



SYNERGY
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S.S.C.B.S.

RESIDENTIAL REAL ESTATE IN INDIA

UNRAVELING THE DYNAMICS OF RESIDENTIAL
REAL ESTATE AND UNCOVERING FUTURE TRENDS

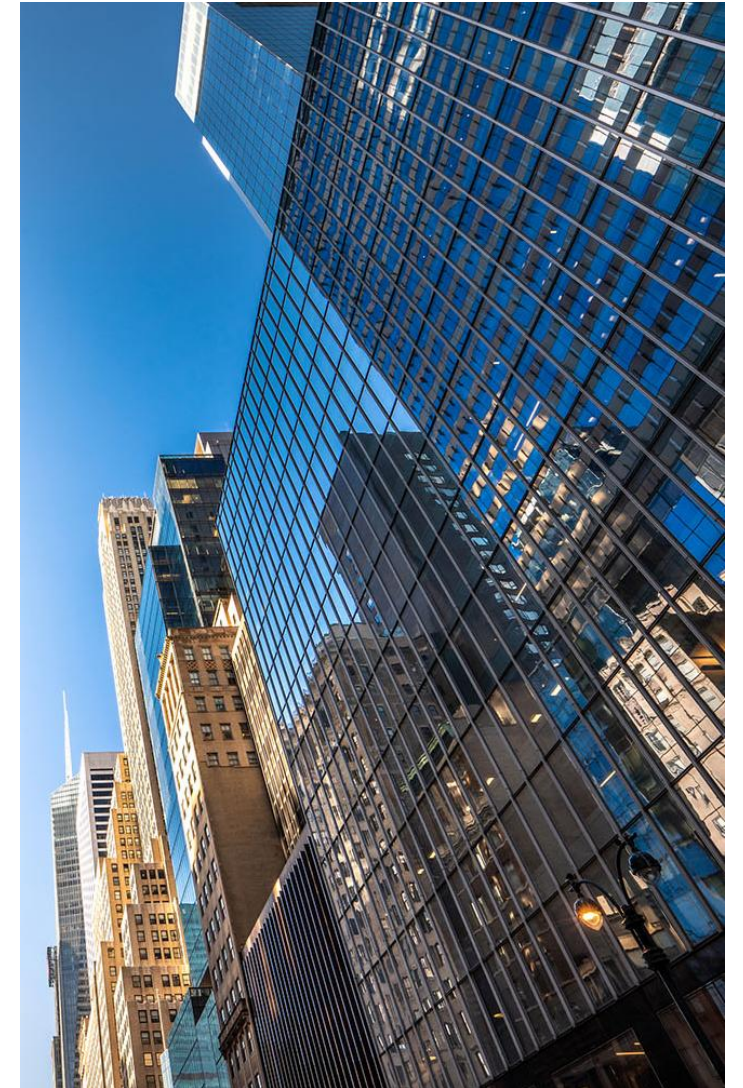


The report examines the Indian real estate sector, a pivotal driver of economic growth and urban transformation. It highlights the sector's evolution, propelled by rapid urbanization, rising middle-class aspirations, and the increasing prominence of infrastructure development. With the real estate market expected to reach \$1 trillion by 2030, the report emphasizes its role in bolstering employment and GDP contributions.

Key areas of focus include residential housing, which continues to dominate due to increasing demand for affordable and mid-segment homes, and commercial spaces, driven by the growth of IT parks, co-working spaces, and retail hubs. The emergence of PropTech and digitization has revolutionized the industry, enhancing operational efficiency, transparency, and customer experience.

Despite its growth potential, the sector grapples with challenges such as delayed project completions, regulatory bottlenecks, and affordability issues. Government interventions, including RERA, affordable housing schemes under PMAY, and smart city initiatives, have been instrumental in fostering transparency, promoting investment, and addressing housing deficits.

The report also explores the growing focus on sustainability, with green building certifications, energy-efficient designs, and smart infrastructure becoming integral to the industry's future. It underscores opportunities in asset classes like warehousing, data centers, and REITs, positioning the Indian real estate sector as a key player in shaping the country's urban and economic landscape.



Synergy, established in 2009, is driven by a singular mission: to bridge the gap between academia and corporate life. As a member-centric society, we aim to nurture future leaders and foster professional growth by providing unique opportunities for learning and development across various fields including Consulting, Finance, and Marketing. Through our programs, we offer a head start to our members by engaging them in real projects with professional organizations and startups, exposing them to diverse experiences, and expanding their skill sets

In addition to hands-on projects, we organize member-only sessions with executives from different industries and conduct workshops to enhance their skills. Annually, our management conclave serves as a platform to impart business learning and test the corporate acumen of participants from across the country, fostering healthy competition among India's brightest minds.

Notable Collaborations



Live Projects



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An aerial photograph of a city skyline at dusk or dawn. The sky is a deep, dark blue with some light clouds. The city below is densely packed with skyscrapers and buildings, many of which have their lights on, creating a warm glow against the cool tones of the sky. The Empire State Building is a prominent feature in the center-left of the frame, its spire reaching towards the top of the image. Other tall buildings are visible on the right side, including one with a distinctive pointed top. The overall atmosphere is one of a bustling, modern metropolis.

MARKET OVERVIEW

Overview Of The Indian Real Estate Market

Demographic And Socioeconomic Trends

Key Factors Impacting Housing Demands

Schemes Of Affordable Housing Of India

Risks In The Housing Sector

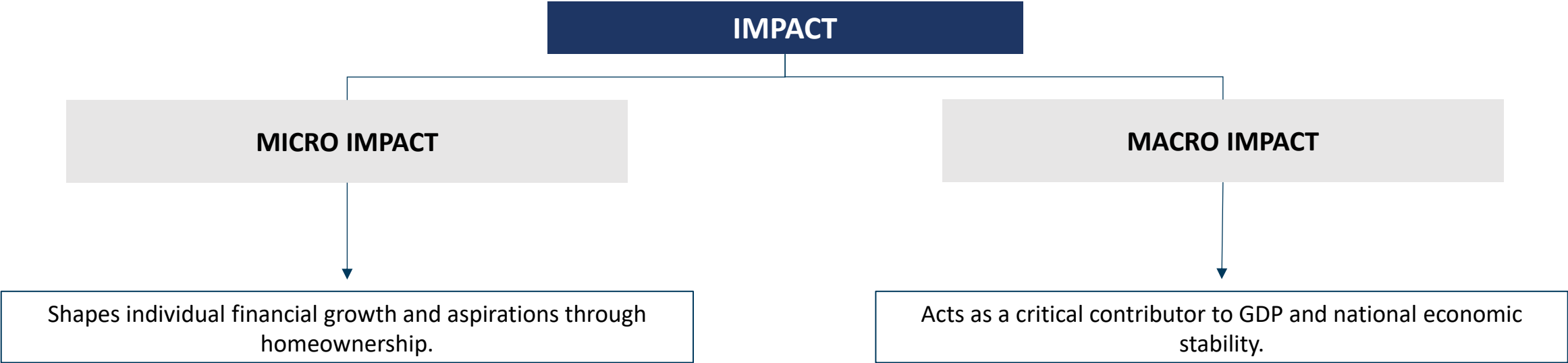
OVERVIEW OF THE INDIAN REAL ESTATE MARKET

The Indian real estate sector significantly contributes to GDP, driven by urbanization, a growing middle class, and government policies. With rising demand for residential and commercial spaces, the market has expanded rapidly. Infrastructure development, increasing disposable incomes, and changing consumer preferences fuel growth, making real estate a key driver of India's economic development.

The **Indian Real Estate Market** is expanding rapidly, fuelled by **urbanization**, a **growing middle class**, and **advancements in technology**. With projections placing the market's value at **USD 1 trillion by 2030**, it continues to be a key contributor to India's economy, accounting for approximately **13% of GDP**.

The sector's growth is further supported by innovations in **construction** and **finance**, alongside an increasing demand for **affordable housing**. These factors, coupled with favourable **government policies**, are shaping the market's future trajectory, making it a pivotal component of **India's economic development**.

India's Real Estate sector holds dual significance, influencing both individual prosperity and national economic growth.

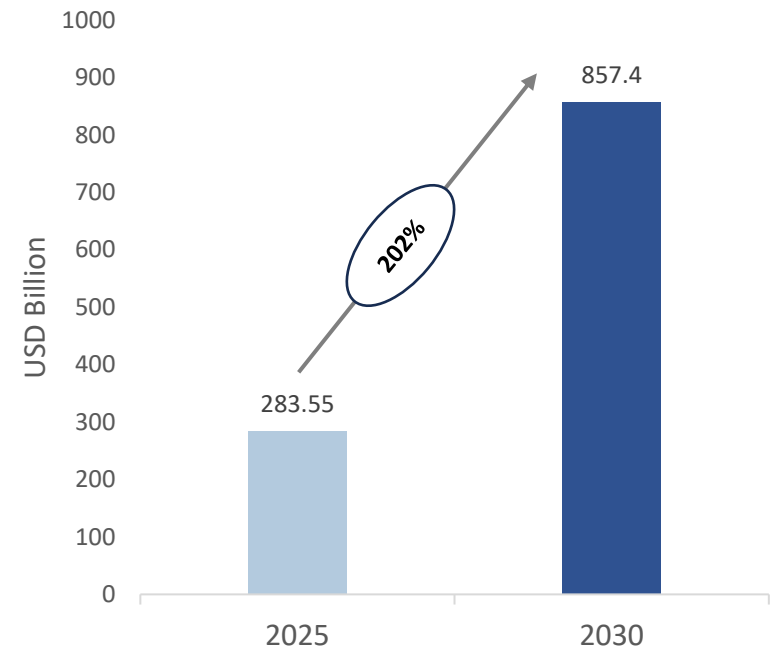


DEMOGRAPHIC AND SOCIOECONOMIC TRENDS IN RESIDENTIAL REAL ESTATE

Urbanization, demographic changes, economic reforms, and changing consumer tastes are all contributing factors to the India's residential real estate industry. The impact of these elements on the housing market with regards to demographic groups, affordability issues, technology developments, and sustainable practices. Take advantage of expansion prospects, strategic interventions and innovations are essential.

INDIAN RESIDENTIAL REAL ESTATE

Market Size



The graph shows the **Indian residential real estate market** growing from **USD 283.55 billion** in **2025** to **USD 857.4 billion** in **2030**, nearly tripling in size

MARKET OVERVIEW

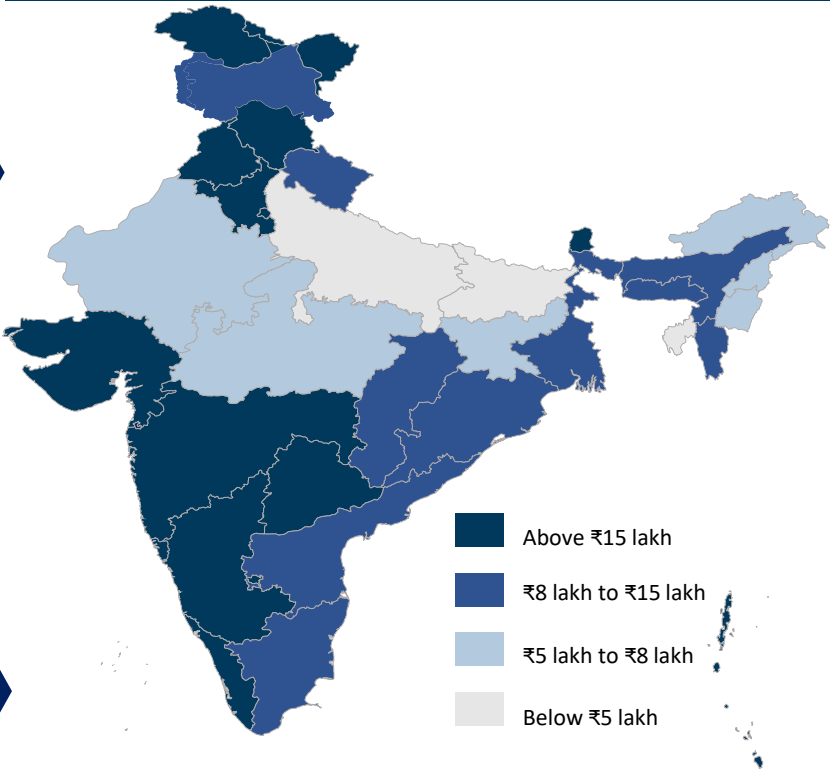
MARKET SIZE AND GROWTH

As of **2023**, the **Indian real estate** industry is estimated to be worth **\$300 billion**. This thriving industry is anticipated to **develop considerably**; projections indicate that it may reach an astounding **\$1 trillion** by **2030**, indicating a **healthy growth trajectory**.

