



2008

first quarter report

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## Welcome

Keeping the legacy of the Quarter Reports, PropertyVertical has come out with First Quarter Report for the year 2008 for its readers and valued clients. This year we have been more elaborate and comprehensive covering the rural areas in Chandigarh along with the suburbs.

The authenticity of the data is maintained which is sourced from the Estate Office, Chandigarh and to give it a complete perspective, it is evaluated on the grounds of current market scenario for the relevant periods.

This First Quarter Report '08 will be followed by the Second, Third and Fourth quarters in the coming month giving all inclusive analysis and update for the whole year.

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## Introduction

Chandigarh has been the focus and much sought after destination for the real estate developers. In the last one year the area has witnessed almost all the major developers establishing their projects in close vicinity and sub-urban areas of Chandigarh like Kharar, Zirakpur, Dera Bassi, Baddi including a few in Chandigarh Tri city itself, i.e. Mohali and Panchkula.

No matter what is the open market scenario of residential real estate, the prices of these projects have increased since their pre-launch. Going by the huge figures, high prices and less demand of flats/apartments offered by the developers, there are chances of the inventory to rise in this region. The reasons attributed to less demand of the flats offered by the developers could be exorbitant rates, increased home loan rates. Developers are yet to prove their credibility and win over investors' and the authority's confidence those yet seeking the approvals.

Residential real estate prices in Chandigarh Tri city including the suburbs like Kharar and Zirakpur have increased in the 1st quarter months of the year 2008 as compared to the previous quarter. In the last one year, there has been a slump in the real estate market. The residential rates being at the peak in the same quarter previous year have dropped since then rather than further moving northwards.

The government ennobled the registration charges from Rs 19,200 per sq yard for residential plot to Rs 24,960 per sq yard which is 9% of the registered amount (for sale deed) whereas registration charges for gift deed is only 1%. With this the value of construction has also increased to Rs 500 per sq feet for new construction and Rs 250 per sq feet for old construction.

Keeping in view the movement of sale-purchase, the areas that were active were around Chandigarh and not the city itself due to very restricted supply, unaffordable due to very high rates and limited options. Though the highest moving property was in the periphery areas like Zirakpur then Kharar and Mohali, Chandigarh kept its basic elevated price, i.e. Rs per sq yard, therefore it shows that if they are not selling, they are not compromising also. It has also been noticed that the maximum demand going by the trend is always for 6-12 marla residential plot/house.

The real estate boom in Chandigarh and its neighboring areas, especially Mohali district, is directly related to Corporate sector, ITES, Information Technology (IT) companies, Banking sector and International Airport setting up base in the region.

Some small private property developers have took the initiative to build their own enclaves in places like Zirakpur, Kharar, Banur and Rajpura. The same trend has been extended to Mohali in a phased manner. Now metropolitan style urban development is stepping into major cities of Punjab

**I) Government rates for plots:**

The government rates (collector rates) fixed for residential properties in Chandigarh is Rs 19,200/ sq. yards whereas in the rural areas these are as follows:

**Urban Areas:**

Location	Property Type	Rate
Chandigarh	Residential	Rs.24,960/- per sq yards

**Floor-wise rates in Chandigarh Housing Board Flats:**

	Floor wise rates
Housing Board Flats	Rs.24,960/- per sq. yds. (Independent)
	Rs.9,360/- per sq. yds(Ground Floor)
	Rs.7,280/- per sq. yds.(1st Floor)
	Rs.5,200/- per sq. yds.(2nd Floor)
	Rs.3,120/- per sq. yds.(3rd Floor)

**Rural Areas:**

Location	Property Type	Rate
Attawa, Badheri, Buterla, Burail and Manimajra	Residential Area Abadi Dehi and Extended Abadi	(1) Rs.78,000/- per Marla (2) Rs.2,400/- per Sq. Yds
In other Villages of U.T., Chandigarh	Residential Area Abadi Dehi and Extended Abadi	(1) Rs.52,000/- per Marla (2) Rs.1,920/- per Sq. Yds

**II) Government rates for value of construction:**

**For the calculation of value of constructive/covered area per sq. ft. the following criteria is fixed for charging stamp duty:**

**For Urban Area Only**

- 1.Less than 10 years old Rs.500/- per sq. ft
- 2.10 or more than 10 year old Rs.250/- per sq. ft.

**For Rural Area Only**

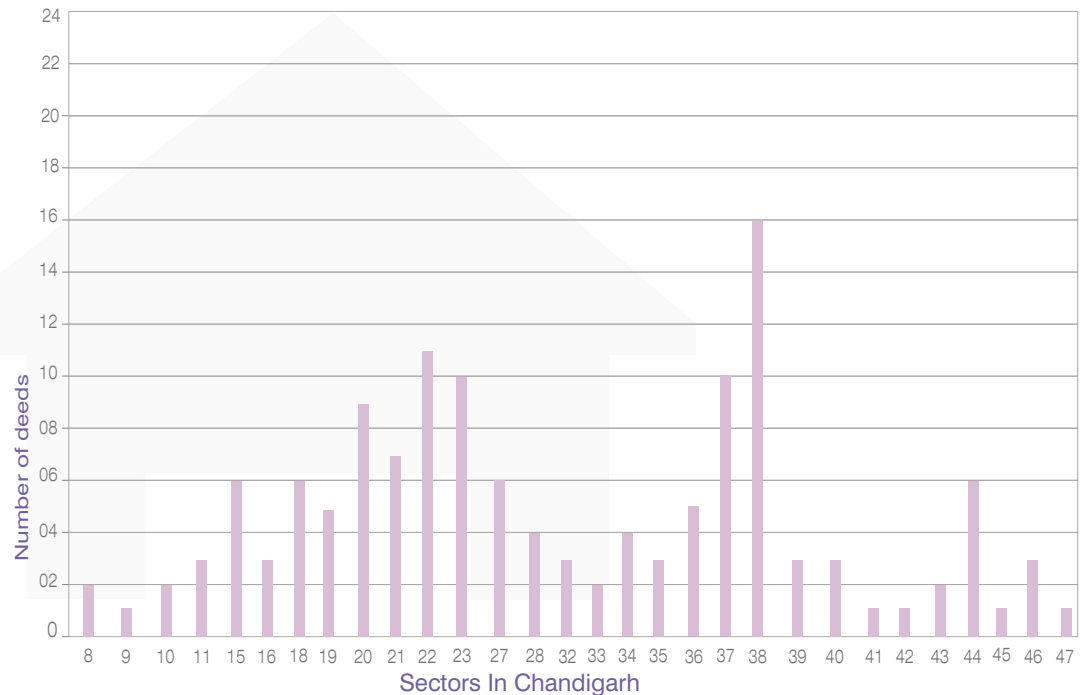
- 1.Kacha House/Girder & Batten Roof House Rs.50/- per sq. ft
2. RCC House Rs.110/- per sq. ft (10 or more than 10 years old)  
Rs.220/- per sq. ft (Less than 10 years old)



