

HOME BUYER SENTIMENT SURVEY

H1-2025

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FOREWORD FOREWORD

MR. ANUJ PURI

Group Chairman | ANAROCK



The first half of 2025 reaffirms Indian real estate's role as a dynamic and resilient pillar of the economy, amid ongoing global uncertainties, sanctions, and U.S. trade tariffs. India's real estate sector continues to demonstrate resilience, supported by the nation's robust economic fundamentals and strong domestic demand.

Leading developers across the country's top 7 cities launched close to 2 lakh housing units, compared to nearly 2.28 lakh units during the same period in 2024 — a measured year-on-year moderation of 13%. This strategic pacing of new supply reflects the sector's focus on sustainable growth, quality delivery, and aligning inventory with evolving buyer preferences. Housing sales also mirrored this trend, indicating a phase of market recalibration rather than contraction. With India's GDP growth consistently outpacing global averages, rising disposable incomes, and urbanisation accelerating, the fundamentals remain strong for a renewed growth cycle in the housing sector.

This year's Consumer Sentiment Survey captures these changes with precision—highlighting how end-user demand continues to dominate, how the quest for larger, high-quality homes remains undeterred by rising prices, and how investors are recalibrating strategies to tap into opportunities such as the surging market. At the same time, the report reveals a pronounced move toward premium housing and the steady decline in affordable housing uptake, shaped by buyer expectations for better locations, superior construction quality, and thoughtful design.

This survey, conducted across 14 cities, reveals that real estate continues to command investor confidence, with 63% naming it the most preferred asset class, reflecting a 4% rise over last year.

Interestingly, premium and luxury housing have strengthened their position, with 36% of buyers now favouring homes priced between 90 lakh and 1.5 Cr, a sharp reversal from pre-COVID trends. In contrast, the affordable housing segment (<45 lakh) has seen demand slide to just 17% from 36% recorded in H1 2020, driven by buyer dissatisfaction with location, design, and unit size. Meanwhile, bigger homes remain in vogue – 45% of respondents prefer 3BHK units, particularly in cities like Ahmedabad, Hyderabad, Chennai and Delhi-NCR.

Meanwhile, market activity shows a decisive tilt toward newly launched projects, with the ready-to-new launch ratio dropping to 16:29 – a complete shift from the 46:18 seen in early 2020. This reflects growing trust in large, branded developers, as well as a regulatory boost from 1.38 lakh RERA-registered projects and an equal number of consumer complaints resolved.

While end-users still dominate purchases (65% buying for self-use), investor participation has edged up to 35%. Significantly, recent repo rate cuts have lifted sentiment – 83% of homebuyers feel more confident, and 87% are now more likely to take a home loan.

India's real estate market is evolving, driven by technology, trust in reputed developers, and a growing demand for sustainable, community-focused living. These trends signal the beginning of a new growth phase. For policymakers, developers, and investors, the insights serve as both a reflection of today's landscape and a guide to future opportunities. With rising aspirations, stronger regulations, and improving premium and luxury housing, the sector is poised to capitalise on the next significant wave of growth in India's real estate story.

SURVEY METHODOLOGY

SURVEY METHODOLOGY

ANAROCK Consumer Sentiment Survey is an attempt to gauge homebuyers' preferences in the prevailing scenario, invariably leading to emergence of significant trends in the Indian residential real estate industry.

The main aim of the survey is to provide all stakeholders – consumers, developers, investors, sellers, and owners including local and expatriates – deeper insights into the Indian property market purely from a consumer perspective. This survey was conducted by ANAROCK Research & Advisory between Jan to Jun (2025). The online survey saw nearly 8,250 participants responding to it via different digital sources including email campaign, web link and messages.

The sample was carefully selected so that it would give a relatively fair representation of the overall population demographics in terms of geographical distribution, gender, and age. Thereafter, the answers collected were analysed in-house and data was correlated to the present economic conditions. The views expressed in the report are completely unbiased.



8,250
Respondents



24-78
Age



14
Cities

DEMOGRAPHIC PROFILING

DEMOGRAPHIC PROFILING



Gender Typology

MALE | FEMALE

50% | 50%

Annual Family Income



Best Asset Class for Investment

As per the current situation, which is the best Asset Class for investment?

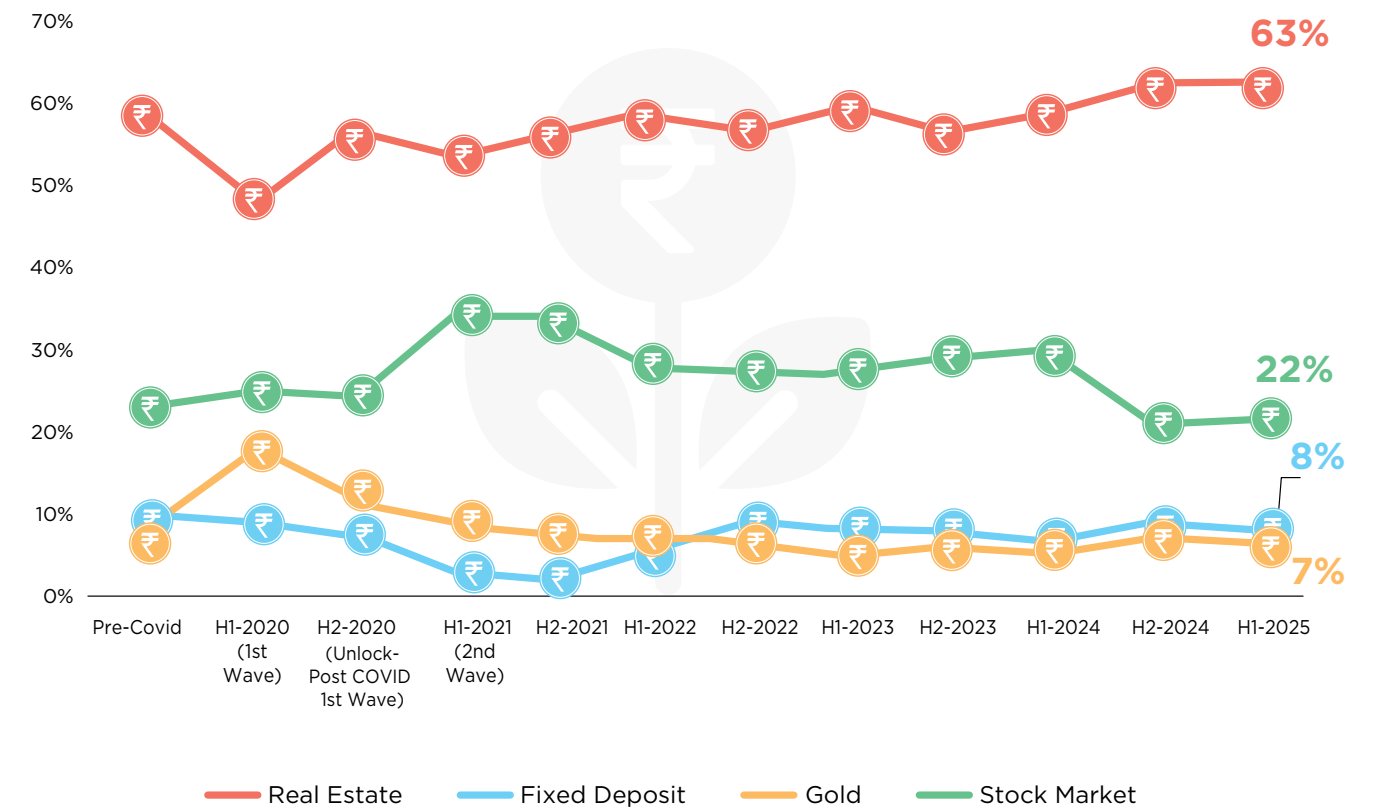
Real estate is the most preferred asset class for investment among over 63% respondents, a 4% increase against the previous year's survey.

Real estate, as the best asset class option, has seen a 4% jump compared to the same period of the previous year. Over 63% of respondents now consider real estate as the best investment option, followed by the stock market, which is favoured by 22% in the current situation.

In contrast, preference for gold witnessed a meagre incline, although ranking at the bottom of respondents' investment options despite the surging gold rates. Currently, only 7% respondents view gold as their preferred choice for investment.

Notably, investor sentiment toward the stock market has declined by eight percentage points over the past year, influenced by volatility in the Sensex and Nifty, driven by global economic uncertainties, trade sanctions, and U.S. tariff measures. Consequently, only 22% of respondents currently identify equities as their preferred asset class, reflecting a marked erosion in market confidence.

