

REAL ESTATE MAY PERK UP IN 2016

Property consultants like JLL India believe that 2016 may well bring an end to the long and painful journey this sector has had, and signal an upward growth trajectory with the sector emerging as an organised industry

Having gone through a prolonged period of slow-down, the real estate sector seems to be looking up once again.

Although the residential real estate failed to register the expected growth in 2015, the bad days seem to have bottomed out and sentiment around the sector has improved in the last few months, following the recent initiatives of the Modi government and also on account of an upturn in consumer demand.

"The real estate was going through a painful business down-cycle in the first half of 2015 owing to multiple factors. But with various tough decisions taken by the RBI and the government, the sector is now on the path

well as buyers," Prithvi Raj Kasana, MD of Morpheus Group, said.

The RBI is also expected to reduce the repo rate further in 2016. "We expect that FIs will pass on the benefit extended by the RBI in previous reviews, and that lending rates will come down. These steps have generated a buzz in the industry and 2016 seems to be full of promises. The sector has been facing slowdown for a very long time now. However, with enough boost from the government and the RBI, this is set to change in 2016," Rajesh K Gouri, VP of Homestead Infrastructure, said. —**Sanjeev Sinha**



to recovery. The recent amendments in the realty bill, for instance, has introduced—for the first time in India—the provision for arranging insurance of land title, which will lead to renewed confidence among buyers and will definitely give the real estate market this year a leg up," Gautam Sethi, MD of AMB Group, said.

More important, consumer sentiment in the real estate space is expected to improve with the Modi government easing FDI norms, launching REITs, giving nod to the real estate bill, and launching mega projects like "100 Smart Cities" and "Housing for all".

"These measures will not only bring in the much-required transparency into the sector and lift it, but also boost the overall economy of the country. Moreover, the recent rate cuts by the RBI have given the much-needed impetus to the sector fraught with slowdown. All these policy reforms have brightened the prospects of the realty sector in 2016, where the realty index is expected to move up and the market back on track. I am confident that 2016 will be a win-win situation for the sector as

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