

Press Release

National Housing Bank releases the **NHB RESIDEX** for Quarter Ending March 2022. The Housing Price Index (HPI) tracks the movement in prices of residential properties in select 50 cities on quarterly basis with FY 2017-18 as the base year.

The 50 city HPI based on valuation prices of properties collected from Primary Lending Institutions (**HPI @ Assessment Prices**) recorded an annual increase (Y-o-Y) of 5.3% in QE March 2022 as compared with 2.7% a year ago.

The annual change in **HPI @ Assessment Price** varied widely across the cities – ranging from an increase of 13.8% (Ahmedabad & Bhubaneshwar) to a decline of 5.9% (Navi Mumbai).

Out of the 50 cities, 41 cities registered increase in the index whereas 5 cities registered decline on an annual basis. All of the eight major metros of the country viz., Ahmedabad (13.8%), Bengaluru (2.5%), Chennai (7.7%), Delhi (3.2%), Hyderabad (11.0%), Kolkata (2.6%), Mumbai (1.9%) & Pune (0.9%) recorded increase in the index on an annual basis.

On a sequential (Q-o-Q) basis, the 50-city index registered an expansion of 2.6% in January-March 2022 as against 1.7% in the previous quarter. The index is showing an increasing trend on Q-o-Q basis since June-21 suggesting revival of Housing Market post Covid-19 induced lockdown.

While Chandigarh, Howrah, Nagpur, Navi Mumbai & Panvel recorded sequential decline in the HPI @ Assessment Price during the quarter with Howrah recording the maximum decline of 1.8%, the index recorded increase in 39 cities with Coimbatore recording the highest sequential improvement of 6.8%.

The 50 city HPI @ **Market Price for Under Construction Properties** computed using the quoted prices for under construction and ready to move unsold properties, also recorded an annual increase (Y-o-Y) of 4.8% in QE March 2022 as against 1.0% a year ago.

The variation in HPI@ Market Price ranged from an increase of 23.9% (Bhubaneshwar) to a contraction of 10.8% (Indore).

On a sequential (Q-o-Q) basis, the 50 city Index witnessed a change of 1.9% during the quarter compared to 0.9% in previous quarter suggesting an uptick in the asking prices for properties which is likely to continue due to rise in demand because of preference of owning a house among millennials and rising cost of construction.

While 9 cities recorded a sequential ((Q-o-Q) decline in Index with Indore recording the maximum (3.6%), the index registered an increase in 36 cities with Bhubaneshwar leading the chart with a sequential upward movement of 8.0%.

The overall increase in composite HPI @ Assessment Price and HPI@ Market Price is an indication of the market reviving and demand increasing. A stable to moderate increase in HPI also offers confidence to both homeowner as well as home loan financier in terms of retained value of the asset.
