

# Impact of Tourism Development on Real Estate Prices at Tourist Places In Konkan Region

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Tourism is a multifaceted industry that involves the movement of people from one place to another for various purposes, including leisure, recreation, business, education, and exploration. It encompasses a wide range of activities, services, and facilities designed to cater to the needs and preferences of travelers. Tourism is a dynamic and evolving industry that plays a crucial role in global economies and cultural exchange. Balancing the positive and negative impacts is essential for sustainable and responsible tourism. Few key aspects of tourism are :

## **1. Types of Tourism:**

- Leisure Tourism: Traveling for relaxation and recreation.
- Business Tourism: Traveling for conferences, meetings, and work-related purposes.
- Cultural Tourism: Exploring the cultural heritage and traditions of a destination.
- Adventure Tourism: Engaging in physically challenging and adventurous activities.
- Ecotourism: Responsible travel to natural areas that conserves the environment and sustains the well-being of local communities.
- Medical Tourism: Traveling to another country for medical treatments and healthcare.

## **2. Components of Tourism:**

- Accommodation: Hotels, resorts, guesthouses, and other lodging options.
- Transportation: Air travel, road transport, railways, and maritime services.
- Attractions: Natural wonders, historical sites, cultural landmarks, and entertainment avenues.
- Services: Tour operators, travel agencies, guides, and other support services.

## **3. Positive Impacts of Tourism:**

- Economic Boost: Tourism can contribute significantly to a region's economy by generating income and creating job opportunities.
- Cultural Exchange: Tourism facilitates cultural exchange and understanding between people from different backgrounds.
- Infrastructure Development: The tourism industry often drives the development of transportation, communication, and other infrastructure.

- Conservation Support: Revenue from tourism can fund conservation efforts and help protect natural and cultural heritage.
- 4. Negative Impacts of Tourism:**
- Environmental Degradation: Over-tourism can lead to environmental damage, including pollution, deforestation, and habitat destruction.
  - Cultural Erosion: Uncontrolled tourism may negatively impact local cultures and traditions.
  - Infrastructure Strain: Popular tourist destinations may face challenges in managing increased traffic and demands on infrastructure.
  - Social Inequality: Tourism can exacerbate social inequalities, with local communities facing displacement or exploitation.
- 5. Global Tourism Trends:**
- Technology Integration: The use of technology for booking, navigation, and personalized travel experiences.
  - Wellness Tourism: A focus on health and well-being, including spa retreats and wellness programs.
  - Adventure and Experiential Travel: Increased interest in unique and adventurous experiences.

### **About Konkan region**

. The Konkan region is a coastal strip along the western coast of India, stretching from the state of Maharashtra in the north to Karnataka in the south. It is known for its picturesque landscapes, lush greenery, and diverse ecosystems. Here are some key geographical features of the Konkan region:

**1. Location:**

- The Konkan region is situated between the Western Ghats mountain range to the east and the Arabian Sea to the west.
- It extends across the states of Maharashtra, Goa, and Karnataka.

**2. Physical Features:**

- Western Ghats: The eastern border of the Konkan region is marked by the Western Ghats, a mountain range known for its biodiversity. The hills and slopes of the Western Ghats are covered with dense forests.
- Arabian Sea Coastline: The Konkan region has a long coastline along the Arabian Sea, providing it with numerous beaches and scenic coastal areas.

**3. Climate:**

- The climate in the Konkan region is influenced by its proximity to the sea and the Western Ghats.
- It experiences a tropical climate with high humidity, especially during the monsoon season.
- The region receives heavy rainfall during the monsoon, contributing to its lush greenery.

#### **4. Rivers:**

- The Konkan region is crisscrossed by several rivers originating from the Western Ghats and flowing westward into the Arabian Sea.
- Some prominent rivers in the region include the Vashishti, Terekhol, Mandovi, Zuari, and Shararavati, Jagbudi.

#### **5. Flora and Fauna:**

- The Western Ghats in the Konkan region are recognized as a biodiversity hotspot with a rich variety of flora and fauna.
- Dense forests in the hills are home to diverse species of plants, animals, and birds.
- The region has a mix of evergreen, semi-evergreen, and deciduous forests.

#### **6. Beaches:**

- The Konkan coastline is dotted with beautiful beaches, each having its unique charm.
- Some well-known beaches in the region include Ganpatipule, Alibaug, Vengurla, and Anjarle, Guhagar, Velneshwar

#### **7. Agriculture:**

- The coastal plains of the Konkan region are fertile and support agriculture.
- Rice, coconut, cashew nuts, mangoes, and spices are among the crops grown in the region.