RESIDENTIAL SECTOR DOMINANCE

In India, the **residential sector** makes up an astounding **80%** of the **whole real estate industry**. This dominance underlines how important **housing** is to the dynamics of the market as a whole and how much demand there is for **residential real estate** in both **urban** and **rural** locations.

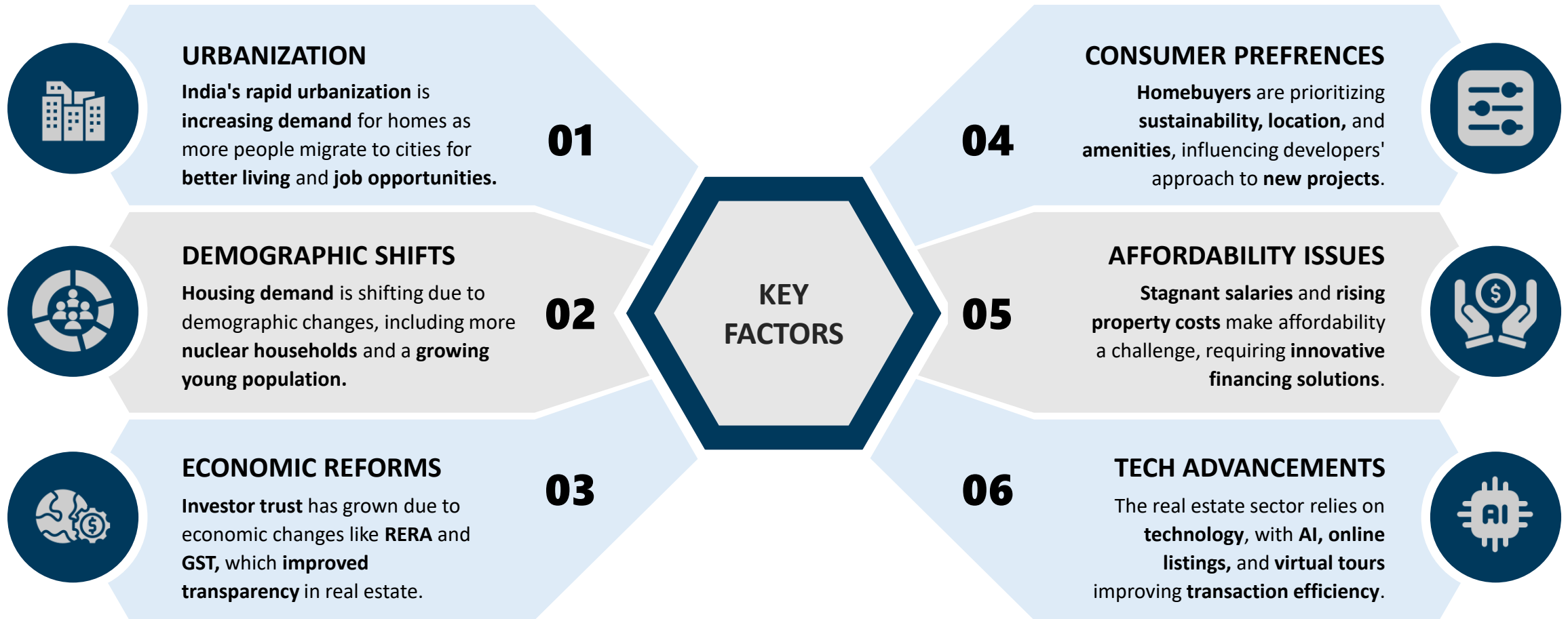
PER CAPITA REAL ESTATE



The map indicates significant **regional disparities** in **per capita real estate value** across India, with **wealthier regions** concentrated in darker-shaded areas, reflecting **higher real estate value per person**

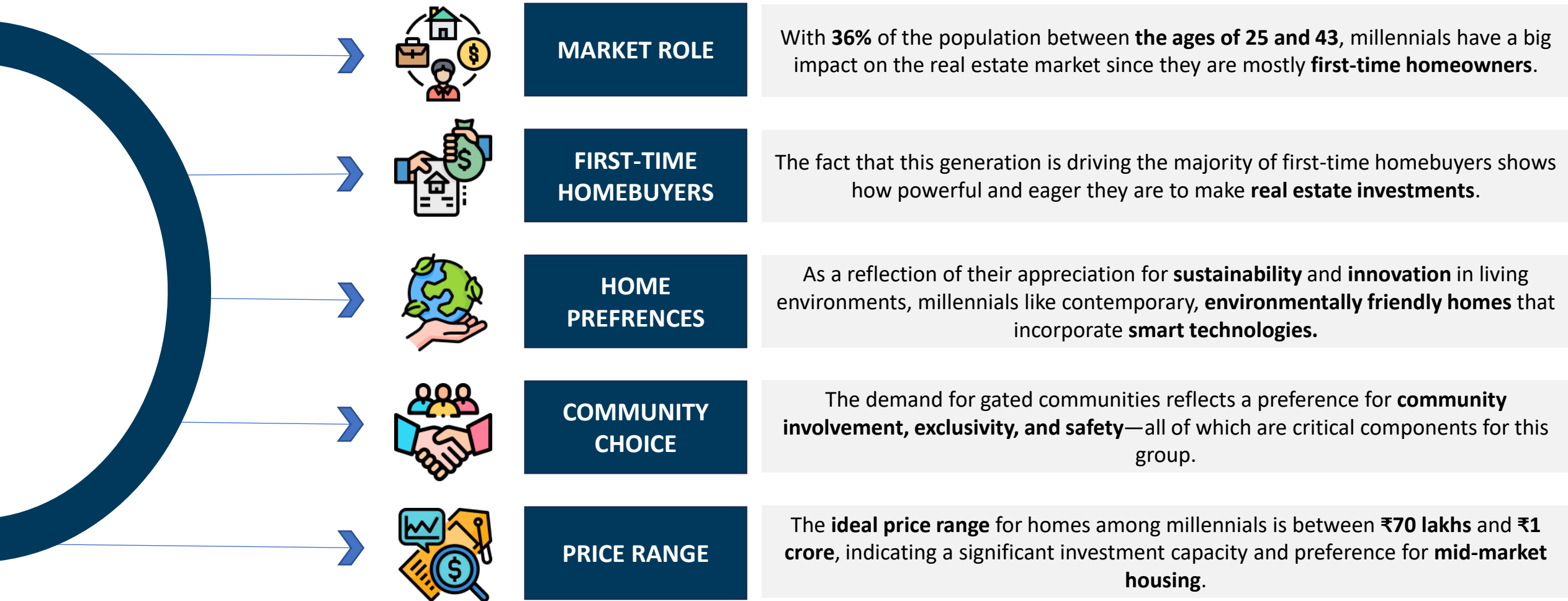
KEY FACTORS IMPACTING HOUSING DEMAND

Homebuyers are focusing more on sustainability, location, and amenities, influencing how developers approach new projects. However, stagnant salaries and rising property costs make affordability a challenge, requiring creative financing solutions. Technology is also transforming the real estate sector, with advancements like AI, online listings, and virtual tours making transactions more efficient.



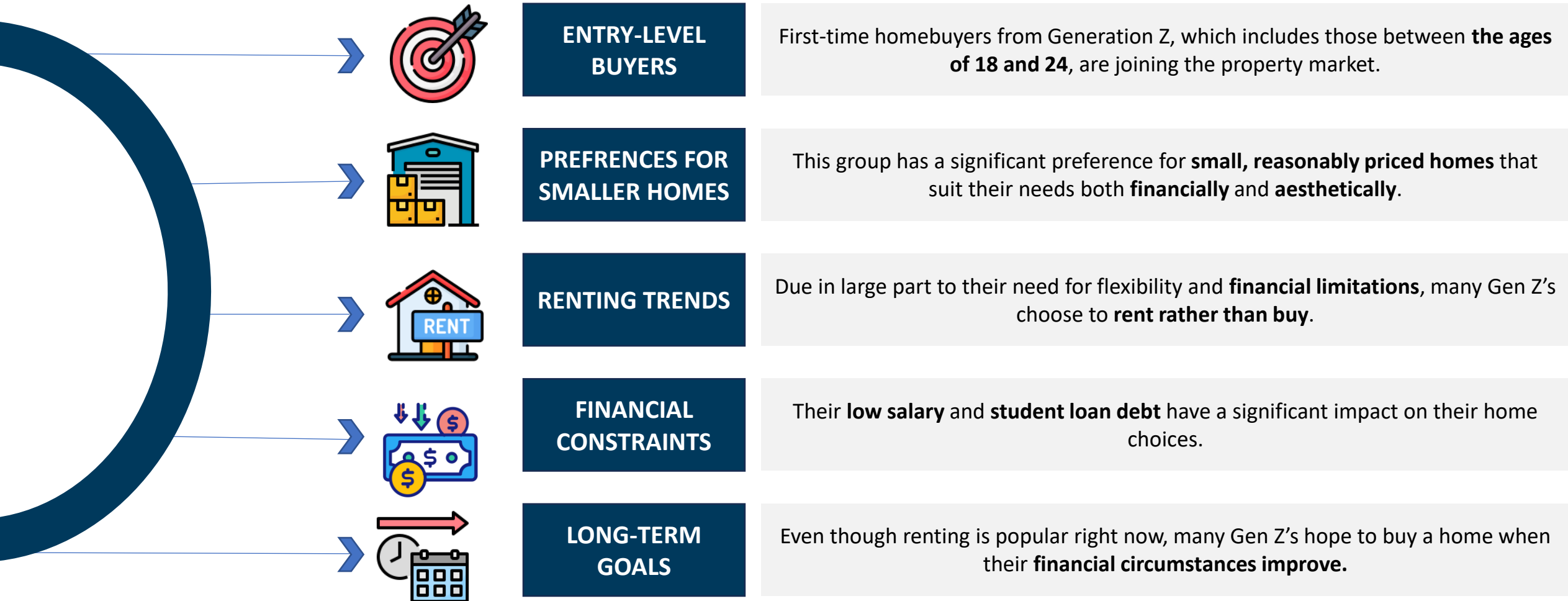
MILLENNIALS IN REAL ESTATE

Millennials, who make up 36% of the population aged 25-43 years, are shaping the real estate market as eager first-time homebuyers. They're drawn to modern, eco-friendly homes with smart technology and prefer living in gated communities that offer safety and a sense of community. With a budget typically ranging from ₹70 lakhs to ₹1 crore, they're showing a strong interest in mid-market housing that balances affordability with quality.



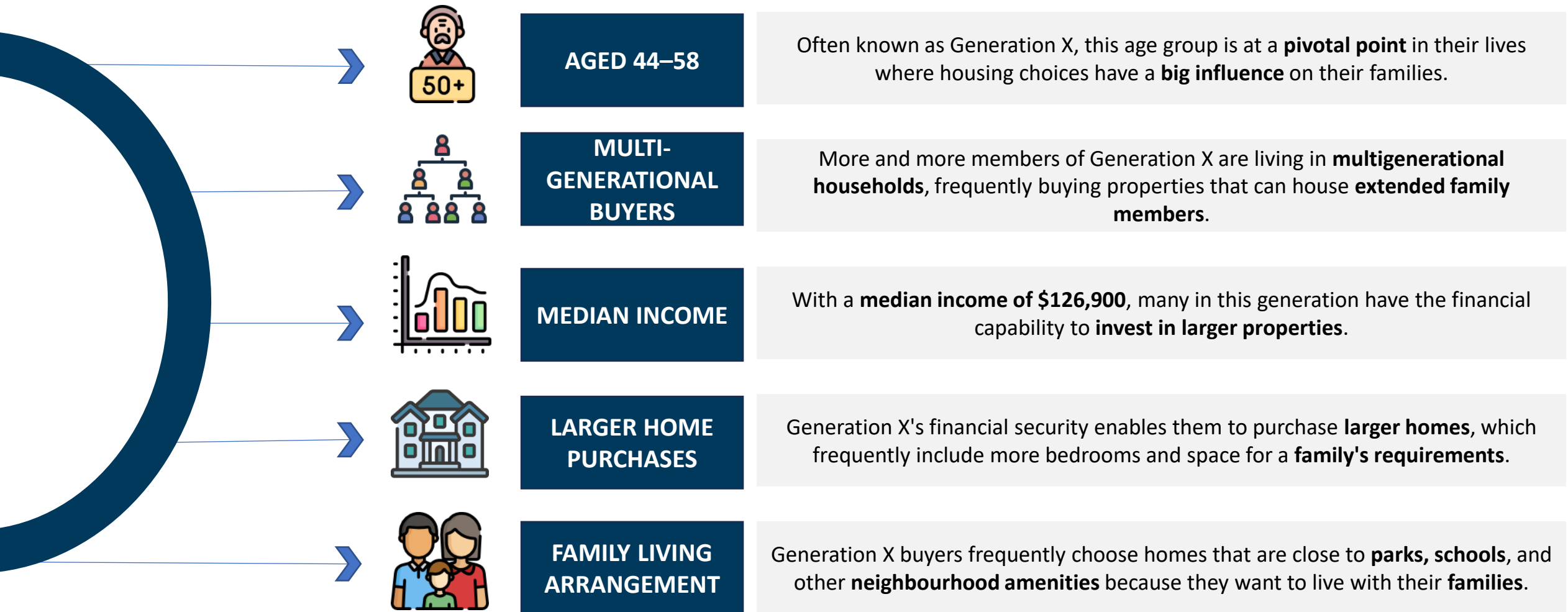
GENERATION Z IN REAL ESTATE

Generation Z, aged 18 to 24, is starting to enter the property market. They prefer smaller, affordable homes that balance practicality with aesthetics. However, many choose to rent due to financial constraints like lower salaries and student loan debt. Despite these challenges, Gen Z remains hopeful about owning homes in the future as their financial situation improves.



