CHAPTER 3

Strategic Responses of Real Estate Developers to Economic Crises

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ABSTRACT

The real estate sector is one of the foundational pillars of the India's economy, encompassing residential, commercial, industrial, and infrastructure development. It plays a vital role in the economic development of nations, acting as both a driver of growth and a barometer for economic stability. Economic crises—whether global or regional—often lead to declining property demand, reduced investor confidence, tighter credit conditions, and increased uncertainty, all of which pose significant challenges to real estate developers. This study, "Strategic Responses of Real Estate Developers to Economic Crises," examines how leading Indian developers have responded to such challenges. It focuses on the various strategies used by different developers during the COVID-19 pandemic. Through a thorough review of existing literature and a comparative analysis of two major firms—DLF Ltd. and Mahindra Lifespaces—this research identifies various key aspects of resilience such as: financial prudence, operational flexibility, digital transformation, market diversification, and human-resource management, etc. The findings show that developers with strong balance sheets, a proactive mindset towards digital adoption, and adaptable business models were able to recover more quickly and even spot new opportunities during the downturn and suggests a comprehensive framework for strategic responsiveness.

Keywords: Strategic responses, Real estate developers, Economic crises.

1.0 Introduction

Real estate is a critical driver of economic growth as well as a barometer of economic health for any economy.

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It is closely linked to urban development, building and construction, and provides local and overseas investments opportunities in an economy. It has backward and forward linkages with nearly 250 industries including steel, cement, bricks, paint, and labour-intensive service activities. The real estate business is, however, highly cyclical with the overall economy, and for example, during a financial crisis, may see a dramatic drop in demand and investment, less availability of credit, and more overall uncertainty and risk. All of this further complicate real estate.

1.1 Background study

Since India's independence in 1947, successive economic crises have led to a collection of reforms on economic policy which have affected the real estate sector. These include two Balance of Payments Crises in 1957-58, The 1966 devaluation and increasing dependence on foreign aid limited infrastructure and housing spending. The 1970's Oil Shocks increased import prices for India, resulting in inflation and higher prices for raw materials and construction. Following the Economic Crisis of 1991, sweeping liberalization reforms opened up the real-estate market for foreign investors.

The Global Financial Crisis (2008) reduced capital flows. Weak demand for exports was seen. Liquidity pressure on developers increased. Many developers were pushed to affordable housing. Demonetization (2016) affected cash-driven housing deals. Digital transactions and formal funding were the developers' priority. The COVID-19 Pandemic (2020) was the worst contraction in GDP. The labour supply drop and disruptions to the supply chain made digital selling channels, flexible payment plans and financial and operational restructuring the focus. An inflationary environment in the post-pandemic period as well as the conflict in Ukraine (2022-2023) required a general cost optimization and re-scheduling of projects.

1.2 Importance of real estate in economic cycles

The real estate cycle directly mirrors the economy and typically follows the business cycle. During times of economic prosperity, income and credit are more and consumer confidence is high. However, during recessionary periods, financial and employment insecurity along with decreased buyer discretion leads to decreased transactions and capital expenditures.

However, the 2008 Global Financial Crisis and COVID-19 pandemic have put the sector under stress. During the Global Financial Crisis, the Indian real estate market saw a credit squeeze, cancellations of projects and demand subdued because of the global credit crunch. On the contrary, during COVID-19, construction was halted abruptly, reverse labor migration, raw material shortages and changes in product preferences were observed.

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The real estate sector is also a key part of post-crisis recovery, with governments using the industry to create jobs, build infrastructure and revive the economy through public-private partnerships and regeneration.

2.0 Literature Review

2.1 Definitions

Economic crises: According to Cazan and Cucos (2012), an economic crisis is defined as a period marked by intense difficulties and disruptions that force change within a system. Within economic terms, crises are generally associated with instability, conflict, and structural adjustment, each is typified by some levels of economic slackness, inflation, and failure of the system.

