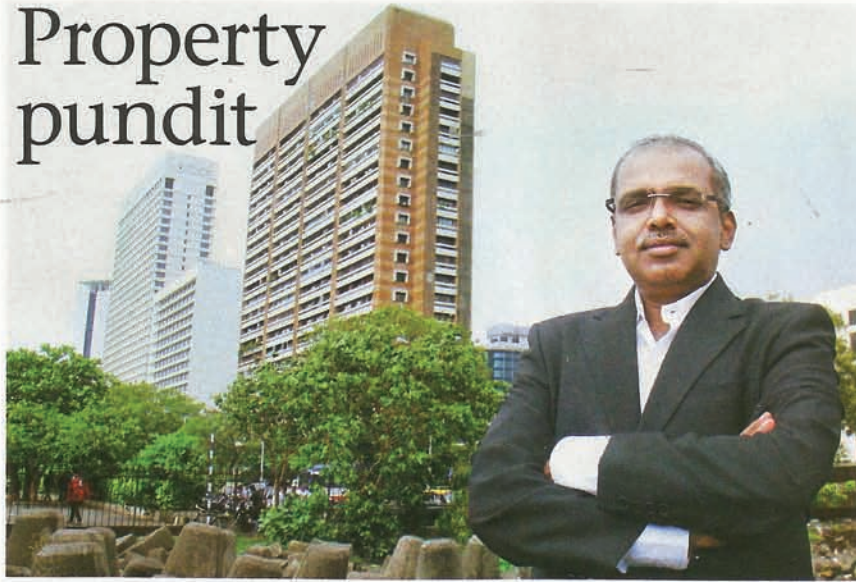


Property pundit



SUDIPTA BANERJEE

on investment improves."

"We have 12,000 users registered on our site," says Degaonkar proudly. But his optimism has a realistic edge – he is equally open to both compliments and criticism. With other real estate group buying portals like groupbookings.in and Groffr, what sets a new entrant like HBC apart? "Others have a top-down approach, which is post-project." HBC initiates projects with developers after collating their buyers' specifications, or approaches them for pre-bookings on flats on existing projects. "There is a community aspect in ours: we make a Facebook group for every buyers' group and they gain greater confidence in their purchase from each other, knowing there are others going in for the same thing," says Degaonkar.

If Degaonkar handles the demand side of home buying, does the developer stand to benefit on the supply side? "We save costs on marketing and advertising," says Tejal Shah, director, Suyog group, which has undertaken a 67-member group buying project with HBC. "Nitin maintains a very good business relationship with us and we communicate weekly with regard to the progress of the project."

HBC, has projects in Mumbai (Borivali), Bangalore and Chennai on the cards. In spite of its small size, Degaonkar has confidence in his team: "We have grown to a stage where I can now be out of town for fifteen days and the work will be taken care of."

His business acumen shows that Degaonkar knows appearances matter. Shortly after starting HBC, he bought a Mercedes Benz, which he describes as more of a company asset than a personal asset, because it actually aids him in cutting business deals with developers and builders, who "begin to view a businessman differently when he pull up in a Merc." This businessman seems to have his finger on the pulse of the industry, and he is not afraid to think big. "Most companies limit the group size at 20, but our groups range from 50 to 150," he says. In an industry with countless builders vying for projects, HBC stands apart by being the rare company that directly represents the buyer.

♦ MIHIKA BARUA

Degaonkar's HBC helps buyers navigate the real estate market

Jettisoning a two decade corporate career and starting an enterprise is not every man's cup of tea. Nitin Degaonkar did just that when he started Home Buyers Combine (HBC), a property consulting venture that aims to help buyers navigate a nebulous real estate market.

The idea for HBC 'just happened' while he was working at Infosys, says MD and founder, Degaonkar, who had earlier worked in companies such as Atlas Copco, UB group, Hindustan Coca-Cola and Radico-Khaitan at senior managerial levels. His first project, an informal group formation in early 2010, began as an initiative while he was at Infosys, to help professional colleagues find homes amidst the real estate boom in Pune. Degaonkar facilitated group buying of homes at Hinjewadi IT Park. The purchase of 200 houses collectively saved the buyers about ₹11 crore.

Enthused by the response to his model, Degaonkar decided to quit his job and venture on his own, with consultancy guidance from Grant Thornton. Capitalising on the Indian love for bargains and good deals, group buying sites for retail and travel like Crazeal (by global site Groupon) and Groffr, and Group Bookings (for real estate) had already mushroomed on the Internet. Launched in October 2010, with his wife as a business partner, HBC has

completed five projects so far, all in Pune, Degaonkar's home town.

HBC is a group-buying consultancy for real estate, advancing a concept that has gained popularity in India lately. It takes the element of group buying to negotiate with developers for competitive bulk home-buying rates. After buyers have registered with HBC, their home requirements are collated and a cluster of 100 (or multiples of) buyers with similar requirements is made.

Not afraid to think big

20 per cent of the proposed value is taken upfront from the potential buyers and given to the property developers as a token amount when the deal is inked. Degaonkar and his team of five are committed to monitoring the project through independent architects from conceptualisation till commissioning, to ensure a hassle-free purchase. HBC also facilitates sourcing of other services like lawyers and home loans, substantially reducing individual payments for such services.

"Our business model follows a bottom-up approach, beginning with identifying a cluster of buyers, after which we approach the developer," says Degaonkar. This could be for the launch of a project or an existing project. "We aim to plug leakages and value-added costs. In this way even the developer's return