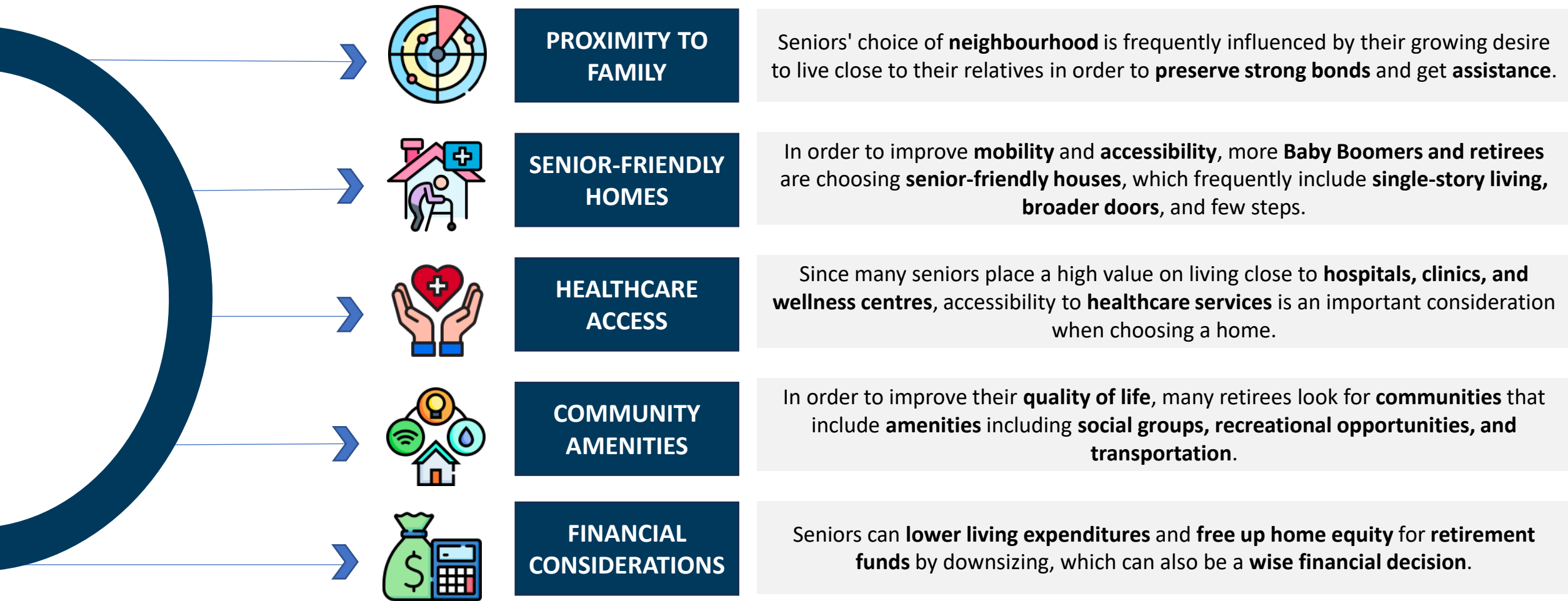
GENERATION X IN REAL ESTATE

Generation X is at a stage where their housing decisions heavily influence their families. Many are choosing larger homes to accommodate multigenerational living, thanks to their financial stability with a median income of \$126,900. They prioritize properties with extra bedrooms and proximity to parks, schools, and other amenities, ensuring comfort and convenience.



BABY BOOMERS AND RETIREES IN REAL ESTATE

As Baby Boomers and retirees enter a new phase of life, their housing priorities focus on comfort, convenience, and connection. They value being close to family, healthcare, and social opportunities while preferring homes with features like single-story layouts and fewer stairs. Downsizing is also common, helping them reduce expenses, free up equity, and embrace a simpler, more enjoyable lifestyle.



SCHEMES OF AFFORDABLE HOUSING OF INDIA

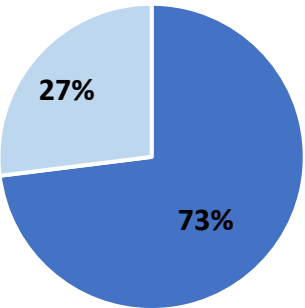
Government initiatives like PMAY and ARHC aim to address the housing deficit by providing affordable options. These programs offer financial subsidies, promote sustainable practices, and introduce affordable rental housing solutions. Their goal is to ensure safe and affordable homes for underserved populations, especially in urban areas with growing populations.

GOVERNMENT INITIATIVES AND POLICY FRAMEWORK

The **Government of India** has initiated transformative policies to bridge housing gaps, fostering inclusivity and ensuring affordable, sustainable homes for underserved populations across urban and rural areas.

PRADHAN MANTRI AWAS YOJANA

Launched in **2015**, **PMAY** aims to provide affordable housing for **EWS** and **LIG** in **urban** and **rural** India through financial aid and sustainable construction practices.



- PMAY (G)
- PMAY (U)

PMAY-U has approved **1.18 crore** homes, tackling the urban housing deficit for **low-income groups**.

PMAY-G has sanctioned **3.21 crore** homes, prioritizing rural housing for **economically disadvantaged sections**.

CREDIT LINKED SUBSIDY SCHEME (CLSS)

The **Credit Linked Subsidy Scheme** is an integral part of **PMAY**, offering interest rate subsidies on home loans to middle and lower-income groups.

- 6.5% (EWS and LIG)
- 4% (MIG-I)
- 3% (MIG-II)

AFFORDABLE RENTAL HOUSING COMPLEXES (ARHCS)

The **Affordable Rental Housing Complexes (ARHC)** scheme under **PMAY** provides rental housing for urban migrants, workers, and students. As of 2024, over **82,000 units** have been sanctioned.

IN SITU SLUM REDEVELOPMENT (ISSR)

The **ISSR** scheme under **PMAY** transforms **slums** into **formal housing** with private sector collaboration, with **67,806 units** completed by July 2024.

RISKS IN THE HOUSING SECTOR [1/2]

The housing sector faces challenges such as land acquisition delays, financial defaults, and credit dependency. These issues lead to delayed project timelines and market instability. Regulatory hurdles, including complex policies and land laws, further complicate the sector's functioning, affecting both developers and consumers and reducing overall market confidence.

REGULATORY AND LEGAL RISKS



Regulatory Challenges

The **2016 Real Estate (Regulation and Development) Act** improved transparency, accountability in the sector but **increased compliance costs**, which developers passed on to consumers through higher property prices.



Land Acquisition Issues

Land **acquisition** in cities like Mumbai is **time-consuming**, involving complex processes, high costs, and frequent legal disputes over **titles**, often leading to delays, cost overruns, and **occasional project cancellations**



FINANCIAL RISK AND LIQUIDITY PROBLEM



Credit Dependency

The Indian housing sector relies heavily on **project financing** and **home loans**, where tightened credit conditions or funding delays can disrupt construction schedules and project timelines.



NPA Defaults

As of March 2023, **India's non-performing loans ratio stood at 3.9%**, reflecting financial instability. Major developer defaults, such as **Jaypee Infratech** and **Unitech**, have caused significant delays, eroding consumer trust.

RISKS IN THE HOUSING SECTOR [2/2]

Urbanization, extreme weather, and rising sea levels put pressure on real estate developers to adopt sustainable practices. Luxury housing demand often sidelines affordable options for lower-income groups. The need for green building certifications and energy-efficient designs presents challenges for developers while pushing the sector towards environmentally conscious growth.

ENVIRONMENTAL AND SUSTAINABILITY RISKS



Environmental Challenges

Risks from **rising sea levels** and extreme weather events pose a serious and growing threat to **long-term investments** in housing, **infrastructure**, and **urban development** for coastal cities such as Mumbai and Chennai.



Sustainability Regulations

Government mandates on using **eco-friendly materials** and climate-resilient construction norms significantly enhance **sustainability**. Such **forward-looking regulations** can increase the cost of construction but provide long-term benefits in **energy efficiency**, resilience, and public perception.

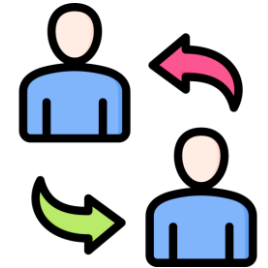


DEMAND-SUPPLY IMBALANCES



Urban Housing Gaps

Rapid urbanization has led to significant **demand-supply imbalances**, particularly in fast-growing **metropolitan areas**, exacerbating **acute housing shortages** for **low-income** and vulnerable groups, and putting severe pressure on **urban infrastructure**, essential public services, and natural resources



Shift in Developer Focus

The emphasis has shifted towards **luxury and mid-range housing**, while **affordable housing** tends to be overlooked or **underfunded**. This results in limited access to safe and **adequate housing** in urban areas for **economically disadvantaged and marginalized groups**.

INVESTMENTS IN RESIDENTIAL REAL ESTATE

Overview Of Residential Real Estate In India

Real Estate Investment Strategies In India

Risk Management In Real Estate

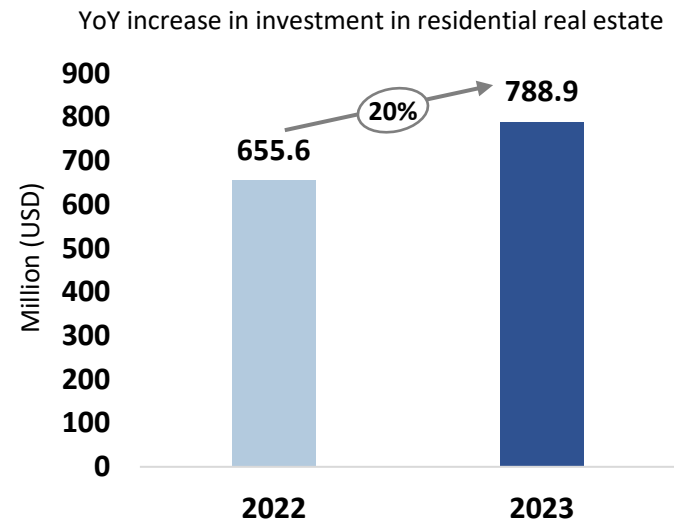
Risk Mitigation In Real Estate Investment

India's Edge In Real Estate

OVERVIEW OF RESIDENTIAL REAL ESTATE IN INDIA

India's real estate sector has experienced a steady 10% year-on-year growth, driven by both foreign and domestic investments. A study of the Kuwait period shows significant progress, followed by increased inflows from domestic institutions and enhanced investor confidence. Housing sales have surged in major cities, with Delhi receiving the highest share of investments, highlighting its growing appeal.

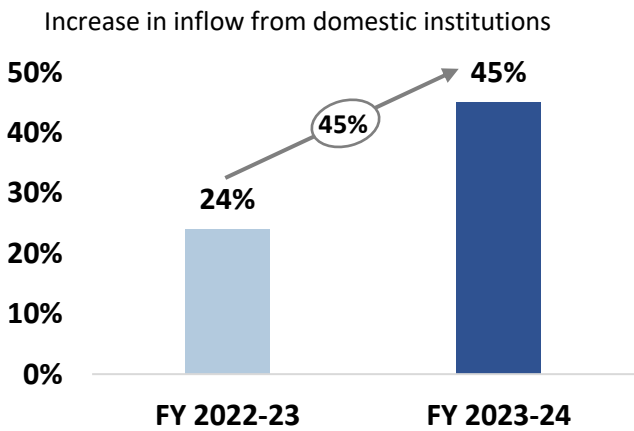
YOY GROWTH



- India's real estate sector saw a **10% year-on-year growth** in 2023, reaching \$5.4 billion
- Foreign investments accounted for **67% of total inflows**
- A **20% YoY increase in residential sector investment** in 2023, at \$788.9 million, as compared to \$655.6 million in 2022

REVIVAL OF THE INDUSTRY

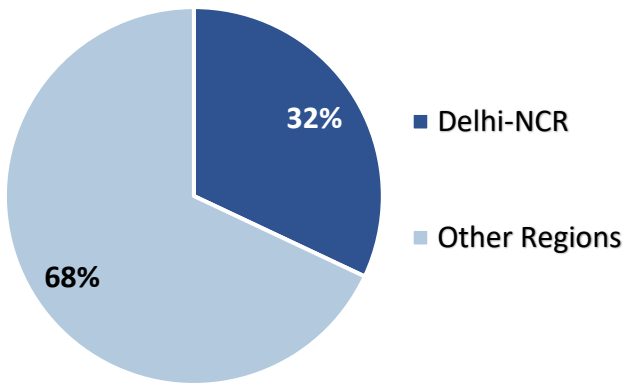
- The residential housing sector made a steady progress post the Covid-led disruptions.
- India's housing sector rebounded sharply, driven by **strong demand** and **renewed** home ownership interest.