#### **8. Cultural Heritage:**

- The Konkan region has a rich cultural heritage with historical forts, temples, and ancient architecture.
- The region has been influenced by various dynasties, including the Marathas, Portuguese, and Chalukyas.

#### **9. Tourism:**

- The natural beauty, historic sites, and cultural attractions make the Konkan region a popular tourist destination.
- Tourists are drawn to the beaches, waterfalls, forts, and traditional Konkani cuisine. The geography of the Konkan region contributes to its unique and diverse character, making it a region of ecological and cultural significance.

### **Tourism in Konkan region**

Konkan region in India is known for its picturesque landscapes, serene beaches, lush greenery, and rich cultural heritage. Here are some highlights of tourism in Konkan:

#### **1. Beautiful Beaches:**

- Ganpatipule Beach: Known for its clean shores and the famous Ganpati temple.

- Tarkarli Beach: Offers white sand beaches and is a popular destination for water sports.
- Velneshwar Beach: A quiet and pristine beach known for its peaceful surroundings.

## **2. Historical and Religious Sites:**

- Sindhudurg Fort: Built by Chhatrapati Shivaji, this sea fort is a major historical attraction.
- Marleshwar Temple and Waterfall: A Shiva temple nestled in the hills with a stunning waterfall nearby.
- Ganpati Temples: Apart from Ganpatipule, there are several Ganpati temples in the region, each with its unique charm
  - Karneshwar Temple in Sangmeshwar
  - Parshuram Temple near Chiplun.
  - Govalkot near Chiplun
  - Dhutpapeshwar Temple near Rajapur
  - Kanhere wada, Anjani
  - Hot water springs near Arawali, Sangameshwar
  - Karneshwar Temple, Kasba (Sangmeshwar)

## **3. Scenic Hill Stations:**

- Amboli: A hill station known for its foggy landscapes, waterfalls, and biodiversity.

## **4. Delicious Konkani Cuisine:**

- Konkani is renowned for its seafood, coconut-based curries, and authentic Konkani dishes. Be sure to try local specialties like Sol Kadhi, Malvani Fish Curry, and Amboli, Jackfruit Sabzi, Modak, Ghavan /Aayte, Koyad, Ukadamba, Kokam aagal.

## **5. Backwater Tours:**

- The backwaters of Konkani, particularly in areas like Malvan, offer boat rides and opportunities for bird watching.

## **6. Festivals and Culture:**

- Experience the vibrant culture through local festivals like Ganesh Chaturthi, Diwali, and Shimga.
- Traditional dance and theatre forms like Balya dance, Jakhadi, Dashavtar, Naman showcase the rich cultural heritage

## **7. Adventure Activities:**

- Water sports like snorkeling, scuba diving, and parasailing are popular in coastal areas.
- Trekking and hiking opportunities in the lush Western Ghats.

## **8. Cashew and Mango Plantations:**

- Variety of cashew, mango and coconut plantation

## **9. Ratnagiri Alphonso Mangoes:**

- The region is famous for producing some of the best Alphonso mangoes. You can visit orchards during the mango season.

- **Impact of tourism on real estate prices**

The impact of tourism on real estate prices can vary based on several factors, and the relationship between the two is complex. Here are some ways in which tourism can influence real estate prices:

- 1. Increased Demand:**

- Tourist influx can lead to increased demand for accommodation, including hotels, resorts, and vacation rentals.
- High demand for lodging may drive property prices up, especially in popular tourist destinations.

- 2. Rental Income Potential:**

- Property owners in tourist hotspots may find opportunities for rental income by leasing their properties to tourists.
- The potential for lucrative rental income can contribute to higher property values.

- 3. Development and Infrastructure:**

- Tourism often leads to infrastructure development, such as improved roads, transportation, and amenities.
- Enhanced infrastructure can make an area more attractive for real estate investment, contributing to price appreciation.

- 4. Development of remote areas:**

- Tourism can be a catalyst for gentrification, where previously undervalued areas experience an influx of investment and improved amenities.
- Gentrification can drive up property values in the long run.

- 5. Speculative Investment:**

- A surge in tourism may attract speculative real estate investors looking to capitalize on potential price appreciation.
- Speculative investment can influence price dynamics in the short term.

- 6. Seasonal Fluctuations:**

- In some tourist-dependent areas, real estate prices may experience seasonal fluctuations based on the peak and off-peak tourism seasons.
- Property values may rise during peak tourist seasons and decrease during quieter periods.