### Number and types of deeds registered in Chandigarh:

Number of Deeds vis a vis the sectors:

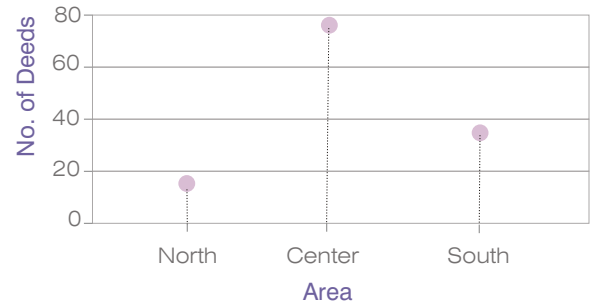
Sectors	Number of deeds
Sectors 8	2
Sectors 9	1
Sectors 11	3
Sectors 15	6
Sectors 16	3
Sectors 18	6
Sectors 19	5
Sectors 20	9
Sectors 21	7
Sectors 22	11
Sectors 23	10
Sectors 27	6
Sectors 28	4
Sectors 32	3
Sectors 33	2
Sectors 34	4
Sectors 35	3
Sectors 36	5
Sectors 37	10
Sectors 38	16
Sectors 39	3
Sectors 40	3
Sectors 41	1
Sectors 42	1
Sectors 43	2
Sectors 44	6
Sectors 45	1
Sectors 46	3
Sectors 47	1



- The highest number of sale-purchase of residential properties was in sector 38.
- The reason attributed to this is the higher degree of availability of residential property in the form of plot, house as well as Chandigarh housing board flats which are in sectors 38 and 40 till sector 55. Along with this, co-operative flats which are the newly built ones are also available in sectors 48 onwards. Thus offering numerous options at cheaper rates compared to the main sectors in Chandigarh.
- Sector 38 was followed by sector 22, 15 and 44. The reasons for this higher activity of sale-purchase in sectors 22 and 15 are:
  - i) These sectors offer a greater quantity of residential houses of 8-12 marlas and demand for this bracket of residential properties is the maximum which has been proved by the highest number of registries registered in the Estate Office for this category.
  - ii) These sectors being the central ones, generate more demand as compared to the far-off sectors.

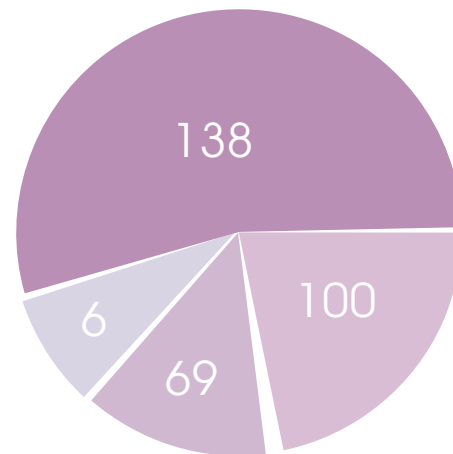
### Number of deeds vis-a-vis the location in Chandigarh:

Area	North	Central	South
No. of Sale Deeds	17	80	37



- The maximum number of deeds i.e. 80 were registered in the central region that includes sector 18, 19,20,21,22,23,27,28,32,33,34,35,36,37. The reasons attributed to this are cheaper property rates as compared to northern sectors and credibility of plot and houses.
- The southern sectors covering 38, 39, 40, 41, 42, 43, 44, 45,46,47 also reported to have substantial number; 37, of deeds registered. These sectors are towards Mohali. For this record, the reason is more availability and options in the form of plots, houses and flats; both Chandigarh housing board and co-operative societies.

Sale deeds :	138
Gift Deed :	6
DoC(Deed of Conveyance) :	100
Transfer deed :	69



- The maximum number of deed registered was the sale deed which was 138. This signifies certain characteristics of the open market real estate dealings:
  - sale deed is the only instrument for 100% assurance of property transfer
  - sale deed is the basis of sale-purchase real estate
  - open sale purchase has been noticed in the market not in blood relations as very less gift deeds were recorded as per family transfers etc.

**Chandigarh Market Comparison (100-250 sq yards)**

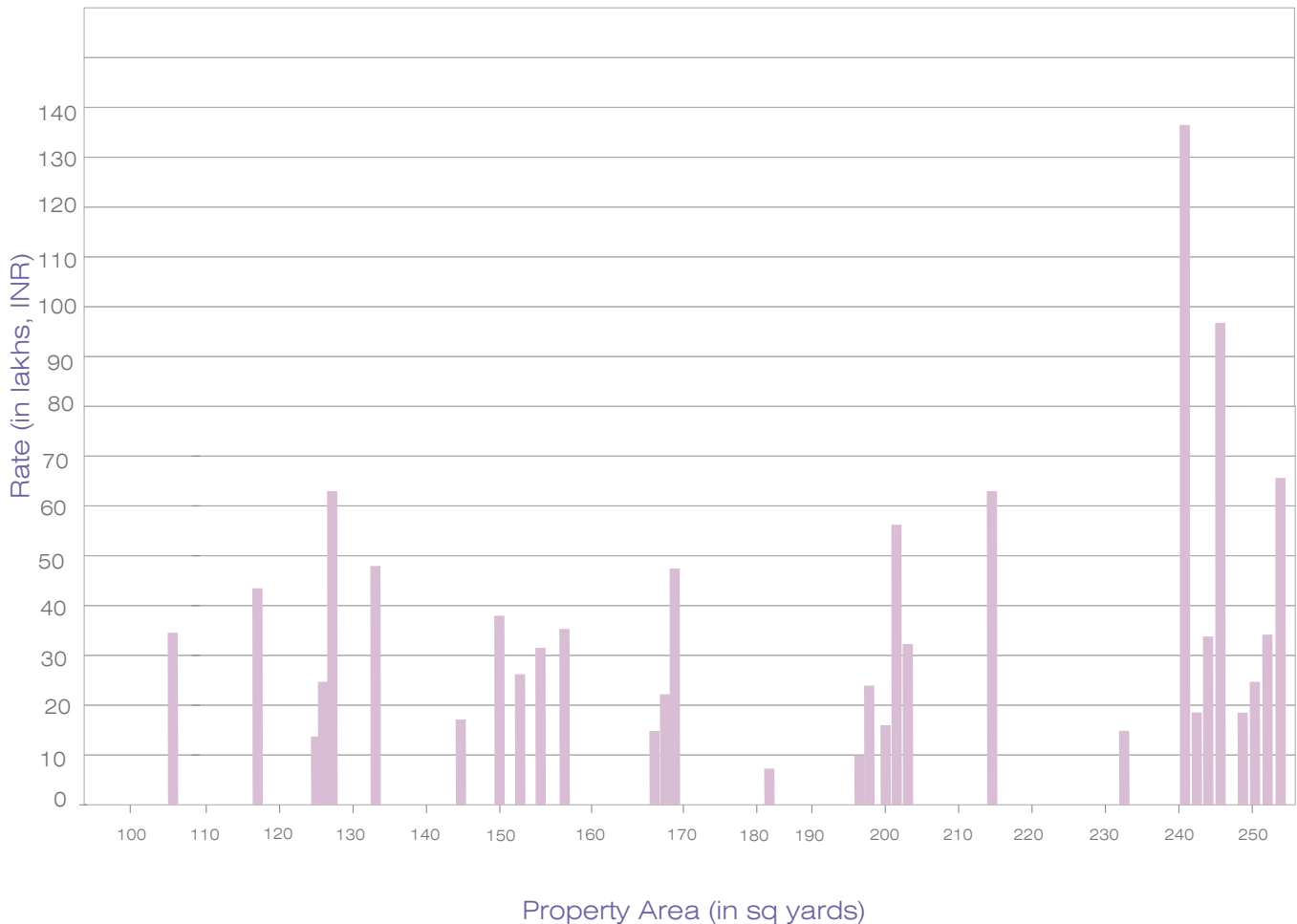
Comparison between the registered amount, the actual average market rate and the rate fixed by the Government with relation to residential property area between 100-250sq yards.i.e 4 marlas-8 marlas.

