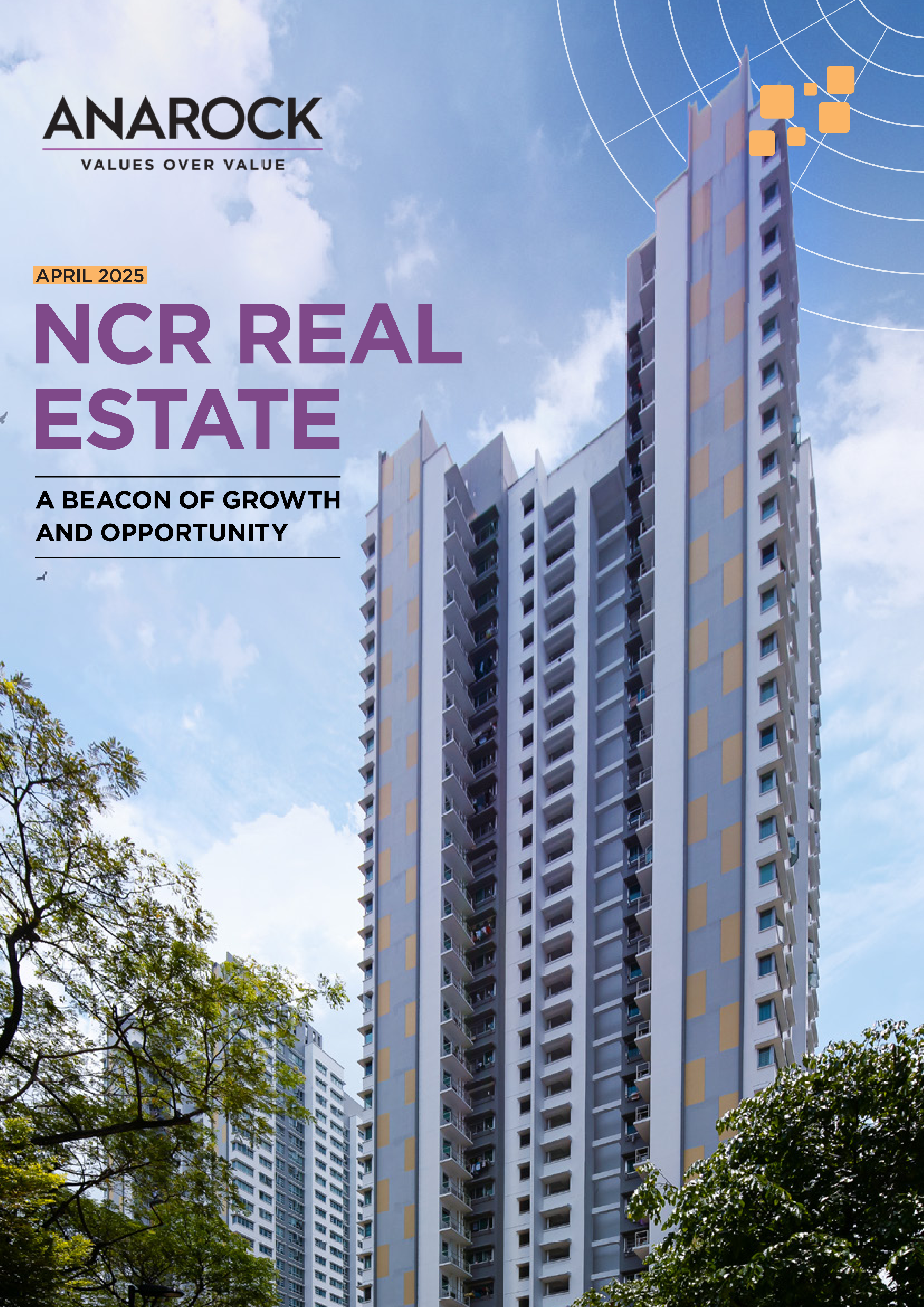


ANAROCK

VALUES OVER VALUE

APRIL 2025

NCR REAL ESTATE

A BEACON OF GROWTH AND OPPORTUNITY

Contents

Foreword

The National Capital Region (NCR) has consistently led India's burgeoning real estate sector, with its vast spread of over 50,000 sq. km across four states. Over the past decade, NCR has evolved, with many peripheral areas emerging as attractive housing destinations, both for residential and commercial. Following a prolonged period of stagnation since 2014, the residential market saw a resurgence in both demand and supply after major reforms were implemented. While the pandemic marked a significant dip in supply and sales, the market has since strengthened, with the launch of approximately 53,000 units and sales of nearly 62,000 units in 2024. Further, the market that previously recorded some of the highest unsold stock in the country is now undergoing a notable decline. At the end of 2024, NCR had approximately 85,900 unsold units, representing nearly 16% of the total unsold stock across the top 7 cities. In recent years, property prices across NCR have also experienced consistent growth, with key hot spots seeing remarkable appreciation.

