



HFCs have to coordinate with developers and bring unique combo offers

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By Nawaz Sayyed

Mr. Abhay Kumar
Co-founder

Abhay Kumar, is the Co-founder and Managing Director of Reddvis. Abhay is an Engineer and an MBA from Symbiosis. Prior to his entrepreneurial journey, Abhay worked with one of the top Indian IT companies and was a key account manager for their Central American business in Enterprise Application segment and executed major IT projects in that region. He looks after the entire marketing and operational activities of Reddvis across different cities and verticals. In an exclusive interview with Accommodation Times shared his knowledge and made some anticipation regarding the housing finance companies.

> According to the several realtors or market expert's real estate market is facing slowdown due to the rising interest rate and any further rise will cripple the sector, how far it is correct?

That's fairly true. As more

than 80% of people apply for home loan while buying a property, the north ward movement of home loan rate interest is real dampeners to overall real estate market. The normal attitude is to postpone buying decision till interest rate softens up.

> Is there a likelihood of housing finance companies to also migrate to a base rate?

That completely depends upon on the overall interest policy of RBI. If it gets reduced, the banks will follow. I am pretty sure the rates will come down as RBI has given enough indication of softening interest rates.

> NHB has asked to housing finance companies to charge in uniform rates to both old and a new customer, what you think is this move will attract to new customers?

As long as the new rates are lower, it will definitely attract new home loan buyers

> According to you what are the effects of housing finance schemes on realty market or what is your suggestion to Housing finance companies?

I think the housing finance companies have to coordinate with developers especially the reputed ones and bring in very innovative and unique combo offers which can market the

project as well as pack it up with unique home loan offerings. I also think the first time buyers in India are still unaware of home loan intricacies. What I personally feel is Housing Finance Companies should invest a lot more in spreading awareness and educating the public about taking a home loan.

> Do you think, second home buyers especially in cities like Mumbai where the markets are mature has been growing a lot and any special recommendations from home loan point of view?

I think traditionally second home buyers have not been targeted aggressively by the HFCs. Most of them who have kind of repaid the home loans or their income has grown up significantly and are prospective customers from home loan perspective. Unfortunately it is still driven by the customer and not HFCs. I think HFC should aggressively reach to these customers, encourage them with some innovative offers and overall it should boost the market. Apart from that lot of them are very confused in terms of tax implications where I think the HFC should take a step forward and include tax education as a part of their communication strategy.

