

Mumbai Property Review- 2023



February 2024

- Stamp duty collections from property registrations remained buoyant, increased by 22% YoY to INR 108,708 mn in 2023
- 57% of registered properties in 2023 were worth INR 10 mn and above
- 85% of Western suburb consumers and 83% of Central suburb consumers opt to purchase within their micro market in 2023

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Mumbai achieves 11-year best property sale registrations in 2023, records over 126,900 registrations.

► Mumbai city (area under BMC jurisdiction) recorded total registrations of 126,937 real estate properties in 2023 (Jan – Dec). This resulted in the best year since 2013 for property sales (primary and secondary) for this region surpassing last year's peak by 4%. Total value of stamp duty collected in 2023 was INR 108,708 mn which was also a new 10-year high recording a YoY growth of 22%. Homebuyers in Mumbai continue to demonstrate confidence in the property market, buoyed by stable demand and enhanced positive sentiment. This optimism has resulted in a significant surge in property registrations in Mumbai. Of the overall registered properties, residential units constitute 80%, the remaining 20% constitute non-residential assets.

126,937

Total registrations in 2023

Table 1: Mumbai property sale registrations and government revenue collection

Jan- Dec	Registration Jan-Dec (Units)	YoY	Revenue Jan-Dec (INR mn)	YoY
2013	64,242	NA	36,539	NA
2014	63,636	-1%	37,695	3%
2015	67,400	6%	41,732	11%
2016	63,255	-6%	40,158	-4%
2017	68,659	9%	53,792	34%
2018	80,746	18%	56,539	5%
2019	67,863	-16%	54,461	-4%
2020	65,633	-3%	31,385	-42%
2021	111,913	71%	61,107	95%
2022	122,035	9%	89,009	46%
2023	126,937	4%	108,708	22%

Source: Knight Frank Research,

Table 2: Mumbai property sale registrations and government revenue collection

Period	Registration (Units)	YoY	MoM	Revenue (INR mn)	YoY	YoY
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%
Apr-23	10,514	-10%	-20%	8,999	22%	-27%
May-23	9,823	0%	-7%	8,328	15%	-7%
Jun-23	10,319	4%	5%	8,586	17%	3%
Jul-23	10,221	-10%	-1%	8,307	0.3%	-3%
Aug-23	10,902	27%	7%	8,104	26%	-2%
Sep-23	10,694	24%	-2%	11,273	54%	39%
Oct-23	10,607	26%	-1%	8,355	15%	-26%
Nov-23	9,736	9%	-8%	7,124	4%	-15%
Dec-23	12,285	31%	26%	9,335	12%	31%

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

In 2023, the city recorded a total of 12,285 property registrations, contributing significantly to a substantial revenue collection of INR 108,708 mn for the state exchequer. This landmark achievement marks the highest registration count within the same timeframe since 2013. The notable surge in property registrations has strengthened the Government of Maharashtra's financial reserves. The considerable growth in revenue can be credited to various factors, including the registration of properties with higher values and the increased stamp duty rate.

Table 3: Second Best December in last 11-years (2013-2023)

Month wise Registration	Sales registration	YoY change	Revenue (INR mn)	YoY change
Dec-13	6,782	5%	3,863	-4%
Dec-14	7,838	16%	5,128	33%
Dec-15	7,538	-4%	4,862	-5%
Dec-16	4,821	-36%	3,576	-26%
Dec-17	6,957	44%	4,885	37%
Dec-18	8,327	20%	6,201	27%
Dec-19	6,433	-23%	5,423	-13%
Dec-20	19,581	204%	6,805	25%
Dec-21	9,681	-51%	7,588	12%
Dec-22	9,367	-3%	8,354	10%
Dec-23	12,285	31%	9,335	12%

Source: Knight Frank Research,

In December 2023, Mumbai witnessed its second-highest number of property registrations within a 11-year span. The previous peak was fuelled by a surge in optimism as the effects of the pandemic gradually diminished. However, the recent increase can be attributed to rising income levels and a favourable perception towards homeownership. Concurrently, revenue collections reached an all-time pinnacle, primarily propelled by higher stamp duty rates, burgeoning property prices, and an increased share of premium properties.

Table 4: Preferred location of property purchase –2023

Preferred Micro market	Buyers' location				
	Central Mumbai	Central Suburbs	South Mumbai	Western Suburbs	Out of city
Central Mumbai	42%	3%	8%	2%	2%
Central Suburbs	36%	83%	14%	11%	43%
South Mumbai	6%	3%	54%	2%	6%
Western Suburbs	17%	11%	24%	85%	49%
	100%	100%	100%	100%	100%



Shishir Bajjal

Chairman and Managing Director,
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The year 2023 witnessed a remarkable upswing for the city’s real estate market as the city achieved its highest property registrations in 11 years, driven by rising income levels, better affordability, and a positive homeownership outlook. Notably, a 57% increase in share of high-value property registrations attests to the robustness of the market. Supported by stable interest rate and an increasing preference for bigger and better homes, homebuyer confidence continues to fuel Mumbai’s real estate momentum.

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Of the total properties registered, Central and Western suburbs together constituted over 75% as these locations are a hotbed for new launches offering a wide range of modern amenities and good connectivity. 85% of Western suburb consumers and 83% of Central suburb consumers opt to purchase within their micro market. This choice is influenced by the familiarity of the location, along with the availability of products that align with their pricing and feature preferences.

Higher value properties have seen a consistent increase in share.

Table 5: Ticket size wise split of property sale registrations

Registrations	INR 10 mn and below	INR 10 mn and above
Jan-Dec 20	48%	52%
Jan- Dec 21	46%	54%
Jan- Dec 22	45%	55%
Jan- Dec 23	43%	57%

Registrations	INR 10 mn and below (Units)	INR 10 mn and above (Units)
Jan- Dec 20	31,677	33,956
Jan- Dec 21	51,833	60,080
Jan- Dec 22	55,436	66,599
Jan- Dec 23	55,185	71,752

Over the past few years, there has been a steady increase in the percentage of property registrations valued at INR 10 mn or higher. This percentage has climbed from 52% in 2020 to around 57% in 2023.

The surge in property prices, coupled with a 250-basis point increase in the policy repo rate over the last two years, has negatively affected the segment priced below the INR 10 mn threshold. However, properties valued at 10 mn and above have demonstrated a relatively smaller impact from these headwinds.

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INDIA WAREHOUSING REPORT

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