



Gahunje, Pune

From a fringe village to an attractive growth precinct of Pune

April 2018



Introduction

Gahunje, located in north-west Pune, lies adjacent to Mumbai-Pune Expressway (NH 48) and in vicinity of Pimpri Chinchwad area. The area is governed by Pradhikaran-Pimpri Chinchwad New Township Development Authority (PCNTDA), which is responsible for the development of physical infrastructure here. In fact, PCMC has proposed the state government to merge nine villages including Gahunje and provide all necessary civic amenities and required infrastructure. Backed by these initiatives, the area is witnessing immense real estate growth since the past few years.

Concentric development pattern of Pune coupled with its ability to expand geographically along with economic hubs is driving the real estate market of the city altogether. Massive urbanization of Hinjewadi with development of major IT hubs, industrialization in Talegaon-Chakan belt and Dehu Road and regions of Maharashtra Industrial Development Corporation (MIDC) have also driven the real estate growth in Gahunje.

Moreover, PCMC is unable to meet the residential requirements in the land earmarked by it due to rampant growth of the manufacturing and IT sectors. Hence, the residential developments in the city are expanding and touching the villages governed by PCNTDA, including Gahunje.

Strategically located, this micro market is an ideal destination for people living in Pune as well as Mumbai. Once a far flung village, Gahunje is currently witnessing an influx of residential development and is fast transforming into a best-sought residential location by professionals working in the nearby areas. Besides key employment hubs nearby, Gahunje is also home to several good educational institutes and social infrastructure facilities in its vicinity.

Well connected to Pune via NH 48 and Aundh-Ravet BRTS road, Gahunje is also considered a weekend-getaway destination by residents of Mumbai and Pune. Moreover, an international cricket stadium nearby that hosts international and IPL matches is an added advantage for Gahunje and its future growth prospects.

Backed by these developments, Gahunje has today emerged as an ideal destination for residing, particularly by the young population working nearby. Moreover, with real estate growth in nearby micro markets such as Wakad, Hinjewadi, etc. nearing saturation, Gahunje is likely to become the next realty hotspot



Connectivity

Located in north-west Pune and in vicinity to Pimpri Chinchwad, Gahunje enjoys excellent connectivity to Mumbai via Mumbai-Pune Expressway.



ROAD

- Gahunje is easily accessible via Mumbai-Pune Expressway, Aundh Ravet BRTS Road and NH 48.



AIR

- Gahunje enjoys excellent connectivity to Pune airport via NH 48 (approximately an hour's drive).



RAIL

- The nearest railway station is Dehu Road station at a distance of 5km from Gahunje
- Chinchvad station which is at a distance of 12 km from Gahunje

Location Mapping



LEGEND

- | | | | | |
|------------------|--------------------|-----------------------|---|------------------------------|
| Highway | Market/Supermarket | 1 Om Super Market | 1 Symbiosis College | 1 International Tech Park |
| Major Road | Hospital | 2 Sumedh Super Market | 2 Dr. D Y Patil College of Architecture | 2 The Quadron Business Park |
| Gahunje location | College | 3 Majisa Super Market | 3 Pimpri Chinchwad College of Eng. | 3 International Biotech Park |
| Railway Line | School | 1 Cantonment Hospital | | |
| Water body | IT Park | 2 Dharaskar Hospital | | |
- | | |
|---------------------------------|--|
| 1 BK Birla Centre for Education | |
| 2 DVM English Medium School | |
| 3 Pawar Public School | |

Key Growth Drivers

Gahunje is less than 30-minute drive to one of the major IT-ITeS hubs of Pune - Rajiv Gandhi Infotech Park at Hinjewadi.

Several educational institutes are located within 15 km radius towards Wakad-Tathawade.

Gahunje is merely 30 minutes drive from major automobile and other auto ancillary suppliers' hubs such as Nigdi, Chakan MIDC and Chinchwad surroundings where companies like Mercedes-Benz, Volkswagen, Mahindra, TATA and Bajaj Auto have setup their plants.

Large number of mid-junior level employees of Talawade MIDC IT park, less than 30 minute drive, prefer to live in Gahunje due to its development as a residential destination.

Significant number of workers, junior-mid level employees from numerous automobile, manufacturing, auto ancillary part makers and automobile vendors are looking for affordable housing options in PCMC precincts, which makes Gahunje an ideal match for their residential requirements.

Proximity to Mumbai-Pune highway, good connectivity to Aundh via BRTS and proposed Nigdi-Dapodi BRT Corridor in Pimpri Chinchwad connects Kiwale (4 km from Gahunje) to Sangvi Phata will enhance connectivity.

Gahunje boasts of decent social infrastructure facilities with presence of many retail options to take care of day-to-day needs of the residents.

Gahunje has a cricket stadium nearby which hosts international and IPL matches.



