



Celebrating Two Decades of Analytical Excellence

Real estate star rating - Introduction

Dated February 28, 2014



What is star ratings?

- ❖ **Comment on the quality of the real estate project as per the agreed specifications**
 - Different from credit rating and bank loan rating
 - It is not an audit, but an evaluation of key input parameters
- ❖ **City-specific rating; benchmarks a real estate project against other projects in the city**
- ❖ **Star rating – 7 star (highest) to 1 star (lowest)**
- ❖ **Can be undertaken for soon-to-be-launched projects as well as for completed projects.**
- ❖ **The rating and report are widely disseminated through**
 - CARE website & vast email database,
 - Ratings scan circulated nationally amongst lenders, corporates and investors,
 - Property websites, property exhibitions and
 - Opinion pieces released in the press and various real estate magazines.

Criteria



Project Developer quality

- Track record of developer
- Financial strength
- Organizational structure and systems



Project Legal quality

- Clarity of land title
- Status of statutory approvals from authorities



Project Construction quality

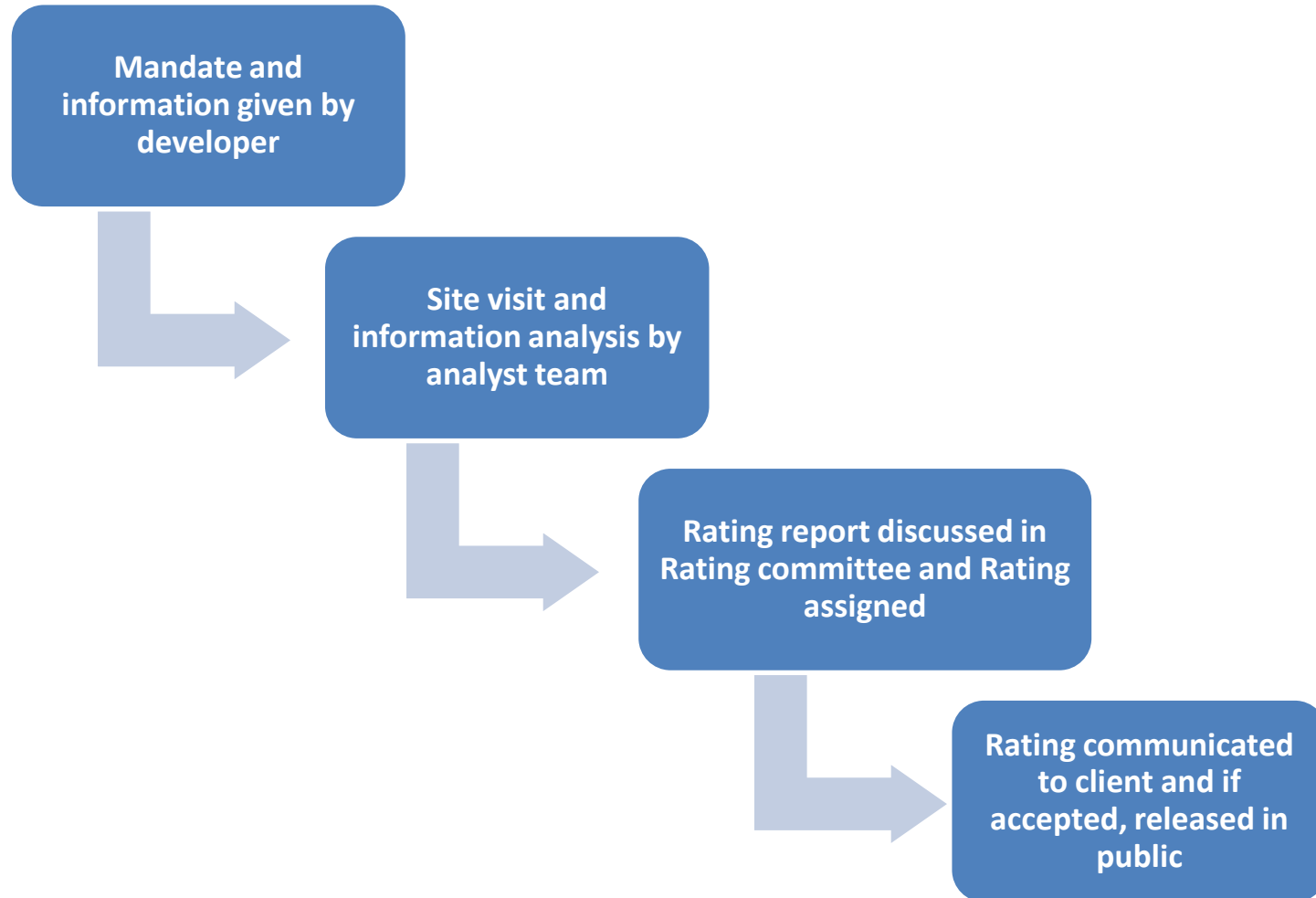
- Construction technology and quality control processes
- Quality of architect, structural engineer and contractors
- Time and Cost overruns