Strategic Response: According to Kozachenko, Anand, and Shirokova (2021), strategic response refers to a set of decisions and actions that delineate the plans of a particular organization in reaction to a challenging situation in the environment, the main concern of which is how to achieve the objectives of the firm in question and stay profitable. These are situational measures taken by firms to leverage or mitigate environmental conditions that may threaten their survival, operations, or reputation.

2.2 Thematic study

2.2.1 Crisis management frameworks

Research shows that individual firms can adopt long-term calculated resilience responses to their sustainment and future preparedness, including PESTEL analysis, business model innovation, corporate restructuring, and scenario planning (calculated forecasting). Such firm-level responses include retrenchment, perseverance, innovation, exit, M&A, divestitures, vertical integration, and alliances.

In the literature, agility, adaptability, and technological integration have been considered critical for enabling business survival during crises. Construction companies handle crises in a few different ways. Sometimes they try to sidestep the problem, sometimes they jump in and fix it, and other times they get ahead of it or just react as if things unfold. They also work closely with others when needed. Early warning systems, dedicated crisis teams, and plans that can change on the fly are all parts of the strategy. When things get tough, firms might cut budgets, shuffle project priorities, rethink risks, break big jobs into smaller pieces, or narrow the project's focus. Once the situation subsides, they also strive to get their people fired up once more, restore confidence with all parties, and make learnings in order to be prepared to face whatever it might be next.

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2.2.2 Operational adaptations

Construction companies do not simply become paralysed when things get rough. They trim the fat, tighten their belt and work at home even at the expense of fewer hours or a reduced paycheck, and find out where the waste slips out the seals. Outsourcing helps. And so does letting a greater number make decisions.

However, cost reduction cannot lend itself. It does matter that professional employees are hired and that new virtual tools are adjusted. The smart ones stay nimble. They massage their profit goals, find niche markets and substitute materials as a way of ensuring that jobs keep flowing. Take the UK during COVID-19. Niazi and Painting (2021) observed that the pandemic disorganized everything: supply chains disrupted, shortage among workers, and health problems slowed down the projects. Companies tried. They experimented with digital, put more emphasis on the project schedules and provided people with more flexibility. The scenario planning became the norm. The authors provide a push to the urgency of being agile, speaking honestly, and drawing the entire crew consisting of clients, teams, suppliers, etc., together in times of chaos.

2.2.3 Financial and market strategies

Scholars who examined the Indian construction industry have identified some of the issues that actually strike hard during a downturn. Business organizations are seeking new customers, dealing with surging material prices, and caught in a downturn of the money companies intend to spend. There were also demonetization and the lack of skilled workers which complicated things.

However, those companies which actually dealt with the situation, i.e., identified the risks in time, kept the costs under control, and adjusted to the market, dealt with the storm better than the rest. In the case of the Public-Private Partnerships, research indicates that the industry is derailed by a group of problems: the difficulty in accessing credit, the increased cost of funds to finance business, lengthy renegotiations, and delays and delays. Those players that survive do not simply ride the wave, they transfer risks, seek superior funding, depend on government guarantees, and count on more aggressive government control.

The construction firms have been forced to be creative with the prices of the material and the rise in inflation. They placed emphasis on intelligent buying, customized the long-term agreements with the suppliers and they apply digital platforms to anticipate the future. Their strategies are to improvise their designs in order to save money, to be prepared with a backup plan and to make decisions at the spur of the moment. Most importantly, collaboration, continued communication, and flexibility of the finances all contribute to the survival of these firms in an aggressive market.

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2.2.4 Digital transformation and innovation

Crises provide the business with reality check. One day old methods are no longer applicable and therefore firms have to make up- improvising-sometimes within a short time. The most intelligent ones use their energy to train the employees, implement new services, and plunge into digital tools and green technology.

In this story, construction plays a major role. This is not an industry that is simply a passenger in the ride, it can actually contribute to the economy to recover. The tactics involve befriending with the public sector, initiative towards improved infrastructure and best effort in smart policies. Rather than relying on the hope of improvement, the construction companies can look at the hard times as a time of generating ideas of new ideas and be prepared to meet the future market conditions.

