

Press Release from the CEO

February 2nd 2009

“QUOTES”

Buyer enquiry up

“We are seeing increased enquiry through all segments from the affordable range through to the mid and upper markets. The key drivers are renewed confidence and a stabilising of prices”

Interest Rates to go lower

“whilst the RBI have failed to lower the prime rate they have put great pressure on the banks to reduce their margins and hinted at a rate drop after this occurs”

Prices at base levels

“Current prices are 20% below the peak and are at rates that will prove unsustainable in the longer term. Raw materials, labour and land cost will force prices up in the long term.

Current deals good

“deals available in the current market place are as good as they’re likely to get and young buyers in particular should try and get into the market now while the good deals are available”

Market Plateaus - buyers coming back !

We seem to have seen the bottom of the cycle in general residential property and buyers are now starting to come back into the market.

There has been a push through from the affordable segment to a point where we are now seeing a pick up in enquiry in the large and still somewhat oversupplied middle market.

Buyers are appreciating the fact that there is only so far that prices can, and will come down.

With the price of building materials such as steel and concrete staying up and labour not likely to get cheaper there is really not that much potential downside in property prices from here on.

Builders now are in general terms up to 20% lower than the prices that were anticipated 6 months or so ago. It is considered unlikely that

they have much potential to go lower.

The best advice to buyers is to find a property that you like and then sit down with the developer or their agent and get a price that you are happy with.

Buyers need to remember that property is a long term investment, if you buy good quality in a good position then you will always do exceptionally well.

As with the later part of 2008, poorly situated and poorly build product is unlikely to find a buyer in this market.

Some of the best buying at present is in the areas of Electronic City and Whitefield where large volumes of supply have driven down prices to rock bottom.



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