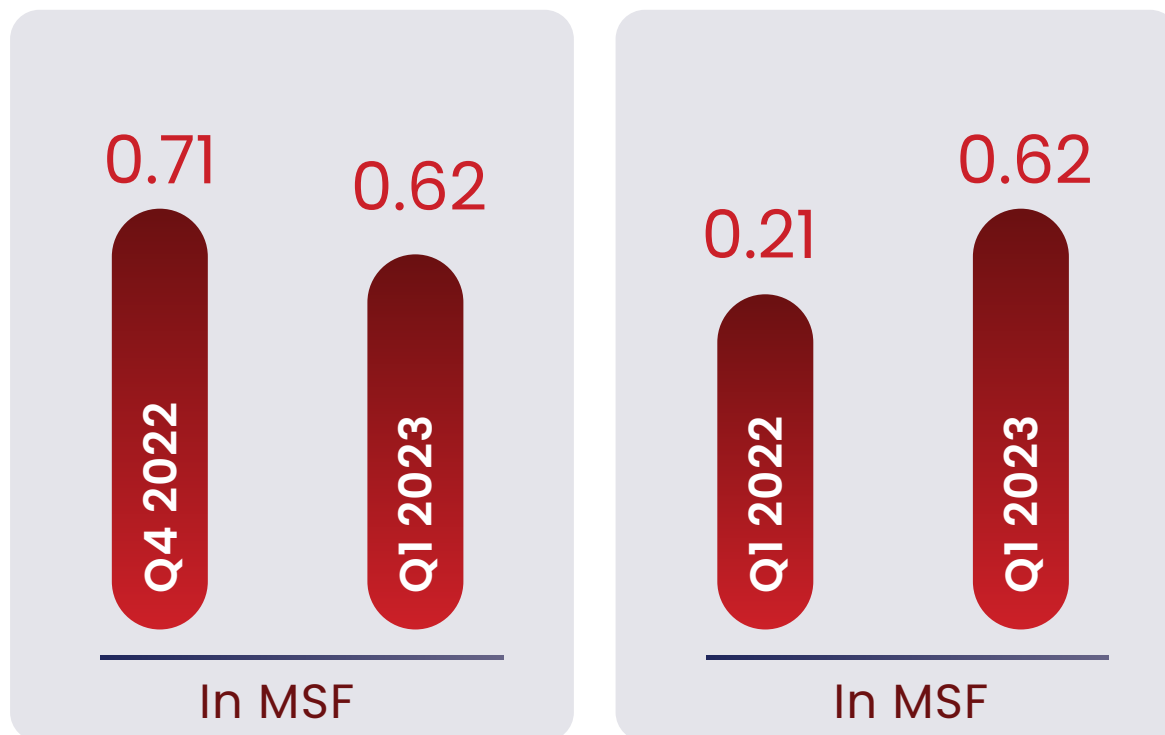


OFFICE SNAPSHOT

GROSS LEASING

VS Q4 2022

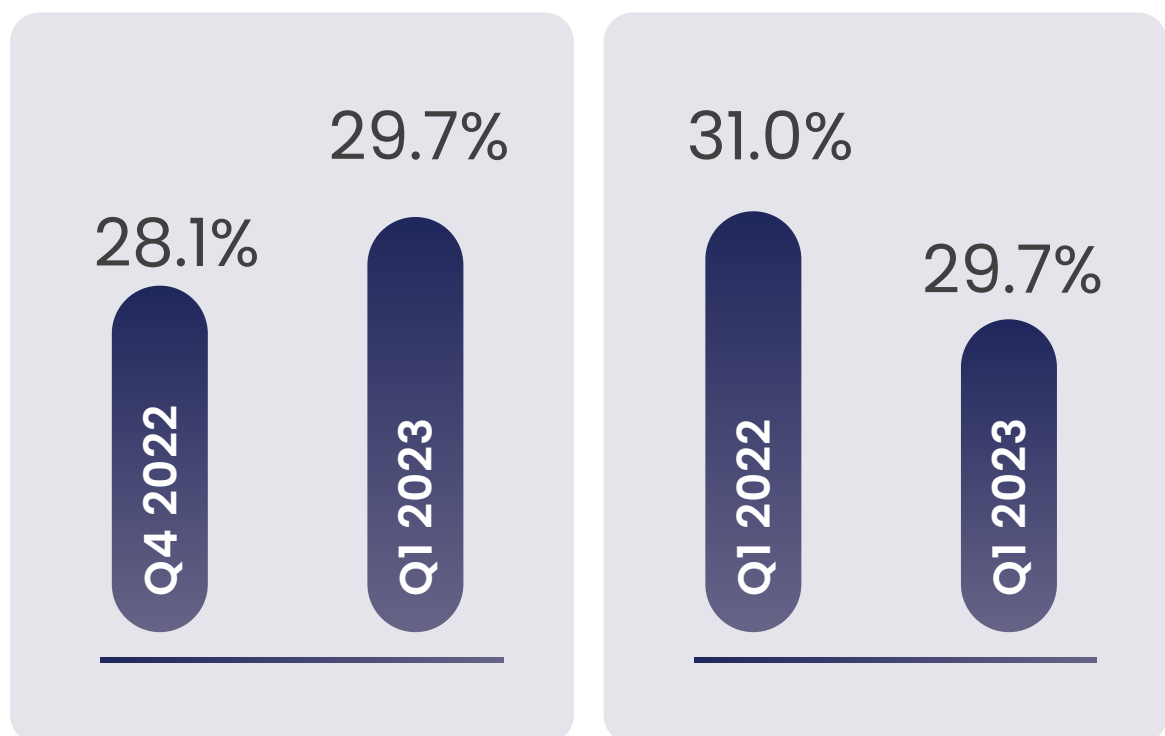
VS Q1 2022



OVERALL VACANCY

VS Q4 2022

VS Q1 2022



The quarter ended off strong with gross leasing of around 0.6 msf, achieving an annual appreciation of nearly 200% and a quarterly rise of 6%. BFSI and IT-BPM sectors accounted for over 60% of the total leasing across the city, in the prominent areas of Salt Lake and Rajarhat.

