

**AXON**  
DEVELOPERS

# MARKET SPOTLIGHT SEC-16

NOIDA EXTENSION



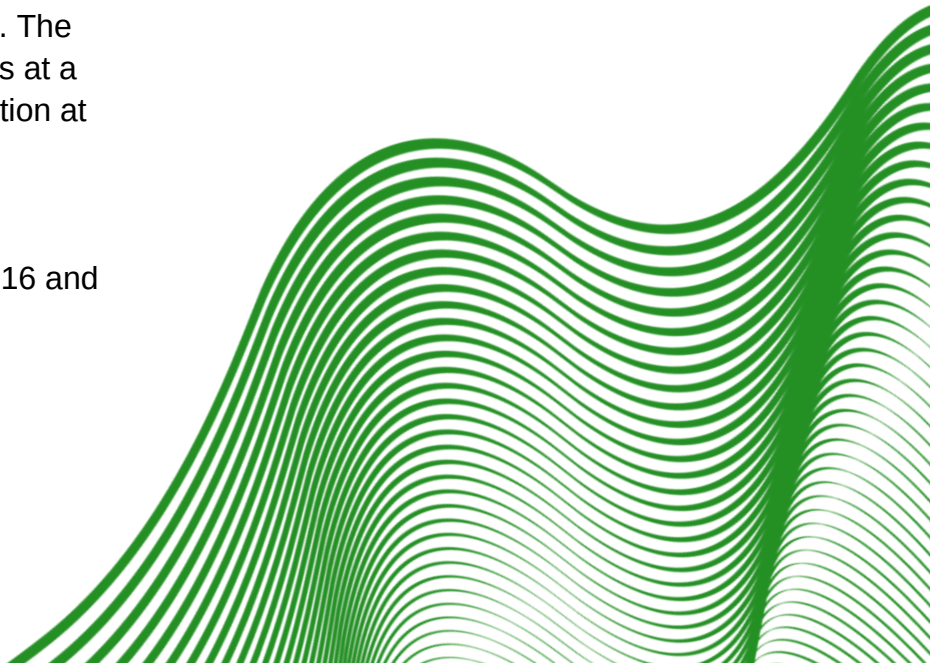
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The Sec-16 in Noida Extension is emerging as a promising real estate destination, attracting home buyers from Noida Extension and the Greater Noida region. Affordable property prices, improved infrastructure & social facilities, and greater connectivity are fuelling growth in the property market. Average property prices have reached a little less than INR 4,700/ Sq. Ft. in Q4 FY 22, growing at 1.5% compared to last quarter. Over the past 8 quarters, the average price has moved up by 9.83 %, a remarkable growth despite the general snag in the market in recent times due to the pandemic. Sec-16 enjoys great connectivity to Delhi, Noida, and Yamuna Expressway. Through DND, it is seamlessly linked with Mayur Vihar. The metro station at Noida City Center is at a distance of ~ 6 Km. The railway station at Nizamuddin is also located at an approachable distance (~ 25 Km). Through Yamuna Expressway, it is connected to Jewar and Agra. Sec-16 and its nearby regions are also privy to

some of the large scale infrastructure developments. By 2029, the Delhi-Varanasi high-speed corridor is expected to be operational giving a major infrastructure thrust to the Noida extension region. Sec-16 alongside Tech Zone 2, 5 and knowledge parks are being systematically transformed into bustling IT & technology corridors. Large parcels of land are being earmarked to develop IT parks, which will attract IT enterprises, start-ups, BPOs, KPOs, etc. in large volume. As a natural corollary to the bustling IT industry in the vicinity, housing demands are expected to register a further steep jump.



