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India's Housing Market Enters A Mature Phase

Driven by end-user demand, infrastructure growth and buyer confidence, the country's residential real estate sector is becoming more disciplined and resilient.

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In the last nine years, GCC saw 30 million sq ft of new office space, and 20.5 million sq ft was absorbed. | Photo credit: Pexels

For the first time in years, India's housing story is being shaped less by speculative excess and more by informed buyers, disciplined developers and long-term urban growth. The days of impulsive investments and volume-chasing appear to be giving way to a more balanced and structurally resilient market — one where homebuyers are prioritising trust, liveability, infrastructure and quality over quick returns.

A recent PropTiger report, Real INSIGHT – Residential Q1 2026, captures this transition clearly, stating that the country's residential realty sector has entered a structurally mature, demand-anchored growth phase. The report suggests that the post-pandemic boom is now evolving into a healthier cycle driven by real end-user demand, stronger fundamentals and financial discipline rather than speculative expansion.

The numbers support the shift. Across the top eight cities, Q1 2026 recorded 93,065 new unit launches and 95,972 unit sales, with both supply and sales registering modest sequential growth. More importantly, weighted average prices crossed the ₹10,000 per sq.ft. mark for the first time, reaching ₹10,050 per sq.ft., — a milestone that signals the increasing importance of value creation, quality and location over mere transaction volumes.

According to Prakash Tejwani, CEO, PropTiger, the residential market has transitioned into a more disciplined phase where growth is increasingly being driven by demand quality, inventory discipline and buyer confidence rather than speculative activity.

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"Residential growth is now increasingly being driven by demand quality, inventory discipline and buyer confidence rather than speculative expansion."

— **PRAKASH TEJWANI**, CEO, PropTiger

For an industry that spent years navigating boom-and-bust cycles, the current phase marks a fundamental reset. Industry leaders believe the transformation is not temporary, but structural. Shalin Raina, MD, Residential Services, Cushman & Wakefield, says, *"India's residential market is steadily transitioning into a more mature, demand-led phase, with buyers and investors becoming increasingly selective amid relatively stable price movements. While the mid-segment continues to anchor demand, premium and luxury housing remain resilient as pricing aligns more closely with genuine demand fundamentals."* Raina also highlights the role of infrastructure-led development and improving connectivity in sustaining momentum across both established markets and emerging corridors.

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The evolution is especially visible in cities such as Bengaluru, which emerged as the standout performer in Q1 2026. The city recorded 15,603 unit sales — up 33 per cent year-on-year — while maintaining near parity between supply and absorption. The city's demand base, fuelled by GCCs, startups and multinational investments, continues to remain stronger and more diversified than traditional IT cycles.

Sumeet Chunkhare, Chief Marketing and Communications Officer, Sobha Limited, believes the market has now matured into a structurally stable, demand-driven and quality-oriented ecosystem. He says homebuyers today are moving away from sentiment-driven decisions and are instead prioritising transparency, long-term value creation and trusted developers. According to him, strong customer confidence is accelerating the preference for branded and organised players that can consistently deliver quality and accountability at scale.

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"Strong customer confidence is accelerating the preference for branded and organised players that can consistently deliver quality and accountability at scale."

— **SUMEET CHUNKHARE**, Chief Marketing & Communications Officer, Sobha Limited

Kartik MV, Chief Sales & Marketing Officer, Concorde, echoes this view, noting that rising urbanisation, improving infrastructure, increasing disposable incomes and a growing preference for homeownership among younger buyers are sustaining demand across mid-income, premium and planned development segments. *"Emerging urban corridors supported by connectivity and social infrastructure are witnessing particularly strong traction,"* Kartik adds.

The biggest change, however, lies in the mindset of the Indian homebuyer. Homeownership today is no longer viewed merely as an investment decision. It has become deeply tied to lifestyle aspirations, wellness, security and long-term quality of life. Harshavardhan Neotia, Chairman, Ambuja Neotia Group, describes this as a broader social and behavioural shift. According to him, buyers are no longer simply purchasing apartments — they are investing in a more meaningful way of living. Demand is increasingly centred around curated communities, wellness-focused spaces, open areas, social infrastructure and integrated living ecosystems.