Domestic institutions accounted for **45%** of the **total inflows** in Q4 FY 2023-24, a **double-fold increase** from 24% in Q4 FY 2022-23.

INVESTMENT IN THE RESIDENTIAL SECTOR

Housing sales rose **60% year-on-year (YoY)** in January-June 2022 across **eight major cities** at 1,58,705 units driven by lower base effect and lower mortgage rates.



Out of the total PE investment in the real estate sector in FY 2022-23, **Delhi-NCR** received the **maximum proportion** around **32% of the investment**.

REAL ESTATE INVESTMENT STRATEGIES IN INDIA [1/3]

Real estate investment strategies in India include purchasing physical properties and investing in Real Estate Investment Trusts (REITs). While physical property offers direct ownership and potential capital appreciation, it requires high capital and maintenance. REITs, on the other hand, provide liquidity and diversification but may involve market volatility and lower control.

BUYING PHYSICAL PROPERTY

Most **traditional** and **direct** way of investing in real estate

Investors buy a property outright or through a loan and **own it for a long term**.

Residential properties such as apartments, villas, plots, etc.

Ownership with income through rentals and appreciation



Tax benefits through deductions and exemptions



High costs, low liquidity, and limited diversification



Legal, maintenance, and market **risks**



REITs (REAL ESTATE INVESTMENT TRUSTS)

Indirect and **passive**, similar to a mutual fund.

A REIT is a company that owns and operates a **portfolio of income-generating** real estate assets.

A REIT distributes at least **90%** of its income as **dividends**.

Low costs, high liquidity, and diversification



Regular dividends with professional management



Limited growth, tax inefficiency & compliance costs



Market and performance risks



REAL ESTATE INVESTMENT STRATEGIES IN INDIA [2/3]

Real estate investment strategies in India further include fix-and-flip and ETFs. Fix-and-flip involves purchasing undervalued properties, renovating them, and reselling for profit, offering high returns but requiring effort, expertise, and capital, along with good market timing. ETFs provide access to a diversified real estate portfolio with liquidity and ease of entry but are subject to market risks, management fees, and limited control over assets.

FIX AND FLIP

Active and **short-term** way of investing in real estate

Buying a property that needs a lot of **maintenance**, **fix it** up for good, and **sell** it

Earning profit on real estate by **value-adding** to other buyers or investors

Quick returns with **low costs** and **high profits**



Flexibility and **creative opportunities**



High risk & dependence on demand & supply



Requires **significant skill** and **effort**



ETF (EXCHANGE TRADED FUNDS)

An ETF **mirrors** the **performance** of an **index**, like the Nifty Realty Index of real estate stocks

It aims to deliver returns that closely **match** the **index** it **tracks**.

The **Nifty Realty Index** focuses on companies engaged in the real estate sector.

Low costs, high liquidity, and **diversification**



Passive management with **transparency**



No physical property exposure



Subject to **risks** and **inconsistencies**

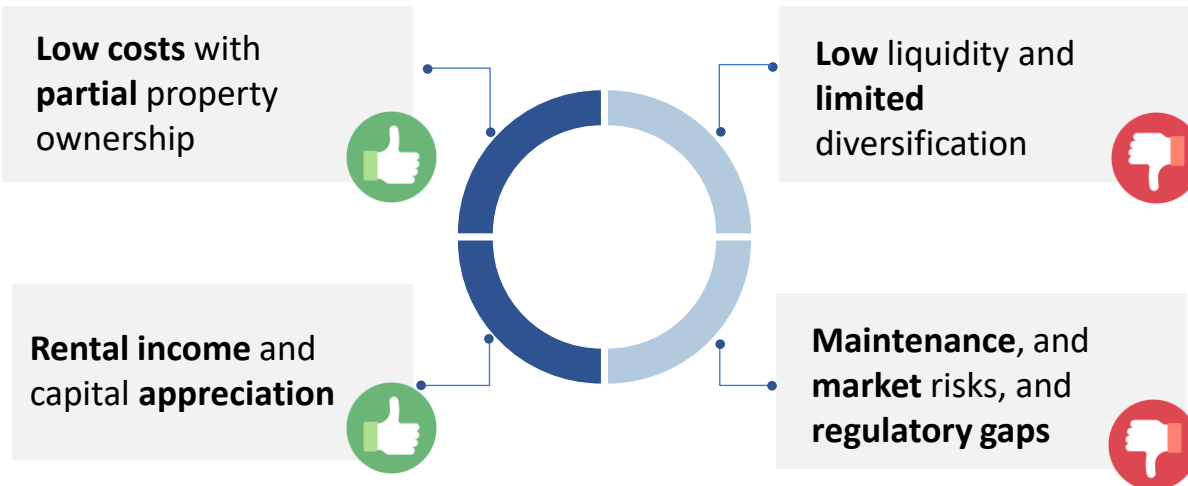


REAL ESTATE INVESTMENT STRATEGIES IN INDIA [3/3]

Real estate investment strategies in India include fractional ownership and real estate mutual funds. Fractional ownership enables investors to access premium properties with shared returns, requiring lower capital but offering limited liquidity and shared decision-making. Real estate mutual funds provide diversification and professional management, making them accessible to a wide range of investors, though they involve market risks, management fees, and reduced control over specific investments.

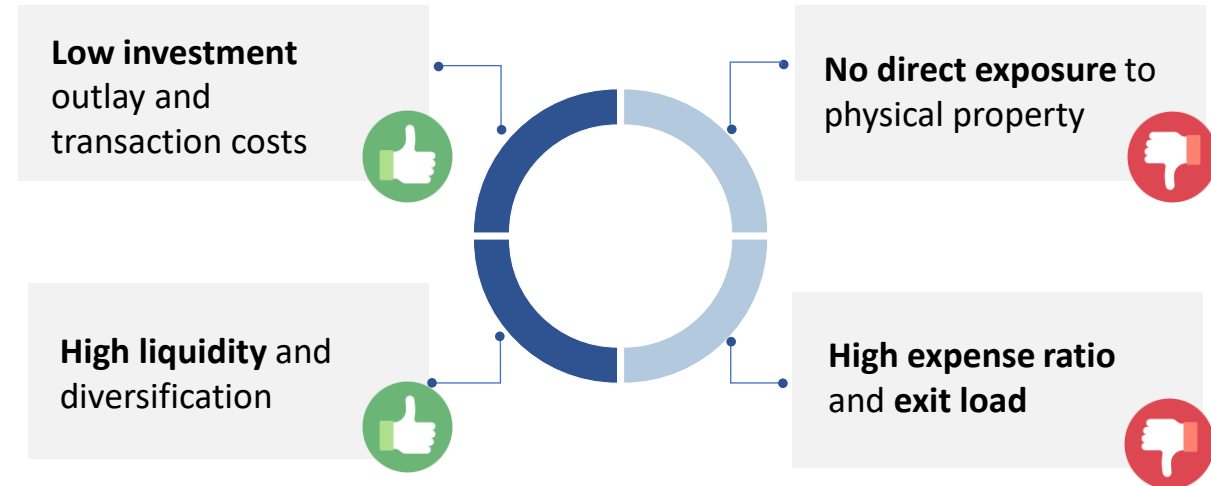
FRACTIONAL OWNERSHIP

- Direct but **shared way** of investing in real estate
- Buying a **fraction or share of a property**, instead of buying the whole property
- Investors can buy fractions/shares of residential properties, depending on their **objective, budget, and preference**



REAL ESTATE MUTUAL FUNDS

- Buying **units of a real estate mutual fund**, similar to units of any other mutual fund
- Investing in the **securities of companies** engaged in the real estate sector— developers, builders, financiers, etc.
- Aims to provide **capital appreciation and income to its unitholders**



RISK MANAGEMENT IN REAL ESTATE

Risk management is crucial in real estate to minimize losses and ensure consistent returns. Key factors influencing investments include market trends, location, interest rates, economic conditions, and property-specific risks like maintenance and tenant issues. By addressing these factors, investors can better navigate uncertainties, safeguard their investments, and make informed, strategic decisions.

IMPORTANCE OF RISK MANAGEMENT

Enhanced Return on Investment

Increased focus on optimizing returns by removing uncertainties that could erode profits, improving ROI.

Long-Term Asset Value

Minimized risks to sustain and boost the long-term value of real estate assets.

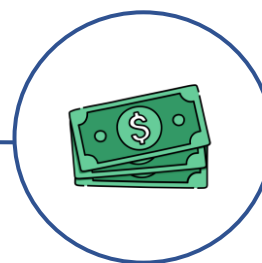
Market Stability and Adaptability

Mitigating risks improves adaptability to market swings and economic shifts, creating stability in market situations.

FACTORS AFFECTING REAL ESTATE INVESTING



Investment purpose
& investment horizon



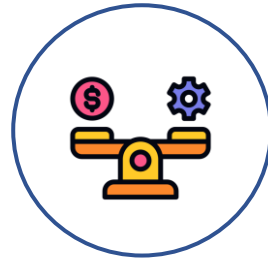
Expected cash flow &
profit opportunities



New construction vs
existing properties



Valuation of the
property



Being careful with
leverage



Overall real estate
market



Considering the
property location



Credit score to
qualify for mortgage

RISK MITIGATION IN REAL ESTATE INVESTMENT

Strategies to mitigate risks in real estate include diversifying investment portfolios to spread risk across different types of properties, ensuring legal compliance to avoid legal disputes, maintaining asset preservation to protect property value, and exploring various financing options to manage costs and reduce financial strain. These approaches help minimize exposure to market volatility and unforeseen issues.

STRATEGIES TO MITIGATE RISKS IN REAL ESTATE



Diversifying Investment Portfolios

- Reduces risk from market volatility or regional downturns.
- Underperformance in one area can be offset by gains in others.
- Diversification helps **protect overall returns**.



Thorough Due Diligence and Legal Compliance

- Research and investigations analyze property histories, market trends, and potential risks
- Helps avoid legal challenges and reduce financial failures
- Verifies financial foundations for informed decision-making



Proactive Maintenance Measures for Asset Preservation

- Regular checks on structures, lifts, fire safety, and HVAC.
- Ensure smooth operations and safety compliance.
- **Prevent costly repairs** and **maintain** property value.



Exploring Flexible Financing Options

- Use commercial mortgages, credit lines, or adjustable financing packages
- Consider bridging loans for short-term needs
- **Optimize cash flow, reduce risks, & seize market opportunities**



INDIA'S EDGE IN REAL ESTATE

Investments in India's real estate sector are increasing, with foreign institutional investments growing by 3-4 times, supported by government initiatives like affordable housing funds. These efforts create future opportunities, with projections indicating a threefold growth in the sector by 2036, enhancing both domestic and international investor confidence.

INCREASING INVESTMENTS



48% Y-o-Y growth, in FY **2022-23**, India's residential property sector registered strong home sales value, with all-time high of Rs. 3.47 lakh crore (\$ 42 billion).

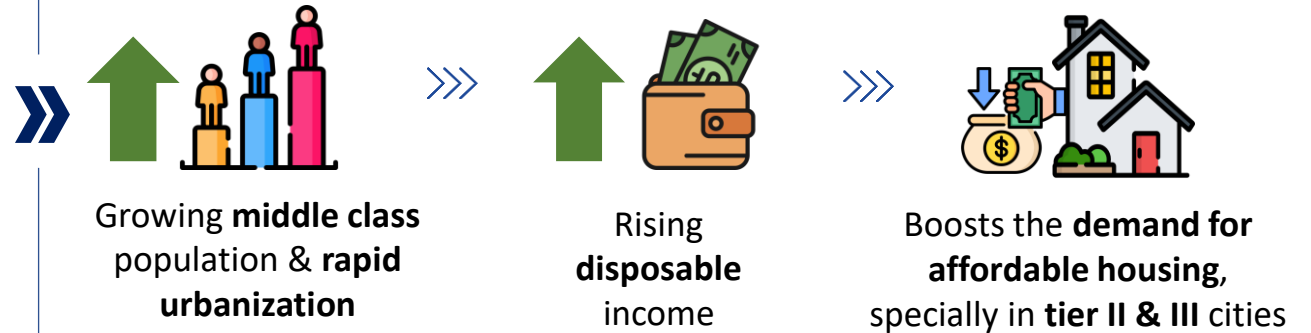


Foreign institutional inflows into India's real estate sector has jumped **three-fold** to **\$26.6 billion** between **2017 and 2022**.