# NOIDA EXTENSION MARKET OVERVIEW

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Spread across the sprawling region between Noida and Greater Noida, the Noida Extension comprises a host of sectors including Sec 1, 2, 3, 4, 16, and Tech Zones. It is situated across the link road and transforming into a bustling residential, commercial, and retail hub in the region. Soon, the metro project will start operating in the region, as work will begin on the Sec-2 – Sec-51 metro line, connecting Noida extension (which is also sometimes called greater Noida west) with the rest of NCR seamlessly. The metro project will be built for INR ~ 1100 Crores, under the Aqua line. Once the Noida extension region enters the expansive metro grid, housing demand is set to receive a big boost. The region is located at an approachable distance from the Jewar airport (~ 60 mins). Likewise, it takes around 40-45 mins to reach the Hazrat Nizamuddin Railway station in Delhi. The region is also accessible through an extensive network of roadways. Through the Noida-Greater Noida expressway, it is connected to Delhi. Meanwhile, through the Yamuna

expressway, it is conveniently linked to Agra (~ 2.5 hours). The region is also at an approachable distance from the upcoming Jewar airport in Greater Noida (slightly over ~ 60 mins.) Its closeness to Jewar airport will help in unlocking a host of new commercial and economic activities. Work is going on in full swing on the Jewar airport, which is expected to be operational by 2024. The Jewar Airport project, which is built for INR 29,000 crores (the first half cost is INR 8,900 Crores.), will be a harbinger of economic transformation in the entire Jewar-Yamuna Expressway-Greater Noida-Noida Extension region. Meanwhile, the region will also be linked with the Delhi-Varanasi High-Speed Corridor (DVHSR). GOI has outlined a detailed plan to operate 43 bullet trains on the corridor, covering Delhi to Varanasi in just 3hrs 30 mins. Sec-146, which is located adjacent to Noida Extension is also one of the proposed stations. Being integrated with one of the most ambitious bullet projects will give a facelift to the fortunes of Noida Extension.

## A THRIVING INVESTMENT HUB

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Noida has been party to a bullish inflow of investments in recent years. As per government estimates, during 2016-2021, Noida received a total investment of ~ INR 64,000 Crores, which has eventually

created around 4,50,000 jobs roughly in Noida, thereby also giving a huge push to the local real estate sentiments in and around the area. In Sector 51, the Swiss Retail giant Ikea is investing INR 5,500

Crores comprising shopping malls and allied facilities such as hotels and retail centres. Ikea's investment is one of the largest in the country and will be made over 7 years. To get things started, a commercial land parcel has already been provided. Adani infrastructure is developing data centres in Noida with an investment of around INR 4,600 Crores. Other major business entities such as TCS, Samsung, etc. are racking up investments in the Noida region. As commercial concentration is soaring, the housing demand will also spiral upwards. Apart from the region around the city centre, affordable markets like Noida Extension are also registering bullish

demand on the back of a surge in employment facilities. Meanwhile, the Yamuna Expressway region is also transforming into a thriving industrial ecosystem. Along the Yamuna Expressway, a 250-acre electronic city has been proposed with dedicated facilities for the manufacturing of TV sets, mobile devices, and other electronic appliances. Likewise, IT parks, Toy Park, Textile production clusters etc. have been planned in the region. Noida extension, which is accessible from the Yamuna Expressway will reap dividends as the former can offer more viable real estate options to individuals employed in the Yamuna expressway.

## SEC-16 THROUGH THE VIEWING GLASS

In recent years, Noida has climbed to become one of the prominent IT, ITeS, and electronics manufacturing hubs in India. Affordable living standards, a plethora of top-rated education institutions, and developed infrastructure in the form of broader roadways, and metro networks have transformed Noida and Greater Noida into thriving IT and ITeS centres. The leasing rates are also lower in Noida, which has further lured big MNCs within NCR. Noida has a large concentration of IT enterprises such as Adobe, MS, Google, TCS, Sapient, Accenture, etc. At the current pace, it can give stiff competition to major IT destinations in India such as Hyderabad and Bangalore. The suburb of Delhi is also home to some of the largest names in the consumer internet space such as Paytm and Red Hat. It is also dotted with a host of consulting, research, and analytics

companies. As a flourishing neighbourhood in Noida Extension, Sec-16 and its nearby regions are greatly benefiting from Noida's growing IT industry. Under the leadership of the current state government, Noida is also evolving into a key node in the Indian electronic manufacturing industry. In 2017, under the UP Electronics Policy, land parcels have been provided at discounted prices drawing the attention of numerous large manufacturers, OEMs, contract manufacturers, etc. Recently, the government has further decided to convert Noida, Noida Extension, and Yamuna Expressway into an electronics manufacturing ring zone. Consequently, numerous international heavyweights from Japan, China, Taiwan, etc are mulling and setting up in Noida. This will further drive the residential real estate demand in the tech zone and its nearby region.