In the event you consider innovation sustainably, the evidence is tough to overlook. Green buildings and modular buildings make companies better and more resilient--that is all. It is no longer an option to digitalize things and ensure that business remains sustainable when all other operations are at stake. Sustainability-oriented companies emerged with fewer casualties during the COVID-19. Such technologies as modularity and 3D printing imply that you require fewer laborers and that they finish the projects faster. And speaking of which, new safety habits, digital communication tools and remote monitoring all become a daily grind.

2.2.5 Policy and regulatory context

Whenever you plunge into affordable housing, you are faced with the same fact, you must join forces with the government in case you want to cushion the risks of investing. The combination of market-rate with subsidized units will allow the developers to make a profit and achieve their social goals. And even when they construct houses people are willing to occupy, houses they can get to without a headache, those units are not vacant. More flexible zoning and faster approvals are continued to be requested by developers. They are also becoming imaginative: rent to own, shared equity, and even the inclusion of informal income as the basis upon which only pay stubs are counted. This is all beneficial in making more people purchase a home.

The real challenge? Staying on your toes. Policies, money and rules can turn over easily- particularly during a crisis. The RERA Act has revolutionized the game. Less fighting, more clarity. By observing the rules, the developers will avoid legal tangles and begin gaining the confidence of buyers. However, not every state is of the same mind. Some get it, some lag behind. Studies point out that a good supervision is necessary- identify risks in catches early and follow-up on a project all the way through and ensure that what you are doing, is what people want.

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2.3 Case study for secondary literature

2.3.1 Mahindra Lifespaces developers

Mahindra Lifespaces did not speak theoretically about digital transformation but put it into practice. They introduced online reservations, deployed virtual reality tours and provided buyers with those convenient customer portals that everybody demands now. They became serious as soon as construction resumed. Health examinations became stricter, mobile health clinics appeared, and they recalled employees one by one.

The company also tilted towards ready-to-move-in houses, which actually accelerated the sales and made them safer. Mahindra was a smart player in terms of money. They were highly picky in terms of land purchases, were literally holding cash in reserve, and were able to loan out to make ends meet. However, they targeted the mid-income and affordable housing as they understood that the buyers are consistent even during difficult periods.

2.3.2 DLF Ltd

DLF threw much against the wall to see what would stick. They plunged into the virtual world of exhibitions, e-papers, electronic payments, the entire package. On their commercial areas, they would prefer the tenants to remain, and thus they offered tenants rent freebies and relieved lease conditions.

On the residential front, DLF ceased to introduce new projects, but addressed those that they had initiated. They sold their surplus assets and temporarily ceased land purchases in order to reduce their debt. And even as all this was a-doing, they were coercing vendors to give them better rates and even change to energy-efficient construction, in the hope of saving money in the long run.

During the COVID-19, real estate developers threw down the gauntlet, yet it was possible to observe some of the key trends amid the chaos, remaining financially sound, maintaining flexibility of operations, going more into technology, finding new markets, and collaborating where it made the most sense. Digital transformation was truly impressive- it managed to keep the sales flowing, enabled people to remain connected with the customers and it made it possible to work remotely when things proved to be too difficult. All the developers were playing various financial games.

Others redoubled and acquired assets and grew rapidly, and others scaled back, de-debted themselves, and piled money. It was all based on their leverage, cash holdings and direction they took in the marketplace. All these playbooks demonstrate the flexibility of the sector. Businesses would make decisions depending on their ability, capacity to address risk as well as where they would want to be in the long-term.

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3.0 Research Methodology

3.1 Research design

This study examines the strategic responses of DLF Ltd. and Mahindra Lifespaces to the economic challenges caused by COVID-19 using a comparative case study approach. It combines qualitative analysis of strategic decisions with quantitative evaluation of financial performance to provide a comprehensive understanding of crisis management in the real estate sector. This approach is suitable as it enables a comprehensive analysis of the various ways and underlying reasons why different companies reacted differently to the same crisis.

