

MUMBAI RESIDENTIAL PROPERTY REGISTRATIONS UPDATE - APRIL 2023

MUMBAI RECORDS DECADAL BEST REVENUE COLLECTION FROM STAMP DUTY FOR MONTH OF APRIL AT INR 9000 MN

Highlights

Revenue collection of INR 321 mn per day recorded from property registrations in April 2023

Mumbai registers over 10,500 property sales in April 2023

Share of homes larger than 1,000 sq ft area at 24% in April 2023

"Mumbai's home buying appetite has remained strong despite a rise in stamp duty, consecutive rise in interest rates and a steady rise in prices in the market. In the last 10 years since April 2013, Mumbai has registered an estimated sale of 800,000 properties. 40% of this, estimated at 318,000 units, have been registered since September 2020, after the stamp duty stimulant was introduced. Despite the current stamp duty rate being elevated to a historic 6% high, the momentum continues. Mumbai saw a registration of 129,125 properties between the period April 2022 and April 2023, constituting about 16% of all properties registered in the last 10 years."

Shishir Bajjal
Chairman and Managing Director

Mumbai City (area under BMC jurisdiction) saw property sales registration of 10,514 units in April 2023, adding over INR 9,000 mn to the state exchequer, registering its highest ever revenue collection in the last 10 years for the month of April. Of the total

properties registered, 83% were residential while 17% were non-residential properties. The growth in revenue was on account of an increased stamp duty rate and a surge in higher-value property transactions.

TABLE 1

April month sales registration vs March (2013-2023)				
Month	Sales Registration	Month	Sales Registration	MoM Change (%)
Mar-13	6,876	Apr-13	6,436	-6.4%
Mar-14	5,652	Apr-14	5,053	-10.6%
Mar-15	6,208	Apr-15	6,409	3.2%
Mar-16	5,705	Apr-16	5,705	0.0%
Mar-17	6,746	Apr-17	5,652	-16.2%
Mar-18	8,867	Apr-18	7,016	-20.9%
Mar-19	6,617	Apr-19	5,940	-10.2%
Mar-20	3,798	Apr-20	-	NA
Mar-21	17,728	Apr-21	10,136	-42.8%
Mar-22	16,726	Apr-22	11,743	-29.8%
Mar-23	13,151	Apr-23	10,514	-20.1%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research



TABLE 2

Mumbai records strong registrations and revenue collection in FY 2023						
Period	Registration (Units)	YoY	MoM	Revenue (INR mn)	YoY	MoM
Apr-22	11,743	16%	-30%	7,380	43%	-36%
May-22	9,839	84%	-16%	7,268	171%	-2%
Jun-22	9,919	26%	1%	7,336	75%	1%
Jul-22	11,340	15%	14%	8,286	46%	13%
Aug-22	8,552	26%	-25%	6,436	53%	-22%
Sep-22	8,628	11%	1%	7,342	39%	14%
Oct-22	8,422	-2%	-2%	7,236	32%	-1%
Nov-22	8,965	18%	6%	6,838	24%	-6%
Dec-22	9,367	-3%	4%	8,354	10%	22%
Jan-23	9,001	10%	-4%	6,919	45%	-17%
Feb-23	9,684	-7%	8%	11,120	81%	61%
Mar-23	13,151	-21%	36%	12,259	6%	10%
April-23	10,514	-10%	-20%	9,000	22%	-27%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research

The daily average property registration in April 2023 was 376 units, making it the second-best April month in the last ten years after April 2022. The total registrations, however, dipped in April 2023. The total property registrations in April 2023 stood at

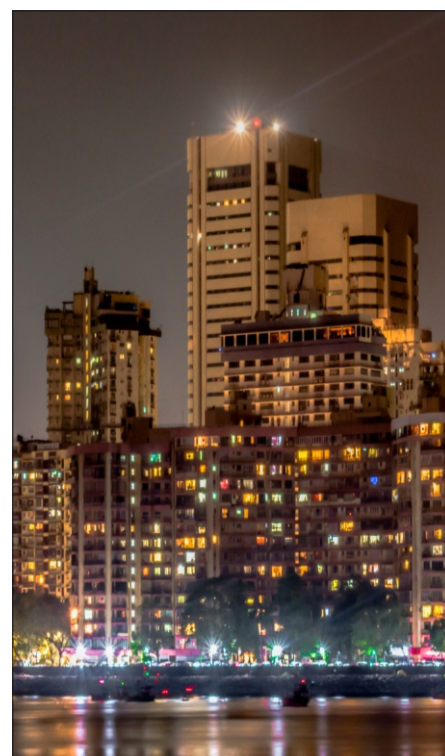
10,514, down 10% YoY. The decline was largely led by two factors: Firstly, a base effect, as April 2022 observed a spillover of registrations from the previous months with 17% of properties registered in April 2022 having been filed in March 2022. Secondly, a

seasonality impact, as in the last 8 out of 10 years, the month of April witnessed a dip in registrations compared to the month of March in that year.