Property area	Govt rate per sq yard	Total Government rate	Average Market Rate	9% of the govt	Registered Amount
109.2	24,960	27,25,632	67,70,400	2,45,300	33,71,270
119	24,960	29,70,240	73,78,000	2,67,320	42,46,920
128.4	24,960	32,04,864	79,60,800	2,88,440	12,87,044
128.4	24,960	32,04,864	79,60,800	2,88,440	28,90,720
128.4	24,960	32,04,864	79,60,800	2,88,440	64,57,056
133.03	24,960	33,20,430	82,47,860	2,98,840	48,20,450
145.5	24,960	36,31,680	90,21,000	3,26,850	13,86,043
150	24,960	37,44,000	93,00,000	3,36,960	40,71,625
151.67	24,960	37,85,685	94,03,540	3,40,710	31,80,342
155	24,960	38,68,800	96,10,000	3,48,192	33,40,171
158.5	24,960	39,56,160	98,27,000	3,56,054	35,00,000
169	24,960	42,18,240	1,40,78,000	3,79,640	14,14,835
169	24,960	42,18,240	1,40,78,000	3,79,640	23,75,000
169	24,960	42,18,240	1,40,78,000	3,79,640	48,89,940
182	24,960	45,42,720	1,12,84,000	4,08,850	9,04,800
182	24,960	45,42,720	1,12,84,000	4,08,850	25,00,000
182.9	24,960	45,65,184	1,13,15,000	4,10,870	40,76,340
186.5	24,960	46,55,040	1,15,63,000	4,18,960	38,09,000
188.9	24,960	47,14,944	1,17,11,800	4,24,350	33,57,900
192.5	24,960	48,04,800	1,19,35,000	4,32,432	44,10,065
198.3	24,960	49,49,568	1,22,94,600	4,45,460	11,41,000
198.3	24,960	49,49,568	1,22,94,600	4,45,460	28,16,670
200	24,960	49,92,000	1,24,00,000	4,49,280	16,00,000
201	24,960	50,16,960	1,24,62,000	4,51,526	54,58,570
203.6	24,960	50,81,856	1,26,23,200	4,57,365	32,37,900
215	24,960	53,66,400	1,33,30,000	4,82,976	63,85,894
232	24,960	57,90,720	1,43,84,000	5,21,165	19,00,000
240	24,960	59,90,400	1,48,80,000	5,39,136	1,46,75,000
243.5	24,960	60,77,760	1,50,97,000	5,47,000	14,50,000
243.5	24,960	60,77,760	1,50,97,000	5,47,000	34,00,000
243.5	24,960	60,77,760	1,50,97,000	5,47,000	71,61,670
249.41	24,960	62,25,280	1,54,62,800	5,60,275	16,21,100
249.41	24,960	62,25,280	1,54,62,800	5,60,275	27,00,000
249.41	24,960	62,25,280	1,54,62,800	5,60,275	38,00,000
250	24,960	62,40,000	1,55,00,000	5,61,600	14,48,340
250	24,960	62,40,000	1,55,00,000	5,61,600	25,00,000
250	24,960	62,40,000	1,55,00,000	5,61,600	35,65,600
250	24,960	62,40,000	1,55,00,000	5,61,600	64,41,590



The lowest price recorded, as shown in the graph is for 7 marla i.e Rs. 9,04,800 and in the same area price is Rs. 40,76,340. The determinant behind such variations encompasses, the availability of loan or location, type of property (new/old), locality etc.

Graph representing the comparison between the registered amount, actual average market rate and the rate fixed by the Government with relation to residential property area between 100-250 sq yards .i.e 4 marlas-8 marlas.