## IT & SOFTWARE



## ANALYTICS, RESEARCH, & CONSULTING



## NETWORKING & DATA ENTERPRISES



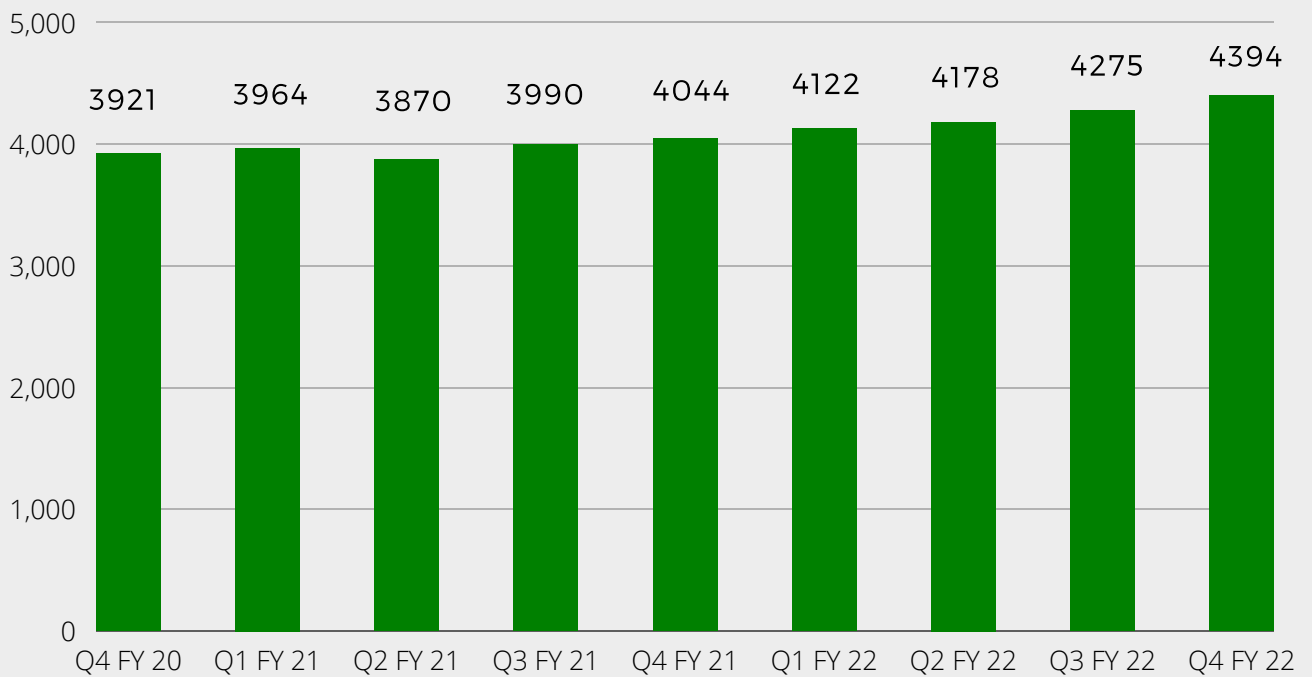
## CONSUMER INTERNET



## BPO & ITES



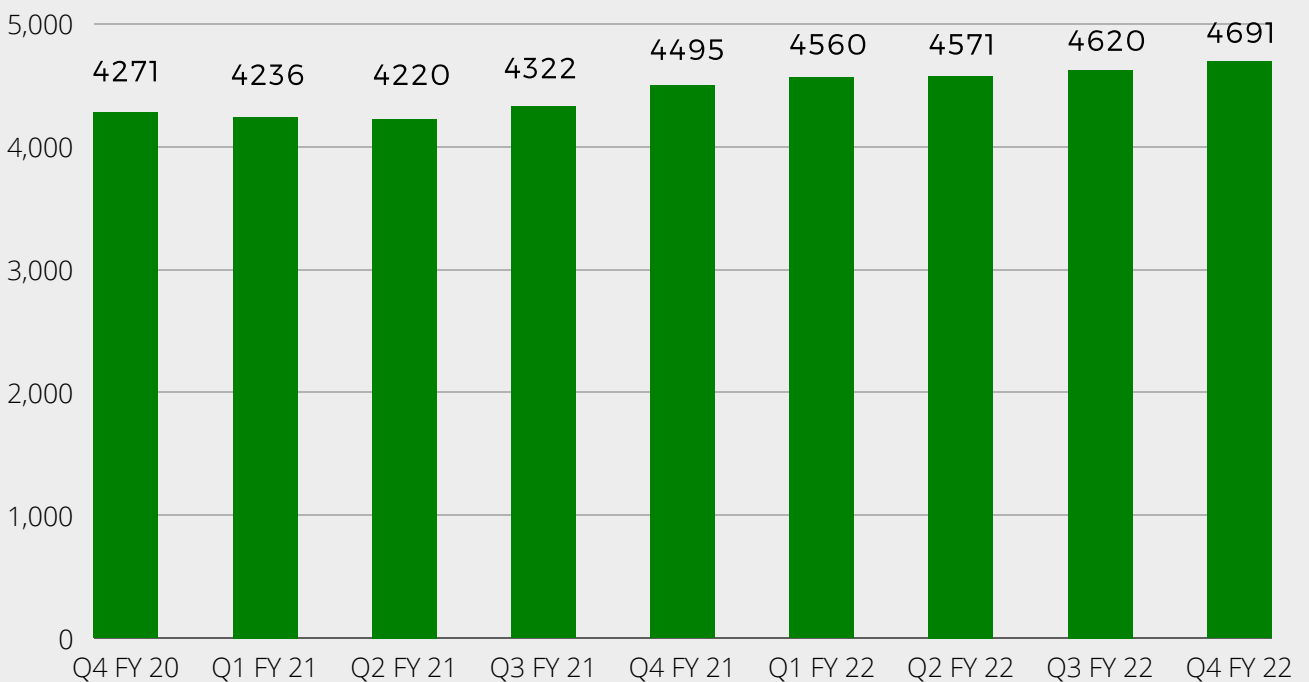
### HOUSING PRICE TRENDS IN NOIDA EXTENSION (INR/ SQ FT)



In Noida Extension, housing