

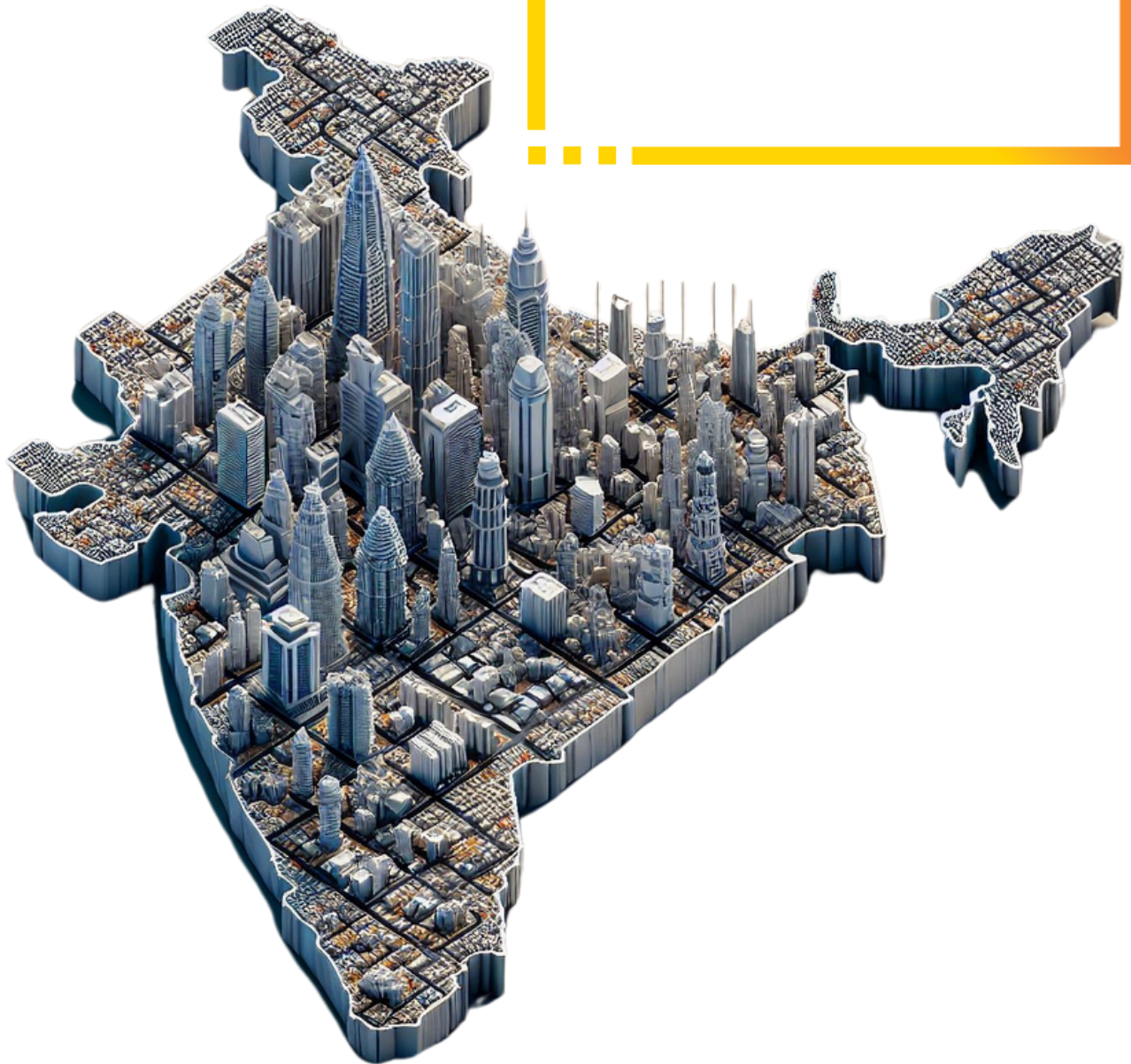


Real Estate Outlook

**Best Real Estate
Practices for Business
Growth**

GURUGRAM, HARYANA

India's Real Estate @2047



The better the question.
The better the answer.
The better the world works.