STRENGTH

- Gahunje is expected to receive the globally-acclaimed infrastructure-based model of planned urbanization as PCMC seeks the merger of 9 villages including Gahunje.
- It is a gateway to Pune and holds high potential for further development.
- Gahunje is located in close proximity to major economic hubs including Hinjewadi, Talegaon-Chakan industrial areas and other regions under MIDC.
- Presence of good social and physical infrastructure facilities.
- Presence of a cricket stadium nearby that hosts international and IPL matches.



OPPORTUNITY

- Proximity to Mumbai-Pune expressway makes Gahunje an ideal realty hotspot for investments from both the cities.
- Preferred residential destination by IT-ITeS professionals and people working in the nearby manufacturing hubs.
- Presence of cricket stadium hosting international matches enhances the location profile and boosts infrastructure developments.
- Current real estate prices of Gahunje are low as compared to other peripheral locations which indicates that there exists an upside potential.



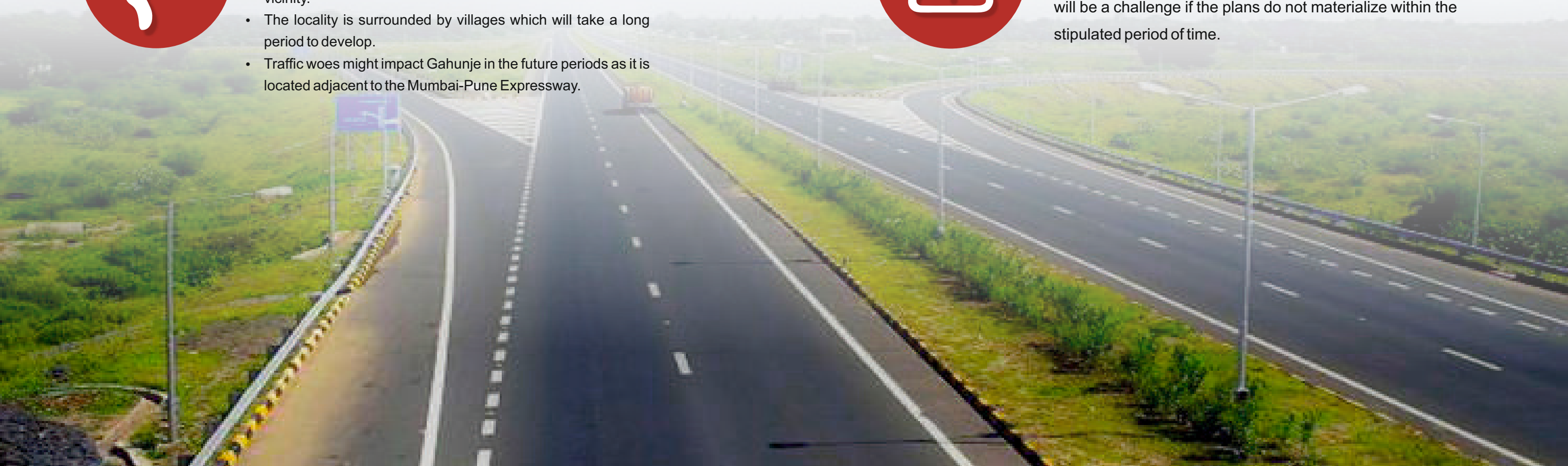
WEAKNESS

- Gahunje lacks retail development as there are no malls in the vicinity.
- The locality is surrounded by villages which will take a long period to develop.
- Traffic woes might impact Gahunje in the future periods as it is located adjacent to the Mumbai-Pune Expressway.



THREAT

- Infrastructure development and provision of civic amenities will be a challenge if the plans do not materialize within the stipulated period of time.