BEST ASSET CLASS FOR INVESTMENT

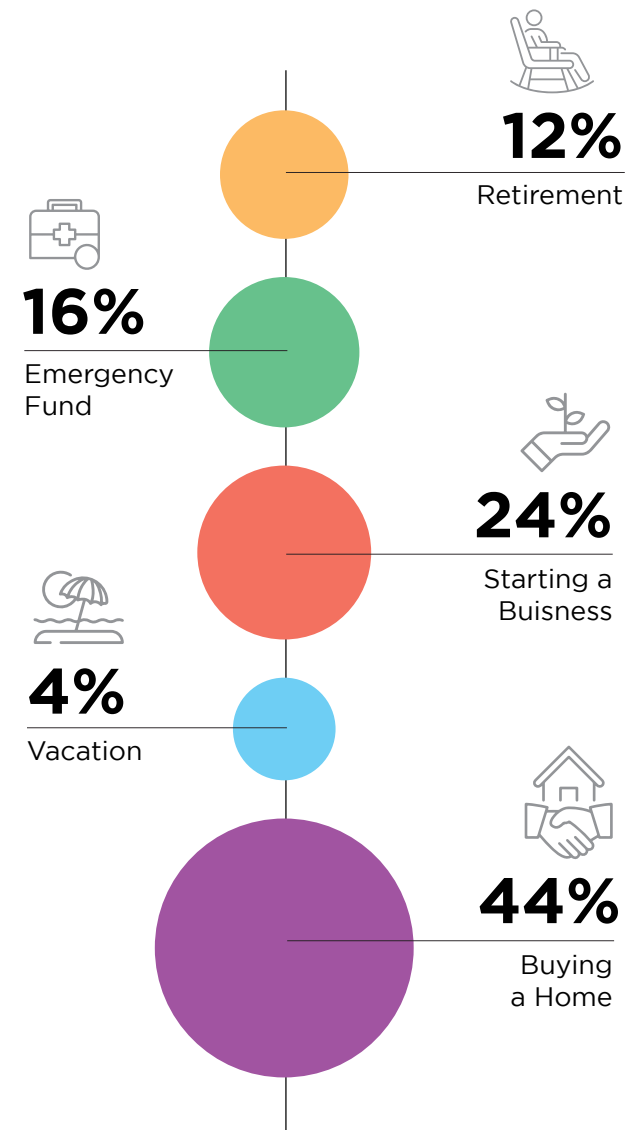


Future Plans for their Investments

When we asked investors about their future plans / goals for their investment – those who chose other asset classes (37%) over real estate?

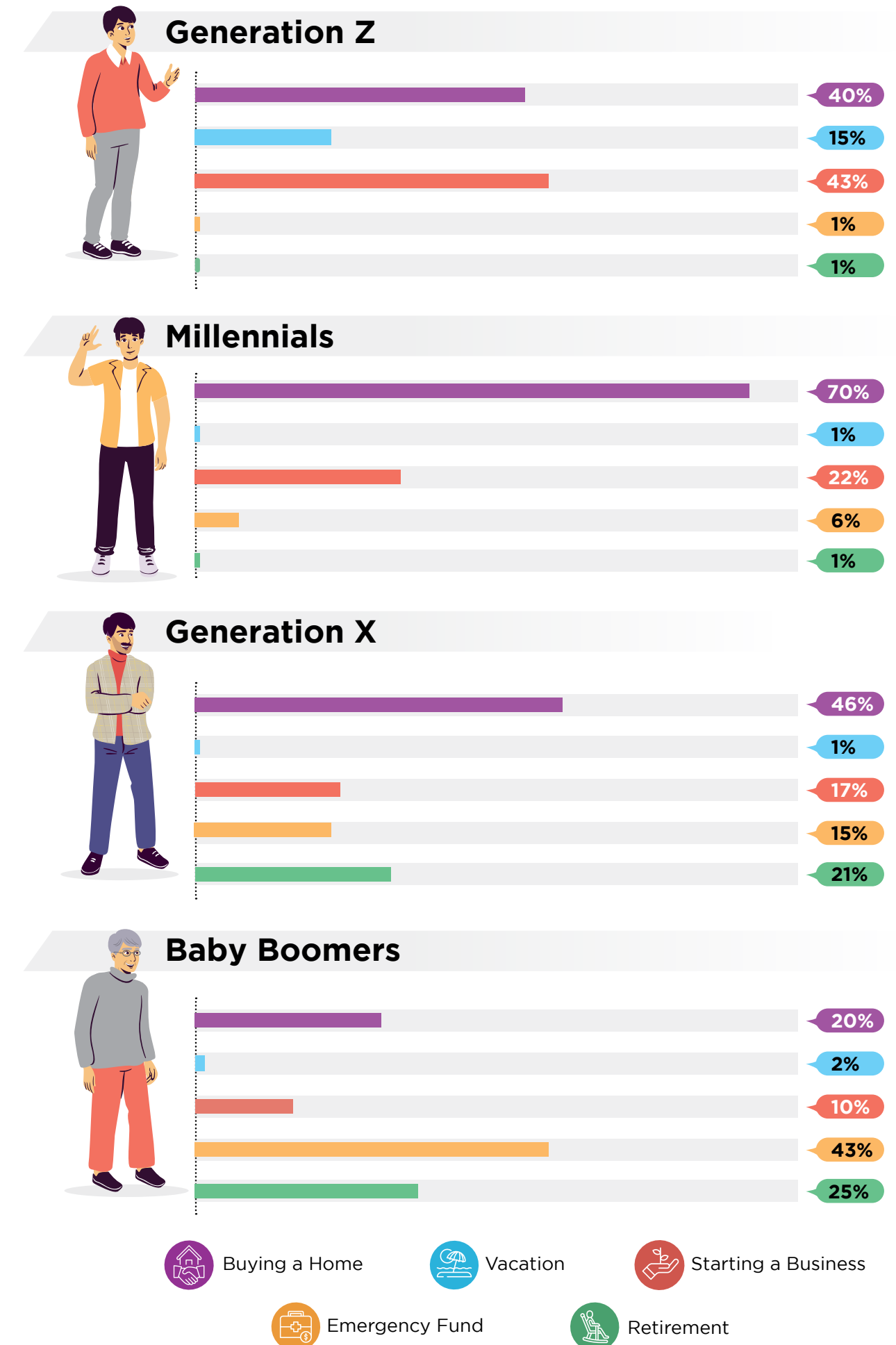
Real estate has become a pivotal asset class within the portfolios of many investors, serving as a critical mechanism for portfolio diversification. Recent survey data highlights a noteworthy trend: 44% of respondents who diversified their investments are increasingly gravitating toward real estate. As they realize capital gains from various financial instruments, the prospect of acquiring property presents an attractive avenue for long-term stability and appreciation.

The second most prevalent motivation for investment, indicated by 24% of participants, is the strategic intention to leverage capital gains for future entrepreneurial endeavours. Following closely, 16% are focused on establishing an emergency fund, while 12% prioritize contributions to retirement savings. Additionally, 4% allocate their investment returns toward achieving aspirational travel goals. These findings illustrate the diverse financial objectives and aspirations of investors, highlighting the necessity for bespoke investment strategies tailored to achieve specific outcomes.



“70% Millennials & 46% Generation-X respondents intend to utilize their investment gains for purchasing a home in the future.”