3.2 Case selection

The purposeful sampling was due to five criteria: both of them are well-established leaders in the market, are both contrasting strategies (DLF is diversified, and Mahindra is focused), have extensive information available publicly, have been functioning continuously within the COVID-19 pandemic, and are very different in terms of scope, geographic location, and strategies used, which allows conducting a comprehensive comparative analysis of both.

3.3 Data collection

The study relies exclusively on the secondary sources of data. The primary sources will be audited annual reports (FY 2018-19 to FY 2021-22) comprising financial statements and management commentary, quarterly reports to investors which include operations updates, and regulatory filings that will be submitted to the stock exchanges. The secondary sources involve industry reports by Knight Frank, and JLL; media reports and press releases; and academic literature, in regard to crisis management. The quantitative approach to the evaluation was provided by the detailed financial data of different real estate companies.

3.4 Time framework

The research design is longitudinal, which includes 2018-2022. It comes in three phases, including the pre-crisis period, 2018-2019 to position the base, the crisis period, 2020-2021, to take advantage of immediate responses, and the recovery period, 2021-2022, to evaluate long-term strategic adjustments. This period of five years is the difference between a crisis response which is reactive and a strategic growth.

3.5 Analysis framework

The analysis reviews strategic responses on twelve major dimensions of financial management and liquidity, digital transformation, operational efficiency, product and market

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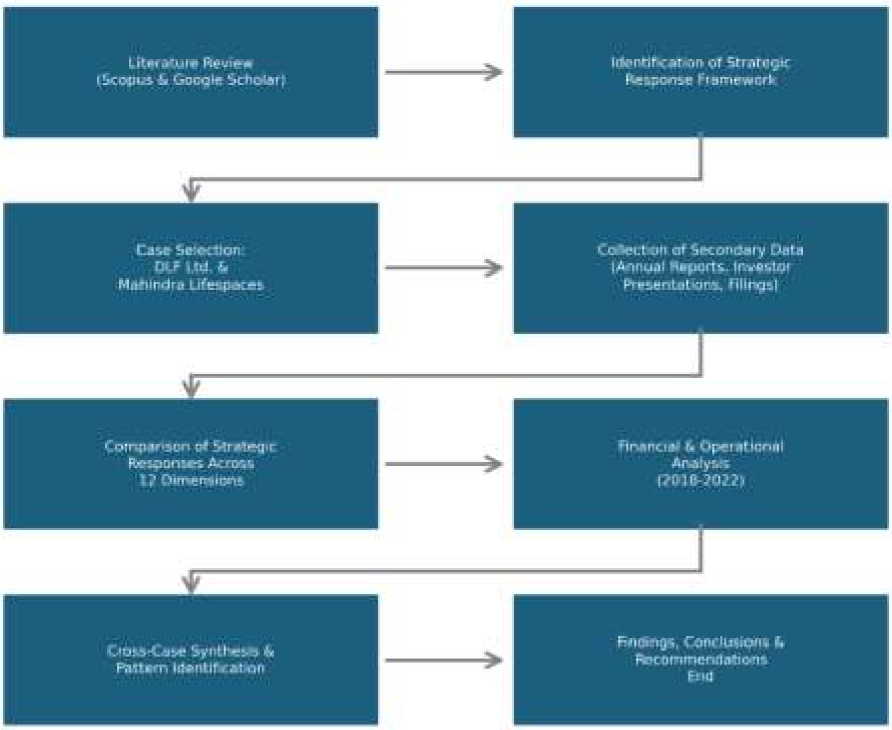
adaptation, geographic strategy, business model, sustainability initiatives, customer engagement, partnership strategies, rental portfolio management, innovation in offerings, and human resource management.

The within-case analysis involved the analysis of the companies separately to identify the specific strategic path of the company. Systematic cross-case comparison categorized responses systematically on all twelve dimensions. The debt-to-equity, the return on equity, the operating margins, and the percentage growth of revenues were determined in the financial ratio analysis. Management statement thematic content analysis determined strategic priorities and crisis narratives. To know causality, timeline mapping was followed to keep track of the order of important decisions.

