



A conservative approach to pricing for ultra-luxury apartments is the right strategy to tackle a market such as Bangalore

The real estate market in India is area-specific. A one-size-fits-all approach cannot be applied to different cities as it is a localised business. Every city is different in terms market costs, the price of land, the customer base, of culture etc. We undertook a lot of ground research before we launched our project — Kessaku in Bangalore.

The biggest challenge and opportunity we have had is to make use of the large FSI available to us and build something fabulous that the market would appreciate. We had the option of catering to the medium-end of the market, by making smaller units, as opposed to catering to the luxe segment with fewer but more exclusive units. We chose to do the latter.

Why now, you might ask? Right now, Bangalore is a low-rise city where people prefer to live in bungalows, but the cost of living keeps moving upwards. People will soon wonder whether it is better to live in a 10,000 square foot villa or move into a spacious apartment with better amenities.

However selling luxury residences is a challenge because the pyramid always thins out at the top. Despite the tough market conditions, we have been exceptionally fortunate to have performed well in the past three years. We have sold approximately ₹1,400 crore worth of inventory in Bangalore, with an average price per square foot of more than ₹8,600.

Despite formidable competition, we have managed to hike the price beyond 100 per cent. The reason to justify the appreciation lies in what we offer — expansive spaces, without any wastage. Every square foot matters.

We have spent a lot of time and energy in engineering the available space. We knew that the city has height restrictions, notwithstanding that we gave up an entire floor on the top to create a sky lounge.

This risk has paid-off. In June last year we launched at ₹12,000 per square foot. Today the price stands at ₹16,000 per square foot, with approximately 75 per cent of the spaces sold at this increased price — a premium of 30 per cent. The demand has been high. But we have been very conservative in the way we have increased the

prices. It hasn't been arbitrary, but very well thought out. Kessaku is a project that is defined by refined living and is deeply connected with nature. Each tower boasts a unique art-inspired lobby designed by Callison, a leading architecture firm based in Seattle. The interiors are by designer Gunjan Gupta of Studio Wrap done in her signature contemporary style.

The project offers expansive living spaces ranging from 6,200 square feet to 7,500 square feet, and by-invitation-only duplex that are over 11,000 square feet. The five towers are inspired by the five natural elements and residents can enjoy the bespoke privileges of the two club houses. Our initial customers are Bangalore-based entrepreneurs, NRIs, senior professionals and some

well-known organisations — we prefer the end-user customer rather than an investor.

Going ahead, on our radar are opportunities in Pune, Chennai, Bangalore and Mumbai where we would like to keep growing and further our business in a similar space. •

— As told to Malvika Sah



Above: Though Bangalore is a low-rise city of bungalows, people are increasingly opting for the convenience of apartments; the expansive, flowing apartments have attracted an eclectic mix of the new wealthy and NRI customers

Phoenix Residential, part of the Phoenix Group, is carving a niche for itself in the ultra-luxe real estate market. Its project in the garden city of Bangalore, Phoenix Kessaku exemplifies the art of fine living.

The swanky residential apartments are redefining Bangalore's traditional low-slung skyline. Mayank Ruia, the authorised spokesperson for the project. He graduated

with a B.Sc. in Business Administration from the Kelley School of Business, Indiana University, USA. Backed with experience in the financial sector, he has worked with investment banks including UBS

Investment Bank and Sagent Advisors, New York and private equity fund American Capital Strategies in New York. Ruia was last associated with private equity fund Everstone Capital, Mumbai in the capacity of Vice President. A part of the Phoenix Group since 2011, he shares his vision for the project.



Mayank Ruia

Authorised Spokesperson, Phoenix Kessaku

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