Generational gap in investors priorities



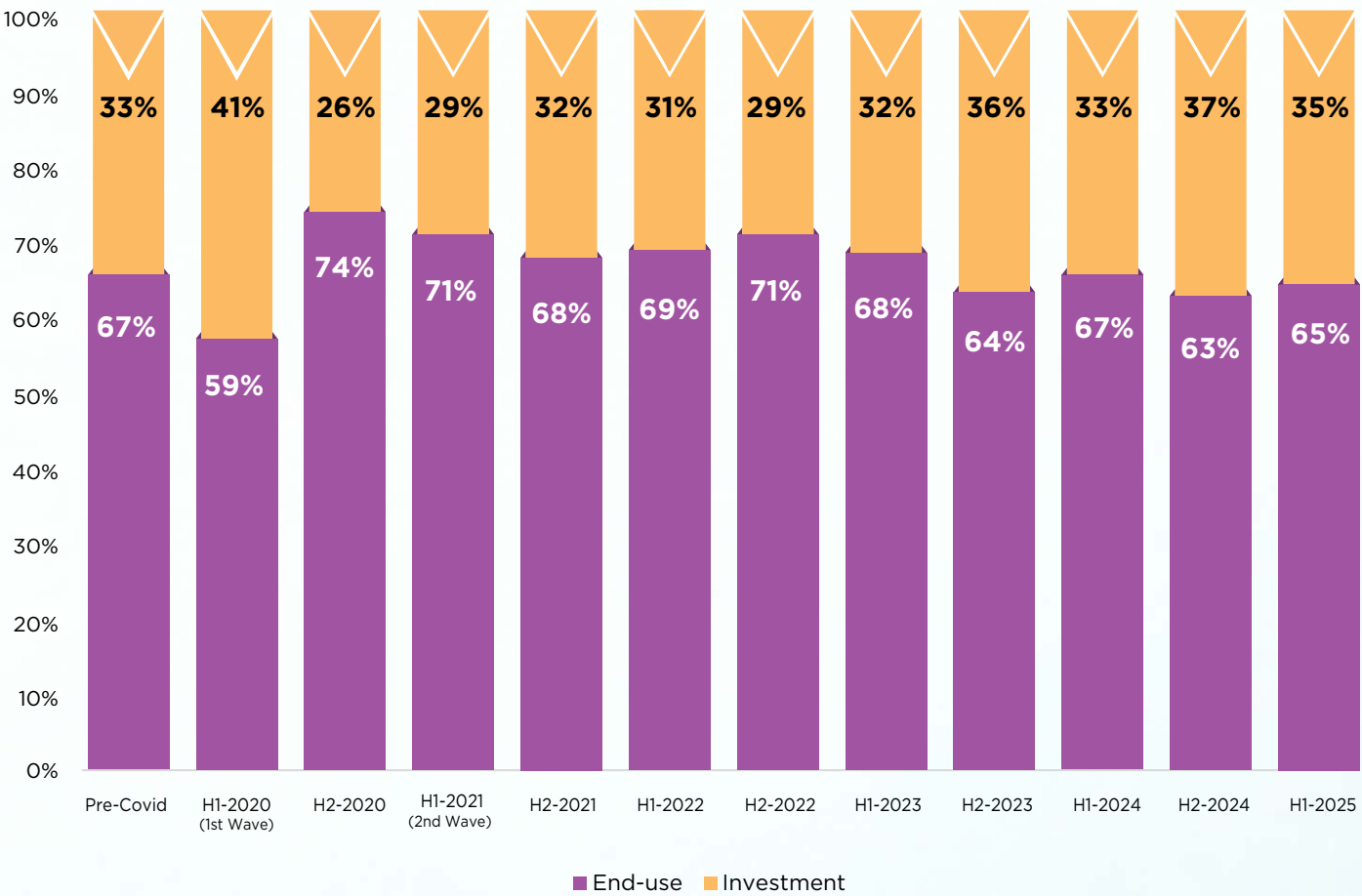
End-use or Investment

The Indian residential market continues to be predominantly driven by end-users, with over 65% survey participants buying properties for self-use. In comparison to the previous survey (H1 2024), there has been a 2% fall in the share of participants seeking property for end-use in the H1 2025 survey. However, as compared to the last poll (H2 2024), there has been a 2% increase. This trend is likely to continue as well because there is a sense of security and safety associated with homeownership.

That said, there has also been a notable shift with investors once again taking a breather and holding off on buying real estate. When compared to the H1 2024 survey, there has been a 2% surge in the share of participants who are purchasing a property from an investment perspective rather than for self-use. At present, at least

35% of the prospective buyers aim to buy a property from an investment perspective. Given that real estate prices have escalated significantly across the top 7 cities in the last year, investors are gradually taking a pause. ANAROCK data indicates that average residential prices in the top 7 cities collectively went up by 11% between H1 2024-end and H1 2025-end. This is a significant yearly jump, and with prices escalating, it is natural that investors will pause and be cautious.

End Use vs Investment



“ More than 65% of buyers are entering the market with end-use intentions, while investors show signs of a measured pause. ”



Preferred Stage of Construction

What stage of property would you prefer?

Demand for ready homes has been on a decline and is at the lowest end of the preference chart in the H1 2025 survey. As of H1 2025, the ratio of ready homes to new launches stood at 16:29 as against 20:25 in H1 2024. This trend indicates a complete trend reversal compared to H1 2020, when the ratio stood at 46:18, and H1 2021, when it was 32:21.

One main reason for this shift is the increased supply of new units by the large and listed developers. These established developers have garnered higher confidence among prospective homebuyers due to their reputation for timely project delivery. In the past, new launches mainly were dominated by smaller players, leading to numerous delays in project completion, which eroded buyer confidence. Consequently, buyers favoured ready homes.

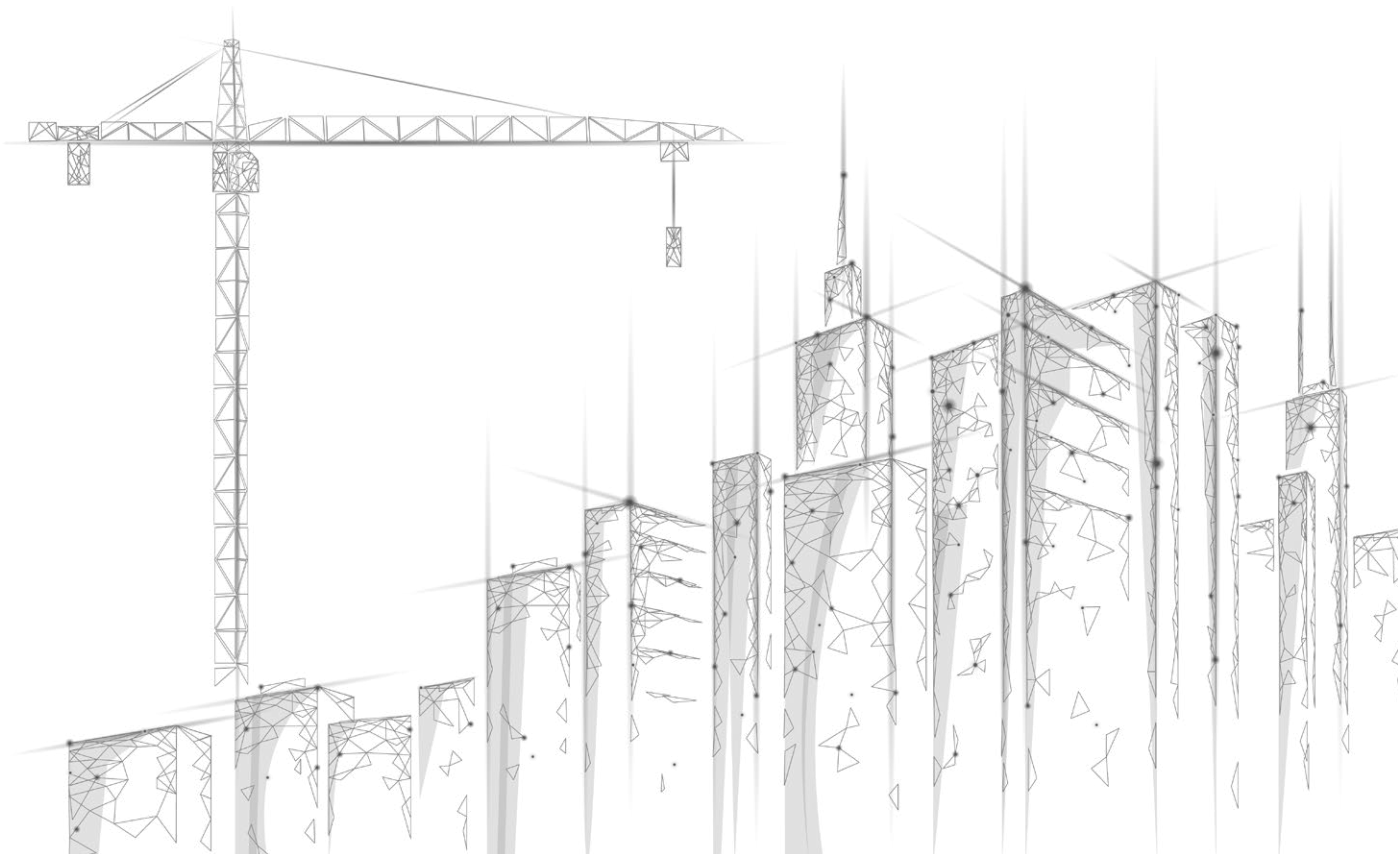
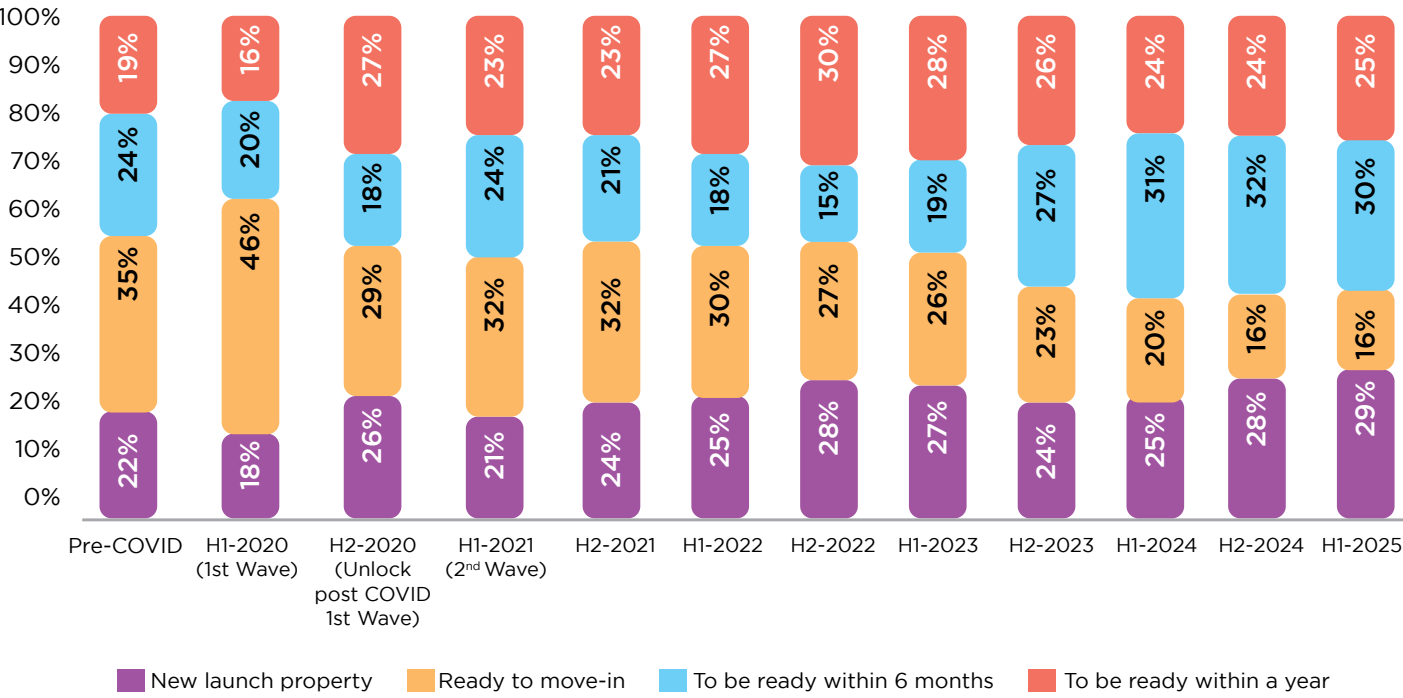
In a significant boost to homebuyer confidence, the Economic Survey 2024-25 reveals that the Real Estate (Regulation and Development) Act (RERA) has now registered 1.38 lakh projects across the country, alongside the resolution of an equal 1.38 lakh consumer complaints. This twin achievement underscores RERA's growing role in ensuring transparency, enforcing accountability, and safeguarding buyer interests.

