

Mumbai Residential Property Update



JULY 2023

- YTD (January to July 2023), Mumbai has recorded registrations of 72,713 properties
- Share of property registrations worth INR 10 mn and above stood at 57% between Jan-July 2023 compared to 48% in Jan-July 2020
- 9,814 properties, on an average, were registered per month since July 2022

knightfrank.co.in/research

Mumbai registers over 10,200 properties in July 2023, generating INR 8,310 mn revenue for the State Exchequer

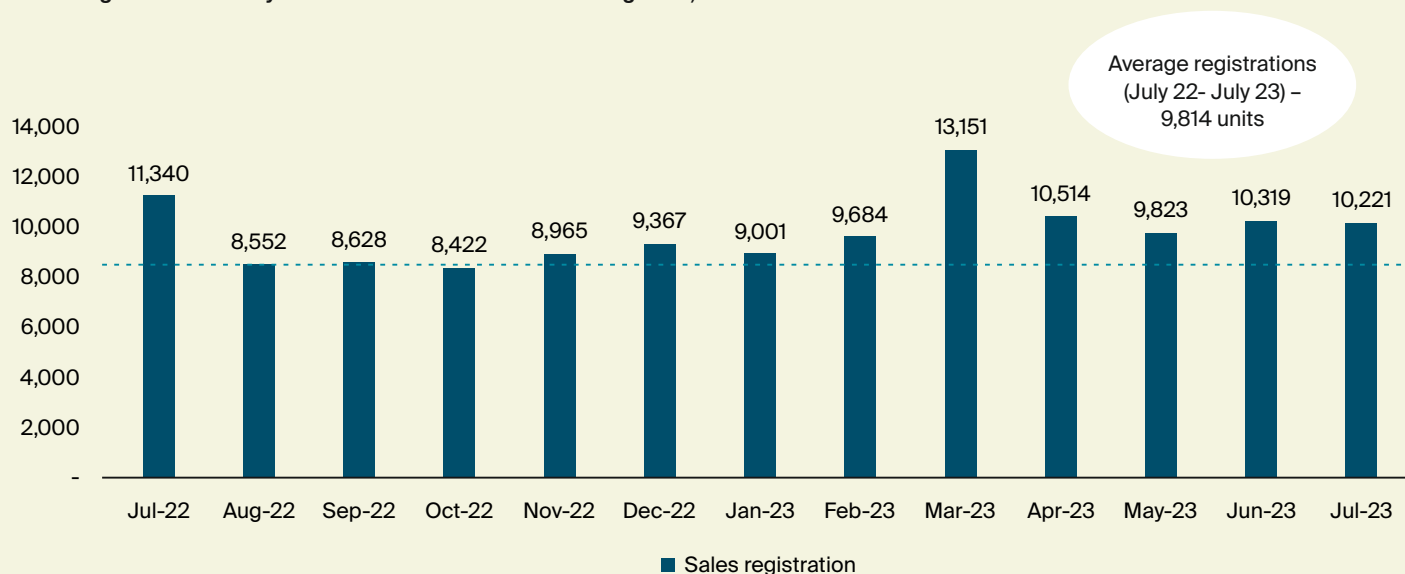
Mumbai city (area under BMC jurisdiction) registered 10,221 units in July 2023, leading to revenue collection of INR 8,310 mn for the state government. Compared to the previous year, there was a 10% decrease in the registration numbers, however, the revenue collection remained steady. Of the total registered properties, 82% were residential units, while the remaining 18% comprised non-residential properties.

Table: Mumbai property sale registrations and government revenue collection

Period	Registration (Units)	YoY	MoM	Revenue (INR mn)	YoY	MoM
Jul-22	11,340	15%	14%	8,290	46%	13%
Aug-22	8,552	26%	-25%	6,440	53%	-22%
Sep-22	8,628	11%	1%	7,340	39%	14%
Oct-22	8,422	-2%	-2%	7,240	32%	-1%
Nov-22	8,965	18%	6%	6,840	24%	-6%
Dec-22	9,367	-3%	4%	8,350	10%	22%
Jan-23	9,001	10%	-4%	6,920	45%	-17%
Feb-23	9,684	-7%	8%	11,120	81%	61%
Mar-23	13,151	-21%	36%	12,260	6%	10%
Apr-23	10,514	-10%	-20%	9,000	22%	-27%
May-23	9,823	0%	-7%	8,330	15%	-7%
Jun-23	10,319	4%	5%	8,590	17%	3%
Jul-23	10,221	-10%	-1%	8,310	0.3%	-3%

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

Table: Registrations in July 2023 stood above 12-month average of 9,814



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

Though property registrations in the city experienced a decline in July, the recorded figure of 10,221 units remained notably higher than the twelve-month average of 9,814 units. This indicates the ongoing strength of Mumbai's residential market and the confidence of homebuyers, even in the face of recent interest rate hikes. Such resilience can be attributed to factors like rising income levels and a positive attitude towards homeownership.