3.6 Limitations

The main limitations are that it is based on publicly available information that may lack any confidential deliberation, post hoc analysis in management reporting is prone to rationalization bias, and it can only be generalized to these two particular situations, and there is a temporal distance between the annual reporting periods.

Figure 1: Flowchart Representation of Methodology



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4.0 Case Analysis

The COVID-19 pandemic revealed inherent disparities in the manner in which the Indian real estate developers managed the economic disruption that no one had ever witnessed before. This comparative study of the two companies, DLF Ltd. and Mahindra Lifespaces, shows two different though effective strategies of crisis management the DLF diversification buffer strategy and the Mahindra focused agility strategy. These opposing strategies can provide useful knowledge on the crisis resilience mechanisms in the real estate industry.

4.1 Pre-crisis foundations and strategic positioning

The pre-COVID (FY18-FY20) showed that the companies had stark structural differences. DLF was at 10-15 times greater size with 8,364-6,707 crore revenues compared to 566-611 crore of Mahindra. The transformational GIC transaction of DLF in 2017 when it sold 33.34 percent of its rental business. The company (DCCDL) generated 12,000 crore and essentially transformed its balance sheet and gross debt has been cut down to 17,491 crores in comparison to 29,200 crores with a stable stream of rental incomes averaging over 3000 crore per year. On the other hand, Mahindra has been a very timid leverage player. Their debt between FY18 and FY19 decreased by 50 percent and dropped to 228 crores as opposed to 459 crores. Their debt-to-equity ratio was also kept at less than 0.3. Nevertheless, the margin of EBITDA decreased to a level of -13% by FY 20. This decrease demonstrated a state of stress in operations even prior to the pandemic.

4.2 Financial resilience: Dual revenue streams vs. Capital efficiency

The mixed-income structure of revenues, which is a combination of residential sales and commercial lease rentals, turned out to be decisive in the case of crisis in DLF. DCCDL and company have been able to gather 95 and 98 percent of office rents during the lockdowns respectively, which is essential to maintain critical working capital stability. As part of its efforts to decrease its gross debt, DLF minimized that to 6,886 crores in FY21 and to 4,182 crores in FY22, or 76 percent of what it was in FY18. Mahindra had suffered devastating 72.8 percent revenue (₹611 crore to 166 crores in FY21) -the worst contraction in the sector. The response of the company resulted in extremely high-cost optimization which was wholly based on internal cash flows but not outside borrowing. With the implicit support of the Mahindra Group, Mahindra has managed to stay on top of its credit rating at CRISIL AA/Stable despite the operations difficulties during the crisis.

4.3 Product and market adaptation strategies

Mahindra has already taken the initiative to change its orientation to affordable and middle-income housing by redesigning the layouts to provide separate home offices and

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larger spaces so that the demand for more people to work at home is satisfied. This narrow strategy reacted appropriately to the changes in the pandemic lifestyle, but introduced a risk of concentration, placing the fortunes wholly on the recovery curve of a single market segment. DLF maintained an even product portfolio which comprised of both ready-to-move and under-construction properties at various price points, whether low or high-end. They possessed commercial and retail property as well. This diversification served as a buffer against declines in certain lines and also served as a means of drawing in a new breed of customers, including investors, high-net worth customers and end-users.

4.4 Digital transformation and technological sophistication

Mahindra introduced digital booking portals, virtual site tours that used VR, and calculators of affordability. These tools make the onboarding experience of the buyers a smooth one, with centering on the accessibility of the middle-income people. The new infrastructure installed by DLF comprises AI-based marketing, extensive CRM analytics, WhatsApp, and AI-based lead management. This configuration gives the opportunity of smart customer route and 24/7 answering of queries.

4.5 Operational efficiency: Lean vs. Quality-controlled models

The outsourced model of construction with dashboard monitoring at Mahindra set up fixed overheads that were very low, resulting in the establishment of very variable cost structure that multiplied by the activity level in a short time. This created a reduced breakeven and quick adjustment of costs in downturn.

