



Empowering homebuyers and industry players through Makaan.com Property Index

- Makaan.com, India's fastest growing online real estate website by People group has launched country's first Property Index. Christened *Makaan.com Property Index (MPI)* the tool is aimed at empowering homebuyers and industry players with up-to date information related to movement in residential property prices. This tool will assist the homebuyers to make an informed decision, when he/she heads out to buy their dream home. MPI aims to provide a direction to the buyer so that they invest their hard earned money in the right manner.
- Makaan.com Property Index (MPI) is part of a bigger initiative known as MakaanIQ that has been bringing out property intelligence & research reports for the benefit of homebuyers and real estate industry.

Makaan.com Property Index Methodology

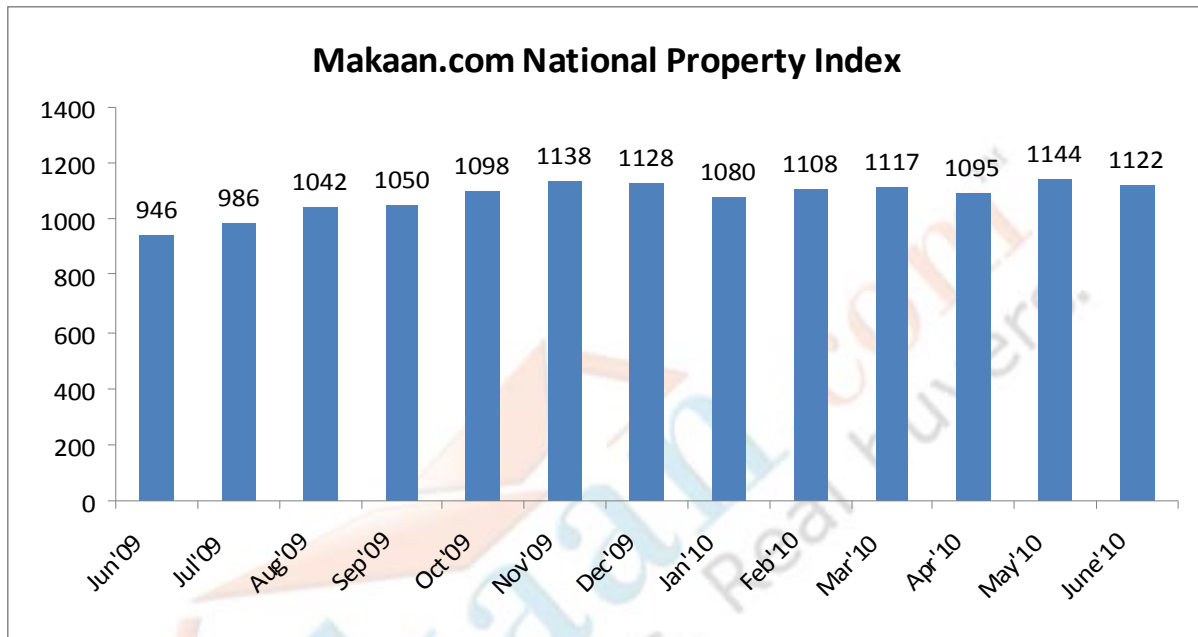
- **Coverage:** Makaan.com Property Index tracks property price trends nationally and for major metros and tier II cities of India
- **Frequency:** Monthly – Starting Jan 2009
- **Database:** This index is based on minimum database size of 20,000 data points every month and the analysis has been drawn over a period starting Jan'09. The prices of properties are obtained across micro-markets through property listings on the website as well as Makaan.com's nationwide sales force.
- **Index Algorithm:** The complex algorithm takes into account the property prices as base and then factors in the demand and supply of residential properties for each of the cities covered by it. Care has been taken to give weight age to cities in line with the size of underlying property market.



Disclaimer - Makaan.com Property Index (MPI) has been created based on a complex algorithm. The data on the website is generated from the property sellers & buyers and assumed to be accurate and complete. We advise the property seekers to correctly understand the [overview document](#) and follow the steps involved in constructing the index and its likely shortcomings. Property seekers are advised to verify these findings before taking any decision. Makaan.com (People Interactive (I) Pvt. Ltd.,) gives no warranty, express or implied, as to the accuracy, reliability and completeness of any information and does not accept any liability on the information which may or may not be subject to change from time to time due to market condition.