However, the residential real estate in NCR not only shows a commitment to grow but also presents a multifaceted landscape replete with both opportunities and challenges that warrant thorough examination and strategic consideration. This dynamic region, characterized by its unique geographical advantages, encompasses several pivotal urban centers such as Delhi, Gurgaon, Noida, Greater Noida and Ghaziabad. The strategic location of these cities continue to exert a significant pull on a diverse demographic spectrum. It attracts not only career-driven professionals seeking competitive job opportunities but also families who aspire to enjoy contemporary urban living that is conveniently situated within proximity to various employment hubs.

As urbanization continues to accelerate at an unprecedented pace, largely driven by significant population growth and robust economic development, the NCR continues to cater to a wide array of housing needs and preferences, reflecting the rich tapestry of lifestyles and aspirations present within its population. From luxurious apartments specifically in Gurgaon, equipped with modern amenities to more affordable housing options in micro markets of Greater Noida and Ghaziabad that prioritize community and accessibility, the region offers something for everyone.

This burgeoning demand is further bolstered by the government's unwavering commitment to enhancing infrastructure initiatives aimed at expanding road networks and metro connectivity. These enhancements play a vital role in improving accessibility to various regions within NCR, ultimately broadening the horizons of potential homebuyers.

In this report, ANAROCK Research explores the critical factors influencing the housing market in NCR. The analysis includes a detailed look at the region's accelerating urbanization, infrastructure development, the regulatory and policy framework impacting urban housing, trends in supply absorption and the major obstacles in the NCR trajectory. Additionally, the report identifies key growth corridors and outlines the way forward for future growth in this sector.

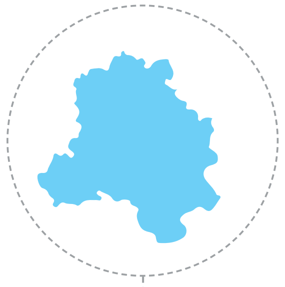
Santhosh Kumar
Vice Chairman ANAROCK Group

NCR: An Overview

The National Capital Region (NCR) in India is recognized as one of the largest urban conglomerations. It exemplifies an extraordinary model of inter-state regional planning and development, incorporating the complete National Capital Territory of Delhi, in addition to 14 districts from Haryana, 8 districts from Uttar Pradesh, and 2 districts from Rajasthan, with the nation's capital, New Delhi, as its core.

Over the last decade, spanning over 55,000 square kilometers, NCR has risen as a premier economic hub within India.

Demographic and Economic Profile



Delhi

National Capital Territory (NCT) of Delhi

Area (Sq Km)
1,483

Population(2011)
16,790,000

Haryana

Faridabad, Gurgaon (Gurugram), Nuh (erstwhile Mewat), Rohtak, Sonepat, Rewari, Jhajjhar, Panipat, Palwal, Bhiwani (including Charkhi Dadri), Mahendragarh, Jind & Karnal

Area (Sq Km)
25,327

Population(2011)
16,430,000

Uttar Pradesh

Meerut, Ghaziabad, Gautam Budh Nagar, Bulandshahr, Baghpat, Hapur, Muzzafarnagar & Shamli

Area (Sq Km)
14,826

Population(2011)
18,710,000

Rajasthan

Alwar, Bharatpur

Area (Sq Km)
13,447

Population(2011)
6,220,000

Total — Area (Sq Km) - 55,083 | Population-58,150,000

Source: Draft Regional Plan 2041 – NCR Planning board

NCR Attractiveness: Highlights

Though the residential real estate market of NCR has had a gloomy past, the new and planned infrastructure projects coupled with more employment opportunities indicate optimism about the future of the second largest residential market in the country.