The government set up an **Affordable Housing Fund** via National Housing Bank with an initial corpus of **Rs 10,000 Cr** to provide affordable housing solutions.

FUTURE OPPORTUNITIES



Upcoming resilience in demand is expected to result in **\$906 billion** worth of new homes by **2034**.



Due to a strong momentum, the **demand for housing** in India is expected to grow **more than threefold** and reach **93 million** units by **2036**.



FINANCES IN INDIAN REAL ESTATE

Financing Methods

Influence Of Interest Rates

Housing Affordability Index

Taxation & Real Estate In India

Real Estate Stakeholder Profiles

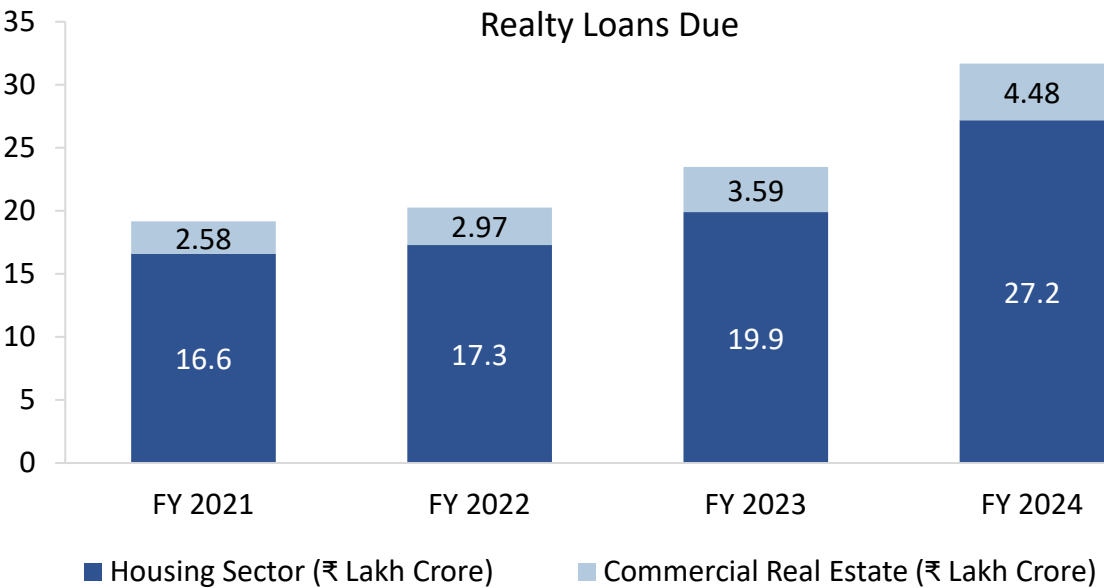
FINANCING METHODS [1/2]

Bank loans and mortgages are key funding sources for home purchases and real estate projects due to accessibility. Private equity (PE) supports large urban developments, with housing investments reaching \$1.56 billion in FY24. Market trends show growth in warehousing and residential sectors, fueled by e-commerce, urbanization, and investor shifts, while declining office investments reflect hybrid work models and global uncertainties.

TRADITIONAL FINANCING APPROACHES

Bank Loans and Mortgages

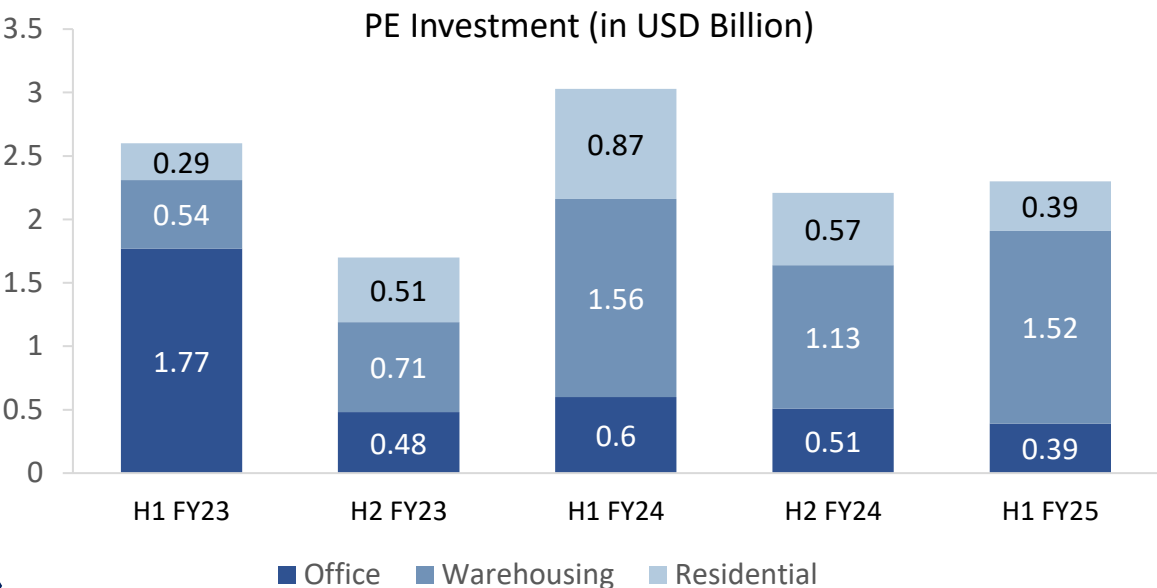
The key source of financing for home purchases and real estate projects.



The significant increase in outstanding dues is attributed to post-pandemic economic recovery, government initiatives, and evolving market dynamics. The housing sector's larger loan volume is due to its broader borrower base and lower entry barriers.

Private Equity

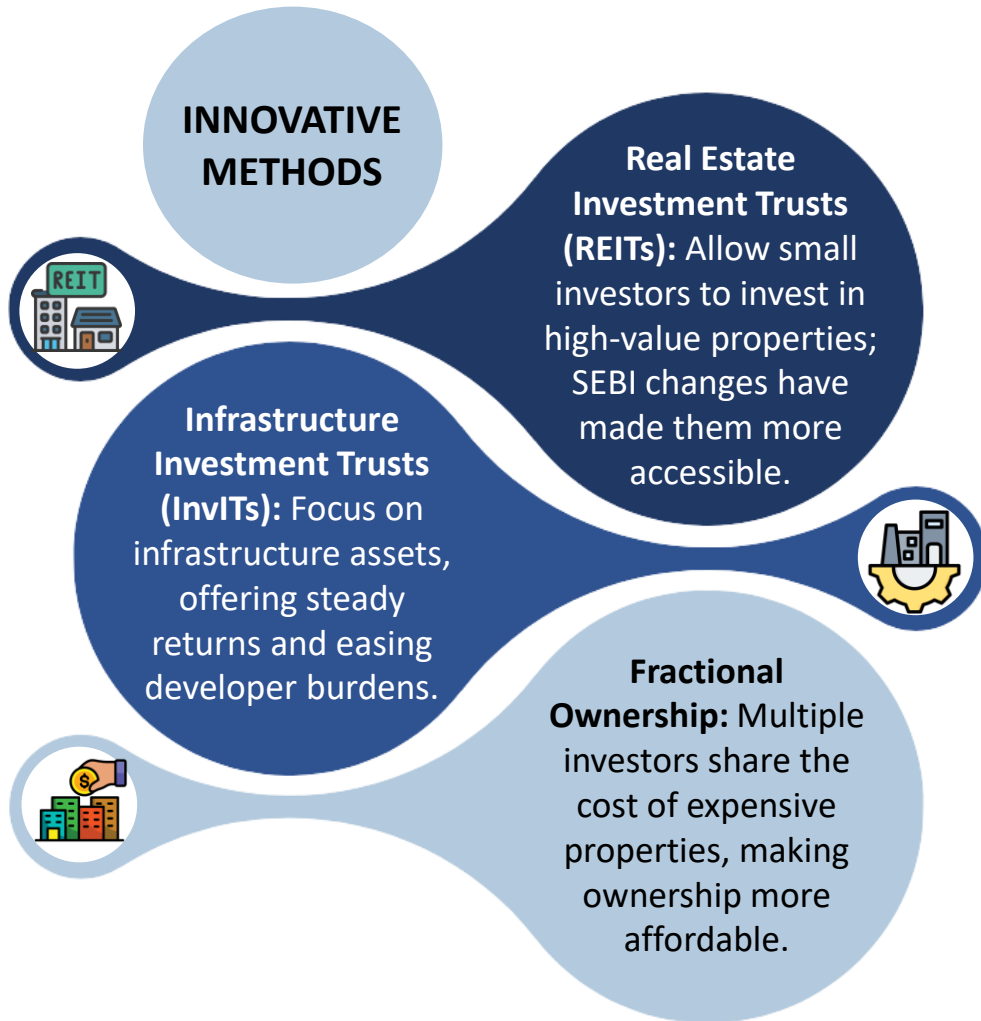
PE provides important funding, especially for big projects in cities.



Private equity investments highlight a shift towards warehousing and residential sectors, fueled by e-commerce growth, urbanization, and changing investor preferences. Declining office investments reflect hybrid work adoption and global uncertainties.

FINANCING METHODS [2/2]

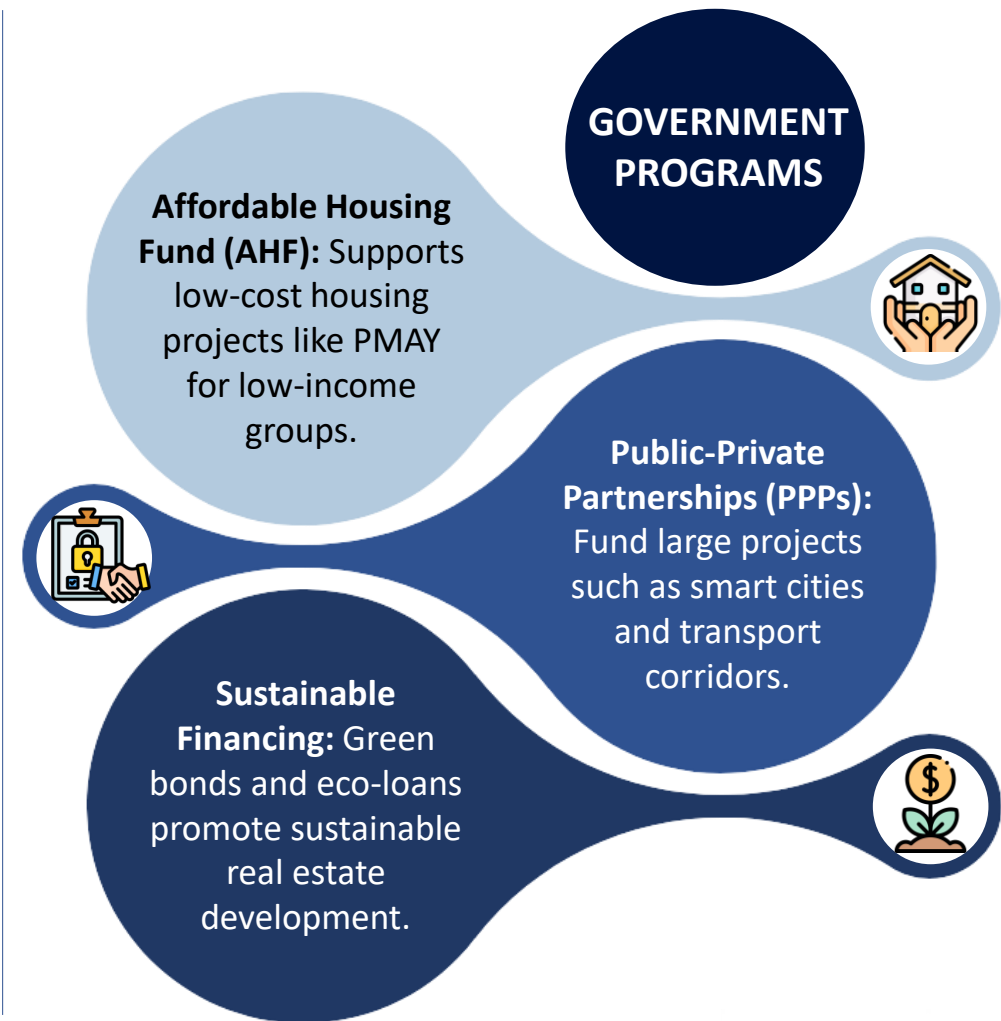
Private credit includes local funds and AIFs, offering diversified investment options. Innovative methods such as REITs, InvITs, and fractional ownership provide access to high-value properties and infrastructure. Government programs like the Affordable Housing Fund (AHF), Public-Private Partnerships (PPPs), and green financing initiatives support affordable, sustainable real estate development.