The city has recorded a new supply of 0.30 msf, after remaining devoid of any new supply in the last 3 quarters. Going forward, approximately 3 msf of new office space is likely to be completed in next 3-4 years.

RETAIL SNAPSHOT



GROSS LEASING

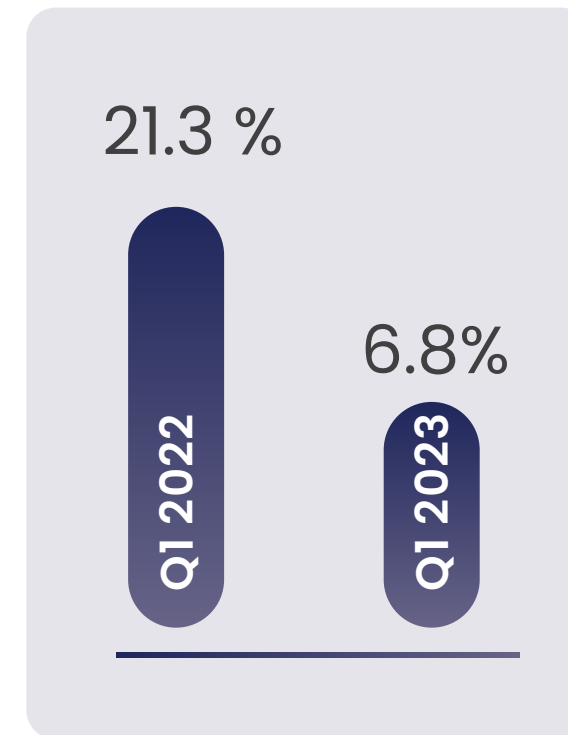
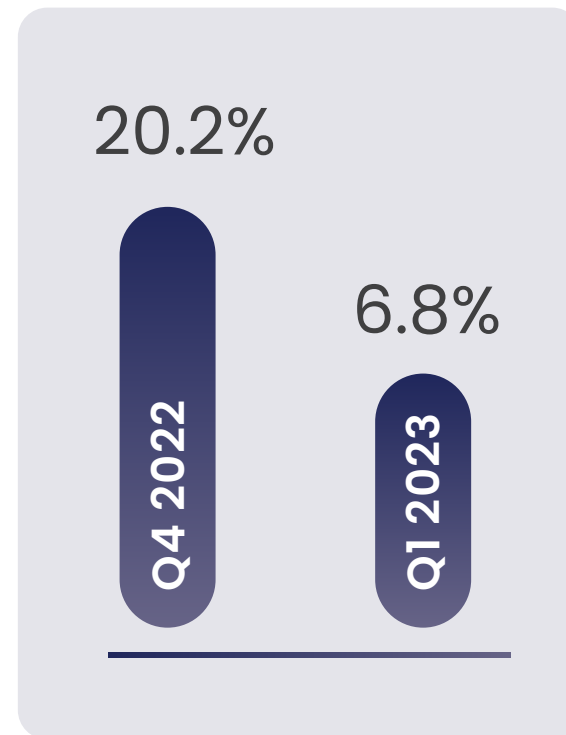
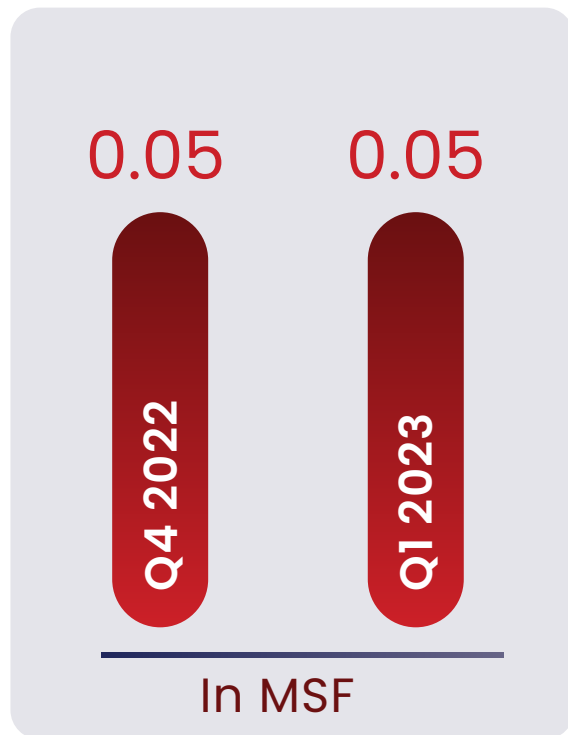
OVERALL VACANCY

VS Q4 2022

VS Q1 2022

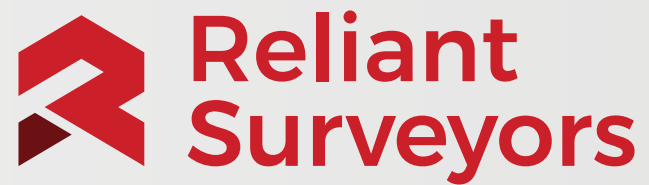
VS Q4 2022

VS Q1 2022



Fashion and clothing, jewellery, consumer goods, and food and beverage were among the sectors where Kolkata saw strong retail lease activity in the first quarter.





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