prices are pegged at INR 4,400/ Sq. Ft in FY 22. Prices have moved up by 12.1 % over the

past 8 quarters. In the last quarter, average prices have jumped by 2.7%, as per the data research by Axon Developers.

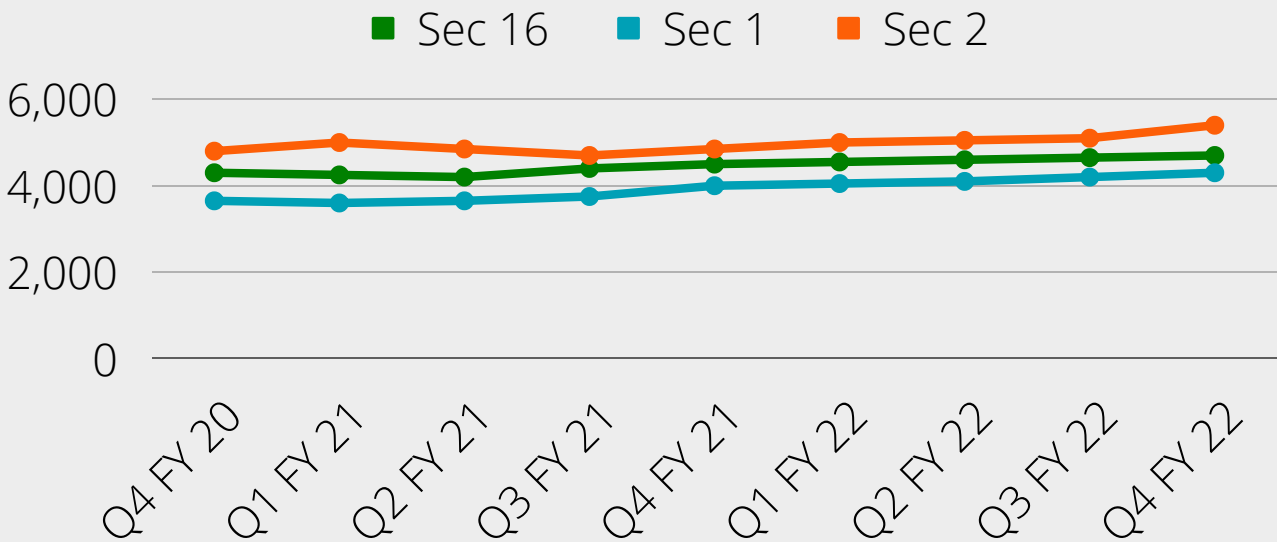
### HOUSING PRICE TRENDS IN SEC-16 (INR/ SQ FT)