DLF has used hybrid model where internal PMC controls the execution of the contractors, willing to pay more fixed costs in order to control the quality and maintain the delivery standard. This efficiency versus quality trade-off served the needs of the target market of each company Mahindra lowering the cost per square foot, DLF upholding the premium positioning standards.

4.6 Geographic diversification and business model architecture

Mahindra concentrated on the affordable housing market by focusing in 5-6 metro cities which offered end efficiency in business but risked geographic concentration. The geographical spread of DLF in 10+ cities of North, South and West Indian regions gave it diversification since the local market cycles neutralized each other. This was enhanced by the strategy land bank and mixed-segment developer model used at DLF.

4.7 Post-covid recovery performance

Cumulative strategic differences were brought out clearly by recovery metrics. Mahindra enjoyed slow recovery with 15-20% year-on-year pre-sales growth to FY 22

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through limited income shock recovery among the mid-income segment and overreliance on one revenue line. DLF has shown a growth of 136% year-on-year, and record-breaking bookings of over 10,000 crores (new sales: 7,273 crores in FY22). The fact that real estate rentals topped off, along with the luxury segment which was not so shaken by the high-net-worth purchasers as well as the brand loyalty and premium pricing that the company had earned and the diversification of the geographical assets picking diverse regimes of the markets boosted the recovery of DLF.

4.8 Key strategic insights

Revenue Diversification as Major Resilience Factor: Diversification of the model used by the DLF in its mixed residential-commercial-rental was more stable than an exclusive focus on a residential orientation. Positioning of Balance Sheets Counts: Pre-crisis leverage policy was very critical- the various strategies of the companies worked out well in their respective environments. Industry leverage (D/E: 0.12-0.22) has remained at its lowest point at Mahindra with 5.7-6.7 being its borrowing cost whereas DLF has decreased its D/E position (0.50 to 0.12) to its lowest point through deleveraging.

Many Ways to Win: The comparison highlights the fact that different strategic directions may be successful with reference to the organization capabilities and market positioning there is no correct or wrong crisis response. Speed of Recovery is associated with Diversification: Both overcame the crisis, but the diversified business model, in terms of segmentation, geography, and sources of revenue, is clearly better at providing superior recovery speed as demonstrated by DLF.

5.0 Findings and Results

This paper provides a comparison of two real estate developers in India in the COVID-19 crisis. It demonstrates alternative yet efficient ways to address great economic issues. The findings show that resilience can be based on different directions. All these are influenced by the competencies in a company, market location and financial stability of a company prior to the crisis.

5.1 Strategic differentiation

The business model of DLF combining its stable rents through its rental subsidiary, DLF Cyber City Developers Ltd. (DCCDL) combined with the development operations enabled it to survive the crisis compared to others who had not diversified their operations. The rental collections of DLF stood at 98+ and it was able to generate 3000+ crore every year even in the period of lockdowns. This gave it enough working capital to continue with the

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operation of DLF, cut its debts and pursue aggressive expansion in case the environment relaxes it. Mahindra Lifespaces was not benefiting out of diversification that competition was involved in, since the company was a pure play residential developer. The company has always had a conservative financial structure with the lowest leverage ratios of any Indian listed developer during the entire period. Debt/equity ratios of Mahindra Lifespaces ranged from between 0.12 and 0.22 (for the period), compared to between 0.12 and 0.50 for DLF. Combined with the strength of Mahindra's AAA rated parent balance sheet, it has enabled the company to continue to enjoy a higher CRISIL AA rating through the crisis.

5.2 Financial performance and recovery

DLF Ltd. performed better financially and in business continuity than Mahindra Lifespaces. The company's FY21 revenue fell 11% from ₹6,083 crore in FY20 to ₹5,414 crore during FY20. DLF remained profitable, with a net profit of ₹1,083 crore. This lesson in business model diversification is further elucidated by another company in the real estate sector, Mahindra Lifespaces, reporting a 72.8% fall in revenues from ₹611 crore to ₹166 crore, and a reported loss of ₹71 crore for the same quarter. The demand recovered following the COVID, which contributed to the operational benefits of DLF. In FY22, the company reported that its pre-sales increased by 136 per cent and were an all-time high of 7273 crore. The pre-sales at Mahindra Lifespaces grew by 48 percent to 1,028 crores. DLF had a five-year pre-sales CAGR of 24 against the 9.6 of Mahindra Lifespaces. It showed that a bigger share of the market was being taken over at DLF.