PRIVATE CREDIT

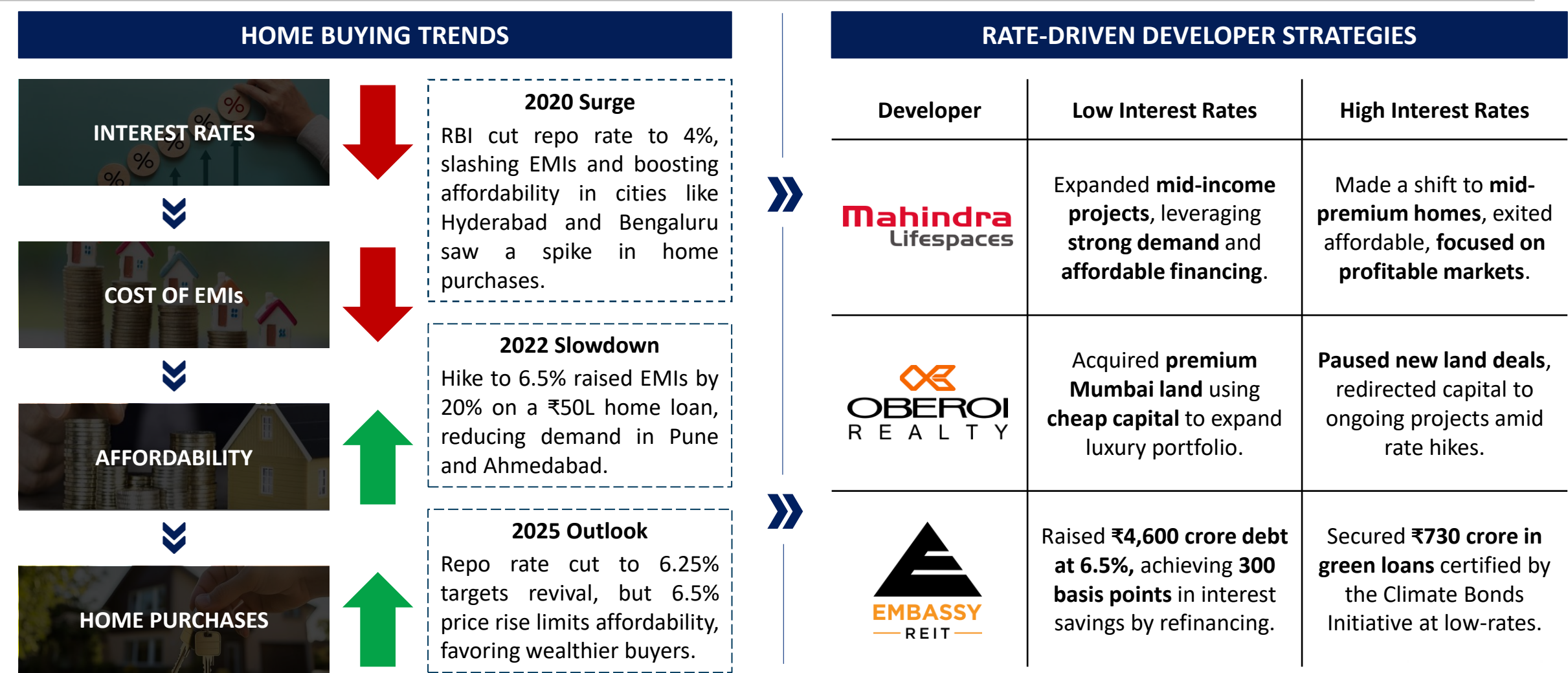
Alternative Investment Funds (AIFs) are privately pooled investment vehicles investing in assets like **PE** and **realty**. As of **Sep'24**, AIFs have raised over **₹5 trillion**, with commitments of over **₹12 trillion**.

Local funds are investment vehicles that focus on assets within a **specific geographic region**. **Prestige Estates Projects**, approved a **₹50 billion** fundraising plan in **June 2024** to invest in local hospitality assets.



INFLUENCE OF INTEREST RATES ON INDIAN REAL ESTATE [1/2]

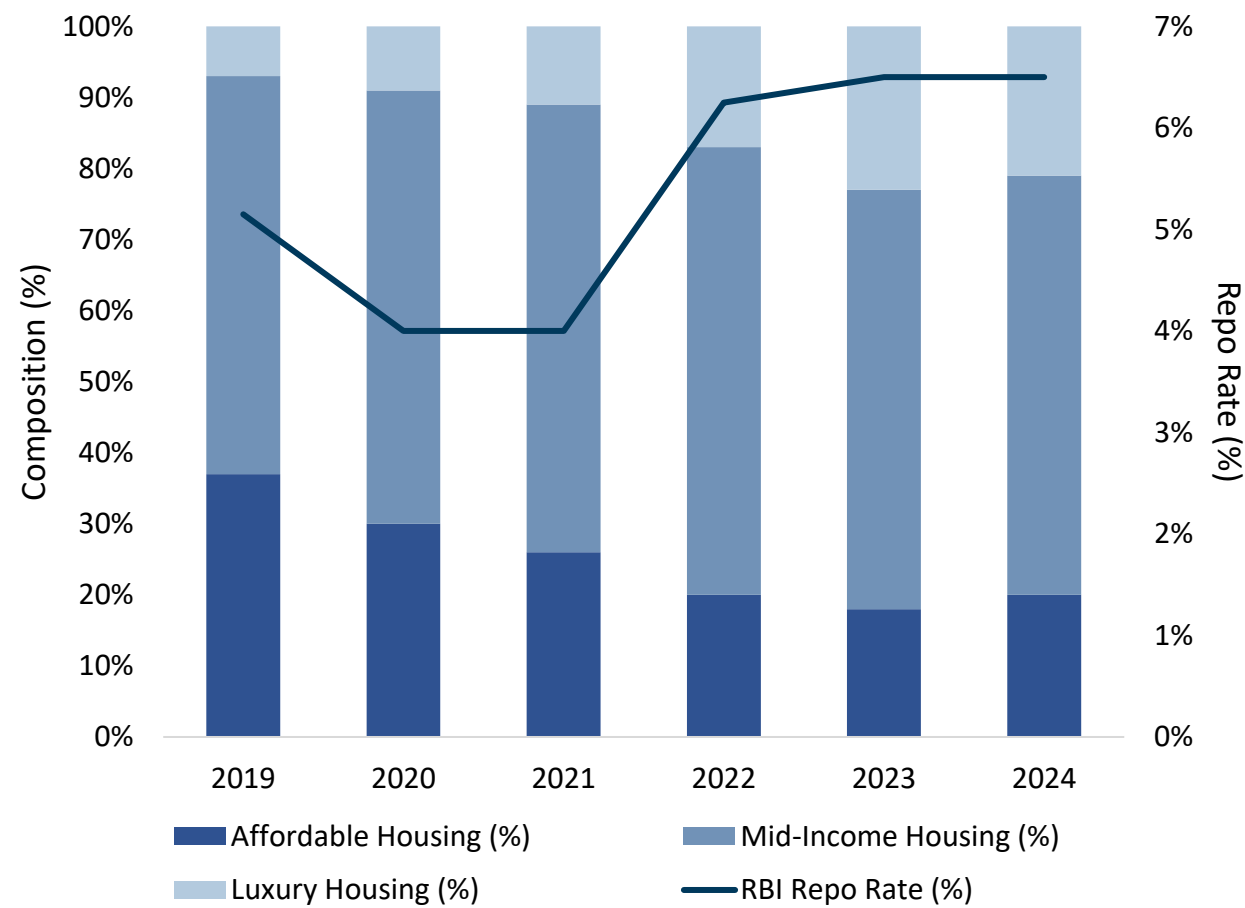
Rising interest rates increase borrowing costs, reducing demand in affordable housing and pushing developers to seek alternative funding. Investors shift to commercial properties for better returns, with REITs and Grade-A offices seeing growth. Luxury markets like Mumbai remain resilient, while mid-income housing in tier-2 cities faces greater sensitivity to rate changes.



INFLUENCE OF INTEREST RATES ON INDIAN REAL ESTATE [2/2]

Rising interest rates increase borrowing costs, reducing demand in affordable housing and pushing developers to seek alternative funding. Investors shift to commercial properties for better returns, with REITs and Grade-A offices seeing growth. Luxury markets like Mumbai remain resilient, while mid-income housing in tier-2 cities faces greater sensitivity to rate changes.

HOUSING COMPOSITION: AFFORDABLE, MID-INCOME AND LUXURY



Affordable Housing

Sales share fell from **37% in 2019** to **20% in 2024** as repo rates rose from **4.00% to 6.50%**, making EMIs unaffordable for **loan-dependent buyers**. Many were **priced out or postponed purchases**.

Mid-Income Housing

Remained dominant at **59–63% share**, reflecting **stable demand** amid rate hikes. Buyers in this segment **balanced loan reliance** with **income growth, incentives, and developer focus** on mid-range projects.

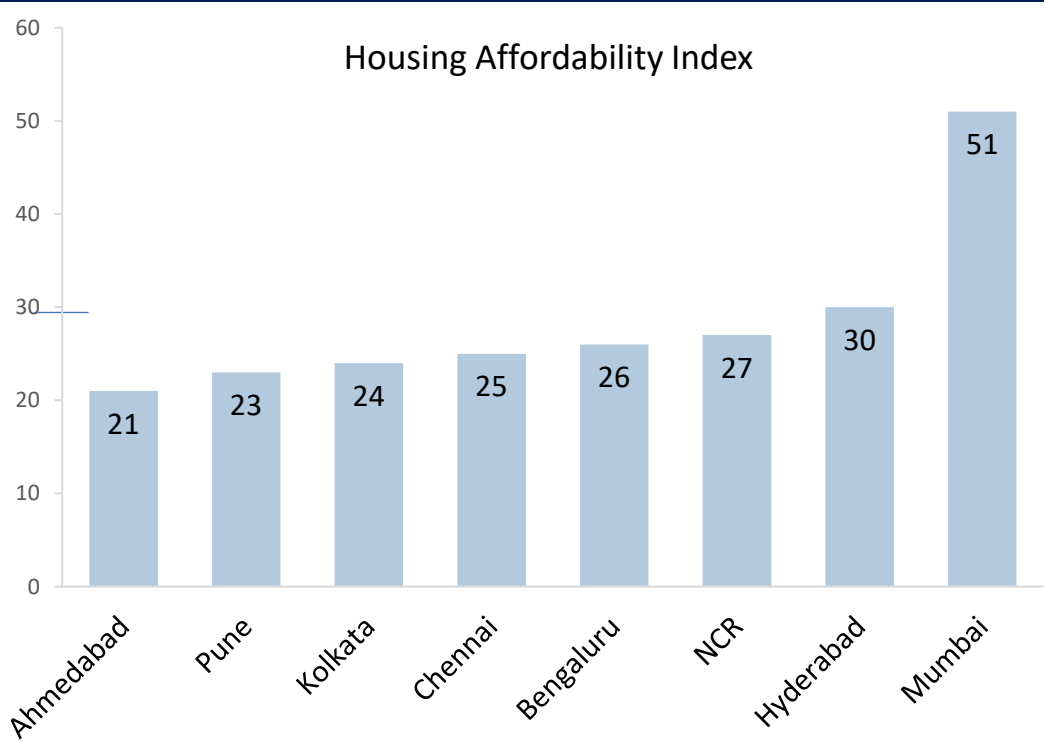
Luxury Housing

Share rose sharply from **7% to 21%**, driven by wealthy buyers and NRIs **less impacted by interest hikes**. Luxury became a preferred investment amid inflation, K-shaped recovery, and **limited dependency on credit**.