Industry experts note that this heightened regulatory efficiency is gradually bridging the preference gap between ready-to-move-in homes and newly launched projects, signalling a healthier and more balanced real estate market.



Ratio of ready homes to new launches in H1 2025 is 16:29 against 32:21 in H1 2021.

Construction Stage Preference Among Home Buyers



Ideal Budget Range

What is the budget for your investment?

The H1 2025 survey reveals a total trend reversal in the budget range compared to the H1 2024 survey. INR 90 lakh to INR 1.5 Cr has emerged as the most favoured option for over 36% of prospective homebuyers, indicating a discernible shift towards premium and luxury properties. Currently, only 25% of survey respondents stated their preference for homes priced between INR 45 lakh and INR 90 lakh.

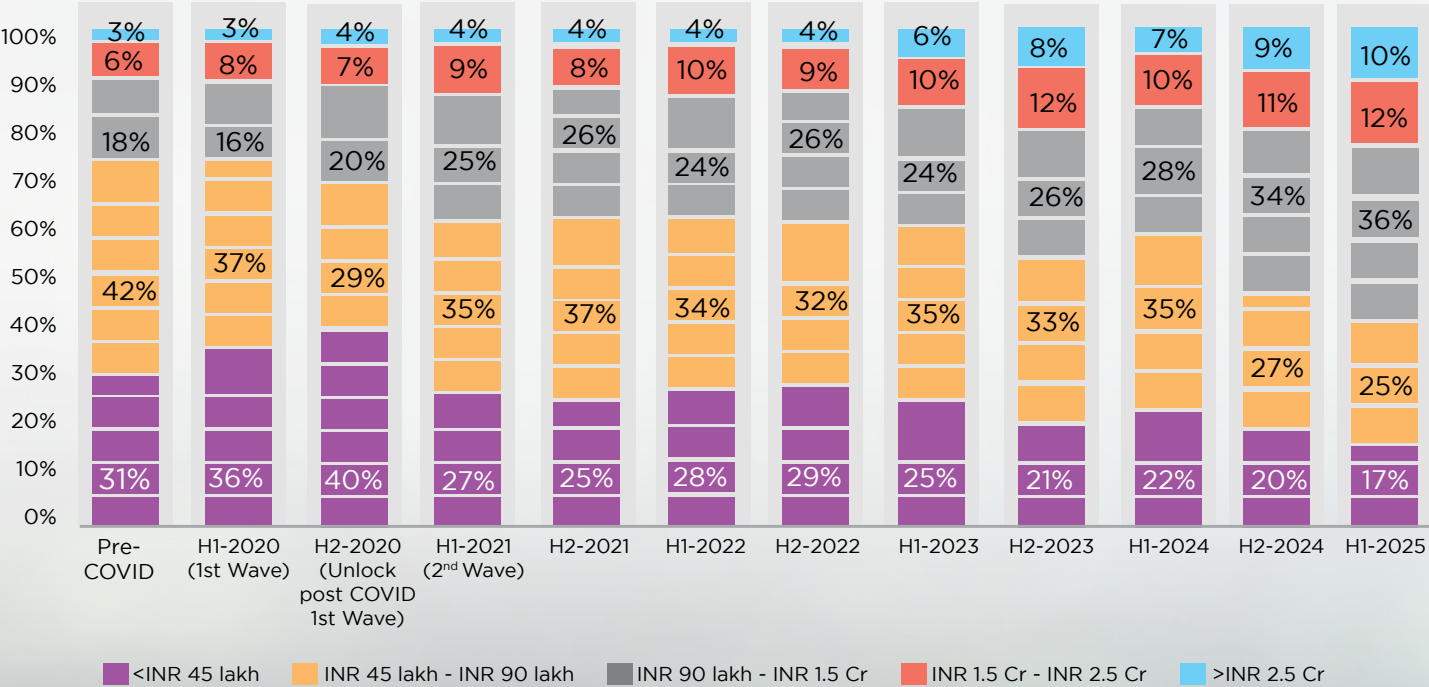
Over the past three years, there has been a marked transition in housing demand, evidenced by an 11% decline in the proportion of buyers targeting affordable homes. Back in H2 2020, over 40% survey participants preferred to buy an affordable home priced <INR 45 lakh. However, in H1 2025, this has come down to just 17%

preferring it. The pandemic has been a major detrimental factor for the declining demand in this segment, as its target audience was severely impacted by it. Many of these affordable buyers are currently in a wait-and-watch phase, which has consequently prompted developers to curtail new supply in this budget category.

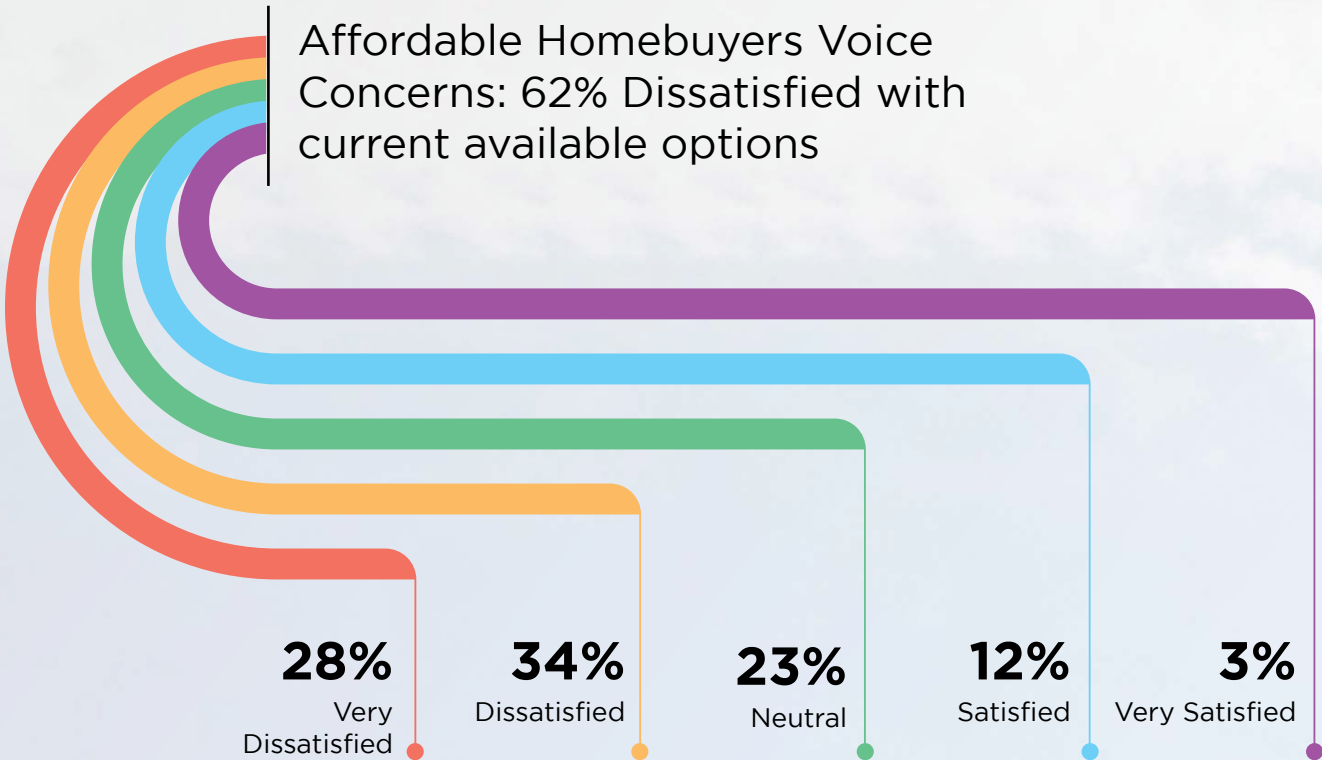
ANAROCK data indicates that the new supply share in the affordable category has shrunk considerably in the last two years across the top 7 cities - it has declined from 18% in H1 2023 to just 12% in H1 2025. Back in 2019, the share was 40% of the total new launches.