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GROWTH AND OUTLOOK OF INDIA'S REAL ESTATE SECTOR

2025
JANUARY



OUR PROFILE

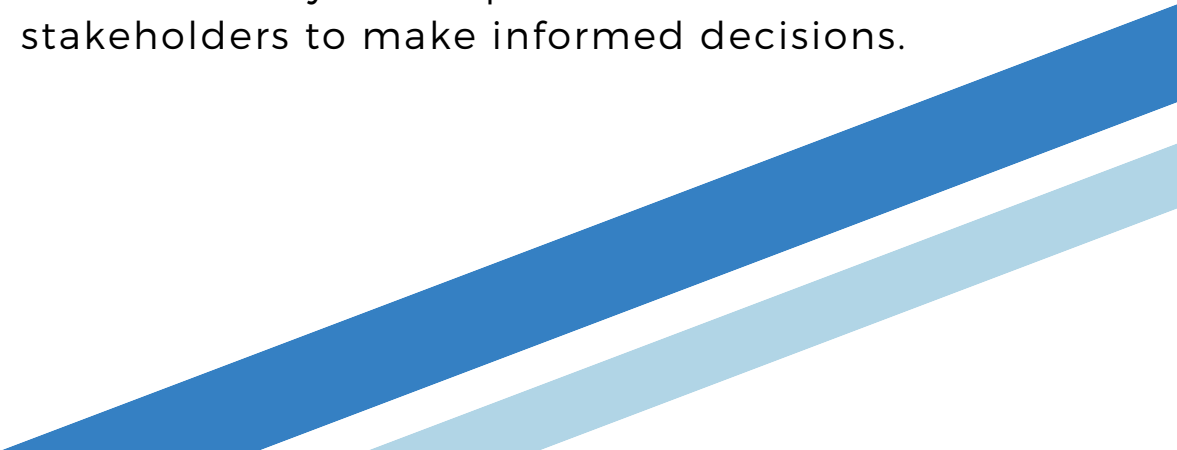
Estate Avenues Analytics is an innovative online subscription based platform that specializes in real estate data and analytics in India. It covers a vast array of over 1,000+ projects from 150+ developers across multiple cities, making it a significant player in the Indian real estate market.

Estate Avenues Analytics stands out as a vital resource for stakeholders in the Indian real estate sector, facilitating better understanding and management of real estate investments through its extensive data offerings and analytical capabilities.

THE OBJECTIVE

The objective of Estate Avenues Analytics, an online subscription based real estate data and analytics platform, is to provide Market Trends, Investment Optimization, Customer Insights, Risk Management and Portfolio Management.

By leveraging advanced data analytics, Estate Avenues Analytics empowers real estate stakeholders to make informed decisions.



