



# Integrated developments gathering momentum in city

Improved connectivity has opened up new locations around the city where the large land parcels available make integrated townships feasible

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Integrated or mixed use developments are expansive townships that have either two or more real estate classes developed within the same enclave. The development mix can comprise commercial and residential, residential and retail or commercial, residential and retail real estate along with a school and healthcare facilities. The idea behind an integrated development is to promote the 'walk-to-work' concept, leading to lesser congestion, pollution and a convenient mode of living.

Shrinivas Rao, CEO - Asia Pacific, Vestian Global Workplace Solutions, explains the reasons for the rise in mixed use developments in the city. "Mixed use integrated developments in Bengaluru gained momentum in 2002 with the relaxation of the FDI regulations that permitted foreign direct investments in integrated townships. Further,

with the repeal of the Urban Land Ceiling Act, large land parcels were unlocked in the industrial suburbs of the city. In Bengaluru, the main thrust for development of integrated townships came with the Revised Master Plan 2007-15, with the provision of the minimum land area required for an integrated township reduced to 40 acres. Yeshwanthpur and Whitefield were among the first to witness the rise of integrated developments."

## IMPETUS TO GROWTH

Many of these developments are coming up in emerging locations around the city. They are expected to do well since most of these locations are just opening up due to several factors such as better infrastructure or proximity to the airport, with commercial and retail development still at a nascent stage. Such integrated developments, will push growth in these new locations and provide residents a 360-degree offering to live a comfortable life away from the city centre.

Satish B N, Executive Director - South, Knight Frank India, says, "Since these projects require large contiguous parcels of land, they are mostly located away from the city centre. As a result, these sustainable urban residential solutions lend people a convenient and enjoyable living space in an eco-friendly environment, steering them away from traffic, pollution and congestion."

The size of an integrated township can vary from as small as 40 acres to as large as 3,000 acres or more. This is dependent on the local planning authority's rules and regulations in a particular region. "An integrated township can establish adequate, well-equipped office space infrastructure and offer lower rentals to attract companies, banks and corporate houses, which will in turn

create employment opportunities. The residential units in the township, thus, can be taken up by the employees of these companies as well as other end-users and investors," Satish adds.

## A CITY PERSPECTIVE

According to research by Vestian Global Workplace Solutions, presently, integrated townships at Malleswaram, Yeshwanthpur and Whitefield are operational while another project in Whitefield is partly operational.

Devanahalli has two mixed use developments under construction. While the first is a 130-acre project to be complete by 2017, the other project over 150 acres is set to be operational by 2018. A 28-acre mixed use development is set to come up in Whitefield. Phase-I of the project is slated for completion in 2017.

Hebbal has a mixed use development to be operational next year. On the Hebbal-Outer Ring Road (ORR) belt, a 72-acre integrated township is under construction, to be completed in 2017.

On Thanisandra Main Road, a 125-acre integrated township with residential units, high street shopping, commercial space, a convention centre, healthcare facility and school, is slated to come up between 2017 and 2020.

Shrinivas Rao says, "The minimum land area requirement for development of integrated developments was initially capped at 100 acres limiting scope for foreign investment. Several amendments were made through the years to reduce these limitations." Vestian's research analysis anticipates the integrated developments in the city to witness increased impetus as the Union Budget 2014-15 further relaxed the FDI norms in real estate by reducing the built-up area requirements from 50,000 sqmts to 20,000 sqmts.



### FAST FACT

THE MINIMUM CAPITAL INVESTMENT REDUCED FROM USD 10 MILLION TO USD 5 MILLION, AND RELAXATION IN THE MINIMUM BUILT-UP AREA REQUIREMENT, WILL GIVE A BOOST TO INTEGRATED TOWNSHIPS. DEVANAHALLI, WHITEFIELD, THE HEBBAL-ORR BELT AND THANISANDRA ROAD ARE WITNESSING THE RISE OF MIXED-USE DEVELOPMENTS