1. NCR's economic, political, cultural and educational significance, coupled with robust infrastructure and connectivity, make it a vital region driving India's growth and development.
2. NCR is home to some of the country's top educational institutions and research centers that enrich its intellectual landscape, attracting students and scholars from across the globe.
3. NCR hosts the world's second-largest population, poised to surpass Tokyo by 2030, thus claiming the title of the world's largest human settlement conglomerate.
4. NCR stands as the foremost premier Logistics Hub for North India, a region predominantly landlocked.
5. NCR has risen as the primary contributor to India's GDP, accounting for over 8% of the national economic output.
6. Additionally, NCR ranks as the sixth most economically vibrant region among the top 300 metropolitan cities worldwide.
7. During 2014-2016, Delhi - NCR emerged as the topmost employment generator in the country, providing around 6.2 lakh jobs, surpassing Mumbai by a third, which created only 4.7 lakh jobs during the same period.
8. Delhi stands as one of the rapidly advancing union territory in the nation, boasting an estimated Gross State Domestic Product (GSDP) of US$ 130 billion for the fiscal year 2023-24.
9. NCR serves as a focal point for the automotive and light engineering sectors, manufacturing 30% of the nation's cars and 50% of its two-wheelers.
10. Delhi - NCR is now dominated by Grade A developers in both residential and commercial supply.
11. NCR's strategic advantages, supportive ecosystem, access to talent and capital, thriving industries, and quality of life make it an ideal destination for startups to establish and scale their businesses.
12. The recent establishment and refurbishment of convention centers in Delhi - NCR, such as Bharat Mandapam and Yashobhoomi, have bolstered India's capabilities in the Meetings, Incentives, Conferences, and Exhibitions (MICE) sector.

Challenges Faced by the Ailing NCR Real Estate Market Prior to Structural Reforms

Prior to RERA, the real estate market was unorganised across the cities in NCR. Lack of regulatory oversight, a confusing mix of land regulations, misappropriation of funds by unethical builders, supply surpassing demand, financial constraints, and diminishing returns collectively led to NCR witnessing more abandoned housing projects than any other region in India.

NCR also had the maximum number of stalled projects across India's top 7 cities; However, the issues extend beyond the stalled projects. A large number of well-renowned developers such as Unitech Group, Amrapali Group, and Jaypee Group have garnered public attention due to prominent legal battles. Over thousands of units that were booked by homebuyers across various projects between 2005-2011 remained undelivered even after a decade. It also encompassed properties situated in uninhabitable areas purchased by investors, as well as the various legacy challenges faced by real estate developers.

While construction delays have been evident in both Noida and Gurgaon, Noida faced its own unique set of challenges. One reason for the influx of developers launching projects in Noida between 2005 and 2011 was the availability of land at affordable prices. Moreover, Noida had a peculiar policy that favored builders. The 2007 policy allowed real estate companies to acquire land and commence projects by paying only 10% of the land cost upfront. They were then permitted to pay the remaining amount in installments over several years, a condition not applicable in other markets of NCR, such as Delhi and Gurgaon.

Thousands of investors took advantage of the pre-launch offers across NCR including Greater Noida, Noida, Ghaziabad and Gurgaon, enabling them to reserve apartments at substantial price discounts, creating a false sense of demand and a fragile financial pyramid of sorts. Numerous builders launched projects and accepted booking amounts from unsuspecting buyers without obtaining the necessary approvals – all leading to a cycle that eventually burst when developers failed to deliver the projects and potential returns ceased.

The aftermath of these incidents shattered trust in the real estate market, resulting in weakened demand, limited launches and stagnant price growth in the Delhi - NCR. However, there has been a paradigm shift post various government initiatives, and the market started to experience a revival.

Structural Reforms – The Game Changer in NCR Real Estate Market

Government initiatives and policy reforms, including the enactment of the Real Estate Regulation Act, 2016 (RERA),” Smart City Mission”, PMAY, SWAMIH Fund along with infrastructural developments and industrial corridors have played a significant role in rejuvenating the Delhi - NCR real estate sector, thereby reinstating investor confidence.

Introduction of RERA

Directives from RERA, initiated in the year 2016, signified a notable transformation in the real estate landscape of India, especially in the struggling NCR market, placing emphasis on transparency, equity, and effectiveness. By tackling issues concerning transaction metrics, document submission, and mutual settlements, the act had proactively molded the sector towards a more responsible and dependable real estate market.