HOUSING AFFORDABILITY INDEX (HAI)

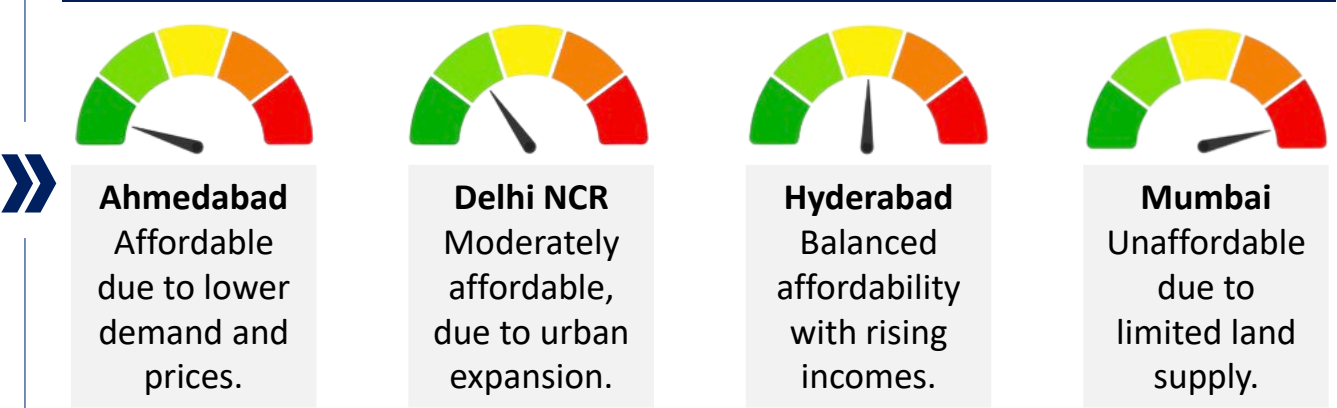
The Housing Affordability Index (HAI) highlights the affordability levels across Indian cities, with HAI below 30 indicating affordable housing and above 50, like Mumbai, showing unaffordable conditions. Ahmedabad is the most affordable, while Mumbai remains highly unaffordable due to limited land. Factors such as interest rates, property prices, and rising incomes in cities like Hyderabad and Delhi NCR influence regional affordability trends.

CURRENT AFFORDABILITY LEVELS



HAI **below 30** signifies **affordable** housing, **30-50** **moderately affordable**, and **above 50**, like Mumbai, indicates **unaffordable** housing.

REGIONAL TRENDS



FACTORS AFFECTING AFFORDABILITY



TAXATION & REAL ESTATE IN INDIA

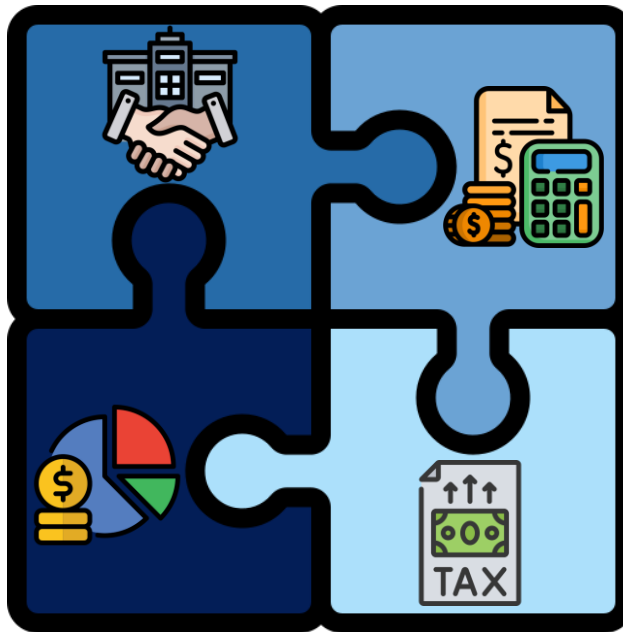
Taxes significantly impact property prices, investments, and buyer decisions. Property acquisition is shaped by various taxes and policies that impact both buyers and investors. Recent reforms in Budget 2025 focus on simplifying the system, encouraging affordable housing, and promoting sustainable investments. Changes in stamp duty, GST, TDS, and income tax relief are designed to reduce financial burdens, especially for homebuyers and landlords.

Property Acquisition:

- **Stamp Duty:** Vary by state (5%-10%), Maharashtra offers discounts for women buyers & first-time homeowners.
- **GST:** 1% for PMAY homes; 5% for under-construction units without ITC. 12% with ITC for commercial properties.
- **TDS:** 1% on property transactions above ₹50L, excluding agricultural land.

Changes in Budget 2025:

- **Income Tax Relief:** Claim nil annual value for two self-occupied properties, up from the previous one.
- **SWAMIH Fund 2:** ₹15,000 crore fund for completion of stalled housing projects.
- **Annual TDS on rent threshold** raised from ₹2.4 lakh to ₹6 lakh, reducing compliance burdens for landlords.



Annual Ownership Costs:

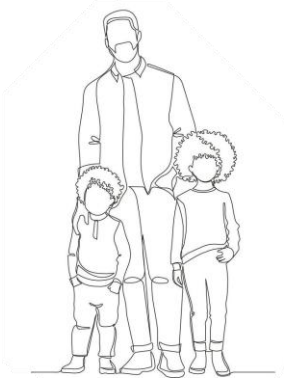



- **Municipal Tax:** Calculated based on property characteristics. Delhi uses Unit Area System (UAS) while Mumbai depends on Capital Value System (CVS).
- **Tax Breaks:** Up to ₹2 lakh deduction on home loan interest (Section 24). ₹1.5 lakh deduction for first-time affordable home buyers (Section 80EEA).

Property Sale & Gains:

- **Long-Term (LTCG):** Reduced from 20% to 12.5% (Budget 2024). Loss of indexation benefit increases tax burden during inflation.
- **Short-Term (STCG):**
 - ✓ **Real Estate:** Taxed per income tax bracket if sold within 2 years.
 - ✓ **Listed Securities:** Flat 20% STCG rate.

REAL ESTATE STAKEHOLDER PROFILES

Homebuyers aim to purchase affordable or luxury properties, with tax benefits and strategic tips for saving. Commercial investors focus on office, retail, and logistics spaces, leveraging REITs and tax incentives. Rental income generators target residential, co-living, and commercial properties, while appreciation-focused investors prioritize long-term growth in metro and infrastructure-driven regions.

	HOME BUYER	COMMERCIAL PROPERTY INVESTOR	RENTAL INCOME GENERATOR	APPRECIATION-FOCUSED INVESTOR
				
Goal	Buy affordable or luxury home.	Invest in office, retail, or logistics spaces.	Earn rental income.	Focus on long-term value growth.
Best Locations	Affordable: Ahmedabad, Pune. Luxury: Bandra, South.	Office: Bengaluru, Hyderabad. Retail: Ahmedabad, Gurugram.	Residential: Mumbai, Bengaluru. Commercial: Jaipur, Indore.	Tier-1: Mumbai, Hyderabad. Tier-2: Lucknow, Mysore.
Tax Benefits	Home loan deduction: ₹1.5L. PMAY subsidy: ₹2.67L.	REIT dividends: Tax-free. ITC reduces GST costs.	Section 24(b): Loan interest & 30% maintenance deduction.	No specific benefits.
Tips	Choose RERA-compliant homes. Joint ownership for tax savings.	Buy affordable or luxury home.	Target co-living demand in high-demand areas.	Diversify properties; target infrastructure growth areas.

An artistic rendering of a modern city skyline at night. In the background, several tall, illuminated skyscrapers stand against a dark, cloudy sky. In the foreground, a multi-lane highway with light trails from cars curves through a dense forest of trees. The overall scene is a blend of urban development and nature.

CASE STUDY

Rise Of Gurugram

Development Of Haryana Urban Development Authority (HUDA)

Role of DLF Limited in elevation of Gurugram

RISE OF GURUGRAM: THE CYBER CITY OF INDIA

Gurugram, with a population of over 1.5 million, is home to fortune 30000+ companies and 70+ residential societies. Its per capita income ranks among the highest in India. Key factors driving its growth as the "Cyber Hub of India" include proximity to Delhi, a robust IT ecosystem, modern infrastructure, and a favorable business environment. Gurugram exemplifies rapid urban development and economic dynamism.

QUICK NUMBERS

1.5 Mn

Population

30k

Number of
Companies

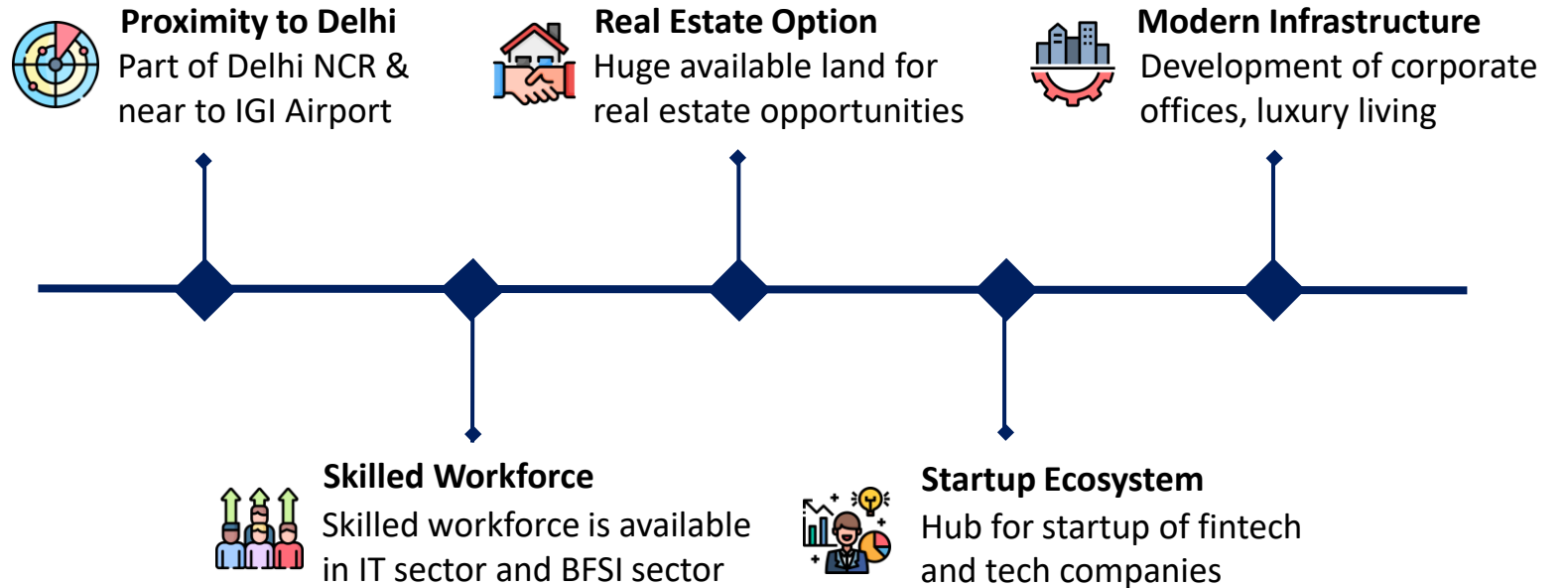
70+

Residential
Societies

3.6x

Per Capita Income
to National Average

FACTORS FOR ELEVATION OF GURUGRAM: THE CYBER HUB OF INDIA



DLF is the main stakeholder in Gurugram's success story to a corporate hub by creating Cyber City thereby attracting global companies



The 2005 Haryana Industrial Policy boosted Gurugram's IT sector with tax incentives, subsidized land, and simplified processes



Zones like Udyog Vihar and Cyber City drove Gurugram's growth with strategic locations, modern infrastructure, and business-friendly policies

DEVELOPMENT OF HARYANA URBAN DEVELOPMENT AUTHORITY (HUDA)

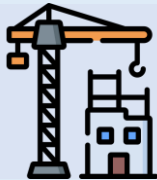
The Haryana Urban Development Authority has played a crucial role in developing Gurugram into the Millennium City. By focusing on urban planning, infrastructure development, and zoning regulations, HUDA facilitated the creation of commercial hubs, residential areas, and modern amenities. Its efforts in improving transportation, water supply, and public services attracted businesses and residents, transforming Gurugram into a major economic and technological center in India, fostering rapid growth and urbanization.