TABLE 3

April month sales registration and MoM change for 2013-2023			
Month-wise	Sales registration	MoM change	YoY change
Apr-13	6,436	-6%	
Apr-14	5,053	-11%	-21%
Apr-15	6,409	3%	27%
Apr-16	5,705	0%	-11%
Apr-17	5,652	-16%	-1%
Apr-18	7,016	-21%	24%
Apr-19	5,940	-10%	-15%
Apr-20	-	NA	NA
Apr-21	10,136	-43%	NA
Apr-22	11,743	-30%	16%
Apr-23	10,514	-20%	-10%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research



Share take-up for properties larger than 1,000 sq ft increased from 17% in April 2022 to 24% in April 2023

In April 2023, apartments measuring 500 to 1,000 sq ft continued to be purchasers' preference, accounting for 44% of all apartments. Apartments with less than 500 sq ft saw a marginal decline in the market share from 36% in April 2022 to 32% in April 2023. The share take-up for areas larger than 1,000 sq ft increased from 17% in April 2022 to 24% in April 2023.

TABLE 4

Area wise breakup of apartment sales			
Area (sq ft)	Share in Apr 2022	Share in Mar 2023	Share in Apr 2023
Up to 500	36%	34%	32%
500-1,000	47%	48%	44%
1,000-2,000	15%	14%	14%
Over 2,000	2%	3%	10%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research

Properties up to INR 10 mn remains the sweet spot for home buyers with 49% registrations recorded in this price category

In April 2023, homebuyers' buying pattern of housing shifted, with INR 25 mn and below accounting for 87% of the registered properties compared to 84% in April 2022, and INR 25 mn and above accounting for 13% of all registered homes compared to 16% in April 2022.

TABLE 5

Ticket size wise split of property sale registrations			
Ticket size	Share in Apr 2022	Share in Mar 2023	Share in Apr 2023
Up to INR 10 mn	45%	41%	49%
INR 10 to 25 mn	39%	41%	38%
INR 25 to 50 mn	10%	12%	9%
INR 50 to 100 mn	5%	4%	3%
INR 100-200 mn	1%	1%	1%
More than INR 200 mn	<1%	<1%	<1%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research

Sales in South Mumbai register an uptick with 10% registrations in April 2023

The bulk of sale registrations in April 2023 were for properties in the Western Suburbs constituting 54% of the market share, while 30% of registrations were for properties in Central Suburbs. 6% of registrations were for Central Mumbai, while South Mumbai's share of total property registrations stood at 10%.

The two markets of Central and Westerns Suburbs have in recent months seen a large volume of launches in response to the robust demand. These locations deliver great value as most of the new developments here provide modern living amenities. Further, these locations are either already connected or soon to be connected via the metro network which is further boosting the profile for these properties.

TABLE 6

Micro market wise breakup			
Micro-market	Share in Apr 2022	Share in Mar 2023	Share in Apr 2023
Central Mumbai	7%	6%	6%
Central Suburbs	25%	25%	30%
South Mumbai	6%	7%	10%
Western Suburbs	62%	62%	54%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research



The Central Suburbs and Western Suburbs have the highest percentage of property registrations under INR 50 mn. However,

most transactions exceeding INR 50 mn were registered in Central and South Mumbai with one big transaction of over INR

200 mn recorded in Central Mumbai.

TABLE 7

Micro-market and ticket size wise breakup of apartment sales in April 2023				
	Central Mumbai	Central Suburbs	South Mumbai	Western Suburbs
Up to INR 10 mn	2%	41%	5%	52%
INR 10 to 25 mn	2%	38%	2%	58%
INR 25 to 50 mn	10%	29%	16%	45%
INR 50 to 100 mn	45%	0%	25%	30%
INR 100 - 200 mn	0%	0%	80%	20%
More than INR 200 mn	100%	0%	0%	0%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research

The majority of buyers prefer relocation within their micro markets

Consumers continued to favor buying in their local micro market in April 2023. The Central and Western Suburbs have demonstrated a significant propensity for buyers to upgrade to homes in their own micro market. 91% of buyers from Western Suburbs and 94% of purchasers from Central Suburbs chose to buy in their existing micro market as

familiarity of the location is a key consideration for end users along with availability of products suited to their price and product requirements.

Approximately 8% of all house purchasers from Western Suburbs have moved to Central Suburbs, while 5% of homebuyers in Central Suburbs have moved to Western Suburbs. Homebuyers from the most desirable micro markets including Central

and South Mumbai, have a relatively lower inclination to buy in the same market. A home was bought in the same micro market by 53% of home buyers from Central Mumbai and 55% of home buyers from South Mumbai.

Residential properties in the Western and Central Suburbs have drawn the most interest from purchasers outside of the city.

TABLE 8

Preferred location of property purchase in April 2023					
	Central Mumbai	Central Suburbs	South Mumbai	Western Suburbs	Out of city
Central Mumbai	53%	1%	9%	1%	4%
Central Suburbs	28%	94%	15%	8%	49%
South Mumbai	9%	0%	55%	1%	4%
Western Suburbs	9%	5%	21%	91%	43%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research

Home buyers in 31-45 years age category remain the largest group of buyers

In April 2023, the age group of 31 to 45 recorded the largest percentage of home buyers, accounting for 44% of all residential property registrations. 12% of house purchasers are under 30 years of age, while 30% of buyers are in the 46 to 60 age range.

In April 2023, the share of home buyers who were over 60 years of age was 14%.

TABLE 9

Age of Home buyers			
Age of Home buyers	Share in Apr 2022	Share in Mar 2023	Share in Apr 2023
Under 30 years	10%	10%	12%
31-45 years	46%	44%	44%
46-60 years	31%	33%	30%
Over 60 years	13%	14%	14%

Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research

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Source: Maharashtra Govt- Dept. of Registrations and Stamps (IGR); Knight Frank India Research

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