Project Financial quality

- Financial viability and break-even point
- Marketing & Pricing strategy
- Funding strategy

Process



Key benefits – Star ratings as project sales booster

- ❖ Enhances credibility among customers (mainly home buyers), investors (both individual and institutional) and corporate lessees (in commercial buildings) by showcasing certification from an independent rating institution
- ❖ Enables pricing power by establishing the **quality perception** in the minds of customers
- ❖ Increases sales velocity by creating the **pull factor** for customers

Key benefits – Star ratings as Project magnifier

❖ **Star rating can be a key component of marketing strategy of the developer for:**

- Inviting participation from private equity funds
- Road-shows during IPO
- Attracting MNC customers for leasing out
- Attracting NRI customers



❖ **It is particularly useful for the developer showcasing its signature project in the city**

- Quality certification can be a key feature to be showcased in new projects.

❖ **It can be a part of entry strategy for the established developer in the new city**

- Star rating can complement the entry strategy by highlighting the developer and project.

Key benefits – Star ratings as Loan benefactor

- ❖ **Positively impacts the lending decision of banks & NBFCs**
 - Lenders are concerned about the overall project quality – mainly construction and legal aspects because it impacts the quality of the loan mortgage.
- ❖ **Star rating process complements project appraisal process of lending agencies**
 - Banks prefer rated projects over unrated ones, due to the validation by an external agency
- ❖ **Star rated projects have the benefit of initial risk assessment as well as periodic surveillance by CARE**
 - Banks benefit from periodic surveillance and hence get updates on project



Key benefits – Star ratings as Brand creator



Marketing Initiatives CARE implements

- ❖ The detailed project report is put on *state of the art* **CARE Ratings website**
- ❖ Rating reports are **emailed to Corporate Clients of CARE Ratings, Banks, Housing Finance Companies, Private Equity Funds, NBFCs, HNI, NRI Investors, Consultants, etc.** which provides great marketing mileage
- ❖ CARE will provide the developer with a **certificate** that can be displayed at site office
- ❖ CARE will provide the developer with a **Logo** that can be used in various project collaterals
- ❖ The project report is released in various **real estate magazines and portals**
Currently reports are published in:
 - ✓ Property and Wealth
 - ✓ Architectural and Builders magazine
 - ✓ Commonfloor.com
 - ✓ Heckyl
 - ✓ Magicbricks.com
 - ✓ ISI emerging markets

Promotion Activities that Developers Can Undertake:

- ❖ The rating certificate can be displayed at **site office/corporate office**.
- ❖ The rating logo can be used on project specific **visiting cards, brochures, letter heads, envelopes and presentations**
- ❖ The rating logo can be used in various **property events** for the rated project only
- ❖ The rating logo can be used in **Company/ Project website**
- ❖ The rating logo can be used on **Project hoardings**

CARE Star Ratings in Media:



About CARE

❖ **Leading rating agency of India**

- Pan-India network of analysts

❖ **Institutional shareholding**

- Only Indian rating agency with IDBI, Canara Bank and SBI as the largest shareholders