“Homes priced b/w INR 90 lakh to INR 1.5 Cr. gain traction; 36% prefer it in H1 2025 vs 18% pre-COVID.”

Budget Preference Among Home Buyers



WHY IS AFFORDABLE HOUSING NOT WORKING?



The top 3 reasons why prospective affordable homebuyers (62%) are not satisfied with the available options in the market include project location accessibility, low construction quality and poor design, and small unit sizes of these homes.

Of these dissatisfied affordable home seekers, whopping 92% are not happy with the project location. At least 90% state that these projects are of low construction quality and poor design. For 77% respondents, the unit sizes are too small.

Three Major Factors of Dissatisfaction? (% Share)



On further deep-dive, it emerges that those buyers who are dissatisfied due to location accessibility, their main concerns included accessibility to healthcare services, to workplaces, security concerns, and accessibility to recreation facilities.

How do you rate the location accessibility of affordable housing?

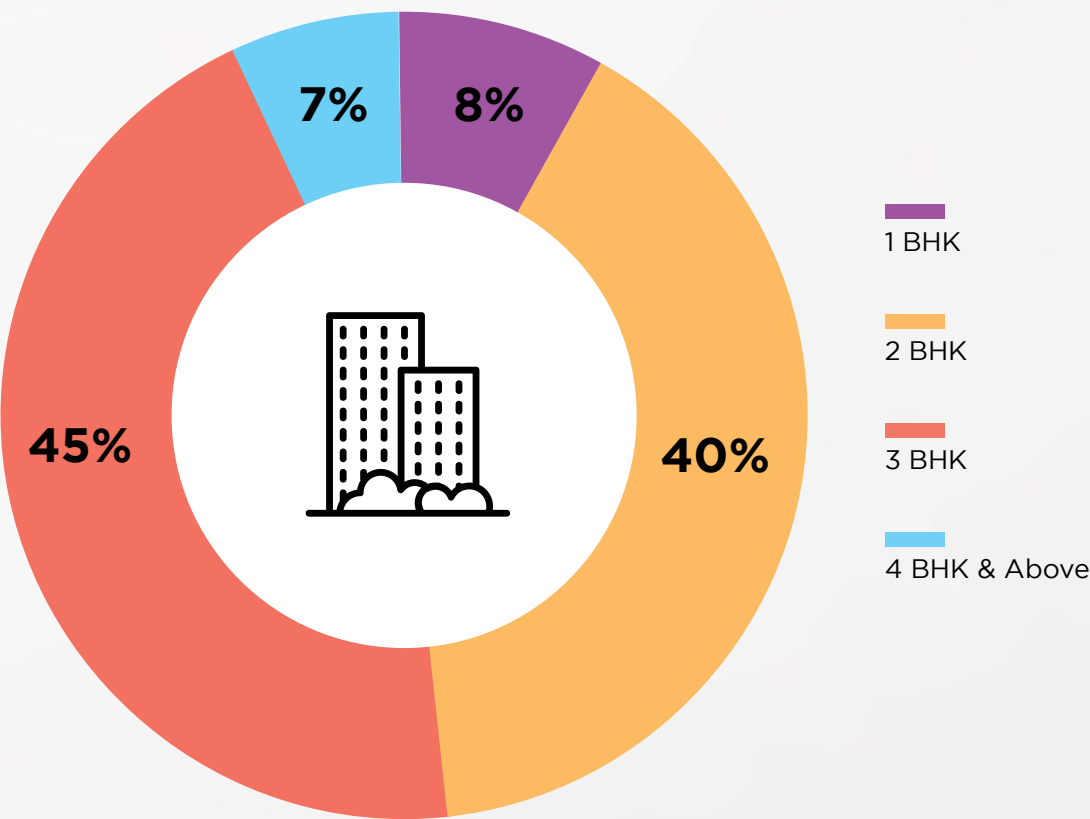
	Extremely Satisfied	Satisfied	Neutral	Dissatisfied	Extremely Dissatisfied	
Accessibility to recreation facilities	9%	12%	20%	27%	32%	
Accessibility to healthcare services	8%	14%	10%	21%	47%	
Accessibility to shopping areas	14%	30%	28%	11%	17%	
Accessibility to school & colleges	15%	30%	26%	20%	9%	
Accessibility to workplace	12%	14%	10%	30%	34%	
Security conditions	12%	13%	28%	27%	20%	

BHK Preference

What BHK-type do you prefer?

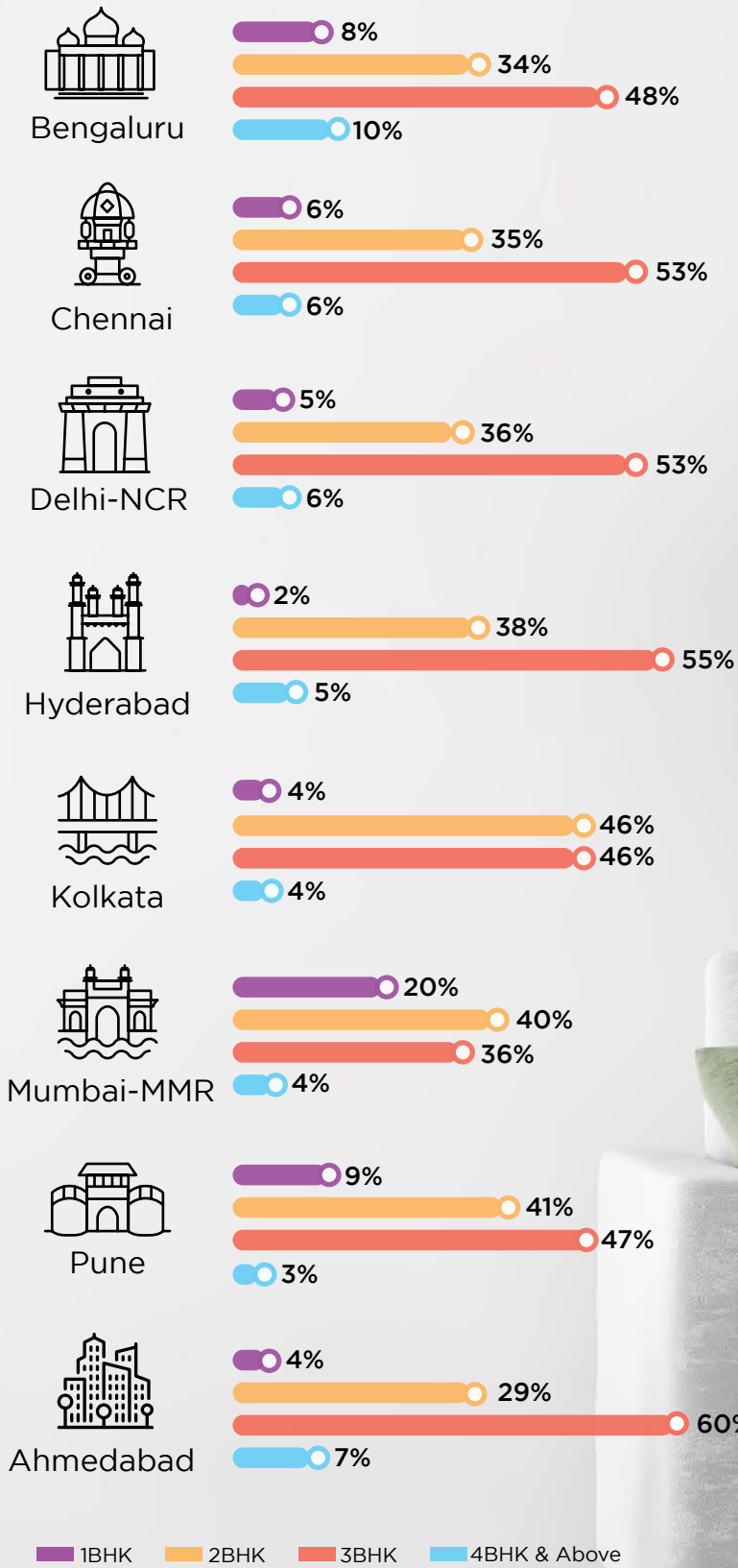
Bigger homes continue to dominate buyer preferences since the pandemic. Notably, over 45% of the current survey respondents prefer 3BHK units, followed by 40% looking for 2BHK options. Compared to the survey conducted three years ago (H1 2022), interest in 4BHK & above has increased significantly - from approx. 4% in H1 2022 to nearly 7% in H1 2025. Interestingly, the increasing prices are no deterrent to continued consumer preferences.