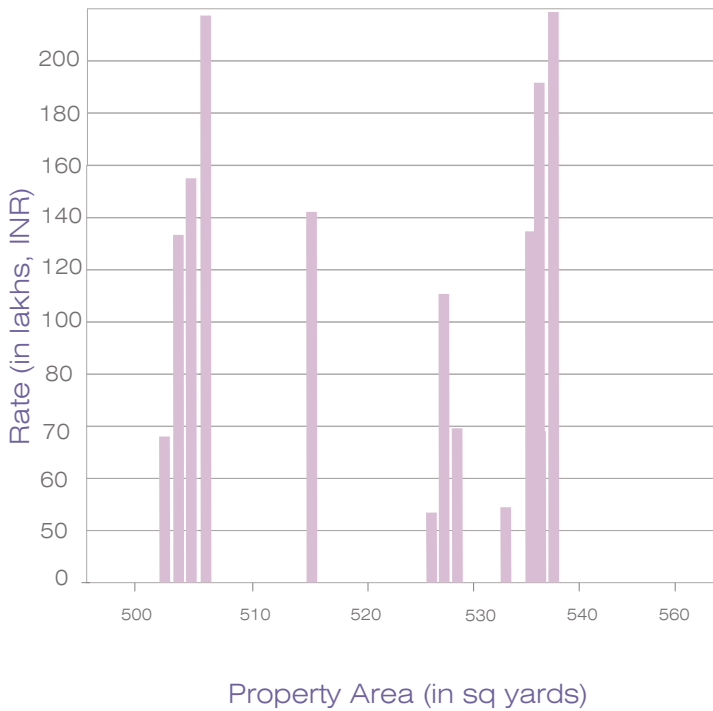
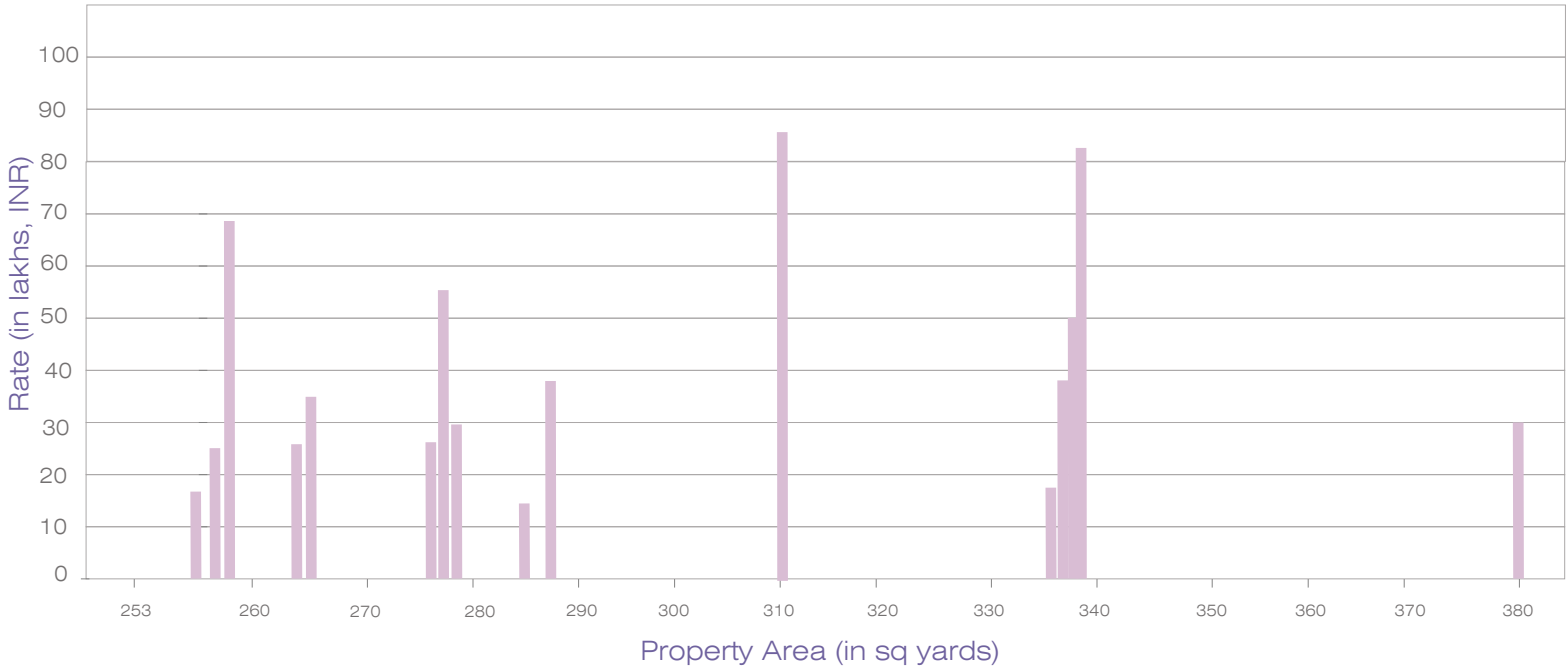
**Chandigarh Market Comparison (250-1000 sq yards)**

Comparison between the registered amount, the actual market average rate and the rate fixed by the Government with relation to residential property area between 251-1000 sq yards.i.e 10 marlas and 2 kanal.

Property area	Govt rate per sq yard	Total Government rate	Market Average Rate	9% of the govt	Registered Amount
253	24,960	63,14,880	1,56,86,000	5,68,340	25,00,000
253	24,960	63,14,880	1,56,86,000	5,68,340	68,50,000
256	24,960	63,89,880	1,58,72,000	5,75,080	71,56,408
261.83	24,960	65,35,280	1,62,33,460	5,88,175	22,04,333
264	24,960	65,89,440	1,63,68,000	5,93,050	33,00,000
275	24,960	68,64,000	1,70,50,000	6,17,760	22,50,000
275	24,960	68,64,000	1,70,50,000	6,17,760	55,00,000
279	24,960	69,63,840	1,72,98,000	6,26,750	25,00,000
283.5	24,960	70,76,160	1,75,77,000	6,36,850	18,00,000
286.14	24,960	71,42,000	1,77,40,680	6,42,780	39,96,027
310	24,960	77,37,600	1,92,20,000	6,96,384	91,00,000
338	24,960	84,36,480	2,09,56,000	7,59,280	19,50,000
338	24,960	84,36,480	2,09,56,000	7,59,280	40,00,000
338	24,960	84,36,480	2,09,56,000	7,59,280	55,12,500
250	24,960	84,36,480	2,09,56,000	7,59,280	89,00,000
380.25	24,960	94,91,040	2,35,75,500	8,54,200	40,00,000
500.5	24,960	1,24,92,480	3,10,31,000	11,24,320	70,71,190
500.5	24,960	1,24,92,480	3,10,31,000	11,24,320	1,40,00,000
500.5	24,960	1,24,92,480	3,10,31,000	11,24,320	1,60,00,000
500.5	24,960	1,24,92,480	3,10,31,000	11,24,320	2,40,00,000
515	24,960	1,28,54,400	3,19,30,000	11,56,896	1,43,54,400
528	24,960	1,31,78,880	3,27,36,000	11,86,100	59,50,000
528	24,960	1,31,78,880	3,27,36,000	11,86,100	70,29,000
528	24,960	1,31,78,880	3,27,36,000	11,86,100	1,39,65,000
528	24,960	1,31,78,880	3,27,36,000	11,86,100	1,96,00,000
528	24,960	1,31,78,880	3,27,36,000	11,86,100	2,20,00,000
999.8	24,960	2,49,55,008	6,19,87,600	22,45,950	65,00,000
1000	24,960	2,49,60,000	6,20,00,000	22,46,400	86,56,000
1000	24,960	2,49,60,000	6,20,00,000	22,46,400	1,32,30,000
1000	24,960	2,49,60,000	6,20,00,000	22,46,400	2,62,50,000
1000	24,960	2,49,60,000	6,20,00,000	22,46,400	4,40,00,000



The lowest price recorded, as shown in the graph, is for 11 marlas i.e 283 sq yard (18,00,000) and in the same area, price is 39,96,027. The determinant behind such variations encompasses, the availability of loan or location, type of property (new/old), locality etc.



