

Absence of organised players in the house rental space gives newbies like NoBroker, Grabhouse, others a perfect space

By [Payal Ganguly](#), ET Bureau | 16 Jun, 2015, 05.40AM IST

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HYDERABAD: The absence of organised players in the house rental space is driving the emergence of technology ventures that go beyond listing properties. With value-added services and features like peer-to-peer transaction their portals are making a steady push in metros and IT hubs.

The home rental market is usually overlooked by [real estate](#) and property listing sites due to the small margin in transaction. "It is estimated that in metros and around [major IT hubs](#), around 60% of the houses are for rent," said Ashutosh Limaye, head of research and real estate intelligence service at JLL. Platforms such as NoBroker, Grabhouse and Zenify are looking to eliminate brokers, relying on extensive data built to provide optimised searches through heuristics. "We estimate the total rental pool in Indian residential market to be \$30 billion and brokerage pool to be \$2-4 billion.

Nearly all of this market has been serviced till now via fragmented and unorganised brokers who charge up to 18% commission due to information asymmetry," said Mayank Khanduja, vice-president of [SAIF Partners](#), which invested \$3 million (Rs 18 crore) in Bengalurubased [Nobroker.com](#).

"We strongly believe that technology can disrupt this market." [Amit Agarwal](#), founder and [CEO](#) of NoBroker, said the reason people trust brokers is for getting documentation such as rent agreement and for assurance on the new tenant.

"We are a marketplace and let tenants and owners transact directly or through our portal. In case the tenant is not looking to move immediately, they can continue their search with alerts on similar properties that get added," said Agarwal, who set up the peer-to-peer rental site in 2013. As transparent transaction and zero brokerage is the USP of these platforms, the challenge lies in eliminating brokers at each step. Analytics and valueadded services make the offerings by these aggregators attractive.

Grabhouse provides services such as repair and refurbishment through company-trained personnel and can predict the market demand and vacant time for the properties based on location.



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