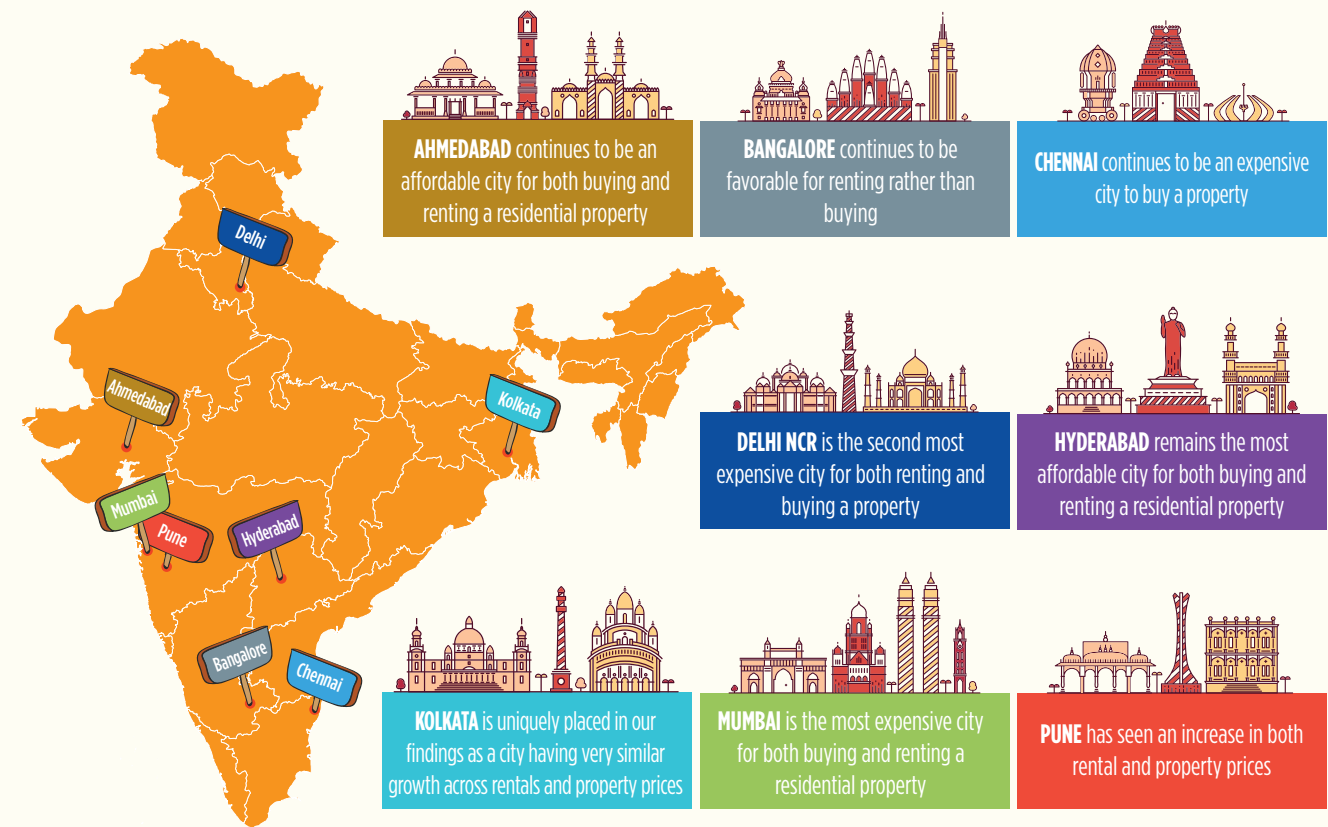




Real Picture Of Real Estate

The best way to gauge the progress of a city is to see its housing scenario. Can the lower strata think of a safe and secure house with access to all the amenities? If yes, what about the parity between being able to own a house and rent one. The housing dynamics affects the other issues such as migration into the city, population density, crime levels, inclusion, diversity etc. Here's a bird's eye view of the real estate scenario of the country, broken down to metro cities for better clarity.