Table: Mumbai property sale registrations and government revenue collection

Jan-July	Registration Jan-July (Units)	YoY	Revenue Jan-July (INR mn)	YoY
2013	39,804	NA	21,950	NA
2014	36,502	-8%	20,430	-7%
2015	40,036	10%	24,220	19%
2016	38,655	-3%	24,090	-1%
2017	39,204	1%	31,510	31%
2018	48,077	23%	33,670	7%
2019	40,140	-17%	31,850	-5%
2020	20,583	-49%	15,640	-51%
2021	71,486	247%	33,030	111%
2022	78,101	9%	52,800	60%
2023	72,713	-7%	64,520	22%

In the first seven months of 2023, the city registered a total of 72,713 units, leading to a substantial revenue collection of over INR 64,520 mn for the state exchequer, highest compared to the same period since 2013. This surge in property registrations has significantly benefited the Government of Maharashtra. The rise in revenue can be credited to several contributing factors such as the higher value of properties being registered, and the increased stamp duty rate.



“The demand in Mumbai’s residential market continues in the face of various challenges as consumers display enthusiasm for homeownership. Notably, there has been a considerable increase in the share of properties priced at INR 10 mn and above. This can be attributed partly to the growing preference for larger homes and partly to the rise in property prices. Additionally, the relative affordability for higher segment consumers has contributed to this trend.”

Shishir Bajaj
Chairman & Managing Director,
Knight Frank India

Higher value properties have seen a consistent increase in share

Table: Ticket size wise split of property sale registrations

Registrations	INR 10 mn and below (%)	INR 10 mn and above (%)
Jan-Jul 20	52.1%	47.9%
Jan-Jul 21	46.9%	53.1%
Jan-Jul 22	46.5%	53.5%
Jan-Jul 23	43.5%	56.5%

Registrations	INR 10 mn and below (Units)	INR 10 mn and above (Units)
Jan-Jul 20	10,728	9,855
Jan-Jul 21	33,553	37,933
Jan-Jul 22	36,306	41,795
Jan-Jul 23	31,627	41,079

Over the past few years, there has been an upward trend in the proportion of property registrations for properties valued at INR 10 mn and higher. This share of registration for properties worth ten million and above has risen from 48% in 2020 to approximately 57% in 2023.

The increase in property prices, combined with a notable rise of 250 basis points in interest rate during this period, has had an impact on property registrations below the INR 10 mn mark. However, registrations for properties priced at 10 mn and above have remained relatively unaffected by these changes. As a result, there has been a noticeable positive impact on the share of property registrations for properties priced above ten million, indicating a sustained demand in the higher price segment of the market.

RECENT MARKET-LEADING RESEARCH PUBLICATIONS



AUTHOR

Naresh Sharma

Assistant Vice President - Research
Naresh.Sharma@in.knightfrank.com

RESEARCH

Vivek Rathi

National Director - Research
Vivek.Rathi@in.knightfrank.com

CORPORATE - MARKETING & PUBLIC RELATIONS

Piyali Dasgupta

Director - Corporate Marketing & Public Relations
Piyali.Dasgupta@in.knightfrank.com

Knight Frank Research Reports are available to download at knightfrank.com/research

© Knight Frank (India) Private Limited

The statements, information, data and opinions expressed or provided herein are provided on "as is, where is" basis and concerned parties clients are required to carry out their own due diligence as may be required before signing any binding document. Knight Frank (India) Private Limited (KFIPL) makes no warranties, expressed or implied, and hereby disclaims and negates all other warranties, including without limitation, implied warranties or conditions of merchantability, fitness for a particular purpose, or non-infringement of intellectual property or other violation of rights including any third party rights. Further, KFIPL does not warrant or make any representations concerning the accuracy, likely results, or reliability of the use of the statements, information and opinions as specified herein. The statements, information and opinions expressed or provided in this presentation / document by KFIPL are intended to be a guide with respect to the purpose for which they are intended, but in no way shall serve as a guide with regards to validating title, due diligence (technical and financial), or any other areas specifically not included in the presentation. Neither KFIPL nor any of its personnel involved accept any contractual, tortious or other form of liability for any consequences, loss or damages which may arise as a result of any person acting upon or using the statements, information, data or opinions in the publication, in part or full. The information herein shall be strictly confidential to the addressee, and is not to be the subject of communication or reproduction wholly or in part. The document / presentation is based on our understanding of the requirement, applicable current real estate market conditions and the regulatory environment that currently exists. Please note: Any change in any one of the parameter stated above could impact the information in the document/presentation. In case of any dispute, KFIPL shall have the right to clarify.