The pandemic accelerated many of these changes. Hybrid work culture and increased time spent at home fundamentally altered expectations from residential spaces. Buyers now want homes that can support work, leisure, wellness and family life simultaneously. Sumit Singla, CEO, PLPB, says, *"Buyer priorities have changed sharply after the pandemic, with people thinking beyond just location and square footage. Questions around sunlight, ventilation, wellness, open spaces and long-term liveability have become central to purchasing decisions even in emerging markets beyond metros."*

"Buyers are now looking beyond square footage towards community living, wellness, social infrastructure and curated lifestyles."

— **HARSHAVARDHAN NEOTIA**, Chairman, Ambuja Neotia Group

Dr. Niranjan Hiranandani, Chairman, NAREDCO, believes that the sector is moving from a cyclical recovery to a structurally mature, end-user-driven growth phase. He attributes the shift to multiple structural drivers including economic growth, rising incomes, rapid urbanisation, mortgage penetration and massive public investment in infrastructure. According to him, buyers are increasingly prioritising larger homes, integrated townships, green spaces and community-centric developments that offer holistic ecosystems rather than standalone residential units.

Infrastructure development, in fact, remains one of the strongest pillars supporting this transition. Improved connectivity through metros, airports, expressways and industrial corridors is expanding residential demand beyond traditional city centres and unlocking new micro-markets.

Mohit Goyal, MD, Omaxe Ltd, points to infrastructure-led growth in regions such as Lucknow, New Chandigarh, Faridabad and NCR, where metro expansion and emerging economic corridors are generating sustained housing demand from both end-users and investors.

Mukesh Singh, Chief of Sales, Rustomjee Group, is of the view that infrastructure-linked micro-markets are witnessing stronger buyer confidence and more consistent demand. Developers, he notes, are also becoming more disciplined with inventory management and calibrated launches, helping create a more balanced market environment.

Architect and urban planner Dilip C. Kalyani believes that infrastructure projects are dramatically reshaping residential geography in Indian cities. However, he stresses that the next phase of growth must focus on creating sustainable mixed-use and transit-oriented communities integrated with larger urban ecosystems rather than isolated gated developments.

At the same time, premiumisation is emerging as one of the defining characteristics of India's housing market. According to Anuj Puri, Chairman, Anarock Group, premium and luxury housing now accounts for over half of all new launches. This is being driven by resilient end-user demand as well as developers' focus on higher-margin segments.

Sarvesha B, CEO, Bhadra Group, anticipates, *"Premium housing is expected to account for nearly 40 per cent of new launches by 2027 up sharply from around 12 per cent in 2022."* He adds that buyers are increasingly willing to invest in projects offering better planning, wellness amenities, connectivity and long-term lifestyle value.

"Premium housing is expected to account for nearly 40 per cent of new launches by 2027, up sharply from around 12 per cent in 2022."

— **SARVESHA B.**, CEO, Bhadra Group

However, while premium housing continues to thrive, concerns around affordable housing remain. Puri warns that rising land acquisition and construction costs are putting severe pressure on the affordable segment, especially in metro cities where affordability is becoming increasingly strained.

Yet, unlike earlier cycles, the broader market structure appears far healthier and more disciplined. The PropTiger report also shows that unsold inventory levels remain broadly balanced because new launches are closely aligned with actual absorption levels.

Anuj Mehta, Director, Dhaka Group, says in *The narrowing gap between supply and absorption across major cities reflects a healthier supply-demand balance.* He believes that the sector is entering a more stable and value-oriented phase despite moderation in overall sales growth after the post-pandemic surge.

Mahesh Agarwal, MD, Purti Realty, also believes the current transition reflects rising buyer confidence and market stability. According to him, buyers today are increasingly value-oriented prioritising quality, connectivity, lifestyle and developer credibility over speculative gains. This, he says, is pushing developers towards greater transparency, execution discipline and sustainable development practices.

"Buyers today are increasingly value-oriented, prioritising quality, connectivity, lifestyle and developer credibility over speculative gains."

— **MAHESH AGARWAL**, MD, Purti Realty

Regulatory reforms have played a major role in enabling this structural evolution. The implementation of RERA, stricter financing norms and increasing institutional participation have collectively improved transparency and accountability across the sector.

Abhraj Singh, Partner, Khaitan & Co, highlights the defining feature of the current cycle is the quality of demand, which is increasingly focused on branded and compliant developments rather than speculative buying. Regulatory interventions and stronger capital discipline have helped create a more organised and resilient market structure, he observes.