Graph representing the comparison between registered amount, actual market average rate and the rate fixed by the Government with relation to the residential property area between 250-1000 sq yards. i.e 10 marlas- 2 kanal.



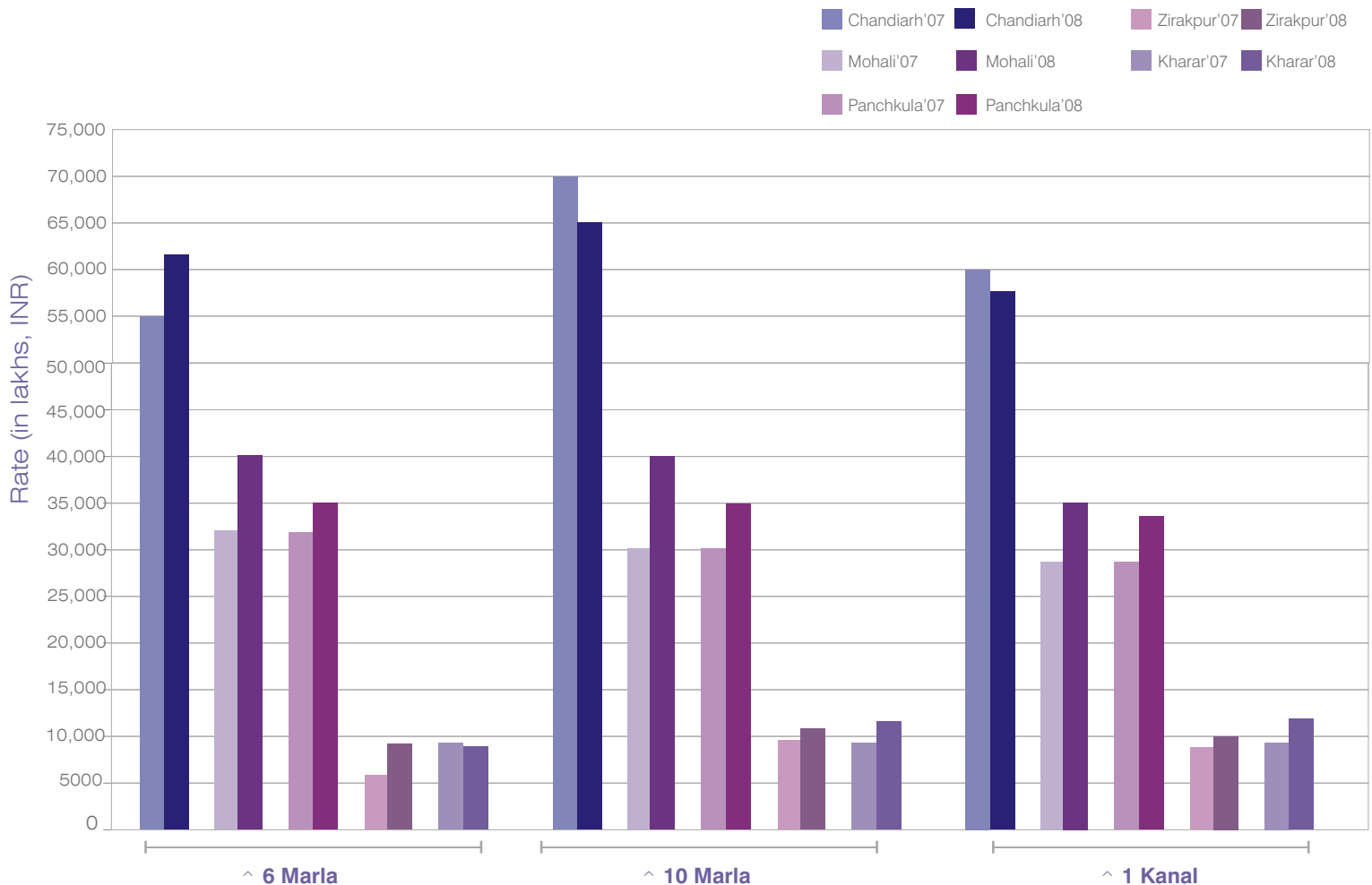
### Sub-urban Market Comparison:

Comparative Analysis of the rates of 1st quarter 2008 with 1st quarter 2007:

Location	Property area					
	6 marla		10 marla		1 kanal	
	1st Qtr 2008	1st Qtr 2007	1st Qtr 2008	1st Qtr 2007	1st Qtr 2008	1st Qtr 2007
Chandigarh	62,000/ per sq yard	55,000/ per sq yard	65,000/ per sq yard	70,000/ per sq yard	58,000/ per sq yard	60,000/ per sq yard
Mohali	40,000/ per sq yard	32,000/ per sq yard	40,000/ per sq yard	30,000/ per sq yard	35,000/ per sq yard	28,000/ per sq yard
Panchkula	35,000/per sq yard	32,000/ per sq yard	35,000/ per sq yard	30,000/ per sq yard	32,000/ per sq yard	28,000/ per sq yard
Zirakpur	9,000/ per sq yard	6,500/ per sq yard	10,500/ per sq yard	8,000/ per sq yard	10,000/ per sq yard	7,500/ per sq yard
Kharar	8,000/ per sq yard	9,500/ per sq yard	12,000/ per sq yard	9,500/ per sq yard	12,000/ per sq yard	9,000/ per sq yard

●The residential property rates in the sub-urban areas have appraised within this one year. Evaluating the rates of the 1st quarter of 2008 & 2007, it has been noticed that the rates have appraised in the range of 3%-25%, thus the graph shows an acclivous trend.