Residential Real Estate Snapshot

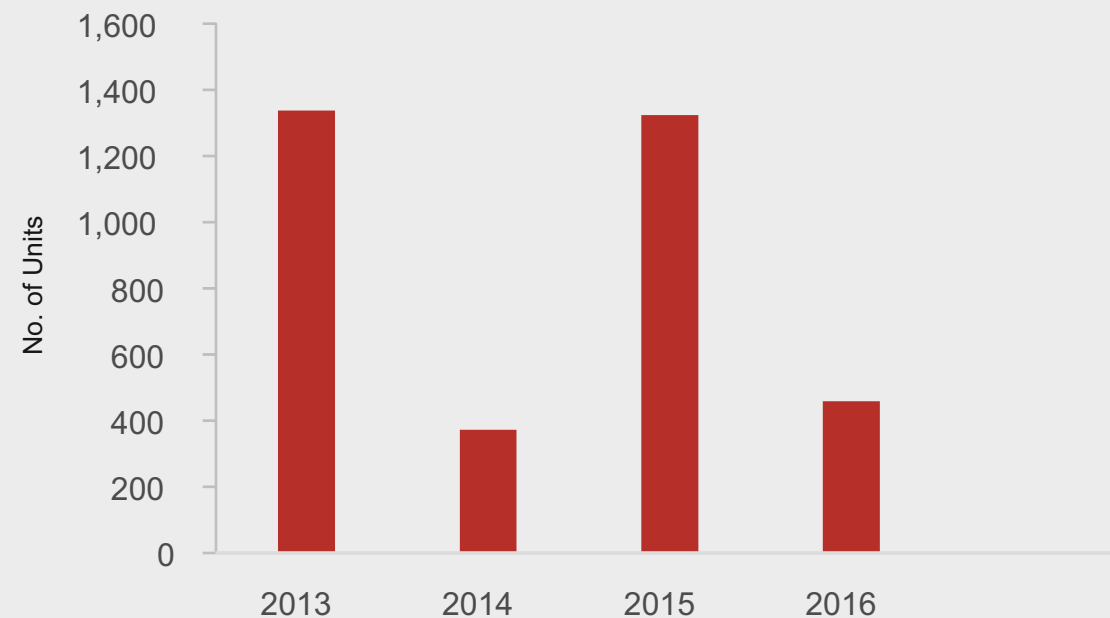
Situated adjacent to Mumbai-Pune Expressway, Gahunje acts as a gateway to Pune. The city's concentric growth pattern is aiding Gahunje's growth as a preferred residential destination. Massive industrialization in Talegaon-Chakan belt and Dehu Road, development of MIDC and IT parks in Hinjewadi have also driven the real estate growth in Gahunje.

With robust development of Hinjewadi and rising capital values, Gahunje is expected to become the next preferred residential destination. The residential real estate market of Gahunje is flooded with affordable housing options as it is a preferred residential hotspot for employees working in nearby manufacturing units and IT-ITeS companies at Hinjewadi.

Nearly 3,500 units have been added to the residential market of Gahunje during the past 5 years (2013-2017). Out of the total units launched, nearly 57% have already been absorbed. This signifies that the area has immense potential and significant inherent demand.



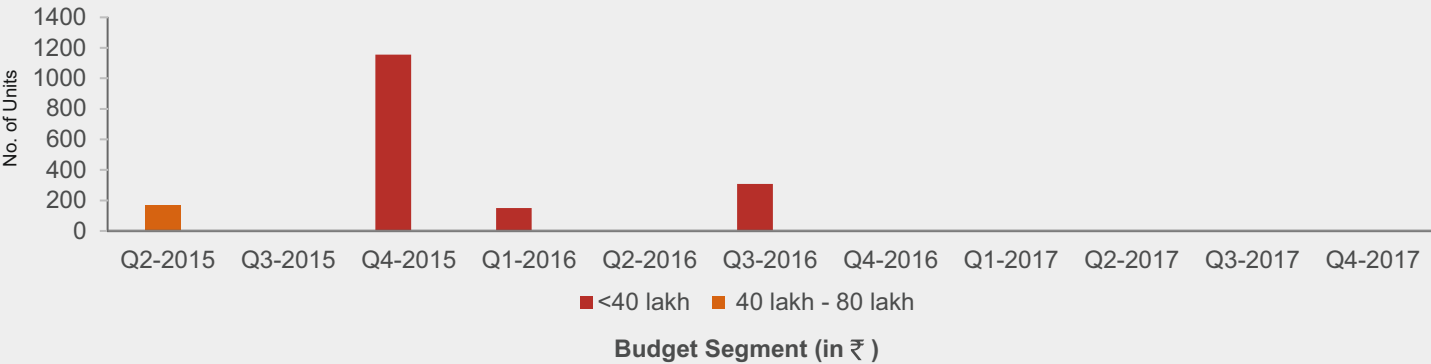
New Launch Supply



- Out of the total new launches in Gahunje between 2013-2017, maximum supply was added in 2013 and 2015, which accounted for a whopping 76% of the total units launched.
- The year 2014 and 2016 experienced a decrease in launches by 72% and 65% compared to 2013 and 2015 respectively, making the launch scenario erratic. This decrease was primarily due to presence of significant unsold inventory and the overall low sentiments in the real estate market.
- No launches were recorded in the year 2017 as the real estate industry was severely impacted by the economic reforms such as DeMo, RERA and GST.