Current Status as of Feb 2025

	Projects *Registered since 2016*	Agents *Registered since 2016*	Complaints *Registered since 2016*
Delhi	111	857	953
Uttar Pradesh	3,828	6,714	56,716
Haryana (Gurgaon)	895	3,475	NA
Rajasthan	3,427	10,638	2,613

Source: Respective State RERA Website, Compiled by ANAROCK Research

SWAMIH Fund

SWAMIH (Special Window for Affordable and Mid-Income Housing) Fund, a government-backed initiative, played a crucial role in addressing the liquidity issues faced by the real estate sector, especially during challenging economic conditions. It aimed at providing financial support to stalled housing projects in the affordable and mid-income housing segments, which were cash positive but were struggling due to financial deficiencies.

SWAMIH Fund 2.0

With INR 15,000 crore of capital from government, banks and private investors, the blended finance facility SWAMIH Fund 2 to be created to ensure the rapid completion of 1 lakh homes.

State’s Endeavor to Ease the Home Buyers’ Burden

The Uttar Pradesh Government implemented the recommendation of the Amitabh Kant Committee and expeditiously allowed the registration of the halted housing projects. Additionally, it also provided to absolve the penal interest accrues for the period spanning from April 2020 to March 2023 as a result of pandemic-induced circumstances.

This was a major relief to the home buyers, particularly in the micro markets of Noida, Greater Noida and Yamuna Expressway in the NCR, where the buyers received their homes with legal validation. The innovative move by the state government has also had a positive ripple effect on the local economy.

PMAY — U

Pan India

118.64 Lakhs
Houses Sanctioned
01

90.56 Lakhs
Houses Completed
02

₹ 167,881 Crore
Central Assistance Committed
03

112.46 Lakhs
Houses Grounded
04

₹ 2 Lakhs Cr.
Central Assistance Committed
05

₹ 8.07 Lakhs Cr.
Total Investment
06

NCR District Wise -

As on Nov 2024

S.no	State	City	Houses Sanctioned	Houses Grounded	Houses Completed
1	Delhi	Delhi	29,976	69,058	52,458
2	Haryana	Faridabad	9,621	9,025	8,866
3	Haryana	Gurgaon	12,509	11,702	11,522
4	Haryana	Nuh (Mewat)	298	227	60
5	Haryana	Rohtak	4,067	3,647	2,569
6	Haryana	Sonipat	3,235	2,160	1,982
7	Haryana	Rewari	1,396	1,430	1,268
8	Haryana	Jhajjar	876	998	552
9	Haryana	Panipat	2,738	2,304	1,301
10	Haryana	Palwal	2,027	1,644	449
11	Haryana	Bhiwani	4,211	2,150	1,391
12	Haryana	Charkhi Dadri	1,344	402	152
13	Haryana	Mahendragarh	460	213	62
14	Haryana	Jind	2,699	2,446	1,314
15	Haryana	Karnal	4,476	3,089	2,512
16	Uttar Pradesh	Meerut	25,709	25,610	18,477
17	Uttar Pradesh	Ghaziabad district	54,129	44,543	36,956
18	Uttar Pradesh	Gautam Buddha Nagar district	28,612	28,099	27,865
19	Uttar Pradesh	Bulandshahr	6,621	6,306	4,998
20	Uttar Pradesh	Baghpat	2,876	2,443	1,635
21	Uttar Pradesh	Hapur	8,134	5,322	4,291
22	Uttar Pradesh	Shamli	2,045	2,022	1,600
23	Uttar Pradesh	Muzaffarnagar	5,957	5,731	3,761
24	Rajasthan	Alwar	8,622	7,658	7,432
25	Rajasthan	Bharatpur, Rajasthan	1,798	1,177	875

Source: www.pmay-urban.gov.in, Compiled by ANAROCK Research

PMAY — U — 2.0

In August 2024, India launched the Pradhan Mantri Awas Yojana-Urban 2.0 (PMAY-U 2.0), a five-year initiative aimed at building one crore homes for urban low and middle-income families. Backed by a USD120 billion investment, including a USD27.6 billion government subsidy, the program utilizes various strategies like beneficiary-led construction and public-private partnerships to promote inclusive housing.

NBCC to Deliver Amrapali's Stuck Projects in Noida and Greater Noida

NBCC, in 2019, was appointed as the project management consultant to undertake completion of the stuck projects of Amrapali Group in Noida and Greater Noida, after homebuyers (through a petition) demanded the delivery of their flat in projects that were launched in 2010.

Out of a total of 38,500, NBCC aimed to deliver 22,000 units by the end of 2024. Also, the NBCC will build an additional 13,500 apartments in Greater Noida's five housing projects, sell them at current market rates and raise around INR 15,000 crore.

