



RESIDENTIAL NEWS

Salarpuria Sattva to enter affordable housing; plans Rs 900cr investment on 2 projects in Bengaluru

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Bengaluru-based realty firm Salarpuria Sattva is entering into affordable housing segment and plans to develop two projects in the IT city with an estimated investment of around Rs 900 crore. Salarpuria Sattva is one of the leading real estate developer in South India.

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Recently, Blackstone and Salarpuria Sattva bought 'Global Village Tech Park' in Bengaluru from Coffee Day Enterprises Ltd for Rs 2,700 crore.

"We are entering into the affordable housing segment. We are coming up with two projects to begin with," Salarpuria Sattva group Managing Director Bijay Agarwal told PTL.

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transaction



He said the company will sell residential units in a price range of Rs 25-60 lakh in these two projects comprising about 2,500 flats. The per sq ft rate will be around Rs 3,500-4,000.

The two projects, one located near the Kempegowda airport and other on the Mysore road, are expected to be launched early next year.

When asked about the investment, Agarwal said it will be around USD 130 million (about Rs 900 crore).

Real estate developers are focusing on affordable housing segment to beat the demand slowdown.

The government is promoting this segment by charging lower GST of 1 per cent and providing additional Rs 1.5 lakh deduction on interest paid on home loans under Income Tax act. It is also providing interest subsidy under a central scheme.

According to a report by brokerage firm PropTiger, real estate developers are expected to deliver over 4.5 lakh affordable housing units by 2020.

Salarpuria Sattva has completed 114 projects across seven cities in India in about three decade. It has completed about 50 million sq ft area and around 40 million sq ft development is in progress. The development of over 30 million sq ft is in a planning stage.

Besides Bengaluru, the group has presence in Hyderabad, Kolkata, Pune, Coimbatore, Jaipur and Goa. The group is also into education and hospitality businesses among others. It has forayed into two major growing segments — co-working and co-living — through partnership with Co-live and Simpliwork.