❖ **Recognized by regulators SEBI & RBI**

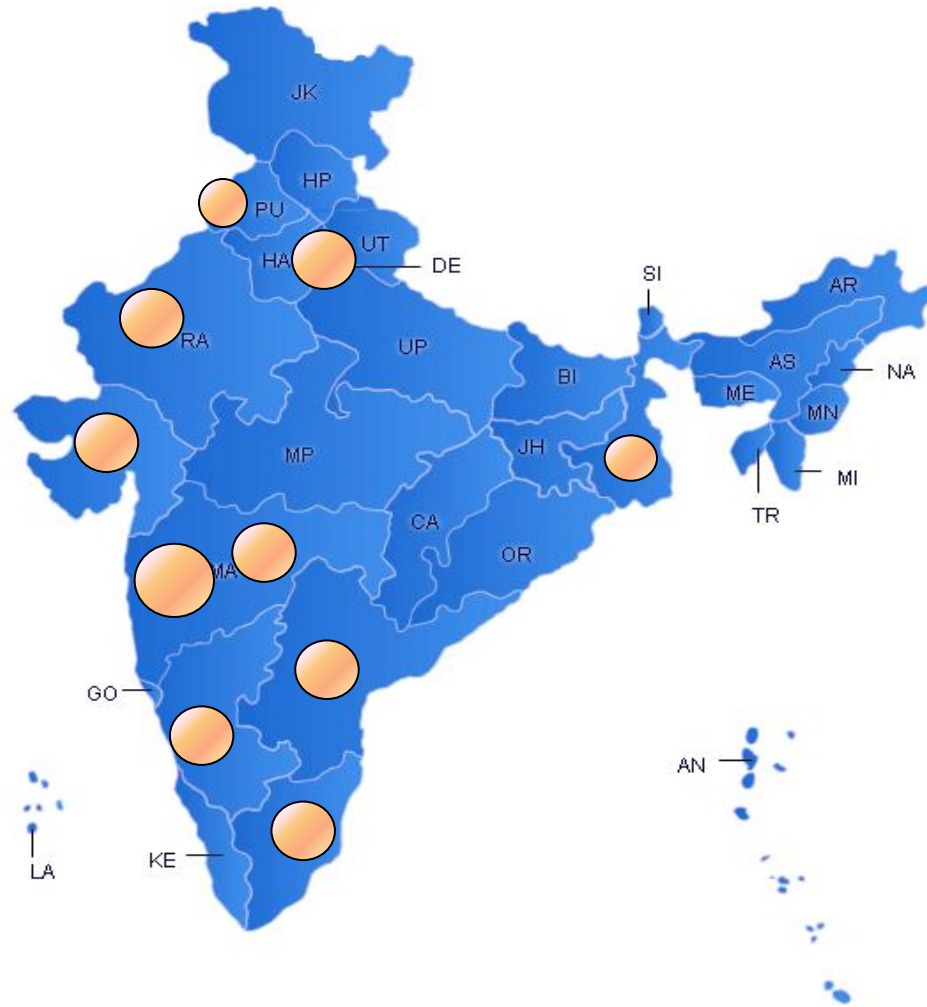
- **Approved by statutory authorities** like Government of India & National housing Bank

❖ **Strong track record in real estate**

- More than 300 ratings assigned so far
- Established clientele base of 200+ companies

❖ **A strong in-house research team**, tracking 49+ sectors on regular basis including construction, cement, steel, BFSI, etc

Strong analyst network across India



Select Clientele in Star Ratings



Dream Home Developers Pvt. Ltd.



Real estate companies with CARE rating/ grading (1)



Agarwal Associates Promoters Limited

Agre Properties and Services Limited

Akar Creations Private Limited

Akshar Accommodations Private Limited

Akshar Developers

Akshar Land Developers Private Limited

Akshat Associates

Alok Infrastructure Limited

Alok Realtors Private Limited

Amar Plastics

Ambady Tourist Enterprises Private Limited

Ambattur Infra Developers

Ambica Developers

Ambience Developers & Infrastructure Private Limited

Ambience Limited

Anant Raj Industries Limited

Arihant Buildcon Private Limited

Arihant Superstructures Limited

Ashford Infotech Private Limited

Ashiana Housing Limited (Consolidated)

Avani Projects and Infrastructure Limited

Avenue Infra Projects Private Limited

B.M. Gupta Developers Private Limited

B.M. Gupta Estates Private Limited

Bellona Estate Developers Limited

Bengal D. C. Paul Housing Limited

BPTP Limited

BRG Infrastructure Limited

Castel Rocks

City Mall Developers Private Limited

City View Bangalore Properties Private Limited

Classic Housing Projects Private Limited

Classic Mall Development Company Private Limited

Cleta Real Estate Private Limited

Concrete Developers

Corner Point Infrastructure Private Limited

Darode Jog Builders Private Limited

Darode Jog Realities Private Limited

Dasari Builders Private Limited

Dev Procon Limited

Dishman Infrastructure Limited

Ekdant Buildtech Private Limited

Ekdant Buildtech Private Limited

Elysium Real Properties Private Limited

Elysium Real Properties Private Limited

Emaar MGF Land Limited

Emami Constructions Private Limited

Empire Mall Private Limited

Entertainment World Developers Limited

Eon Kharadi Infrastructure Private Limited

Era Landmarks Limited

Express Infrastructure Private Limited

Fact Software Private Limited

Future Market Networks Limited

G. K. ARPL Ventures

Gayatri Hotels and Theatres Private Limited

Goel Ganga Constructions

Great India Estates Private Limited

GVK City Private Limited

GVK Properties and Management Company Limited

HEM Bhattad

Hiranandani Realtors Private Limited

I.G.E. (India) Limited

IBD Nalanda Infrastructure Private Limited

IBD Universal Private Limited

IDAA Infrastructure Private Limited

IG3 Infra Limited

Ilabs Hyderabad Technology Centre Private Limited

iLabs Info Technology Center (Gurgaon) Private Limited

ILMS Developers Private Limited

India Land Infrastructure Development Private Limited

Indiabulls Properties Private Limited

Indiabulls Real Estate Company Private Limited

Indiabulls Real Estate Limited

Real estate companies with CARE rating/ grading (2)