PAN INDIA BHK CHOICES

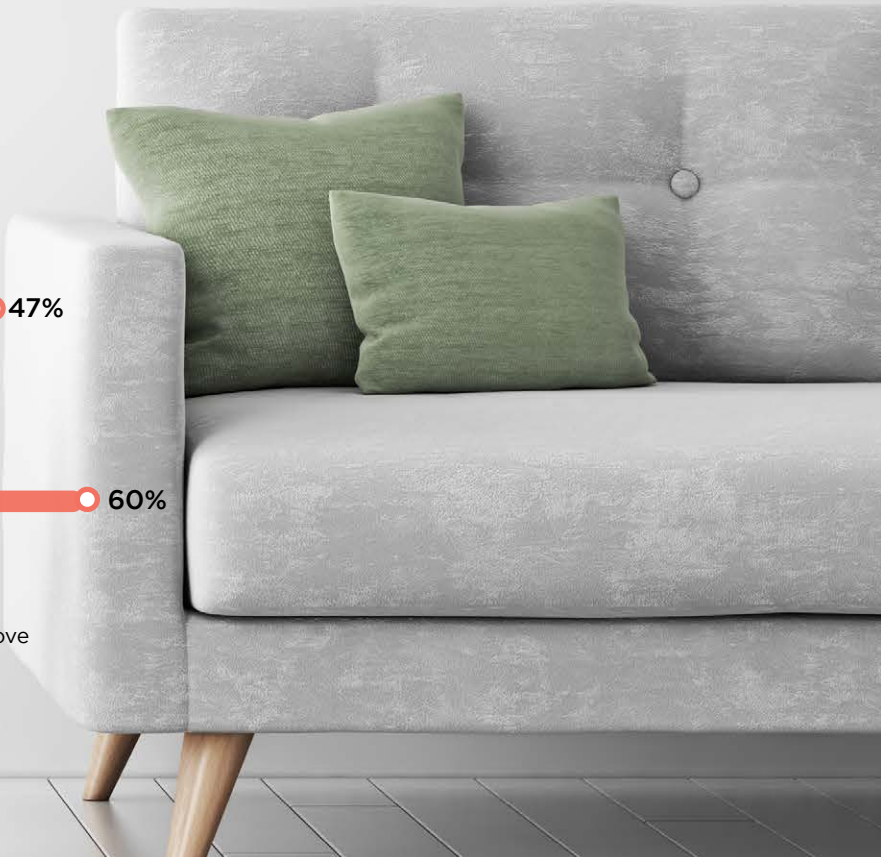


“ Bigger homes continue to dominate buyer demand; 45% respondents prefer 3BHKs. ”

City wise BHK Preference - H1 2025



Further, city-wise analysis indicates that demand for 3BHK apartments is particularly high in cities like Ahmedabad, Hyderabad, Chennai, Delhi-NCR, and Bengaluru, with more than 50% respondents preferring it over other BHK configurations. Conversely, more than 40% participants in Kolkata, Mumbai Metropolitan Region (MMR), and Pune expressed a predilection for 2BHK apartments as their primary choice. Furthermore, prospective homebuyers in the western markets of MMR and Pune continue to prefer 1BHK units. This data underscores the heterogeneous preferences for residential unit sizes across various urban locales.



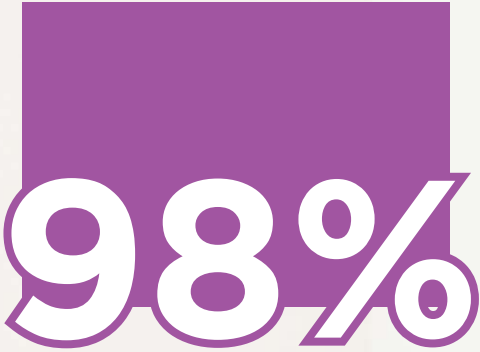
TOP 3 Homebuyer Demands

What are the top 3 demands of homebuyers that developers must implement in the new housing projects besides price changes and basic amenities?

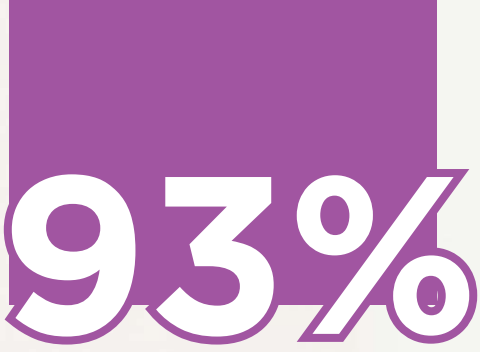
Homebuyers' demands have risen considerably in the last few years amid growing awareness and yearning for quality products, even if there is a premium charged on them. Many prefer to make risk-free investments in the current environment. Therefore, one of the significant demands by the homebuyers (98%) is timely project completion assurance. Now developers cannot bargain for more time and must deliver their projects on time, as any delay can result in either consumers dragging them to court or drifting away to their competitors.

Construction quality is another top demand by over 93% home seekers. One primary reason why large and leading developers are doing robust sales now is that they instil confidence and assurance in buyers by delivering projects on time and providing high-quality products. Likewise, at least 72% property seekers want to have well-ventilated homes.

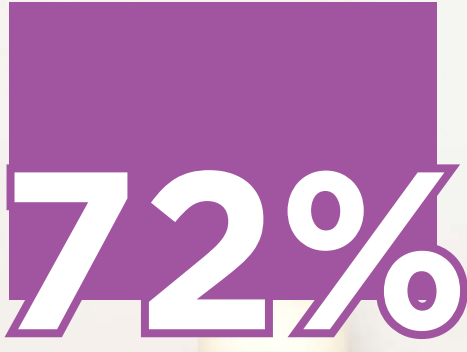
Timely Project Completion Assurance



Construction Quality Improvement/Assurance



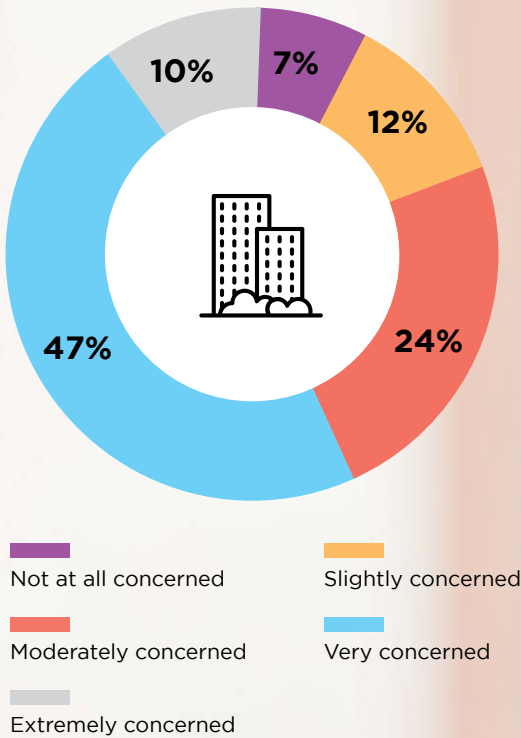
Well Ventilated Homes



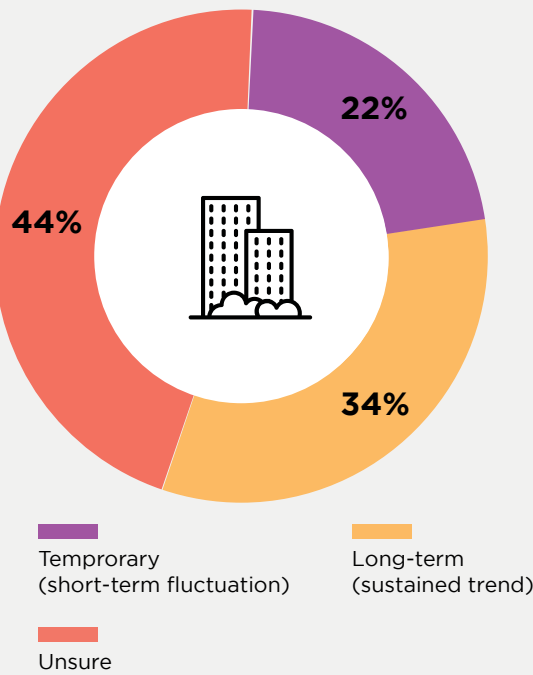
Impact of Recent Housing Price Surge on Homebuyer Sentiment

Rising housing prices are a concern for 81% of buyers, with 47% very concerned. While 34% see it as a long-term trend, 44% are unsure. Price hikes have affected buying decisions — only 21% will buy as planned, while 71% face delays (32% slight, 29% by 1–2 years, 12% indefinite) and 6% cancelled. The main reasons are affordability issues (41%) and fewer options within budget (35%). Preferences are also shifting: 19% moving to peripheral areas, 34% switching to renting, while 42% remain unchanged.