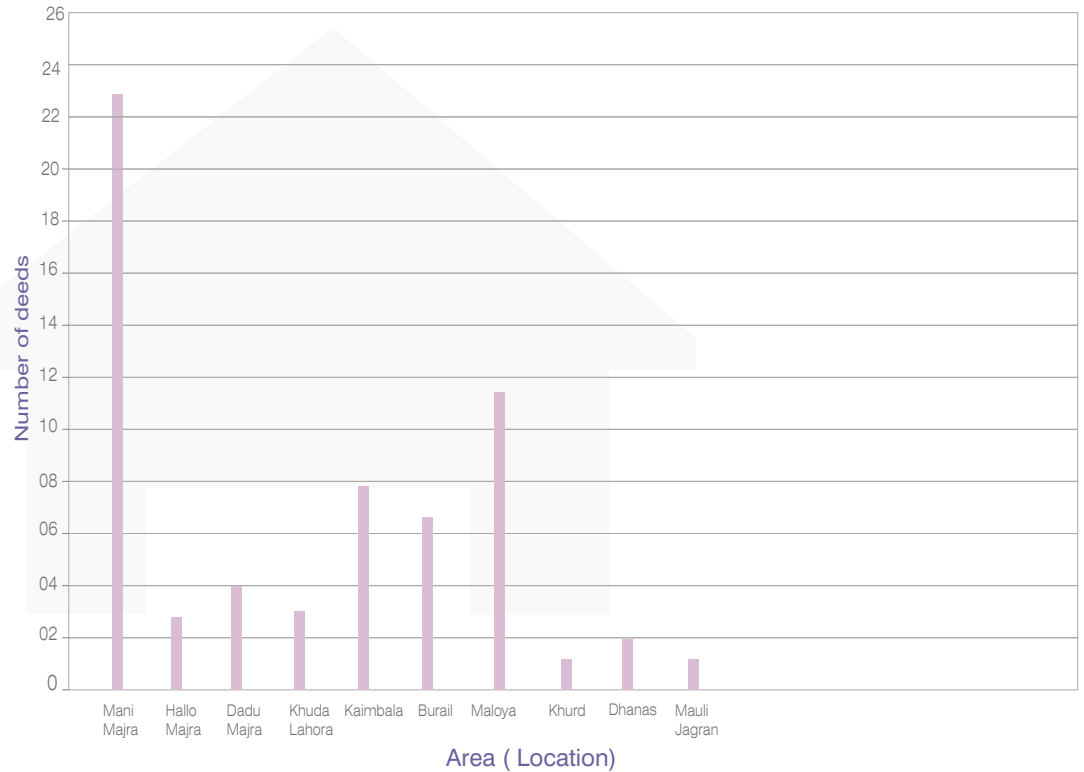
●The rates of 10 marla & 1 kanal in Chandigarh has depreciated within this year, thus showing the downward slope.



### Number and types of deeds registered in Rural area :

Number of Deeds vis a vis the sectors:

Location	Number of deeds
ManiMajra	23
HalloMajra	3
DaduMajra	4
Khuda Lahora	3
Kaimbala	8
Burail	7
Maloya	12
Khurd	1
Dhanas	2
Mauli jagran	1



The highest number of sale-purchase of residential properties was in Manimajra.

- The reason attributed to this is the higher magnitude of availability of residential flats in cheaper rates compared to the other suburbs.
- Proximity to Punjab, Haryana and Himachal Pradesh adds another reason for its high sale deeds.
- Manimajra is very close to Chandigarh as well as IT park, which adds another feather in its cap.

Manimajra was followed by Maloya and kaimbala. The reasons for higher activity of sale purchase in this two areas are:

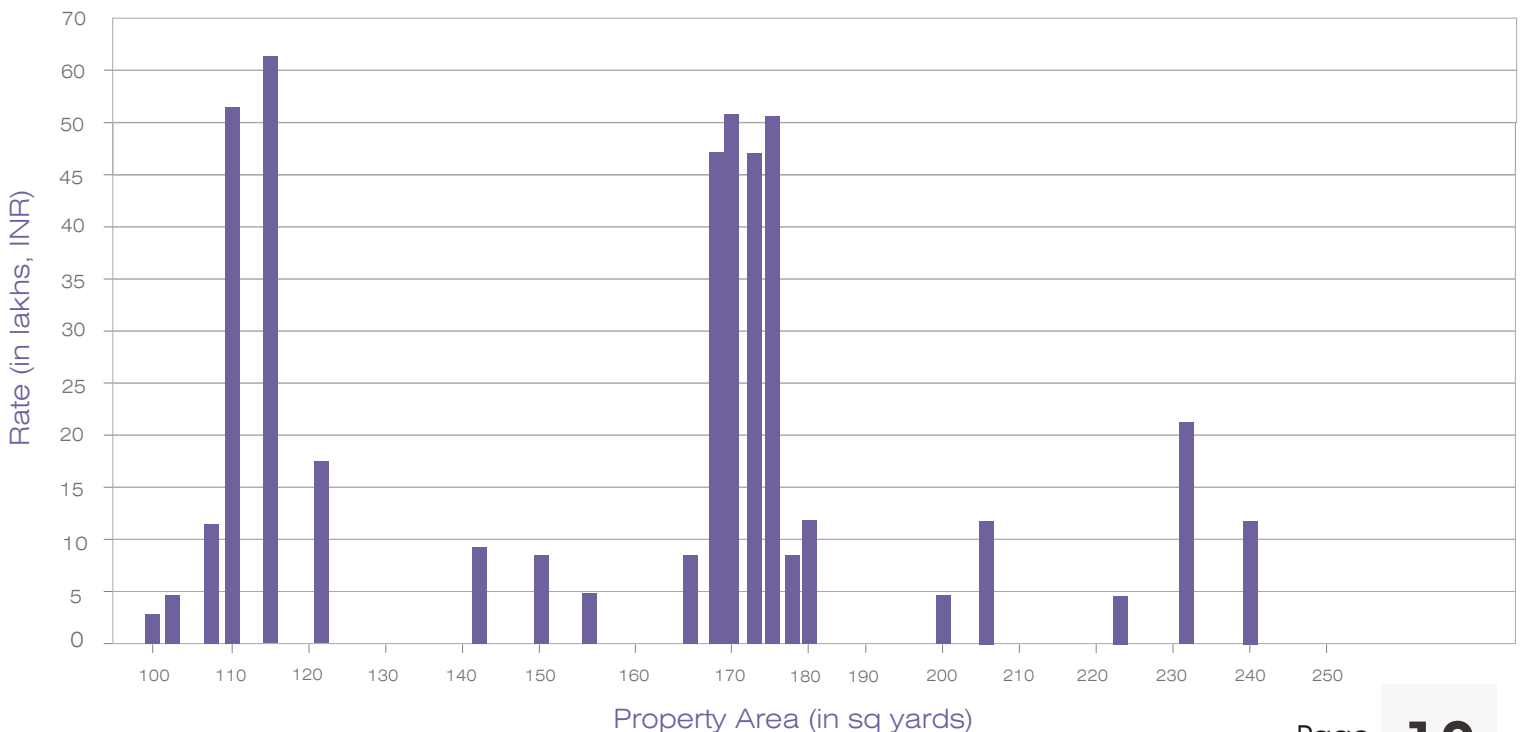
- Being adjacent to Chandigarh, these two areas effectuate more demand as compared to the far off areas..