Introduction

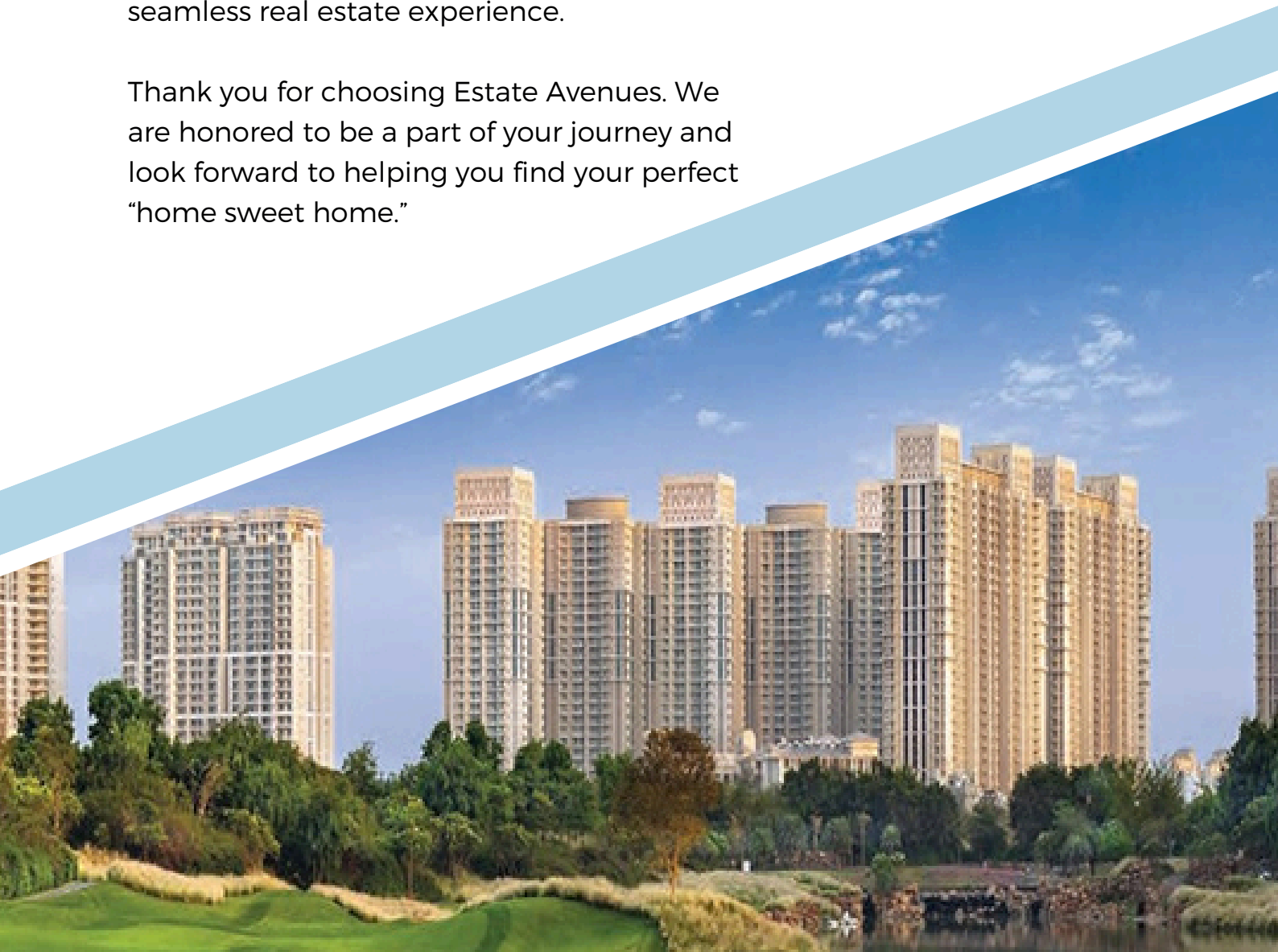
At Estate Avenues, we understand that searching for your dream home is one of the most significant and exciting journeys in life. Our team of highly skilled advisors is committed to understanding your unique needs and guiding you towards the most suitable residential or commercial projects in your preferred locations.

Trust and integrity are at the heart of everything we do. Customer satisfaction is not just a priority for us it's our mission. We are dedicated to going the extra mile to ensure that you receive the best service and a seamless real estate experience.

Thank you for choosing Estate Avenues. We are honored to be a part of your journey and look forward to helping you find your perfect "home sweet home."