Residential Real Estate Snapshot

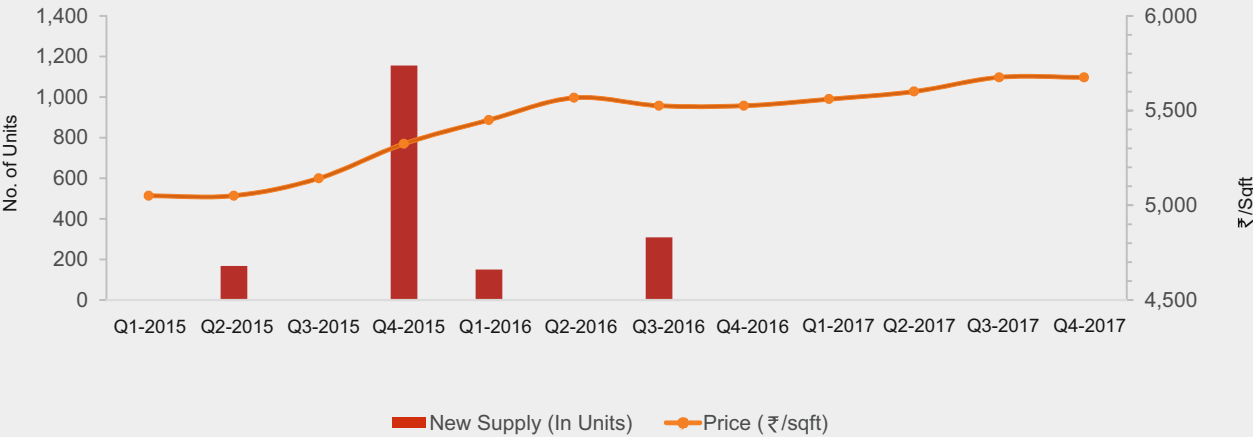
Budget-wise Supply



- Nearly 90% of the projects launched post 2015 were in the affordable segment (< ₹40 lakh).
- Gahunje is best sought for investment purposes and is a preferred residential destination for IT-ITeS professionals working in Hinjewadi and manufacturing employees working in the nearby industrial belts.
- With growing demand by professionals working in the vicinity, Gahunje can be a good destination for those looking to get rental returns.

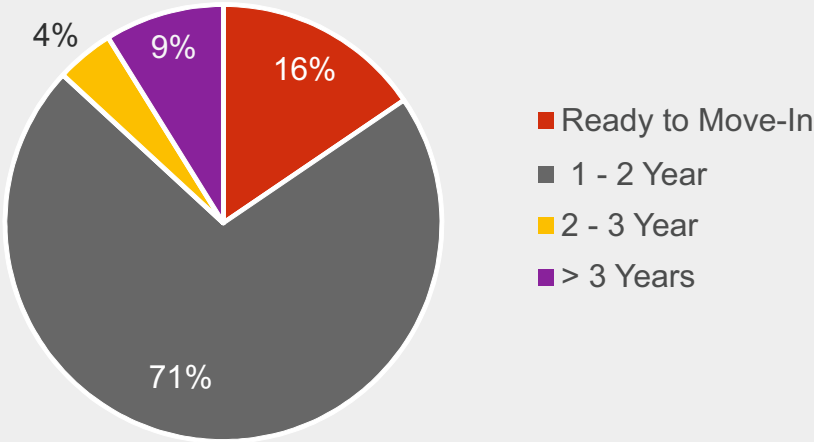


Micro Market Price Movement wrt Supply



- Presence of highway connecting Mumbai and Pune and being a gateway to Pune has made Gahunje a realty hotspot. Currently, the capital values in Gahunje are relatively low but surely hold a significant growth potential in the near future.
- Prices in Gahunje have hovered in the range of ₹5,000-5,600 and appreciated only marginally during the past few years. However, considering that the prices are significantly lower than nearby developed localities, there seems to be a definite upside potential once the development cycle ramps up.

Age of Inventory



- Nearly 16% of the units launched are ready-to-move-in.
- As many as 71% of the total units are expected to be completed within the next 1-2 years, indicating that a huge ready supply will soon hit the market.
- Construction activity paused momentarily due to DeMo and RERA, which led to a rise in non-ready-to-move in stock.
- Developers are currently focussing more on the under-construction projects and timely delivery to avoid the RERA penalty on execution delays.

Outlook

Gahunje is fast emerging as the next big realty hotspot for PCMC's residential needs thereby making it the next growth precinct of Pune. PCMC, the richest corporation in Maharashtra, is growing at a rapid pace and extending its development benefits to the rural parts and turning them into a high performing real estate regions including Gahunje.

The primary factor that is likely to drive Gahunje's future realty growth is its strategic location on the Mumbai-Pune Expressway. Also, proximity to Hinjewadi IT hub, Pimpri-Chinchwad industrial belt, educational institutes and presence of other necessary social infrastructure facilities is attracting real estate buyers to Gahunje.

Affordable prices compared to other nearby micro markets, undeniably high growth potential and local governing bodies' master plan for organized real estate development in and around Gahunje is likely to make this micro market as one of the key residential real estate destinations of Pune in the near future.



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