### Rural Market Comparison (100-250 sq yards)

Property area	Govt rate per sq yard	Total Government rate	Average Market Rate	9% of the govt Rate	Registered Amount
100	3120	3,12,000	5,00,000	28,080	2,10,000
100	3120	3,12,000	5,00,000	28,080	4,80,000
106	3120	3,30,720	5,30,000	29,765	12,39,348
110	3120	3,43,200	22,00,000	30,888	56,00,000
115	3120	3,58,800	23,00,000	32,300	62,00,000
120	3120	3,74,400	6,00,000	33,696	18,00,000
117.79	3120	3,67,500	5,88,950	33,075	13,85,000
143	3120	4,46,160	7,13,000	40,154	7,80,000
150	3120	4,68,000	7,50,000	42,120	7,62,000
156	3120	4,86,720	7,80,000	43,800	4,00,000
168	3120	5,24,160	8,40,000	47,170	7,74,160
169.11	3120	5,27,620	33,82,200	47,490	46,76,000
169.11	3120	5,27,620	33,82,200	47,490	48,00,000
171	3120	5,33,520	34,22,000	48,017	46,59,663
171	3120	5,33,520	34,22,000	48,017	48,00,000
175.7	3120	5,48,184	8,78,500	49,340	6,00,000
176.7	3120	5,51,304	35,34,000	49,600	38,00,000
177.3	3120	5,53,176	8,86,500	49,790	14,00,000
200	3120	6,24,000	10,00,000	56,160	7,50,000
207	3120	6,45,840	10,35,000	58,130	10,00,000
222	3120	6,92,640	11,10,000	62,340	7,52,000
223.4	3120	7,25,088	46,48,000	65,260	21,00,000
233	3120	7,26,960	11,65,000	65,430	5,51,000
240	3120	7,48,800	12,00,000	67,392	9,11,500

Comparison between the registered amount, the actual market average rate and the rate fixed by the Government with relation to residential property area between (100-250 sq yards) i.e 4-10 marlas.