5.3 Balance sheet transformation

The businesses came out as both stronger with one of the most transformational deleveraging of the balance sheet in the Indian real estate history in the case of DLF. The gross debt decreased to 4,182 crores (FY22) whereas in FY18, it was 17,491 crores, and it fell by 76 per cent whereas the net cash positive trajectory has been attained in the development business in FY22. Mahindra Lifespaces' liquidity remained comfortable, with gross debt peaking at ₹459 crore and interest coverage being better than DLF's. The company's borrowing costs were 5.7-6.7%, the lowest in the industry, due to better credit quality and support from its parent company.

5.4 Market performance and strategic positioning

Both companies had positive five-year stock performance. However, DLF's CAGR of ~33% was superior to Mahindra Lifespaces' 31%, with different risk-return profiles. DLF's rental visibility and sheer scale brings improved earnings visibility, while Mahindra Lifespaces' results are reflective of concentration risks of pure-play residential. The findings

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validate the idea of multiple approaches to be successful (depending on organizational situation, resources, and risk attitude), and not a single "optimal" model for all contexts.

6.0 Conclusion and Implications

A benchmark study by DLF Ltd and Mahindra Lifespaces during the COVID-19 pandemic found that there is no single best strategy to succeed in times of crisis. The right calculated choice will depend on the characteristics of the company in line with the contingency theory and the resource-based view.

DLF Ltd.'s superior recovery attributes the diversification buffer utilizing 3 advantages: the scale at 10-15x bigger revenue base, the stable income from rental stream from DCCDL at INR3000 crore plus annually, the geographic diversification pan India. The pre-crisis deals with GIC (2017) helped DLF to reduce gross debt by 76% from FY18 to FY22, ample liquidity during the downturn and the flexibility to recover aggressively. DLF's pre-sales more than tripled from ₹2485 crore in FY20 to ₹7273 crore in FY22.

While Mahendra Lifespaces adhered to a focused agility strategy based on capital efficiency and housing affordability, during FY21, when revenues fell by 73% (the steepest decline in the industry), it also maintained the sector's lowest debt-equity ratio of 0.12-0.22 and CRISIL AA rating, the best in the nation during the pandemic. Strong backing from the parent company, low relative borrowing rates (5.7-6.7%) and efficient operations helped it through the downturn. While both companies considered digital transformation of their sales channel, liquidity management through cash, and transparent communication with stakeholders to be critical success factors, their contrasting choices indicate that responses to a crisis depend on an organization's business model architecture. In broad terms, DLF's diversification-focused model improved resilience while Mahindra's concentration-focused model helped cost management and market positioning. Theoretically, this has implications for the planned management literature that shows how multiple types of calculated archetypes can survive in declining industries when they are well-matched with organizational resources and market contexts.

7.0 Recommendations

The real estate developers should select crisis-responsive methods that play to its strengths. Diversified developers, and those with a strong rental business, should use their buffers to avoid forced sales of their assets. Players focused on capital efficiency and flexibility to re-position for new markets in times of crisis. Good financial position pre-crisis such as maintaining appropriate leverage and liquidity reserves. Digital transformation is not

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a reactive crisis response but a structural change to be built into the planned framework. Winning developers balance cuts, speed-ups and future-proofing (sustainability, affordable housing) with shaping risk regionally, segmentally and by asset class (which requires scale). Small-scale developers can win through efficiency. They can apply in capital-light joint-venture models. They can excel in niche markets. The niche markets have strong growth and customer loyalty. The developers add value for customers in these markets. Policymakers should allow regulatory flexibility and liquidity and develop sustainable and affordable housing for an increase in system resilience.

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