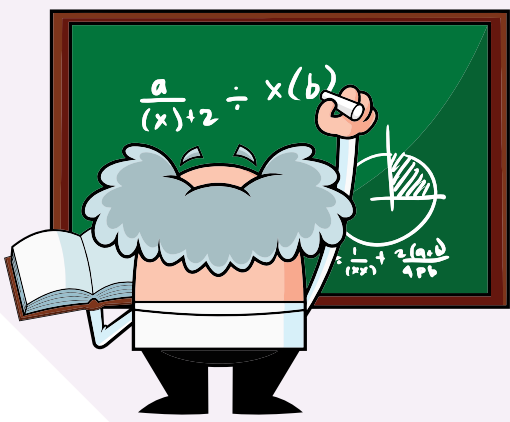


# Decoding the Resale Puzzle: Assessing the Fruitfulness of Kharghar's Existing Market



Buying under-construction property at the right price is always fruitful if compared to going for a resale property. There is the mathematics behind it. Firstly, identify the possession year of the property. Any property with more than 15 years of completion and possession will never give you a profitable deal if compared to under-construction property.

Buying a 15+-year-old resale property on a loan is never recommended as the property has already met its scope of appreciation and will

never meet the break-even point due to the floating rate of interest on a home loan. A 15-year-old property has old construction quality with no modern amenities and no concept of a Township which further limits the demand for the property if you need to sell it.

It is important to understand the criteria for building redevelopment before considering any property investment. Generally, the maximum age for a building to be eligible for redevelopment is around 45 years. However, in the Kharghar region, most constructions are relatively young, ranging from 20 to 25 years old. Therefore, if someone approaches you claiming that purchasing a property in Kharghar will result in a threefold increase in its value due to imminent redevelopment, it is crucial not to be deceived. Since the property is merely halfway through its potential lifespan, its value has likely already reached a significant level.



Buying such a property using a loan where the interest component is three times the buying value will not provide a minimum yield of 50%. It is essential to consider these factors and make informed decisions when investing in real estate.



Investing in under-construction properties can offer certain advantages. When you purchase a property during the initial year of construction, you acquire it at a value represented by X. However, upon possession, the value of the property increases to XY. Your loan is based on the X value, and you begin paying EMIs during the under-construction phase. With smart management of funds, taking into account your current income and the projected income after possession, it is possible to comfortably support the EMIs. By effectively managing your finances, it is feasible to complete the 20-year tenure in just 12 years, all while enjoying the appreciation in property value.

When considering the purchase of an upgraded township product, it is worth examining the advantages of Kharghar. The possessions in Kharghar were initially delivered in the year 2000, and since then, the region has undergone significant development. It has evolved and matured over time, reaching a point of saturation with meticulous planning and the ongoing construction of new projects. Additionally, Kharghar benefits from convenient access to the metro, further enhancing its appeal as an ideal location for investment or residence.

Properties in Kharghar, ranging from 55 lac to 90 lac for a 2 BHK unit, have the potential to yield significant appreciation. It is not uncommon for such properties to appreciate by approximately 1.5 Cr. However, it's important to note that the rate of appreciation may slow down over time, influenced by capital gain and prevailing inflation rates during that period. It's advisable to consider these factors when evaluating the investment potential of properties in Kharghar.

Before succumbing to any marketing gimmicks that are speculative or exaggerated by self-proclaimed real estate agents, it is crucial to verify the facts. Don't be swayed by mere promises and exaggerated claims. Instead, reach out to us to get accurate and reliable information.

By meeting with us, you will receive a comprehensive breakdown of the workings and the mathematics involved in the payment plan for under-construction properties. Our focus is on practical strategies and smart planning, providing you with concrete financial insights rather than mere speculative stories centered around capital gains. Our expertise lies in managing complete portfolio finances, ensuring that all financial aspects are carefully considered. Get a detailed analysis and personalized guidance tailored to your specific needs and goals.



**Real-time analysis**

**by Gurwinder S Badesha - Portfolio Manager**