In sync with the Noida Extension, property prices in Sec-16 are on an upswing. Average property prices have risen by 9.83% over the past 8 quarters. In the past quarter, the average property process has

moved by 1.5%. The ascending tendencies in the property prices in the micro-market further testifies to the growing demand for the property in Sec-16.

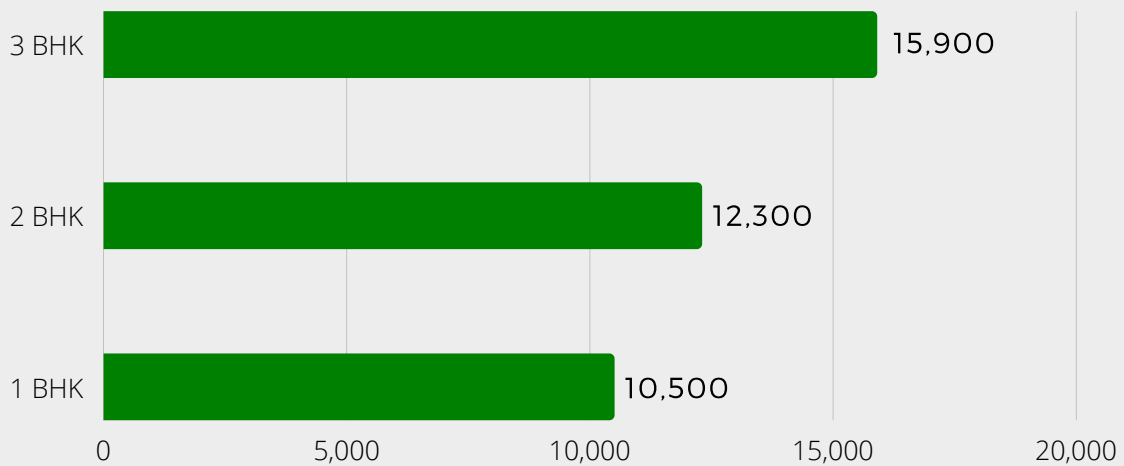
### COMPARISON OF MAJOR MICRO-MARKETS IN NOIDA EXTENSION



Sec-16 is also picking up as an attractive rental market. An average 3 BHK can be procured for a monthly rate of

INR 15,900. 2 BHK and 1 BHK have an average monthly rental rate of INR 12,300 and 10,500 respectively.