Large Indian Real Estate Developers Foraying into NCR Market

Many big national level players such as Mahindra Lifespaces, Tata Housing and Godrej Properties have already made their strong footprints in NCR market in the last couple of years. Now players like Sobha and Prestige Group have also purchased land to mark their presence in Gurgaon.

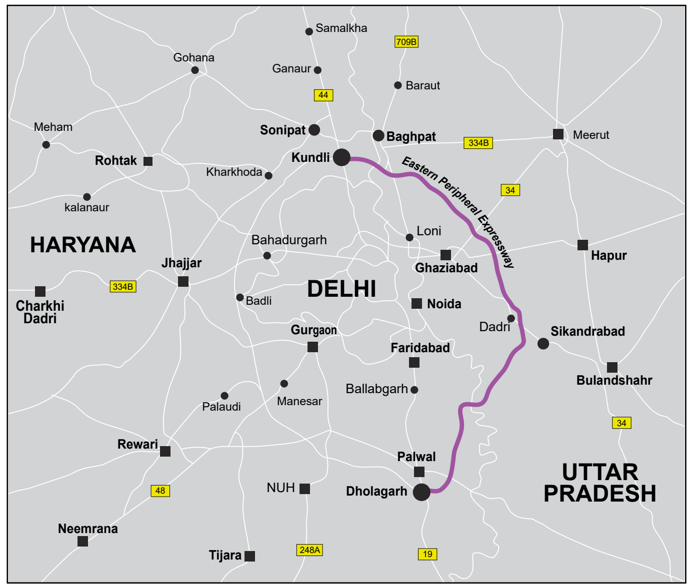
Infrastructure: The Backbone of NCR Real Estate Growth

Delhi - NCR has benefited from immense connective infrastructure investments over time, such as the country's most extensive metro rail network which covers over 389 km, built with an investment of INR 810,000 million and the busiest airport - Indira Gandhi International Airport.

Key infrastructure projects that took shape in last few years

Eastern Peripheral Expressway

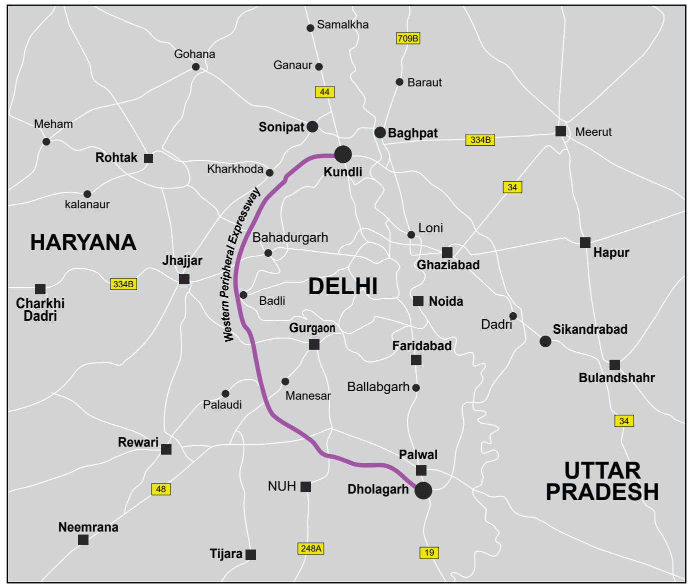
The 135 km-long Eastern Peripheral Expressway (EPE) was made operational in May 2018. The Delhi-Meerut Expressway which is under implementation by National Highways Authority of India (NHAI), was also made partially operational (8.7 km stretch from Nizamuddin Bridge, Delhi to UP Border), in May 2018.



Map not to scale, for representation purpose only

Western Peripheral Expressway

Western Peripheral Expressway (WPE) also known as the Kundli-Manesar-Palwal Expressway was carried out by the Haryana State Industrial Infrastructure Development Corporation (HSIIDC), Govt. of Haryana. The part of the WPE from Palwal to Manesar was commissioned in 2016 and the remaining part has been commissioned in November 2018.



