

Buyers are staying away from the property market in this Punjab town even as prices remain high

AREA WATCH: HOSHIARPUR

RAVINDER SUD

THE ban imposed by the Punjab Government on the registration of sale and purchase of land deeds in unapproved colonies since September 1, 2012 has brought the sale and purchase of property in the city to a virtual standstill.

Another factor that has hit the realty sector here over the past year or so is the increased cost of construction material.

Most of the construction activity going on in the residential segment at present is of the houses that had already been registered in the approved and some unapproved colonies here.

The state government had imposed the ban to check the illegal growth of unauthorised colonies in the state. The mushrooming of unauthorised colonies where land was sold by fly-by-night operators has been one of the major concerns for the authorities as well as the unsuspecting buyers. While the state has been losing revenue and municipal bodies are left to grapple with an increased load on the civic amenities, the buyers end up blocking their money in areas where even the basic civic amenities are missing.

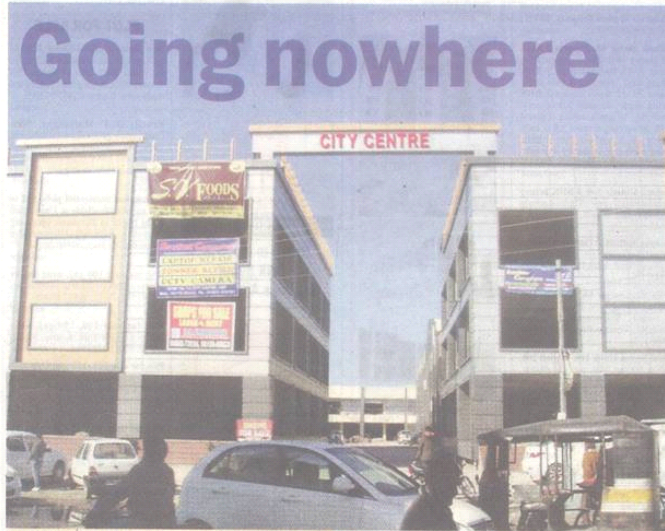
Paramjit Singh, Executive Officer of the local Municipal Council, said Hoshiarpur has 36 sq km area with a population of about 1.86 lakh. As many as

55 unauthorised colonies had come up within the municipal limits of the city between 1985 and 2013 where more than 2,000 houses had been built.

Though the committee had been sanctioning maps for the construction of the houses as per PUDA guidelines, the state government had fixed development charges for the construction of houses in unauthorised colonies in 2006-07. As per the decision of the Punjab and Haryana High Court in a writ petition, the state government had imposed ban on the registration of sale and purchase of land deeds to check construction in unauthorised colonies.

Scanty development

According to market watchers there is very little real estate activity going on this city from major developers or local players. As the flat culture is yet to take root here, most of the deals in the residential segment are either in the secondary market involving built up properties or fresh deals of plots. PUDA and the local improvement trust are the main bodies offering schemes from time to time. But over the past few months the low sentiment in the realty segment has resulted in virtually no new schemes being floated by these bodies. On the commercial front, too, very few projects have seen the light of the day here. PUDA had taken up only one commercial



THE POLITICAL ANGLE

Balwant Singh Khera, member of the national executive of Socialist Party of India, alleged that some leaders of ruling parties in connivance with land mafia, were trying to get Municipal Corporation constituted in place of the Municipal Council to grab the land of villagers of 15 villages located on the periphery of the city and earn huge profits.

A united front headed by the former Punjab Minister Naresh Thakur had been formed by the local leaders of various political parties to oppose this move. They had already earmarked residential colonies in Sukhlabad and old Bharwain road near the Adamwal area.

cial site scheme at old Deputy Commissioner and SSP office adjoining the District Court Complex, but

this scheme could not materialise due to very high price of land in the area. The response of buyers has also

been very poor here.

The Hoshiarpur Improvement Trust had finalised its scheme No 2, 10 and 11 since its formation in 1975. Jatinder Singh, Executive Officer of the Hoshiarpur Improvement Trust, said residential plots in all the above mentioned schemes had been sold and a majority of the owners had constructed their houses there. The trust had constructed 74 shops in scheme No 11 adjoining the mini secretariat in 2004-2005. But

only 13 of these have been sold so far.

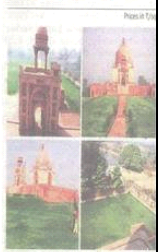
Similarly, the trust had developed sites for 15 shops and 16 shop-cum-offices in scheme No 10. Besides, 15 shop-cum-offices had been constructed in this scheme which are also lying unsold. The trust had taken up two new commercial schemes in Katcha Toba and Patehgarh Sahib which were under construction.

Some private contractors have recently constructed a City Shopping Complex near local Bus Stand.

High prices, no buyers

The property market here which was basically dominated by investors about five years back, is now tottering as there are virtually no buyers ready to pay the high prices being quoted by these investors wanting to get a good return for their investment. While the end user is waiting for the prices to come down, the investors are not ready to reduce their margins drastically. The slow pace of infrastructure development in the region has also played a role in stunting the growth of real estate activity here. Most of the buyers are end users or middle income salaried class who can't afford the high prices being quoted in some of the areas in the city. The moneyed farmers, on the other hand are preferring to buy land or flats in bigger cities like Ludhiana, Mohali and Chandigarh rather than in this slow developing city. Dinesh Kaushal, a local property dealer, said that rates of land in the city and periphery areas varied substantially. While the prices of one marla from Gorian Gate to Clock Tower was between Rs 11 and Rs 15 lakh and Rs 10 lakh in Birbal Nagar, in Narain Nagar and Surya Nagar near Sukki Choe the price is Rs 2.50 lakh per marla. In the villages located on the periphery of the city one marla can be bought for Rs 1.25 lakh, while a plot below a marla at Vakilan Bazar had recently been sold by a property dealer at Rs 22 lakh.

**PRICE INDEX
SONEPAT-III**



Ansals API	2,500 to 2,800
Ansal Green Escape	2,300 to 2,600
Ansal Sunshine	3,400 to 3,500
Apex City	3,000 to 3,200
Espania Royals Heights	1,900 to 2,200
Express City	2,200 to 2,370
Kingsbury Kundli	3,100 to 3,600
Max Heights	3,900 to 4,050
Metro View	2,700 to 2,800
Omase City	2,400 to 2,930
Tolly Grand	2,500 to 3,000
Tuscan City	2,550 to 2,650
Vardhman Gardenia	2,000 to 2,200
Hindal Global City	3,100 to 3,250

Note: The prices are indicative only and may vary as per the plots, site, approach road, location etc.
Source: Nirmal Infrastructures
E-Mail: nirmalinfrastructures@yahoo.com