Buy vs Rent Research Covers Top 8 Cities Across India



Methodology and Assumptions

METHODOLOGY

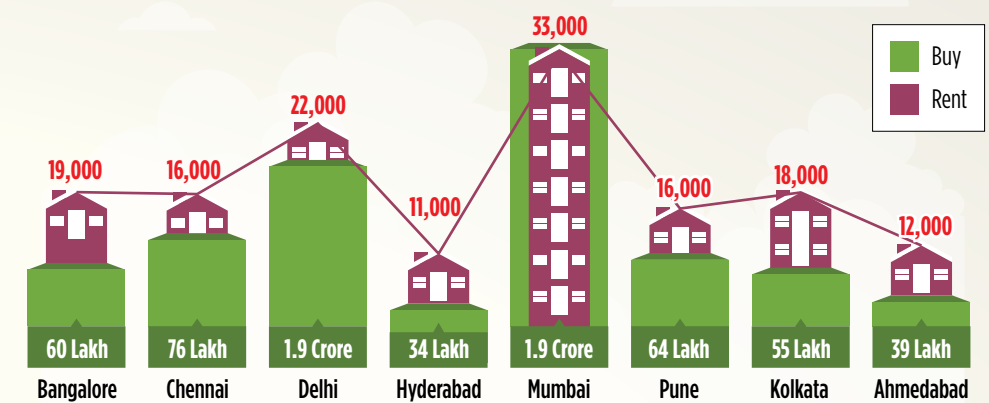
The methodology used for arriving at the results considers various key parameters derived from the initial data collected which include price of the residential property, rental values, years of saving for accumulating down payment, initial security deposit amount while renting a property and lastly the purchasable area (number of square feet) per INR 1.0 lakh.



ASSUMPTIONS

- The sale price and rental values are calculated for a ready to occupy 1,000 sq. ft. residential property
- Baseline gross annual income for analysis is considered to be INR 8.0 lakh
- Initial down payment amount = 20% of the house price
- Tenure for the home loan is considered to be 15 years
- Home loan lending rate is considered to be 9.75% per annum
- Average savings rate towards residential purchase is 25% of one's annual income
- Monthly EMI to be paid = 50% of monthly take home salary
- Property tax = 1.5% of the property value
- Property appreciation is not considered for EMI and down payment calculations
- Rental security deposit varies depending on the city

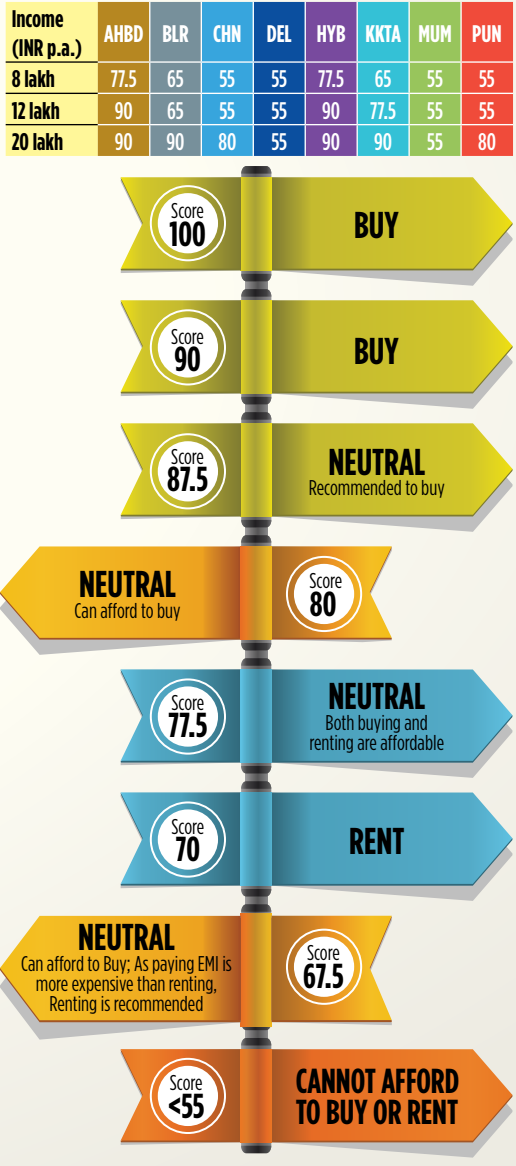
Trend analysis of Property Prices v/s Rental values



Urgency-to-Buy (UTB)* Ranking



Buy vs Rent Score*



*This ratio helps in understanding whether the rental yields are in line with the property prices in a city. The average monthly cost of renting is derived from the sum of rents and maintenance cost whereas monthly cost of buying is calculated by adding maintenance cost with the EMI. UTB is a ranking that enables people to take an objective decision to either buy or rent.

*Buy Vs Rent Score is a tool to logically compare rentals and/or property prices across cities. AHBD= Ahmedabad; BLR=Bangalore; CHN=Chennai; DEL=Delhi; HYB=Hyderabad; KKTA=Kolkata; MUM=Mumbai; PUN=Pune