Indus Valley Promoters Limited
Infinity BNKe Infocity Private Limited
Infinity Infotech Parks Limited
Infopro Solutions Private Limited
J J Buildtech

J P Iscon Limited

Jaikumar Real Estates Private Limited

Jaypee Sports International Limited

Jindal Realty Private Limited

Kalpataru Properties Private Limited

Kamdhenu Realities

Khivraj Tech Park Private Limited

Kumar Sinew Developers Private Limited

Kumar Urban Development Limited

L. B. Estate Private Limited

Lakisha Real Estate Limied

Land Mark Developers

Lavasa Corporation Limited

Lodha Developers Limited

Lokhandwala Kataria Construction Private Limited

Lovely Estates

M. K. Group

Mahalaxmi Buildhome Limited

Mani Tirumala Project Private Limited

Marathon Realty Private Limited

Matrix Developers Private Limited

Metropolitan Infra Housing Private Limited

Mikonic Structures

Modi Realtors Private Limited

Nandan Buildcon Private Limited

Neelkamal Realtors and Builders Private Limited

Neopro Technologies Private Limited

New Mount Trading & Investment Company Limited

Niil Infrastructures Limited

Nirmal Lifestyle Limited

NSL Properties Private Limited

Omaxe Limited

Omkar Realtors and Developers Private Limited

Ozone urbana Infra Developers Private Limited

Pacific Development Corporation Limited

Paradise Infra-con Private Limited

Paranjape Schemes Construction Limited

Parinee Developers Private Limited

Parsvnath Estate Developers Private Limited

Parsvnath Landmark Developers Private Limited

Patel Realty India Limited

Praman Infrastructure Private Limited

Prasad Multi Services Private Limited

Preet Realtors Private Limited

Prime Property Development Corporation Limited

Puranik Buildcon Private Limited

R. C. P. Infratech Private Limited

R.G. Residency Private Limited

Raghuleela Leasing and Real Estates Private Limited

Raheja Developers Limited

Raipur Treasure Island Private Limited

Raj Homes Private Limited

Rajesh Projects India Private Limited

Rajesh Projects India Private Limited

Rare Townships Private Limited

Rashmi Housing Private Limited

Ratnabhumi Developers Private Limited

Riddhi Siddhi Mall Management Private Limited

Riverside Infrastructure (India) Private Limited

Rohan Builders (India) Private Limited

Rolling Construction Private Limited

Saare Saamag Realty Private Limited

Safal Constructions Private Limited

Sai Sukhmani Hotels Private Limited

Sancube Infra Projects Private Limited

Sare Jubilee Shelters Private Limited

Satellite Developers Limited

Satellite Gazebo Developers Limited

Sathyasree Developers Private Limited

Sathyasree Developers Private Limited



Real estate companies with CARE rating/ grading (3)



Shah Housecon Private Limited

Sharp Realtors

Shrachi Burdwan Developers Private Limited

Shrachi Developers Private Limited

Shree Stambh Colonizers

Shreeji Infrastructure India Private Limited

Shristi Housing Development Private Limited

Soma New Towns Private Limited

South City Projects Ltd

Spectra Constructions Private Limited

Sphere Cube Infrastructure Private Limited

Stellar Parks Private Limited

Stellar Parks Private Limited

Sterling SEZ and Infrastructure Limited

Sunny Vista Realtors Private Limited

Swan Energy Limited

Swati Procon Private Limited

Sylvanus properties Limied

Taneja Developers & Infrastructure Ltd.

Taneja Developers & Infrastructure Panipat Ltd.

Tata Housing Development Company Limited

TCG Software Parks Private Limited

TDI Infrastructure Limited

Terra Land Developers Limited

TRIL Infopark Limited

Trishul Developers

Uppal Housing Private Limited

Vaishnavi Estates Private Limited

Vaishnavi Infrastructures

Valecha LM Toll Private Limited

Vasoo Builders Private Limited

Vasukamal Properties Private Limited

Vatika Limited

Velankani Information Systems Private Limited

Vijay Associates (Wadhwa)

Vijay Associates (Wadhwa) Constructions Private Limited

Vilas Javdekar Eco Homes

Vishrut Housing Private Limited

Vishwaroop Infotech Private Limited

Vital Construction Private Limited

Viva Swaraj

Yamunaji Corporation

Thank You