

"Rapid infrastructure development driven by nodal authorities is fuelling the growth of satellite townships across India: A trend magnified in and around the MMR region, with the planned decongestion of Mumbai and ancillary locations - with potential returns reaching 4X over the next decade."

India's urbanization is at a turning point, marked by a surge in rural-to-urban migration. This drives the expansion of existing urban nodes, towards areas along their peripheries. 40% of India's population, equivalent to 60 crore people, is expected to reside in urban areas by 2030. Anticipating the growing need for quality urban infrastructure, India is expected to invest over **INR 143 lakh crores** in infrastructure by 2030. Most of this expenditure is to be directed towards urban clusters, driving significant activity in infrastructure-led urban development. Projects under consideration include second airports, inter-city metro connectivity, aero-cities, highways (including quick transit freeways), high-speed rail corridors, IT + ITES zones, large datacenter concentration zones, among others.

Key Existing & Upcoming Infrastructure projects Impacting Urbanization in India:

**Mumbai Trans-Harbour Link:**

*(Operational since 2024)*

- It is a groundbreaking infrastructure project, being the longest sea bridge in India. Aimed at enhancing connectivity between Mumbai and Navi Mumbai, it has reduced travel time from 2 hours to 30 mins. Further, it provides quick access to the Mumbai-Pune highway, the Mumbai-Nagpur Highway and the Mumbai Goa Highway.
- The MTHL has positively impacted areas like Uran, Talegaon, Panvel, and Kharghar, with land prices appreciating nearly 2.3X from INR 1200 to 2250 per sq.ft. (2020 to 2024)

**Bangalore Kempegowda International Airport:**

*(Terminal 1 Operational since 2008, Terminal 2 - 2024)*

- It is among the 3<sup>rd</sup> busiest airports in India, currently serving 3.7 crore passengers annually, operating over 300 flights daily and connecting over 100+ destinations worldwide.
- Operationalization of this airport has added a new dimension to the expansion of North Bangalore. Projects such as BIAL, STRR, Tech Parks, Aerotropolis etc. are designed to be integrated townships, with significant contribution towards the city's future economy. These announcements have contributed to a nearly 2.5X land price appreciation, from INR 1800 to 4500 per sq.ft. in the period 2020 to 2024, most pronounced around the north Bangalore micro-markets like Devanahalli, Chikkaballapur, Hebbal and Yelahanka.

**Navi Mumbai Airport & NAINA (Mumbai)**

*(Under construction- Estimated completion by 2025)*

The upcoming Navi Mumbai International Airport is going to be India's first airport with multi-modal transport connectivity. The airport is a remedy for the rising air traffic and resulting congestion at the existing CMI Airport. This new airport will have the capacity to serve ~9 crore passengers annually and will boost growth around the 90,000 acres of surrounding land, via the NAINA (Navi Mumbai Airport Influence Notified Area). This, in turn, would drive the growth of real estate in the region, with land prices appreciating nearly 3.9 x in next 5 years from INR 4,200 to 16,200 per sq. ft. (2024-2030) in micro markets like Khopoli, Pen. This is backed by the expected sprouting of improved infrastructure, better connectivity, along with opportunities for new residential and commercial developments. These developments are expected to culminate in effectively establishing "Third Mumbai," as a new urban hub in proximity to the airport.

### **Jewar Airport (NCR)**

*(Under construction- Estimated completion by 2025)*

- The upcoming Jewar airport is the biggest catalyst for urbanization in Uttar Pradesh. Its strategic location along the newly-built Yamuna Expressway, connecting the urban centers of Delhi, Noida and Agra serves as a distinct advantage. Government initiatives like YEIDA, International Film City and Metro Line Expansion have provided further impetus to the growth of Jewar as a township. These initiatives have contributed to a land price appreciation of nearly 1.4X in the last 5 years from INR 5,000 to 7,000 per sq. ft. (2020-2024).

### **Chennai Peripheral Ring Road**

*(Under construction- Estimated completion by 2025)*

- This is a 132- km long highway under construction around Chennai. Once completed, it is expected to drive the growth of satellite towns like Sriperumbudur, Singaperumalkoil, and others. This would help to ease the congestion in and around the city. These areas have witnessed a land price appreciation of nearly 1.5X in the last 5 years, from INR 2500 to 3800 per sq.ft. (2020-2024). We expect the neighbourhoods to continue flourishing in the coming years, backed by upcoming projects like Fintech City and the proposed Chennai Greenfield Airport at Parandur.

