

For Immediate Release

## Mumbai is 16th most expensive prime residential market in the world Knight Frank’s Prime International Residential Index

- Thriller in Manila, as city’s 11% price growth leads
- Luxury home prices in the Asia Pacific gained 2.7%, higher than the global average
- Indian luxury home markets remain low on growth chart with Delhi gaining 1.4%, Mumbai 0.3%
- PIRI 100 records lowest rate of annual growth since 2012

**Mumbai, March 6, 2019** – The Philippines’ capital city of **Manila** led the Knight Frank Prime International Residential Index (PIRI 100) after luxury home prices jumped 11% last year, bolstered by a lack of supply and a thriving domestic economy. However, Manila’s performance pales in comparison with the top growing residential markets of the past tracked by the index. In the 12 years that Knight Frank has monitored the value of 100 luxury residential markets, the best-performing city has yet to record annual growth below 21%.

**Mumbai (67 PIRI rank)**, which has the most expensive real estate in India, saw a marginal rise in prime real estate costs at 0.3% while Delhi recorded a rise of 1.4% putting it ahead of Mumbai at 55<sup>th</sup> rank on the survey. Bengaluru recorded a rise of 1.1% rise in prime residential real estate in 2018 over previous year.

**Nicholas Holt, Head of Research, Knight Frank Asia Pacific** says, *“While Manila’s 11% growth is far from the norm for the city, it confirms the theory that outliers are disappearing, and we are moving to a period of slower price growth. Within Asia-Pacific, a slowdown from a 4.9% average growth rate in 2017 to 2.7% in 2018 illustrates this trend.”*

**Singapore** was the only other city in Asia-Pacific that emerged in the top ten of the PIRI 100. The city-state witnessed more demand for luxury homes following changes to the Seller Stamp Duty regulations. Last year saw prices climbing 9.1%; however, cooling measures introduced in mid-2018, including stamp duties for developers and non-residents, slowed the market considerably, and prices are expected to remain static this year. The third-best performing Asian city is **Tokyo**, where prices climbed 6.8%.

### KNIGHT FRANK’S PIRI 100 TOP 10 PERFORMING MARKETS<sup>1</sup>

Rank	City	% Change (Dec 2017 to Dec 2018)
1	Manila	11.1%
2	Edinburgh	10.6%
3	Berlin	10.5%
4	Munich	10.0%
5	Buenos Aires	10.0%
6	Mexico City	9.5%
7	Singapore	9.1%
8	Boston	8.6%
9	Madrid	8.1%

<sup>1</sup> Sources: All data comes from Knight Frank’s global network with the exception of: Tokyo (Ken Corporation); São Paulo and Rio de Janeiro (Fundação Instituto de Pesquisas Econômicas); Oslo (Torbjørn Ek); Chicago, Los Angeles, Miami, New York, San Francisco, Seattle and Washington DC (S&P CoreLogic Case-Shiller); Barcelona (Ministerio de Fomento); Jersey (States of Jersey); Berlin and Frankfurt (ImmobilienScout 24); Toronto (Toronto Real Estate Board); Mexico (Sociedad Hipotecaria Federal); Stockholm (Svensk Mäklarstatistik AB).

10	San Francisco	7.8%
55	Delhi	1.4%
56=	Bengaluru	1.1%
67	Mumbai	0.3%

Source: Knight Frank Research

## ASIA-PACIFIC PRIME RESIDENTIAL MARKET

Overall, luxury home prices in Asia-Pacific gained 2.7% with most markets experiencing low, yet steady growth. However, growth in the region was still higher than the global average. In 2018, the PIRI 100 recorded its lowest rate of annual increase since 2012 as the value of prime residential markets around the world rose by only an average of 1.3%, down from 2.1% in 2017.

The slowdown in the PIRI 100 last year is a consequence of increasing global interest rates. *“As ultra-low interest rates have driven the global real estate markets since 2008, it is inevitable for the markets to experience lower price growth amid the shift in monetary policy,”* adds Holt.

In terms of the cost of prime residential real estate, **Hong Kong** is the second-most expensive market in the world. Every US\$1 million spent buys only 22 square metres (sq m) of luxury property in the territory. **Singapore** with 36 sq m is the fifth most costly place to buy prime residential property while **Sydney** is at eighth place (52 sq m) and **Shanghai** at tenth (57 sq m). Mumbai has shown a downward movement in capital values for its prime residential markets. **In Mumbai, US\$ 1 Million can now buy approximately 100 square meters (sq. m) translating to approximately US\$ 930 per square feet.** In Delhi the same amount can buy 201 sq. m. Bengaluru will be the most affordable of the three Indian destinations with a potential of buying 334 sq. m

## SQUARE METRES OF LUXURY PROPERTY US\$1M WILL BUY AROUND THE WORLD<sup>2</sup>

City	Square metres	Square Feet
Monaco	16	172
Hong Kong	22	237
New York	31	334
London	31	334
Singapore	36	388
Los Angeles	39	420
Geneva	41	441
Paris	46	495
Sydney	52	560
Shanghai	57	614
Beijing	67	721
Tokyo	67	721
Berlin	73	786

Miami	93	1,001
Melbourne	97	1,044
Mumbai	100	1,076
Istanbul	109	1,173
Dubai	143	1,539
Cape Town	177	1,905
Sao Paulo	200	2,153

**Shishir Baijal, Chairman and Managing Director,** *“Mumbai while being India’s most expensive prime real estate market, still stacks well against many other markets. Mumbai will buy ten times the space as in Monaco and over three times more space as in London and New York. While Dubai allows you to about 50% more space as in Mumbai.”*

**Shishir** further added, *“Prices have corrected marginally over the last one year enabling comparably higher space in the city.”*

~ end ~

#### About Knight Frank

Knight Frank LLP is the leading independent global property consultancy. Headquartered in London, Knight Frank has more than 18,170 people operating from over 523 offices across 60 markets. The Group advises clients ranging from individual owners and buyers to major developers, investors and corporate tenants. For further information about the Company, please visit [www.knightfrank.com](http://www.knightfrank.com).

In India, Knight Frank is headquartered in Mumbai and has more than 1,000 experts across Bangalore, Delhi, Pune, Hyderabad, Chennai, Kolkata and Ahmedabad. Backed by strong research and analytics, our experts offer a comprehensive range of real estate services across advisory, valuation and consulting, transactions (residential, commercial, retail, hospitality, land & capitals), facilities management and project management. For more information, visit [www.knightfrank.co.in](http://www.knightfrank.co.in).

#### For further information please contact:

**Piyali Dasgupta (Knight Frank)**  
+91 98335 71204  
[piyali.dasgupta@in.knightfrank.com](mailto:piyali.dasgupta@in.knightfrank.com)

**Urvi Bhanushali (White Marque Solutions)**  
+ 91 9879791928  
[urvi@whitemarquesolutions.com](mailto:urvi@whitemarquesolutions.com)