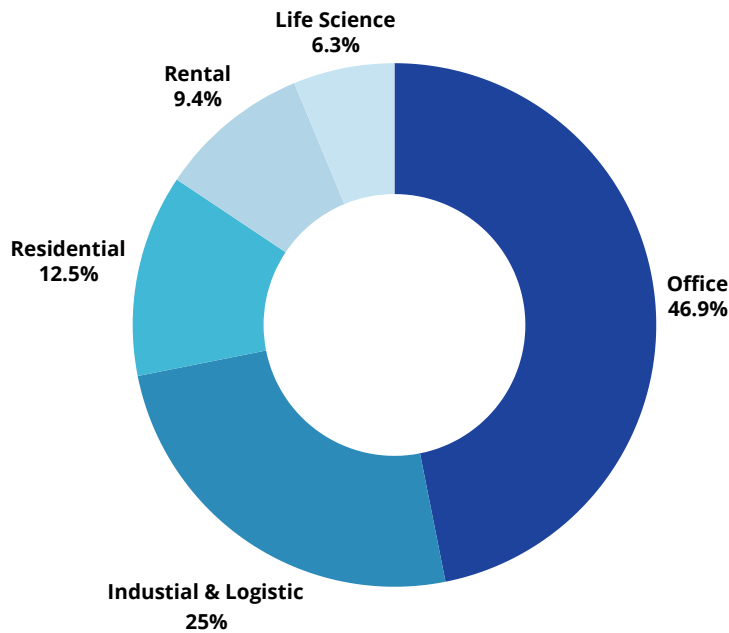


Bhaswar Paul
Founder & CEO



Growth of India's Economy

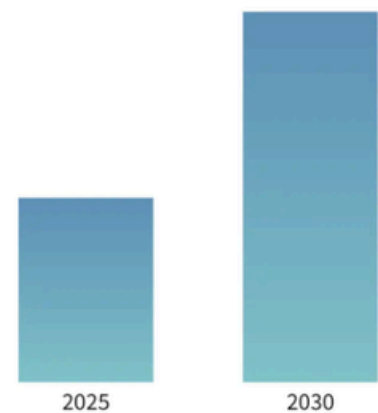
Private Equity Investment in India Real Estate



SOURCE: SAVILLS INDIA RESEARCH

- Indian economy grew by 6% over the past two decades.
- Despite Covid-19 India surged from the 13th largest economy in 2000-01 to the 5th largest 2024.
- India could generate demand for approximately 10 Million Sq. Ft. of R&D Lab Space annually until 2030.
- Savills estimates that India's data center space demand will rise by 15-18 million sq ft in major cities over the next 4-5 years.

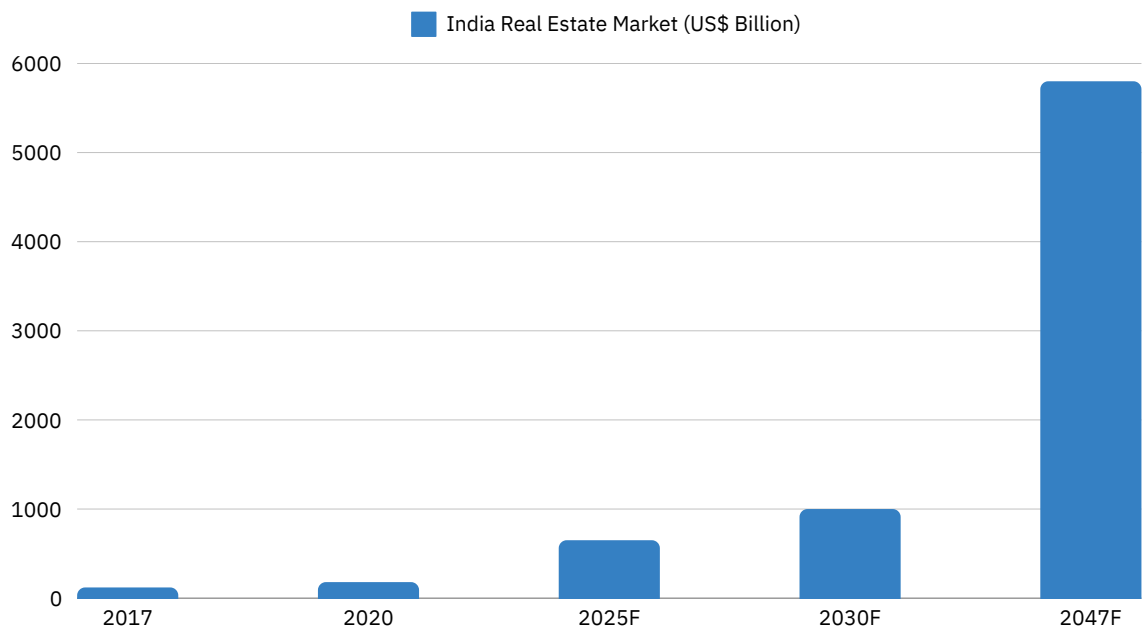
India Private Equity Market
Market Size
CAGR 15%



SOURCE: MOROR INTELLIGENCE

Why is the real estate industry important for the Indian economy?