Makaan.com Property Index – National



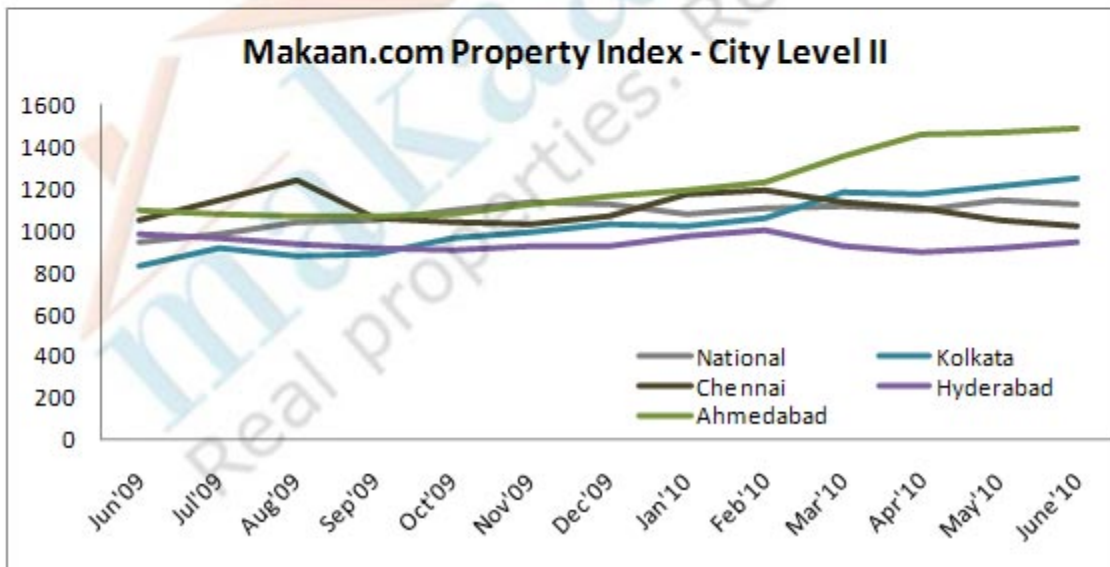
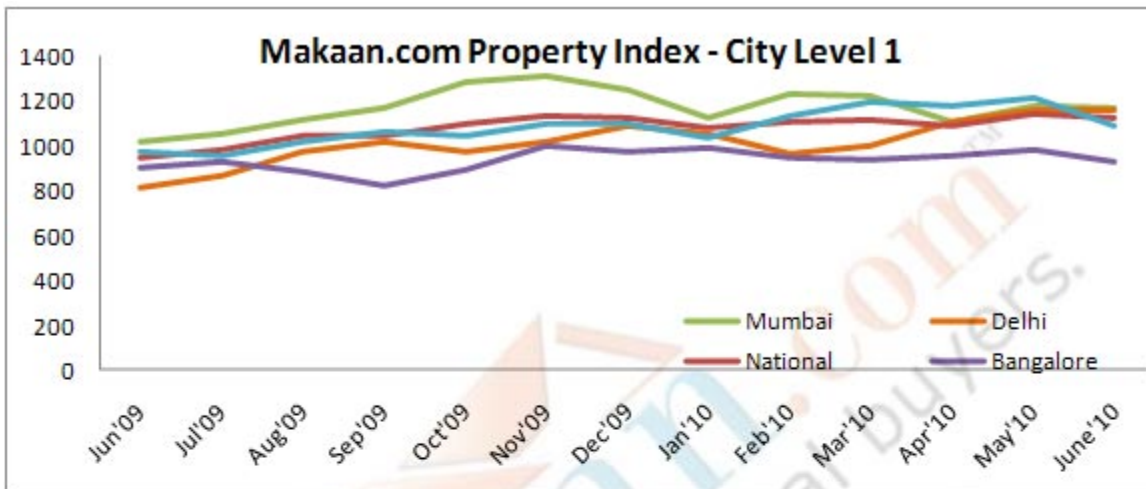
- **Monthly Trend:** At the National level, the property prices dropped by 2.0% in the last month. The Index in June 2010 stands at 1122 as against 1144 in May 2010
- **Quarter Analysis:** Over the last 3 months, the MPI has seen a small rise - it has moved from 1117 in Mar 2010 to 1122 in June 2010, a 0.5% increase. The National index has been relatively stable in March and April, most of the gain has come in the month of May 2010
- **Year-on-year movement:** As compared to last year i.e. June 2009, the MPI in June 2010 has moved up by 18.6%. Prices had dropped significantly in the second quarter of 2009 due to the economic slowdown. From thereon, the prices have been rising steadily over the last 3 quarters



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Makaan.com Property Index – City level



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- **Monthly Trends:** In the last one month most cities have seen increase in property prices. The key property markets Mumbai & Delhi registered a minor drop in 0.7% - 0.8% range. Kolkata has seen a jump in price by 3.3%, however prices in Pune have fallen by 10.2%. Prices have fallen in Bangalore by around 5.3% and Hyderabad has seen an increase in price by 4%. Ahmedabad prices have been seen a minor increase of about 1.2% in last one month. Chennai has seen a drop in prices by 3.4% in the last one month.
- **Quarter Analysis:** Over the last quarter, i.e. between March to June 2010, there are many steep upward and downward swings in property prices across cities. Property prices in Delhi have moved up by 15.1%, in Ahmedabad by 10.3%, Kolkata by 5.8% and Hyderabad by 2.7%. In Bangalore and Pune prices have dropped by 0.8% and 8.6% respectively. In the same period, Chennai saw a steep price drop (10.5%) followed by drop in Mumbai by 4%.
- **Year-on-Year Movement:** Over the last 1 year, i.e. between June 2009 to June 2010, most cities have seen significant increases in property prices. Kolkata, Ahmedabad & Delhi have seen very steep price increases – upwards of 30%. Pune, Mumbai have also seen 12-17% price increases. In comparison to these, Bangalore has seen modest price improvements of 3%. These cities have led the National Index to move up by 18.6% over the last 1 year. Hyderabad, and Chennai have seen a reduction in property prices in the range of 2-4% in the same period.
- **Going Forward:** The signals from the Indian Economy are quite positive - Industrial output, Exports and the GDP are rising, and jobs are more secure than before. At the same time interest rates are likely to go up, which may make buyers cautious in their purchase decisions. In the current situation one would expect the realty sector to maintain stability of prices.



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