*Thus, it is the right time for investors to invest in a location which is expanding rapidly and experiencing high land price appreciation, driven by existing & upcoming infrastructure initiatives. Investors can enjoy high returns and explore various rental yield options including second homes, holiday homes etc. and expand their real estate portfolio by investing in one of the top growth markets in India, "says **Swapnil Anil, Managing Director, Advisory Services, Colliers India.***

## **Top 8 upcoming micro markets for the next 5 years, based on the infrastructure & mega project announcements across India**

Collier's conducted detailed assessment across Top 8 micro market upon key parameters which impacts real estate growth such as:

- ✓ Intersection of multiple new infrastructure initiatives within the same area
- ✓ Access to social infrastructure, such as schools, hospitals, universities etc. Along with the creation of multi-modal social infrastructure.
- ✓ Availability of land at affordable rates
- ✓ Proximity to key urban nodes

Land Investment Potential Top 8 Micro Markets	Airport	Railway	Metro	Highway & Ring roads	Expressway	Meg project by Government	Meg Project by private entity	Industrial Development & MMPL	Port developments	Average land Price (INR/sq.ft)	Connectivity	Availability of Land	Tourism Potential	Impact of infrastructure	Public & Private Investment Commitments (INR Cr)	Price appreciation in last 5 years
Jewar	✓		✓			✓		✓		7000	High	Very High	Low	High	75,888	1.5 X
Sonipat		✓	✓				✓			9829	High	Moderate	Low	Moderate	72,176	2.9 X
Khopoli	✓			✓	✓	✓	✓	✓	✓	4200	Very High	Moderate	Very High	Very High	299,742	3.9 X
GIFT City		✓	✓			✓		✓		7500	Moderate	Moderate	Low	High	74,584	2.7 X
Sanad		✓						✓		1900	Moderate	Moderate	Low	Moderate	121,000	3.3 X
Doddaballapur	✓		✓	✓		✓	✓	✓		3800	High	Moderate	Moderate	High	22,584	1.5 X
Oragadam	✓			✓		✓		✓		3800	Moderate	Moderate	Low	High	49,750	1.7 X
Mucherla			✓	✓		✓	✓	✓		1550	Moderate	High	Low	Moderate	89,769	1.5 X

Source: Colliers

Scale    Very High    High    Moderate    Low

### Land Price Analysis Across Top 8 Growing Micro Markets of India.

Khopoli, being only 45 mins from Navi Mumbai, ranks as the most attractive as Navi Mumbai International Airport will be operational by April-June 2025. The area is expected to witness a land price appreciation of nearly 3.9X from INR 4,200 to 16,200 per sq.ft. in next 5 years. This is followed by Sanad in Gujarat and Sonipat in Haryana would witness a growth of nearly 3.0-3.3x respectively from 2024-2030.

Micro Markets	2020 (INR/sqft)	2024 (INR/sqft)	2030 (INR/sq.ft.)	Land Price Appreciation Growth in next 5 years 2024-2030
Khopoli	2700	4200	16254	3.9
Sanad	700	1900	6297	3.3
Sonipat	2800	9829	29349	3.0
GIFT City	4300	7500	20247	2.7
Oragadam	2500	3800	6281	1.7
Jewar	5000	7000	10482	1.5
Doddaballapur	2700	3800	5726	1.5
Mucherla	1100	1550	2400	1.5

Source: Colliers

### Investment Outlook

- Infrastructure Initiatives:** The growth of the MMR region is driven by various infrastructure projects, including the Mumbai Trans-Harbor Link (MTHL), Navi Mumbai Airport Influence Notified Area (NAINA), Virar-Alibaug Multimodal Corridor, Mumbai-Pune Missing Link Project, and the JNPT extension.



- **Ease Accessibility:** Khopoli's strategic location, offering easy access to the Mumbai-Pune Expressway, Central Railway, the upcoming Navi Mumbai International Airport, and JNPT Port makes it a preferred destination for investors.
- **Proximity to Urban Centers:** Khopoli, an emerging area in Maharashtra, is strategically positioned just 73 km (a 90-minute drive) from South Mumbai and about 45- 50 minutes from Panvel, Navi Mumbai. Despite its proximity to these urban hubs, Khopoli offers relatively affordable land prices with strong investment potential.
- **Social and Environmental Benefits:** It offers a sustainable lifestyle in a clean environment, while providing access to all essential amenities.
- **Affordability:** The development of new urban areas with lower land prices provides opportunities for homeowners/ investors to purchase assets, which in turn stimulates growth in real estate and return on investment.

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