- India's real estate sector, valued at \$477 Billion, contributes about 7.3% to the GDP.
- The real estate market is set to grow from Rs. 12,000 Cr. (US\$ 1.72 Billion) in 2019 to Rs. 65,000 Cr. (US\$ 9.30 Billion) by 2040.
- Real estate sector in India is expected to reach US\$ 1 Trillion in market size by 2030 up from US\$ 200 Billion in 2021
- Contribute 13% to the country's GDP by 2025.
- In Q1 2023, new launches in India's top seven cities accounted for 41% of sales, up from 26% in Q1 2019.
- Of the 1.14 lakh units sold in Q1 2023 across top seven cities, over 41% were fresh launches.



SOURCE: INDIA BRAND EQUITY FOUNDATION

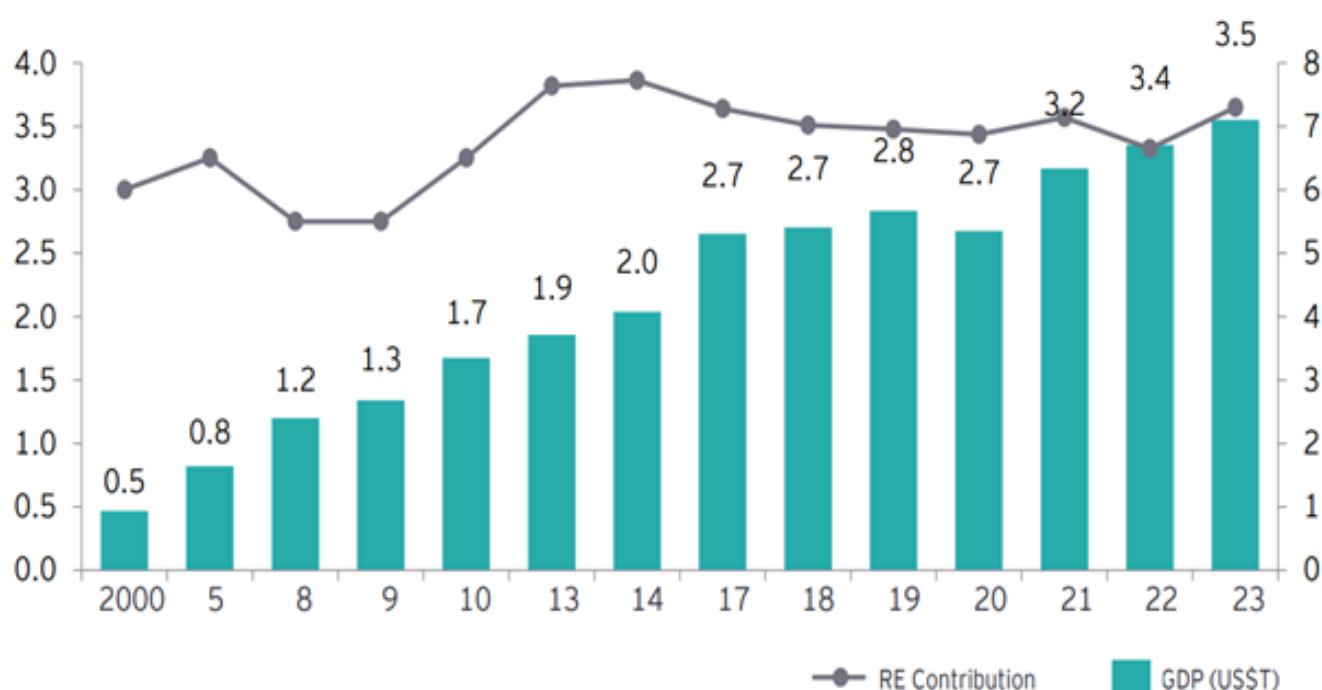
Evolving Real Estate Financing in India

- **Rising Investment:** Private equity & structured finance are gaining traction in corporate real estate funding.
- **Construction Finance Dependence:** N80% still relies on banks & NBFCs.
- **Construction Finance Growth:** Expected 10-12% CAGR in the near future.
- **Private Equity Focus:** Prefers Grade A offices, followed by industrial & warehousing.
- **Future Investment Areas:** Life sciences RE, data centers, and alternatives.
- **REITs & InvITs:** Expanding retail investor participation in real estate.
- **India vs. US REITs:** US – 80% of firms involved, India – below 5%.
- **REIT Market Potential:** Current market cap just 1% of GDP, huge growth scope.