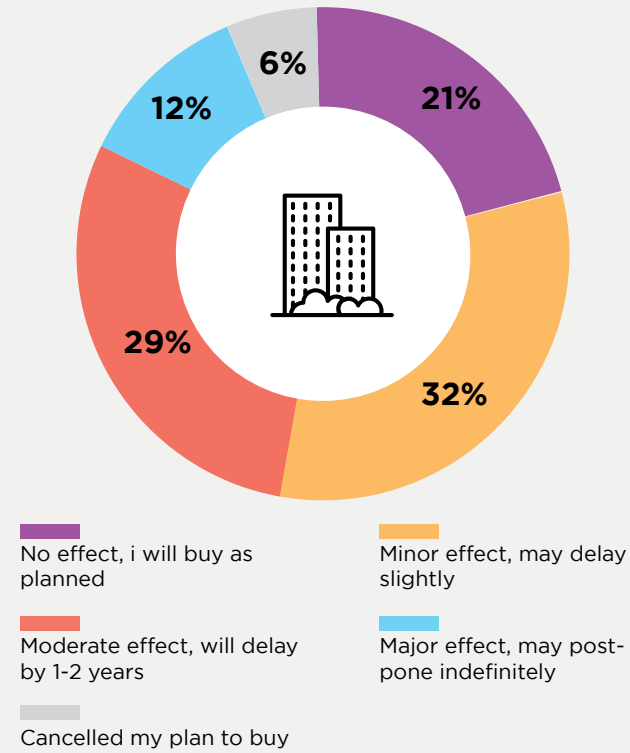
How concerned are you about the recent jump in housing prices in your preferred city/area?



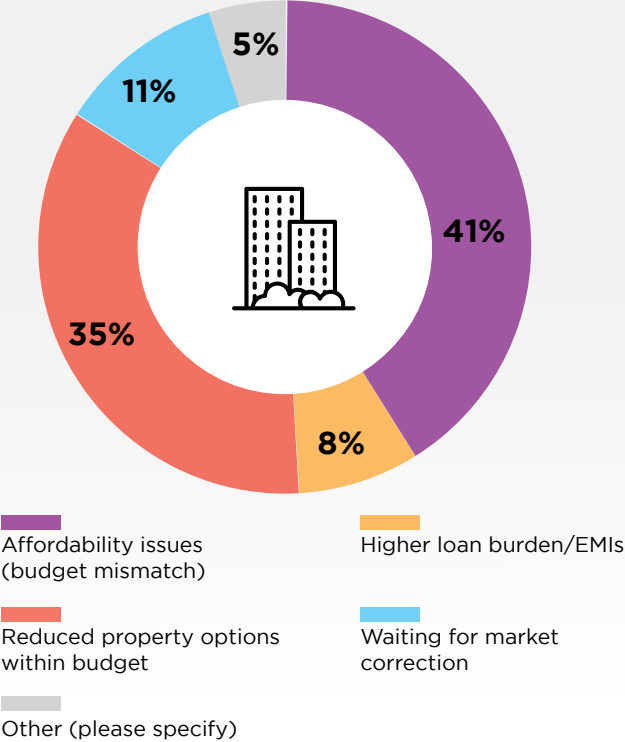
Do you think the price rise is temporary or long-term?



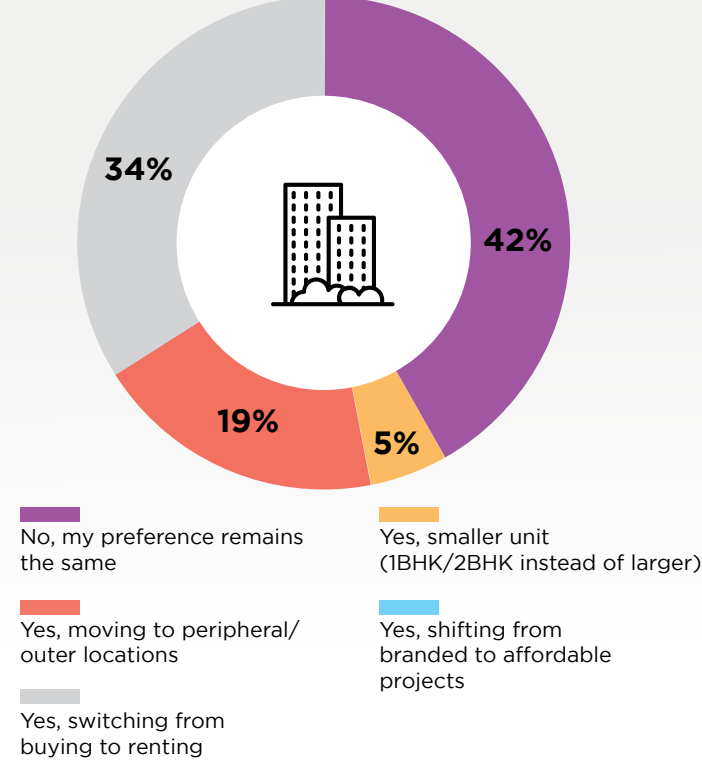
Has the recent increase in housing prices affected your decision to buy a home?



Main reason for delay/cancellation?



Has the price surge changed your housing preference (size, location, type)?



MORE ABOUT YOUR CITY
RESIDENTIAL MARKET
MORE ABOUT YOUR CITY
RESIDENTIAL MARKET



MMR

Zone	Average Budget Range for 2BHK	Average Rate/Sqft	H1-2025 Supply
Mumbai Central Suburbs	1.6 Cr - 2.5 Cr	24,950	58,900 New Homes Down by 24% Compared to last year same period
Mumbai Western Suburbs	1.8 Cr - 2.6 Cr	28,000	
South Central Mumbai	3.3 Cr - 4.5 Cr	44,000	
Peripheral Central Suburbs	45 lakh - 65 lakh	7,750	
Peripheral Western Suburbs	42 lakh - 58 lakh	8,000	
Navi Mumbai	90 lakh - 1.20 Cr	11,200	
Thane	95 lakh - 1.40 Cr	13,700	



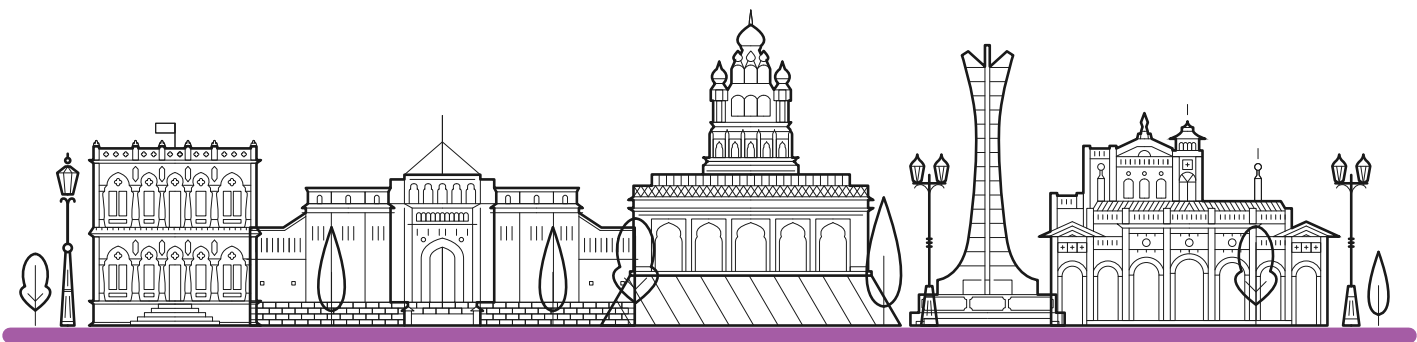
NCR

Zone	Average Budget Range for 2BHK	Average Rate/Sqft	H1-2025 Supply
Gurgaon	90 lakh - 1.3 Cr	11,000	29,900 New Homes Up by 23% Compared to last year same period
Noida	85 lakh - 1.20 Cr	9,600	
Greater Noida	40 lakh - 60 lakh	6,900	
Ghaziabad	45 lakh - 65 lakh	5,820	
Faridabad	42 lakh - 55 lakh	4,950	