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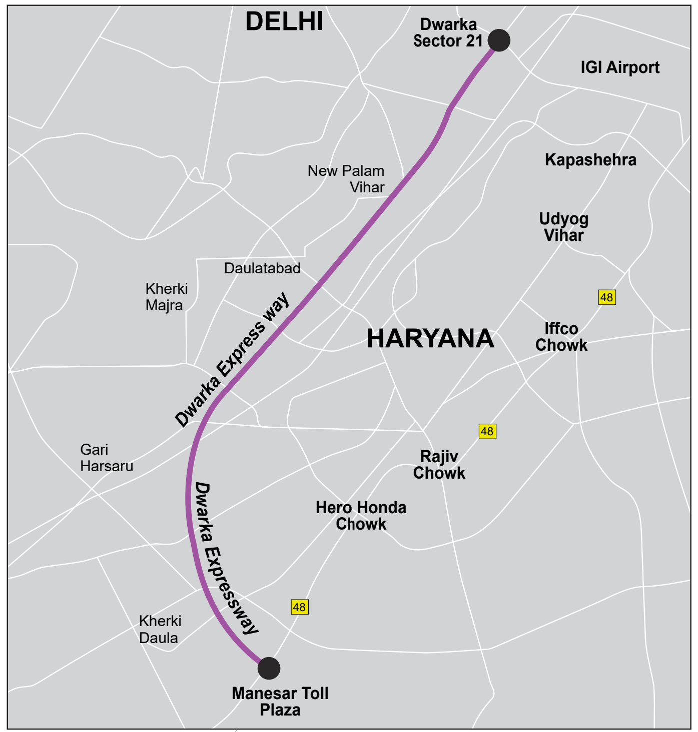
Dwarka Expressway

Recently operational Dwarka Expressway, spanning over 29 km and built at a cost of INR 4,100 crore, features underpasses, tunnels, elevated structures and flyovers, which are all aimed at tackling the traffic flow between Delhi and Gurgaon.