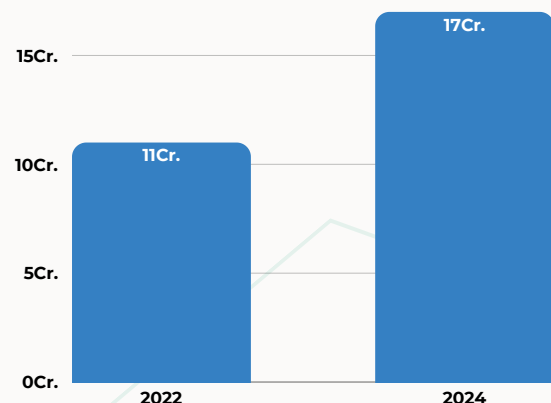
GDP Growth Imperative for Real Estate in India

- **Rising Commercial Investments:** 2021-22 saw increased investments in commercial real estate.
- **Chintels Group Project:** Rs. 400 crore (US\$ 53.47 million) investment for 9.28 Lakh Sq. Ft. in Gurugram (Oct 2021).
- **Commercial Transactions Growth:** Doubled to 1.5 Million Sq. Ft. in Q1 2023.
- **Housing Construction Gap:** 3 houses per 1,000 people vs. required 5 per 1,000.
- **Urban Housing Shortage:** ~10 Million units currently.
- **Future Housing Demand:** 25 Million affordable units needed by 2030.
- **Residential Demand Surge (2023):** Increased in top 8 cities despite high mortgage rates & prices.
- **Key Drivers Growth in:**
 - Mid-Income
 - Premium
 - Luxury Segment



Value Added by Industry in GDP

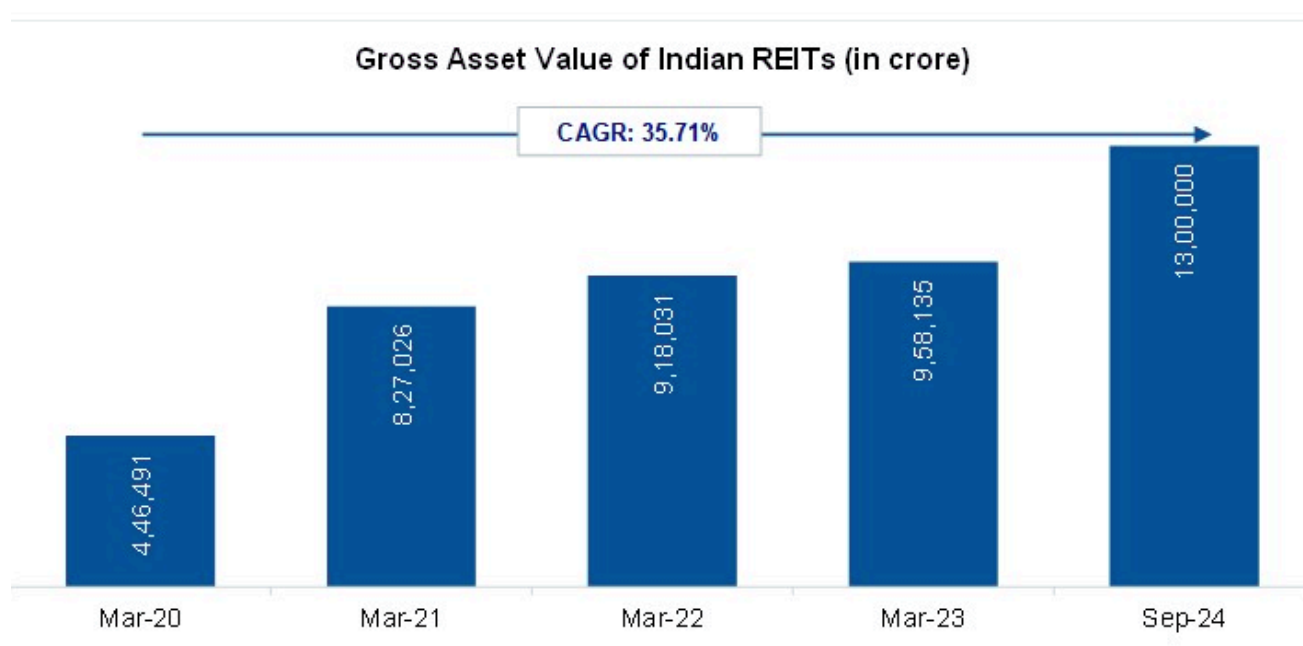
- **Capital Investment:** Rs. 62,328 Cr. (US\$ 7.15 Billion) for land development.
- **Land Acquisition:** 2,335 acres across 23 cities via 134 transactions.
- **Real Estate Potential:** 194 Million Sq. Ft. of projects expected.
- **Residential Focus:** 81% of land for housing, 158 Million Sq. Ft. of new developments.
- **Sustained Demand:** Driven by RBI policy rate cuts & fiscal incentives for the middle class.
- **Metro Cities Dominance:** 91% of capital needs, 1,673 acres acquired.
- **Infrastructure Growth:** Metro, expressways, and commercial corridors driving land banking.
- **Rising Land Costs:** Rs. 11 Cr./acre (2022) → Rs. 17 Cr./acre (2024).
- **New Investment Avenues:** Alternative Investment Funds & private credit gaining traction.
- **Post-COVID Resurgence:** 2024 a key year for office & residential real estate growth.
- **Strategic Land Investments:** Developers securing land banks for long-term expansion.