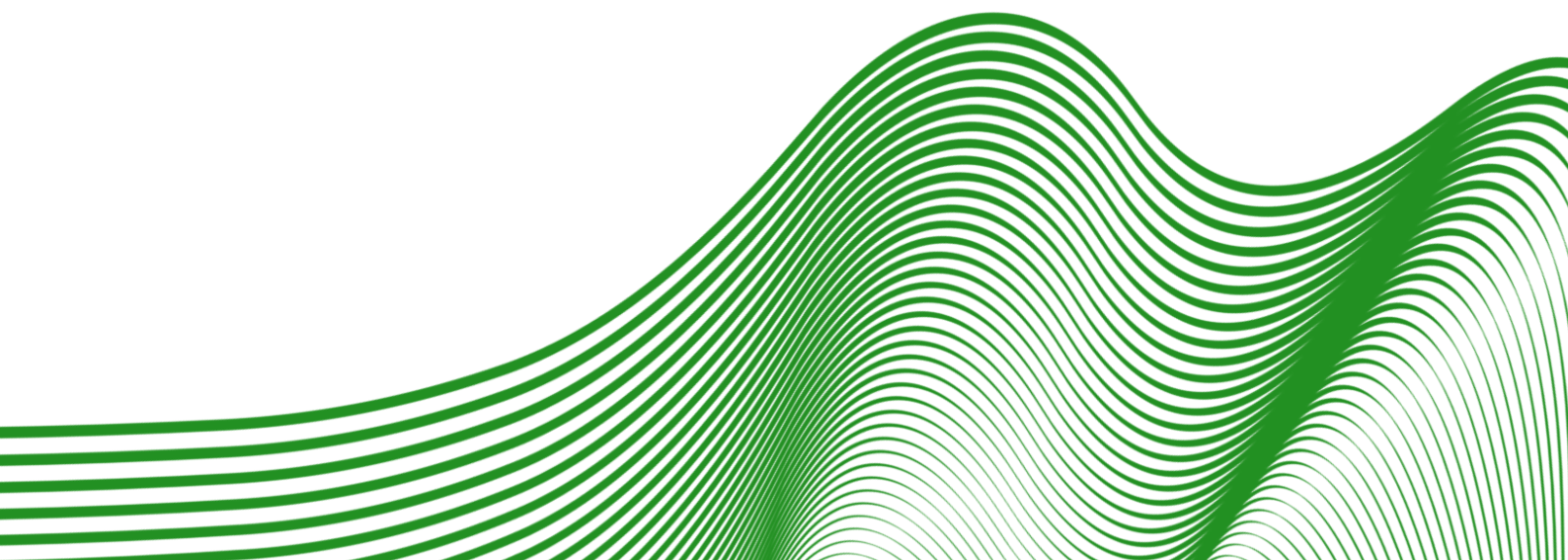
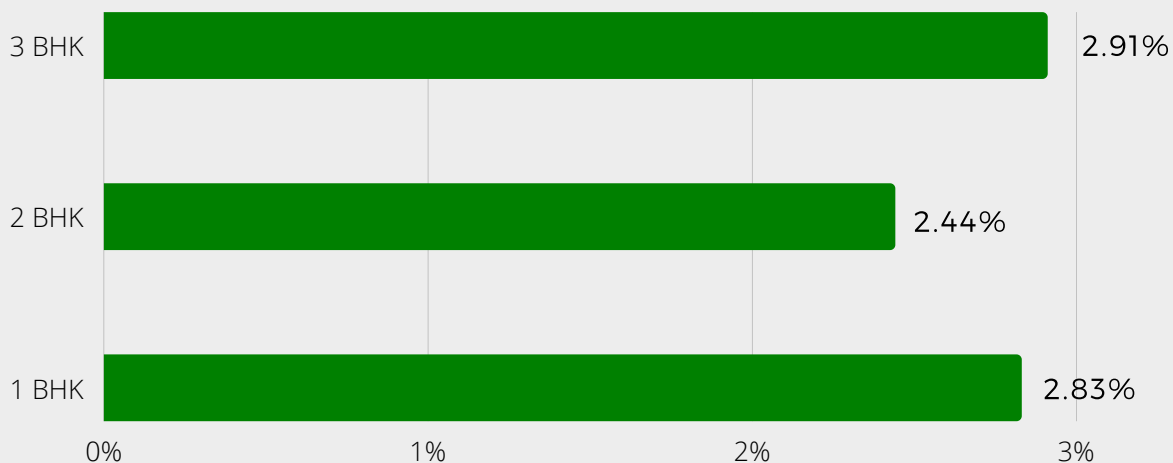
### AVERAGE MONTHLY RENTAL RATES IN SEC-16 (INR/MONTH)



Sec-16 is not just going to be an end-user market but has the potential to climb as an investment destination. As the demand is upbeat and property prices are subdued, the potential for appreciation is

strong. Moreover, the micro-market can also offer elevated rental yields. As per research by Axon Developers, a 3 BHK in Sec-16 can post an annual yield to the tune of around 3%.

### ANNUAL RENTAL YIELD IN NOIDA SEC-16 (%)







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