- 7. Local Economy Boost:**

- Tourism contributes to the local economy, creating jobs and boosting economic activity.
- A thriving local economy can positively impact real estate prices as people look to invest in areas with economic growth.

- 8. Environmental and Cultural Concerns:**

- Excessive tourism leading to environmental degradation or cultural disruption may have a negative impact on real estate prices.
- Environmental and cultural sustainability can be a factor in long-term property value.

It's important to note that while tourism can contribute positively to real estate markets, there are potential drawbacks. Over-reliance on tourism can lead to issues such as overcrowding, strain on local resources, and an imbalance in the local economy. Moreover, external factors such as global economic conditions, geopolitical events, or public health crises can also influence both tourism and real estate markets. Local factors and market conditions should be carefully considered when analyzing the relationship between tourism and real estate prices in a specific area.

**Table: 1 Comparison of Real estate prices at tourist places in Konkan region**

Sr.no	Tourist place	Property rate per sq feet (Rs.)		Rate per hotel room day (Rs.)
		Residential	Commercial	Accommodation
1	Dapoli	3500 to 5,000	10,000 to 20,000	3,000 to 15,000
2	Ratnagiri	4,000 to 5,000	12,000 to 25,000	3,000 to 18,000
3	Alibag	5,000 to 7,000	12,000 to 30,000	3,000 to 20,000
4	Malvan	3500 to 4,500	10,000 to 20,000	3,000 to 12,000
5	Tarkarli	4,000 to 5,000	8,000 to 20,000	3,000 to 12,000
6	Devgad	3200 to 4,000	8,000 to 15,000	2,500 to 12,000
7	Guhagar	3200 to 4,500	8,000 to 20,000	2,500 to 15,000
8	Ganpatipule	3500 to 4,500	10,000 to 18,000	3,500 to 20,000

**Table: 2 Comparison of Real estate prices at Non tourist (residential) places in Konkan region**

Sr.no	Tourist place	Property rate per sq feet (Rs.)		Rate per hotel room day (Rs.)
		Residential	Commercial	Accomodation
1	Chiplun	3000 to 4,000	8,000 to 20,000	1,500 to 6,000
2	Khed	3,200 to 4,000	8,000 to 25,000	1,500 to 6,000
3	Sangmeshwar	2,600 to 3,200	7,000 to 15,000	1,000 to 3,000
4	Lanja	2,500 to 3,200	8,000 to 15,000	1,000 to 4,000
5	Rajapur	2,800 to 3,500	8,000 to 15,000	1,000 to 3,000
6	Kankavali	3,200 to 4,000	8,000 to 15,000	2,000 to 5,000
7	Kudal	3,200 to 3,800	8,000 to 12,000	1,500 to 5,000
8	Sawantwadi	3,000 to 3,800	8,000 to 18,000	1,500 to 5,000
9	Vengurla	3,000 to 3,800	8,000 to 12,000	1,500 to 5,000

The above comparison in **table :1** is based on the prices of residential place, commercial places on ownership basis. The rates show the range from standard residential property to premium property situated at prime area and nearby areas.

Hotel room rates indicate per day room rent for non air-conditioned room to premium rooms or villas. Similarly the properties from prime areas to nearby places are considered.

Hotel room prices are based on average prices in slack season and peak season.

**Table 2** shows the real estate prices in areas which are not actual tourist places but popular as residential places due to availability of facilities like hospital, schools, colleges, government offices, marketplace, gardens, MIDC area. These are generally taluka places in Ratnagiri and Sindhudurg district. Few places are popular for beaches, sea food and tourist spots as well as they are suitable for residence like Ratnagiri, Malwan.

**Conclusion:**

1. Real estate rates at tourist places are higher than non tourist places in spite of non availability of all residential facilities.
2. Tourist places are situated at geographically remote areas are costly than few other taluka places. Eg. Dapoli
3. Though there is no parallel development in transportation, lifestyle places, infrastructure at tourist places still they are costly only due to tourism aspect.
4. Tourism in konkan is seasonal. Still the property rates are higher throughout the year in case of lodging.
5. Non tourism places connected to Mumbai-Goa highway like Chiplun, Lanja, Rajapur are suitable for tourists for their residence during their travel. These places are well-equipped with residential facilities as well as accessibility. But still the property rates at these locations are at lower level than actual tourist places.
6. Residential and commercial places in tourism oriented areas are costly than other areas due to aspect of second home and investment destinations.
7. Residents from tourist areas have to pay higher rates for residential as well as commercial properties. But they do not get considerable facilities like schools, colleges, hospitals, transport etc even after paying higher rate for their houses or shops.

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