Rising Per-Acre Land Costs

Taxation and Growth in India's RE sector

- **Initial Slowdown:** Early GST implementation slowed the sector as developers & buyers adjusted to the new tax structure.
- **Compliance Challenges:** Complex GST norms and transition from the old system led to project delays & cautious investments.
- **Developer Uncertainty:** Lack of clarity on GST application created apprehension among real estate players.
- **Revised GST Rates:**
 - 5% (without ITC) for luxury housing
 - 12% (without ITC) for commercial projects
 - 1% (without ITC) for affordable housing
- **REITs Distribution Growth:**
 - ₹4,259 crores distributed in the first nine months of FY25.
 - 15% YoY growth from ₹3,706 crores in 9M FY24.



Affordability in Housing

- **Major Policy Shifts:**

- Demonetization (2016) and GST (2017) impacted the real estate sector.

- **Sector-Specific Reforms:**

- Housing for All (2015) aimed at increasing homeownership.
- RERA (2017) introduced to regulate and protect buyers' rights.

- **Key Objectives:**

- Reduce corruption & illegal developments.
- Improve housing affordability.
- Strengthen buyer protections.

- **Affordability Peak:**

- Housing was most affordable in FY 2020 compared to the previous decade.

- **Current Focus:**

- Encouraging developers to prioritize demand-driven growth.

- **Union Budget Initiatives:**

- Tax reductions & increased investments in affordable housing.



Conclusion

India's real estate sector is poised to continue its growth trajectory, supported by urbanization, policy reforms, and a growing demand for housing and infrastructure. However, sustaining this growth will require addressing challenges like labor skill development, maintaining investor confidence, and adapting to regulatory changes. With its strategic importance to the economy, the sector's performance will be crucial to India's economic aspirations over the next few decades

- The real estate industry, with a current value of US\$300b, makes up 7% of India's GDP.
- India's GDP is anticipated to grow at an average of ~8% annually for the next 23 years.
- The real estate sector is on the brink of a hyper-growth phase, expected to continue with a 5-6% growth rate in the subsequent years.
- By 2047, the real estate market is projected to reach US\$4.8t, comprising approximately 18% of the predicted US\$26t GDP.



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Mission and Vision

➔ Mission

Our mission at Estate Avenues is to exceed our client's expectations by providing exceptional and best real estate services. We strive to match people and companies with their perfect homes and ideal properties by offering personalized support, detailed project insights, and expert guidance.

➔ Vision

Our vision is to change the way people view the real estate industry especially in terms of service delivery. Our goal is to become the one stop shop that clients turn to for every aspect of real estate - Trust is in our name because we are committed to being trustworthy, creative and customer focused.

Our Approach



**Catchment
Area Analysis
& Case Studies**

**Collateral Risk
Management**

**Realty Indices
& Research &
Consulting**

**Investor
Relations &
House Loan
Assistance**



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