



REalVIEW

Dear Readers,

REalVIEW is a monthly news digest bringing to our clients and well-wishers news updates on major developments in the realty industry. The periodical will keep the readers updated on the significant changes and trends affecting real estate development within the country as well as globally, thus helping them in taking informed and calculated investment decisions

Responsibly yours,

Sunil Kumar V
Founder & Managing Director
Asset Homes

ASSET HOMES WITH HIGHEST CRISIL RATING IN KERALA



Asset Homes is one of the pioneers in Kerala's professional real estate sector, with many firsts in the industry to its credit. Asset Homes, popularly known as The Responsible Builder, has a base of more than 7000+ customers worldwide. Asset Homes offers a wide array of projects ranging from 96 sq. ft. Micro Apartments to 3000+ sq. ft. Villas.

The pioneering initiatives include 17 unique Delight Services with 10-year free insurance coverage for apartments/villas, free transit home facilities in major cities in Kerala, India's First JCI-accredited Home Care Services, etc.

Since its inception, in the past 17 years, Asset Homes has completed 76 projects and has 35 ongoing projects across Thiruvananthapuram, Kollam, Pathanamthitta, Kottayam, Alappuzha, Ernakulam, Thrissur, Kozhikode and Kannur Districts. The company is promoted by a Civil Engineering Graduate and HBS Boston Alumni, Mr. V. Sunil Kumar.

Asset Homes Pvt Ltd is Kerala's Highest CRISIL Rated Builder. The DA2+ rating reiterates the developer's ability to execute

real estate projects as per specified quality within the stipulated time and transfer clean title. In addition, it's the overall assessment of statutory/ legal compliance, commitment to quality, scale and size of projects, reputation, brand value and customer feedback.

Prompt delivery, the superior quality of projects, exclusive and personalised customer care services, concrete action to ensure sustainability, and a high degree of operational efficiency are the factors that helped Asset Homes to become the market leader in such a short span.

According to Mr Sunil Kumar, a builder's primary focus should be to conceive innovative projects that meet future needs and resolve rapidly evolving consumer needs and preferences. Thanks to its innovative housing projects, Asset Homes is the first Life Cycle builder in the country. The 'Selfie Apartments' designed for students and bachelors, the 'Down-To-Earth' affordable housing projects for youngsters, the 'Exotica' residences for high-end luxury living and the 'Young at Heart' residential projects for senior citizens cater to the needs of different age groups.

Is the Indian real estate market a bubble?

Uncovering the truth behind the hype



Prices may plateau or correct, but a major crash seems unlikely given the strong economic fundamentals and rising incomes. However, investors should still conduct due diligence and be cautious about speculative investments.

In recent years, the Indian real estate market has been the subject of much debate and speculation. Some experts have raised concerns about the possibility of a bubble, citing factors such as rapid price appreciation, high levels of unsold inventory, and a slowdown in sales.

However, upon closer examination, it becomes clear that the Indian real estate market is not a bubble but an underrated and incredible growth stock opportunity. Let's look at both sides of the argument. There are differing opinions on whether the Indian real estate investment market is in a bubble:

Some argue that the market is overheated and a bubble is forming:

- Property prices in major cities like Mumbai and Bangalore have become unaffordable, with the average cost of a house exceeding 1 crore INR. This makes it difficult for middle-class families to buy homes.
- Speculative investments and rising construction costs are driving up

- prices. The BSE Realty Index tracking real estate stocks has dropped over 80% during bubble bursts in the past.
- Critics argue that surging NRI investments in luxury real estate could create artificial demand and lead to a bubble.

However, others believe the market is stable and not in a bubble:

- Demand will continue to rise as incomes and population grow.

With limited supply, prices are unlikely to crash.

- Stringent regulations like RERA have been implemented to protect buyers. India's economy is booming.
- The real estate boom is driven by genuine demand, not just speculation. Prices have steadily appreciated over time.

To sum it up, while there are some bubble concerns, the Indian real estate market appears more stable than in the past. Prices may plateau or correct, but a major crash seems unlikely given the strong economic fundamentals and rising incomes. However, investors should still conduct due diligence and be cautious about speculative investments.

India's housing market gains momentum as average home prices rise by 10% in Q1 2024



Real Estate News: Various factors such as demand for luxury residential projects, infrastructure projects among others are driving the demand. The surge is also directly linked to the emergence of various micro-markets, which bring significant infrastructural developments and further increase the demand-supply.