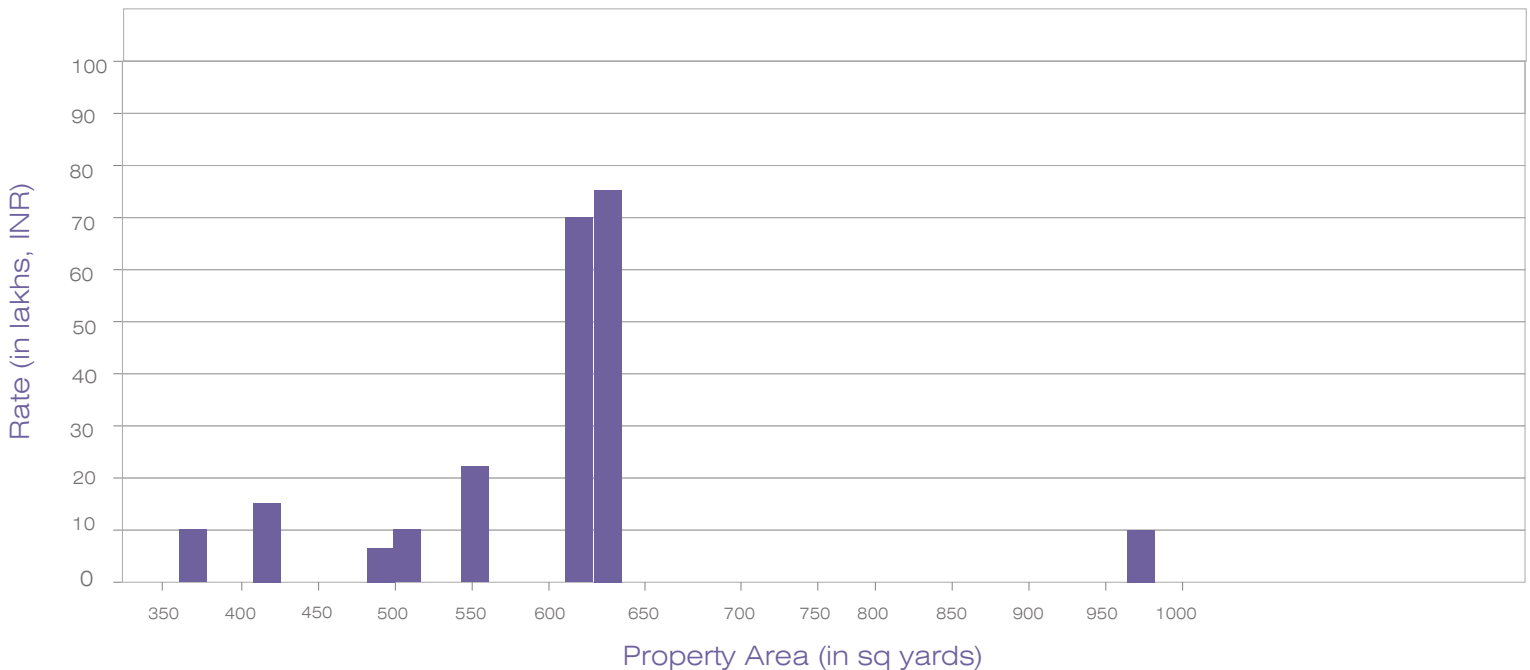




### Rural Market Comparison (251-1000 sq yards)

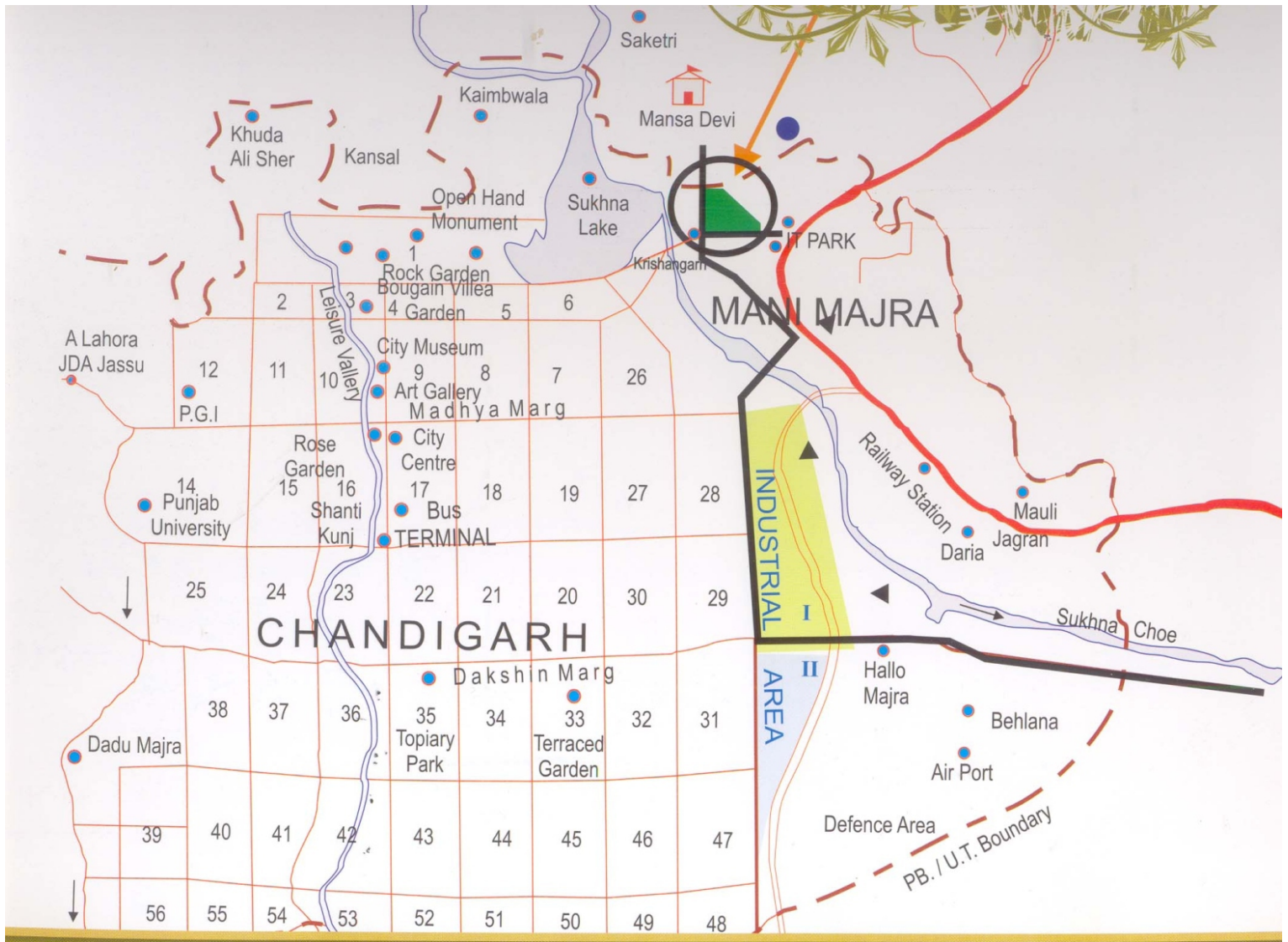
Property area	Govt rate per sq yard	Total Government rate	Average Market Rate	9% of the govt Rate	Registered Amount
357	3120	11,13,840	24,99,000	1,00,250	10,45,000
412	3120	12,85,440	28,84,000	1,15,690	15,74,000
500	3120	15,60,000	11,00,00,000	1,40,400	6,25,000
500	3120	15,60,000	1,00,00,000	1,40,400	13,53,000
515	3120	16,06,800	1,03,00,000	1,44,612	1,06,500
536	3120	16,72,320	1,07,20,000	1,50,510	2,25,00,000
595	3120	18,56,400	1,19,00,000	1,67,076	28,00,000
625	3120	19,50,000	1,25,00,000	1,75,500	76,25,000
633.7	3120	19,77,144	1,26,74,000	1,77,940	80,50,000
975	3120	30,42,000	1,95,00,000	2,73,780	6,84,450
1000	3120	31,20,000	2,00,00,000	2,80,800	7,02,000
1000	3120	31,20,000	2,00,00,000	2,80,800	12,25,000
1000	3120	31,20,000	2,00,00,000	2,80,800	12,50,000
1000	3120	31,20,000	2,00,00,000	2,80,800	14,23,000
1000	3120	31,20,000	2,00,00,000	2,80,800	19,50,000

Comparison between the registered amount, the actual market average rate and the rate fixed by the Government with relation to residential property area between 250-1000 sq yards i.e. 10 marlas-2 kanals.





### Chandigarh Rural Map :





## Prognosis

known for its high standard of living, Chandigarh enjoys the status of first planned city of India. It is popular as the sophisticated property market of the northern India. The city effectuates high exigency as far as real estate is concerned as dozens of property deals are clinched every day as per Estate Office records. Flats of three-bedroom and two-bedroom are in high demand apart from commercial establishments.

The rate of registration of a plot, as fixed by the administration, is 24,960 per square yard on which the registry is supposed to be done. Whereas the market rate is around Rs. 62,000 per square yard. The registration rate in Mohali and Panchkula is around Rs 15,000 and Rs 16,000 respectively, whereas in the suburbs it is between Rs. 2,080 to 3,120.

The real estate market in Chandigarh as well as Mohali and Panchkula will remain flaccid of the current stormy situation in the world stock market. Whereas, Kharar-Landran road dealing with long term plans and Realtor investments, in this bad phase, would not have good investments. Zirakpur, among all other suburbs evince some buoyancy and would yield good results in another 5 or 6 months, after the completion of flyover. In fact, in the long term, International Airport would surely impact the entire Tricity's real estate scenario.





## Source of Information

- Chandigarh Estate Office
- Real Estate Brokers in Tri-city.
- [www.propertyvertical.com](http://www.propertyvertical.com)

## Special Thanks

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## About Propertyvertical.com

PropertyVertical.com is a move towards synchronization of comprehensive range of real estate services covering sale, purchase, rent, lease to advisory services and transaction management of residential, commercial, land, hotels, etc. in any part of India. With an extensive database, latest updated information, authentic and reliable research analysis, 24x7 customer support, maximum number of genuine interested buyers as well as the NRI clients, has certainly increased our credibility in the real estate market.

Our presence in US, Delhi and Chandigarh helps us to cater to a wide range of customers both national and international. For the ease of our clients, the technical support team continuously updates and enhances the website. Assistance from trained, skilled and dedicated team working around the clock provides sale/purchase/investing solutions to the clients. Also the presence of dedicated research team and advisory council offers an in depth information and advisory services.

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