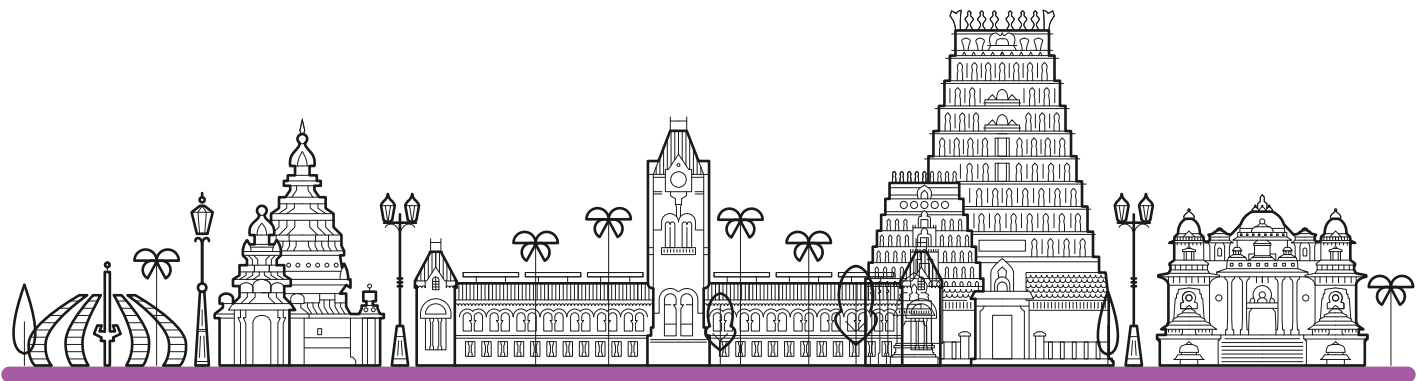
BENGALURU

Zone	Average Budget Range for 2BHK	Average Rate/Sqft	H1-2025 Supply
Central Bengaluru	1.5 Cr - 2 Cr	16,650	36,200 New Homes Up by 11% Compared to last year same period
East Bengaluru	65 lakh - 1 Cr	8,800	
North Bengaluru	60 lakh - 95 lakh	8,780	
South Bengaluru	55 lakh - 65 lakh	7,150	
West Bengaluru	55 lakh - 70 lakh	8,000	



PUNE

Zone	Average Budget Range for 2BHK	Average Rate/Sqft	H1-2025 Supply
Central Pune	1.3 Cr - 1.8 Cr	19,800	31,100 New Homes Down by 18% Compared to last year same period
East Pune	58 lakh - 75 lakh	7,700	
North Pune	55 lakh - 70 lakh	7,000	
South Pune	60 lakh - 75 lakh	7,730	
West Pune	60 lakh - 75 lakh	8,970	



CHENNAI

Zone	Average Budget Range for 2BHK	Average Rate/Sqft	H1-2025 Supply
Central Chennai	1.6 Cr - 2 Cr	20,350	13,300 New Homes Up by 7% Compared to last year same period
North Chennai	50 lakh - 65 lakh	6,565	
South Chennai	55 lakh - 80 lakh	6,800	
West Chennai	60 lakh - 75 lakh	7,650	



KOLKATA

Zone	Average Budget Range for 2BHK	Average Rate/Sqft	H1-2025 Supply
Kolkata Central	90 lakh - 1.10 lakh	16,700	7,900 New Homes Up by 23% Compared to last year same period
Kolkata East	40 lakh - 50 lakh	5,920	
Kolkata North	35 lakh - 45 lakh	5,030	
Kolkata South	40 lakh - 55 lakh	5,760	
Kolkata West	35 lakh - 45 lakh	4,850	



HYDERABAD

Zone	Average Budget Range for 2BHK	Average Rate/Sqft	H1-2025 Supply
Central Hyderabad	1 Cr - 1.5 Cr	10,280	21,400 New Homes Down by 42% Compared to last year same period
East Hyderabad	55 lakh - 70 lakh	6,550	
North Hyderabad	55 lakh - 65 lakh	6,700	
South Hyderabad	45 lakh - 55 lakh	6,320	
West Hyderabad	65 lakh - 90 lakh	8,740	

KEY EMERGING TRENDS

KEY EMERGING TRENDS



RIISING PRICES A MAJOR CONCERN FOR 81% PROPERTY SEEKERS

As per ANAROCK Research & Advisory, the top 7 cities have seen over 50% rise in average residential prices in the last two years – from INR 6,001 per sq. ft. in Q2 2023 to INR 8,990 per sq. ft. as of Q2 2025. It has significantly impacted the buying decisions of several buyers. For instance, the survey highlights that rising housing prices are a concern for 81% of buyers, with 47% very concerned. In fact, price hikes have affected their buying decisions – only 21% will buy as planned, while 71% face delays (32% slight, 29% by 1-2 years, 12% indefinite) and 6% cancelled. The main reasons are affordability issues (41%) and fewer options within budget (35%). Preferences are also shifting: 19% moving to peripheral areas, 34% switching to renting, while 42% remain unchanged.

AFFORDABLE HOMEBUYERS VOICE CONCERNS: 62% DISSATISFIED WITH THE CURRENT AVAILABLE OPTIONS

According to the H1 2025 survey, at least 62% respondents are dissatisfied with the current available options in the affordable housing segment. The top 3 reasons cited include project location accessibility, low construction quality and poor design, and small unit sizes of these homes. Of these dissatisfied affordable home seekers, a whopping 92% are not happy with the project location. At least 90% state that these projects are of low construction quality and poor design. For 77% respondents, the unit sizes are too small.

36% PREFER HOMES PRICED B/W INR 90 LAKH-1.5 CR. VS 18% IN THE PRE-COVID PERIOD

The H1 2025 survey reveals a total trend reversal in the budget range compared to the H1 2024 survey. INR 90 lakh to INR 1.5 Cr has emerged as the most favoured option for over 36% of prospective homebuyers, indicating a discernible shift towards premium and luxury properties. Currently, only 25% of survey respondents stated their preference for homes priced between INR 45 lakh and INR 90 lakh.

Alternatively, there has been an 11% decline in the proportion of buyers targeting affordable homes. Back in H2 2020, over 40% survey participants preferred to buy an affordable home priced <INR 45 lakh. However, in H1 2025, this has come down to just 17% preferring it.



READY HOMES' DEMAND IS AT ITS LOWEST; THE RATIO OF READY HOMES TO NEW LAUNCHES IS 16:29

Demand for ready homes has been on a decline and is at the lowest end of the preference chart in the H1 2025 survey. As of H1 2025, the ratio of ready homes to new launches stood at 16:29 as against 20:25 in H1 2024. This trend indicates a complete trend reversal compared to H1 2020, when the ratio stood at 46:18, and H1 2021, when it was 32:21.

One main reason for this shift is the increased supply of new units by the large and listed developers. These established developers have garnered higher confidence among prospective homebuyers due to their reputation for timely project delivery.

44% RESPONDENTS WHO DIVERSIFIED THEIR INVESTMENTS GRAVITATE TOWARDS REAL ESTATE

Real estate has become a pivotal asset class within the portfolios of many investors, serving as a critical mechanism for portfolio diversification. Recent survey highlights a noteworthy trend: 44% of respondents who diversified their investments are increasingly gravitating toward real estate. As they realize capital gains from various financial instruments, the prospect of acquiring property presents an attractive avenue for long-term stability and appreciation.

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BIGGER HOMES CONTINUE TO DOMINATE BUYER DEMAND; 45% RESPONDENTS PREFER 3BHKS

Bigger homes continue to dominate buyer preferences since the pandemic. Notably, over 45% of the current survey respondents prefer 3BHK units, followed by 40% looking for 2BHK options. Compared to the survey conducted three years ago (H1 2022), interest in 4BHK & above has increased significantly - from approx. 4% in H1 2022 to nearly 7% in H1 2024. Interestingly, the increasing prices are no deterrent to continued consumer preferences. extensively preferred in these southern cities.



ANAROCK is the leading independent real estate services company with a visible presence across India and the Middle East. The Company has diversified interests across the real estate lifecycle and deploys its proprietary technology platform to accelerate marketing and sales on behalf of its clients.

Over the last eight years, ANAROCK has expanded from being a residential-focused organization to complementary sectors including retail, commercial, hospitality, logistics & data centres, industrial and land. The firm also specialises in strategic advisory, investment banking, research & valuations and offers app based flexible workspaces and society management services. ANAROCK has developed proprietary technology that is adopted across all its businesses.

ANAROCK has a team of over 2200 experienced real estate professionals who operate across all major markets in India and the Middle East.

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