Real Estate News: The residential real estate market is again on the rise, attracting discerning buyers and investors. According

to a recent report by CREDAI-Colliers-Liases Foras Housing Price-Tracker Report Q1 2024, the average home prices in India's top eight cities have surged by a significant 10 per cent in the January-March quarter compared to the same period last year.

Bengaluru topped the list of 8 cities with price rising to Rs 10,337 per sq ft from Rs 8,748 per sqft in the same quarter last year. The periphery and the outer east micro-market saw the steepest price at 32 per cent.

<https://www.etnownews.com/real-estate/indias-housing-market-gains-momentum-as-average-home-prices-rise-by-10-per-cent-in-q1-2024-article-110904335>

How To Invest In Real Estate In India 2024



How to Invest in Real Estate: 5 Ways In 2024

Here are the five ways for an average retail investor or even someone with access to much more significant capital to invest in and earn a return on real estate.

Way One: Traditional/Conventional Investment Model

The simplest way to invest in real estate is to buy or lease an asset for the long term and then rent it out to tenants-residential or commercial.

The process is simple but needs a significant initial investment and involves yearly maintenance and upkeep costs.

Ensure that the asset is free from any legal hassles. Acquire it on a lease, buy it upfront, or through a loan.

If it is a commercial property, register it with two witnesses at the sub-registrar's office and follow the procedures outlined there.

Once the property is registered, you can advertise it or spread the word about its vacancy in the market. The tenant will have to accept and sign the lease agreement, and then the monthly rentals will be your passive income from the property.

Having tenants with overlapping lease periods in the same asset is a good idea so the property always remains occupied.

This also helps with timely maintenance costs. You could even get a property management firm to handle all this, but you must pay their commission charges simultaneously.

If the property is residential, visiting only the sub-registrar's office is unnecessary. Similar rental agreements will need to be drawn up for every tenant, and your returns from the investment will be measured based on the monthly rentals you receive.

Way Two: Renting Out a Portion of Your Existing Property

Even if you do not want to be burdened with significant investment costs outright, you can start as small as renting a room to commercial or residential tenants. If you have a whole floor of your current house lying unused, it is a better idea to rent it out.

However, you will have to deal with the extra traffic generated. If it's a business, and you have rented the portion based on their product or service, the conditions might not be conducive to living in the same place. All your terms and conditions need to be included in your rental agreement.

Way Three: Fix-and-Flip

This investing mode has been gaining popularity among people with experience in general contracting.

If you have the capital to spare, you can invest in a commercial or residential property that needs much maintenance, fix it up for good, and sell the asset at a much better price to asset/property management firms. The ownership of the asset is for a relatively shorter term, but if one has done their homework on the market beforehand, this kind of investing can generate good returns.

This method has fewer constraints regarding regular maintenance, registration work, and the like than owning a property forever. However, it requires you to be familiar with the market's demand for and supply of real estate and the cost of the renovation work that you will attempt. Having an experienced partner in this helps.

Way Four: Investing in real estate via ETFs, mutual funds, and REITs

Such an investment in real estate can be clubbed into a similar category. Exchange-traded funds (ETF) and mutual funds can be bought that are themselves invested in real estate. Buying ETFs that invest in real estate stocks, such as publicly-traded home builds, is possible. Some ETFs invest in REITs (Real Estate Investment Trust) as well. You can find mutual funds that invest in real estate developers and property management firms. While a fund manager passively manages ETFs, mutual funds are actively managed.

ETFs and mutual funds offer high liquidity and low costs. Still, the downside is that there might not be any monthly dividends, and you may only receive returns once you sell the appreciated shares-the advantage to ETFs and mutual funds primarily lies in their low investment cost.

On the other hand, REITs allow investors to invest in multiple real estate assets through a single fund. A REIT is a mutual fund made entirely from real estate assets or loans secured by real estate. Various investors can pool their resources into a REIT, and the dividends earned are divided among the investors based on the percentage of their investment in the fund.

While REITs also allow for a comparatively smaller investment ticket size, they rarely provide yields that can match or be better than equity-oriented products. Additionally, the investor has no control over how the investment is spread across all the assets in the REIT.

<https://www.etnownews.com/real-estate/indias-housing-market-gains-momentum-as-average-home-prices-rise-by-10-per-cent-in-q1-2024-article-110904335>



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