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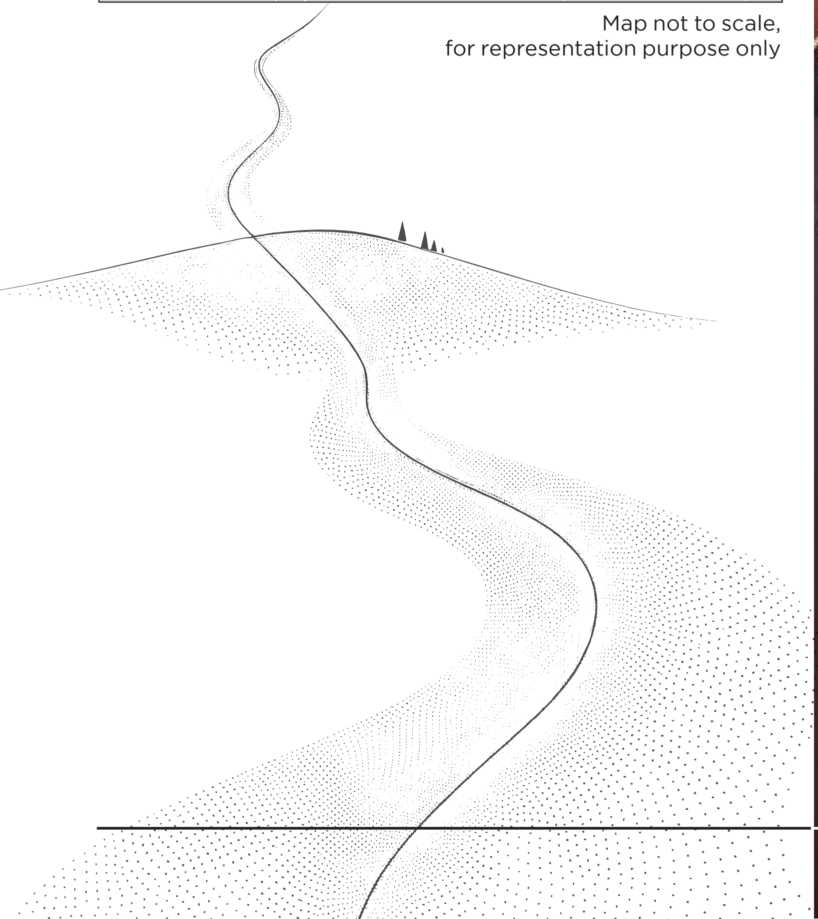
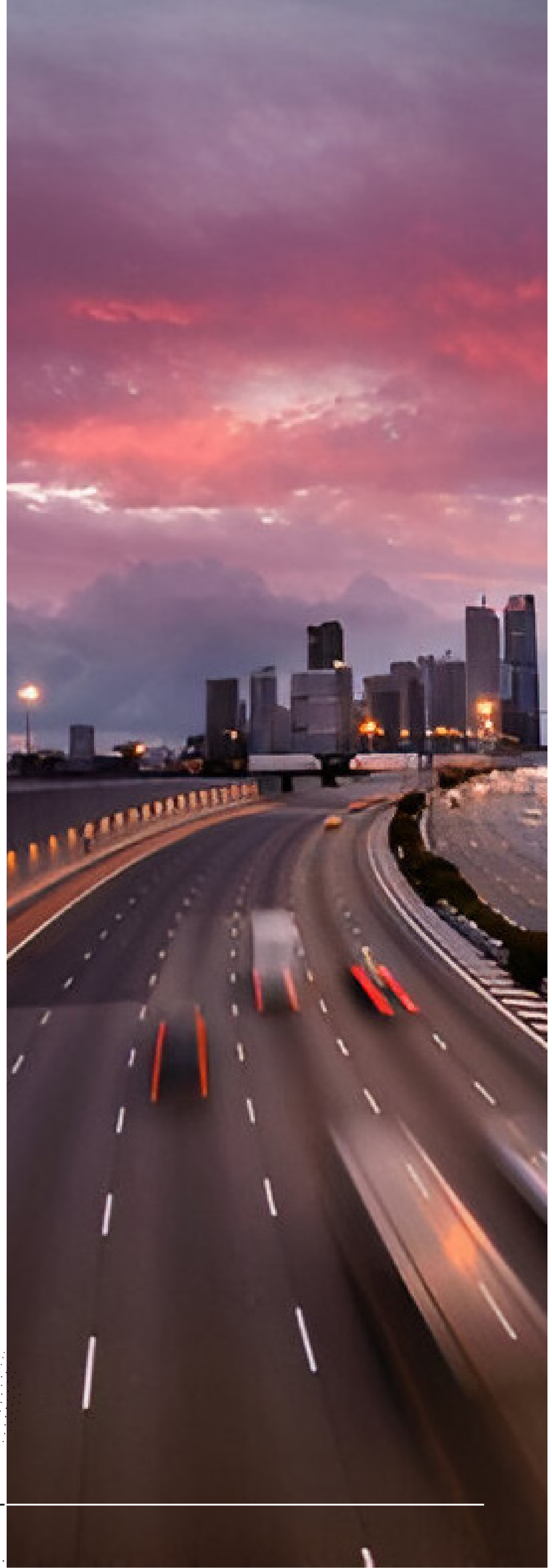
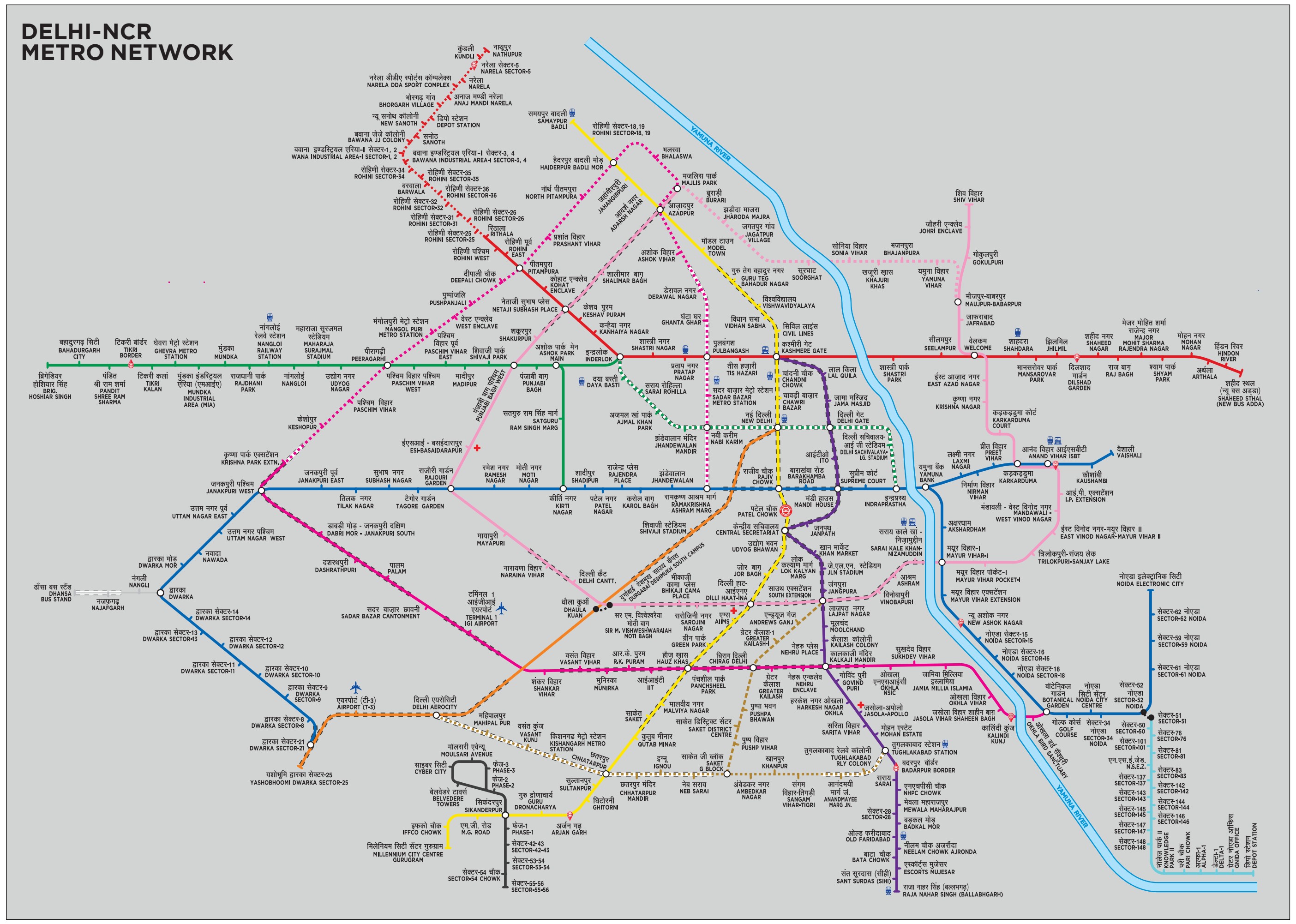