KEY DRIVERS BEHIND THE DEVELOPMENT OF HUDA



Land Acquisition and Planned Urbanization

HUDA ensured structured urban growth through large-scale land acquisition



Infrastructure Development

HUDA built highways, metro links, and office complexes for seamless connectivity



Development of Commercial Zones and SEZs

Dedicated zones and SEZs with tax benefits attracted major corporations



Promotion of Mixed-Use Development

Reliable access to water, electricity, and waste systems supported businesses



Public-Private Partnerships (PPPs)

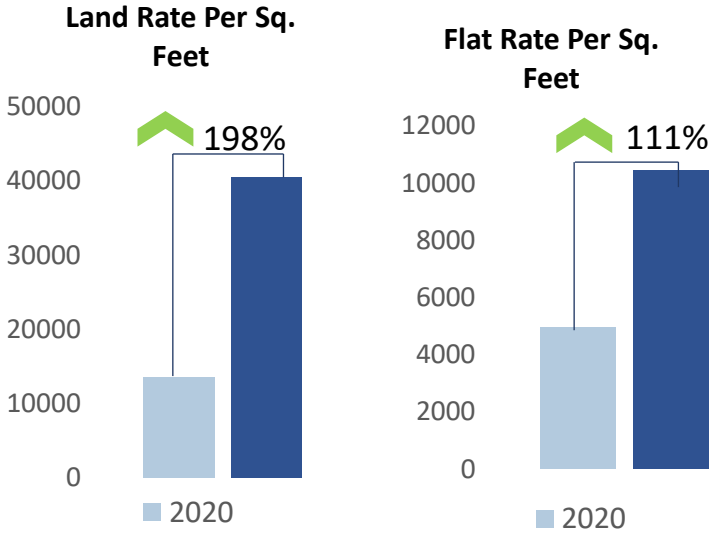
Collaborations with private developers created tech parks and IT hubs



Utilities and Amenities

Mixed-use spaces integrated residential, commercial, and recreational facilities

PROPERTY VALUE ESCALATION









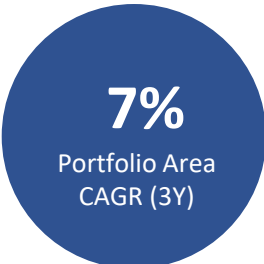


Land rates per sq. ft. have surged **3x** in just **5 years**, reflecting a **CAGR of ~24.57%**, indicating strong demand, rapid urbanization, and increasing real estate investment potential

Flat rates in Gurugram have surged **111% in 5 years**, reflecting a **CAGR of ~16.17%**, driven by infrastructure development, increased demand for premium flats, and a booming real estate market

ROLE OF DLF LIMITED IN ELEVATION OF GURUGRAM

DLF transformed Gurugram from barren land into a modern city by developing DLF City, Cyber City, and key infrastructure like roads, highways, and the Rapid Metro. Their luxury housing, malls, office spaces, and entertainment hubs attracted professionals, businesses, and global corporations, making Gurugram a top urban, commercial, and residential destination in India. Through strategic planning and investments, DLF played a crucial role in shaping Gurugram into a thriving economic and lifestyle hub.

KEY CHALLENGES FACED	MAJOR STRATEGIES USED BY DLF	DLF NUMBERS
<div></div> <div>Regulatory Hurdles Acquiring large plots of land involved complex and legal frameworks and involved obtaining necessary approvals and clearances</div>	<div></div> <div>Enhancing Quality of Life DLF not just focused on building physical infrastructure but built social infrastructure by providing premium living standards along with creating recreational centers</div>	<div></div>
<div></div> <div>Infrastructural Deficiency Gurugram lacked basic infrastructure such as roads, water supply which needed to be fixed first</div>	<div></div> <div>Providing Premium Commercial Hub DLF pioneered high grade commercial estate offering multinational corporations world-class Office spaces by providing modern infrastructure, power backup facilities etc.</div>	<div></div>
<div></div> <div>Environmental Concerns Large-scale construction caused deforestation, pollution and groundwater depletion concerns becoming a big impediment</div>	<div></div> <div>Partnering with the Government DLF partnered with the government in establishing rapid metro to create India's first privately funded metro system and ensured rapid urban and economic growth in the region</div>	<div></div>



EMERGING TRENDS IN REAL ESTATE

Cultural And Lifestyle Shifts In Real Estate

Sustainability

Technology Advancements

Composition Of A Smart City

Safety Aspects Of Smart Cities

CULTURAL AND LIFESTYLE SHIFTS IN REAL ESTATE

Cultural and lifestyle shifts have significantly influenced the real estate market in recent years, especially as society adapts to evolving work patterns, technological advancements, and changing social expectations. These shifts have led to new trends in property demand, design, and usage.. From the rise of remote work and demand for home offices to the growing interest in wellness, sustainability, and community-focused living, these shifts are redefining how homes are designed, bought, and lived in



Urban Professionals

- **Condos and small residences** are becoming more and more **popular** among urban professionals because of their **convenience, close proximity** to places of employment, and lifestyle features that support a fast-paced urban lifestyle.
- Urban professionals in smart cities work on projects to improve the quality of life in cities using technology.



Remote Work

- As remote work has become more **popular**, there is a greater need for houses that **accommodate the new work-from-home culture**.
- Smart cities provide an ecosystem that makes remote work seamless, efficient, and flexible. With high-speed connectivity, innovative workspaces, sustainable living, etc.



Family Preferences

- In order to **improve the quality** of life for both parents and children, families are increasingly **choosing suburban locations or larger houses** with access to community resources like parks and schools.
- Families seek smart cities that create a blend of convenience, safety, and sustainability, providing a high quality of life.



Population Growth

- **Lower living expenses and more hospitable climates** are driving substantial population expansion in places like the **Sun Belt**, which is changing housing demand.
- These have the potential to experience significant population growth due to their ability to provide **enhanced living conditions, economic opportunities, sustainability**, etc.



EVOLUTION OF SMART CITIES

The evolution of smart cities represents a transformative journey in urban development, driven by technological advancements and the need for sustainable living. The concept dates back to the 1970s, when Los Angeles initiated the first urban big data project, "A Cluster Analysis of Los Angeles," which aimed to leverage data for better urban planning and policy-making. This foundational project laid the groundwork for future developments in smart city initiatives.



SUSTAINABILITY

A smart sustainable city uses advanced technologies and innovative solutions to improve residents' quality of life and ensure efficient urban operations. By integrating ICTs and sustainable practices, these cities aim to enhance service delivery, reduce resource consumption, and promote economic growth. They balance the needs of present and future generations across economic, social, environmental, and cultural dimensions while fostering inclusivity, environmental responsibility, and long-term competitiveness.

ADVANCEMENTS IN GREEN TECHNOLOGIES



- Solar panels
- Energy-efficient HVAC systems,
- Smart water management, are transforming buildings into eco-friendly spaces.
- Attracts eco-conscious tenants and investors.

WAYS



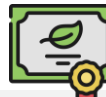
- Can reduce landfill contributions and project costs simultaneously.
- Sustainable waste management practices also demonstrate a commitment to corporate social responsibility, fostering positive community relationships.

AI IS HELPING THE REAL ESTATE MARKET



- Analyzing market conditions
- Identifying investment opportunities
- Enhancing customer experiences

GREEN CERTIFICATIONS



- **BREEAM** (Building Research Establishment Environmental Assessment Method)
- **LEED** (Leadership in Energy and Environmental Design)

SAMPLES OF A SMART CITY

Amsterdam has cooperated with giant companies like Philips, Cisco, IBM, and many small firms to develop and enable green cities with the concept of **Go green...Being environmentally friendly.**

Copenhagen aims to **reduce carbon dioxide emissions to zero by 2025.** The city also attempts to create a sustainable living by using smart functions to control street lights and use solar power in public locations. These have elevated Copenhagen to make much progress in being a Smart City.

Xinjiang becomes remarkable due to the idea of **connecting IT (Information Technology) to a variety of people's lifestyles.** The Smart City of China does not place importance on construction as much as technology connection. The central government also has a real-time tracking system to follow up a number of unemployment in the city.

TECHNOLOGY ADVANCEMENTS

Smart city technologies optimize infrastructure systems like traffic lights, public transportation, energy distribution, and waste management. By utilizing data and automation, these technologies improve coordination and efficiency across urban services. This results in reduced energy consumption, optimized traffic flow, and more sustainable resource use, leading to a higher quality of life for residents while minimizing environmental impact and enhancing overall city operations.

FEATURES OF SMART CITIES

Smart Governance

Improves **public participation** through the use of **e-government tools and initiatives**.

Also makes public services more affordable, accountable and transparent.

Smart Energy

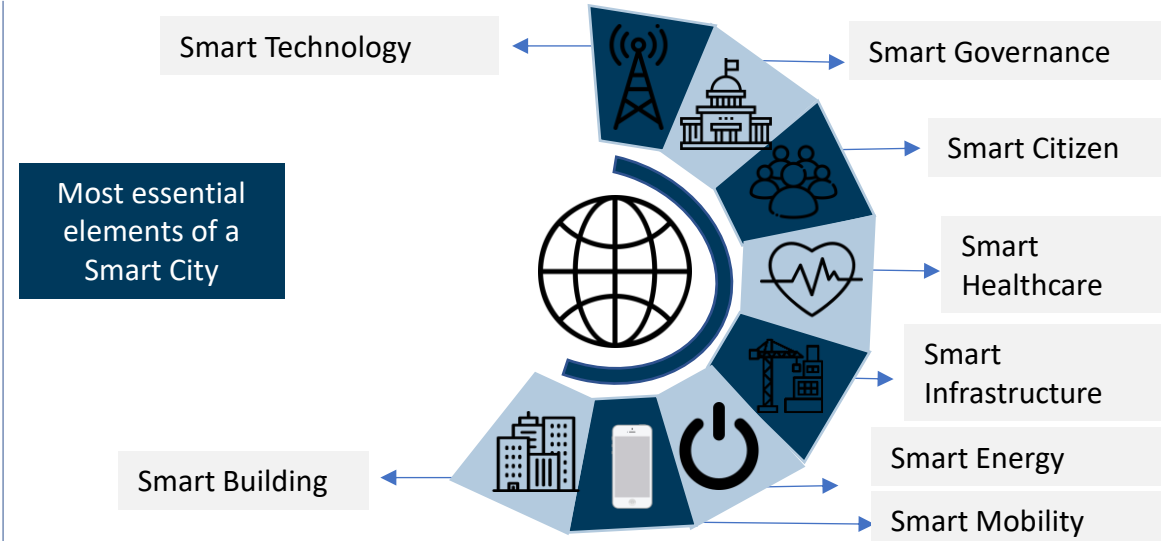
Smart Energy leads to massive cost savings to run public and private infrastructure. It applications allow cities to understand their **energy demand profile**. Officials can understand dominant loads, and daily fluctuations and **prioritise reduced consumption**.

Smart Infrastructure

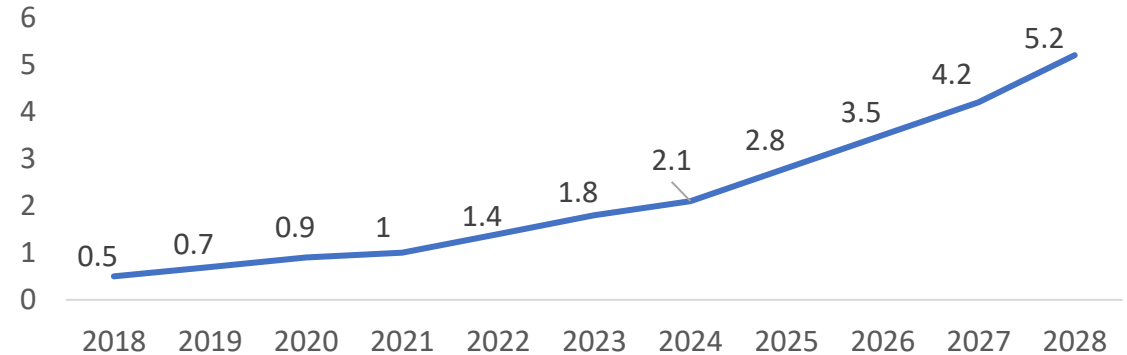
Smart infrastructure allows for the digital management of a city's infrastructure. This is often done through the use of **IoT sensors** and includes key areas like digital water and waste management.

Smart Building

Designed to **maximise productivity** and efficiency, utilising new technologies to provide safe, secure, and connected environments for people working within the building.



Number of Smart Cities Connection (in billions):



SAFETY ASPECTS OF SMART CITIES

Smart cities leverage technology to enhance urban living, focusing significantly on the safety and security of their residents. By integrating advanced systems and data analytics, these cities aim to create safer environments that are responsive to both everyday challenges and emergencies. The safety features of a smart city encompass various domains, including crime prevention, emergency response, traffic management, and public health, all working together to foster a secure community.

SAFETY ASPECTS

Improving Response Time

A city starting with an average response time of 50 minutes might be able to trim that by more than 17 minutes. Types of applications could cut emergency response times by 20 to 35 percent.



Improving Communication

Smart city ecosystems deploy IoT-enabled devices such as wearables, smart home systems. These devices facilitate immediate communication with authorities during accidents, fires, and natural disasters.



Improving Alert Systems

Gunshot Detection and Response: IoT-equipped gunshot detection systems, integrated into smart cities infrastructure to identify firearm discharges and immediately alert law enforcement



Introducing Applications

Deploying a range of applications to their maximum effect could potentially reduce fatalities (from homicide, road traffic, and fires) by 8 to 10 percent.



Increasing Protection

In a high-crime city with a population of five million, this could mean saving up to 300 lives each year. Incidents of assault, robbery, burglary, and auto theft could be lowered by 30 to 40 percent.



Anticipating Crimes

Real-time crime mapping, for instance, utilizes statistical analysis to highlight patterns, while predictive policing goes a step further, anticipating crime to head off incidents before they occur.





SYNERGY
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S.S.C.B.S.

THANK YOU