Reeza Sebastian Karimpanal, CRO, Residential, Embassy Developments Ltd., says, *"Buyers today are significantly more informed and research-driven than in previous cycles. Expectations around design quality, transparency and long-term liveability have risen sharply, pushing developers towards higher standards of execution and accountability."*

The developer ecosystem itself is also becoming far more disciplined compared to previous market cycles. Aggressive expansion and unchecked launches are gradually being replaced by calibrated growth strategies focused on customer trust and execution capability.

Anil Pharande, Chairman, Pharande Spaces, says, *"Conviction rather than sentiment is now driving India's housing market. Buyers today are highly informed and far less tolerant of poor-quality construction or delivery delays. Developers who consistently deliver quality projects and strong after-sales service will dominate the next decade."*

Aakash Patel, MD, Aal Projects, similarly observes that developers are becoming more disciplined with launches and inventory planning, helping create a healthier and more sustainable growth cycle.

The transformation is also extending beyond traditional metros. Emerging cities and peripheral micro-markets are witnessing rising aspirations and increasing appetite for premium and integrated housing developments. Amrita Gupta, Director, Mangish Group, says, *"Cities such as Jaipur are rapidly narrowing the aspiration gap with metros as buyers become more globally exposed and design-conscious. Demand is growing for integrated ecosystems combining hospitality, green spaces, retail and lifestyle amenities."*

Ayushi Madhusudan Agrawal, Founder and Director, Inspira Global, believes that this transition is encouraging the industry to focus more strongly on quality construction, transparency and thoughtfully designed living spaces rather than aggressive expansion. Emerging markets linked to infrastructure and commercial growth, he says, are seeing growing traction from informed end-users.

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— **AYUSHI MADHUSUDAN AGRAWAL**, Founder and Director, Inspira Global

Parvinder Singh, CEO, Trident Realty, sees Delhi-NCR continues to demonstrate strong momentum, with the region recording robust sales growth and price appreciation in Q1 2026. According to him, the focus today is increasingly on how people choose to live, with buyers placing greater emphasis on better homes, stronger locations and long-term planning.

Even in regions such as Haryana and Punjab, developers are witnessing stronger demand from end-users seeking planned communities and lifestyle-oriented housing. Himanshu Luthra, MD, Divine Vision Infratech, says, *"Buyers in Haryana and NCR are increasingly prioritising long-term value, trust and well-planned communities over short-term speculation."* Similarly, Abhishek Raj, Founder and CEO, Janika Ventures, believes that policy reforms, RERA implementation and stronger financial discipline are creating a more organised, transparent and future-ready residential ecosystem.

The market's moderation after the post-pandemic boom is therefore being viewed not as a slowdown, but as a healthy normalisation.

Abhishek Jain, COO, Group Satellite, explains, *"India's housing story is not slowing down. It is simply growing up."* According to him, fewer homes may be getting sold compared to the immediate post-pandemic surge, but average deal sizes and buyer confidence are increasing significantly, reflecting a more informed and value-conscious consumer base.

Dr. Amit Gowrika, CMD, Nirup Finance, is of the view that the market is finally finding its natural equilibrium. The most reassuring aspect, he says, is that developers are no longer chasing reckless expansion, with supply remaining closely aligned to actual demand.

Taken together, the signals point towards a residential real estate market that is becoming more resilient, transparent and sustainable than ever before. Rising urbanisation, improving infrastructure, growing incomes and evolving lifestyle aspirations continue to provide strong long-term support to housing demand.

For developers, however, the transition also raises the bar. The next phase of growth is likely to favour players with strong governance, execution capability, customer trust and long-term vision. The era of speculation-led expansion appears to be fading, replaced by a more disciplined ecosystem centred on quality, accountability and sustainable urban growth.

India's housing market, in many ways, is no longer chasing momentum. It is finally building foundations.

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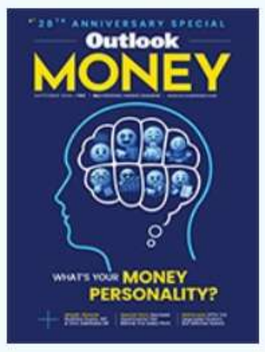

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