Metro Network

Metro rail encompasses all the major economic clusters of NCR, connecting Delhi with the adjoining regions of Gurgaon, Noida, Greater Noida, Ghaziabad and Faridabad. The proposed and planned network is aimed at connecting Delhi with the prominent areas of Rajasthan.



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The RapidX Transit System began operations in October 2023 to link Delhi with Meerut. By shortening travel duration, it stimulates property market activity throughout its railway route.

Mega projects are underway within the region, such as the Delhi-Mumbai Industrial Corridor (DMIC), the Orbital Rail Corridor, and the Regional Rapid Transit System (RRTS). Further strategic investment projects such as the upcoming Jewar Airport located south of Greater Noida, the Eastern Dedicated Freight Corridor, FNG, Special Economic Zones in Noida and Greater Noida in Uttar Pradesh, and industrial townships in Haryana are either under development or have been proposed in the region.

NCR 2.0 – Revival Post a Difficult Ride

Over the past decade, the real estate market in the Delhi - NCR has undergone significant turbulence. From widespread instances of homebuyer deception by prominent real estate companies to a sharp decline in demand and minimal price appreciation, the region has encountered myriad challenges. Nevertheless, various structural reforms such as RERA, SWAMIH Fund, PMAY etc. led the real estate sector towards a promising turn of recovery, with a resurgence in demand and supply.

Prior Reforms

Regulation of the Sector
Unregulated and highly unorganised sector.

Lack of Accountability
Developers hardly faced repercussions for unkept promises, leading to a dearth of accountability within the sector.

Diversion of Funds
Funds collected from one project were diverted for business expansion or construction of other projects.

Lack of Transparency in the Transactions
Absence of transparency in transactions prompted developers to mislead homebuyers with inaccurate assurances regarding project features, layout, and amenities, resulting in disillusionment.

Delay in Completion and Delivery
Delays in completion and delivery of flats/homes due to unscrupulous builders cheating homebuyers despite full payment were prevalent issues.

Post Reforms

Regulation of the Sector
RERA ensured regulation in an efficient, transparent and accountable manner.

Lack of Accountability
Distinct clauses outlining reimbursement, interest, compensation, and penalties for all parties in case of breach of legal obligations.

Diversion of Funds
RERA mandates that 70% of the funds collected from homebuyers for a project must be kept in a dedicated bank account, exclusively for the construction of that project and its land cost.

Lack of Transparency in the Transactions
RERA aims to tackle critical concerns regarding fair transactions, timely delivery, and quality construction by expeditiously resolving disputes, thereby empowering homebuyers.

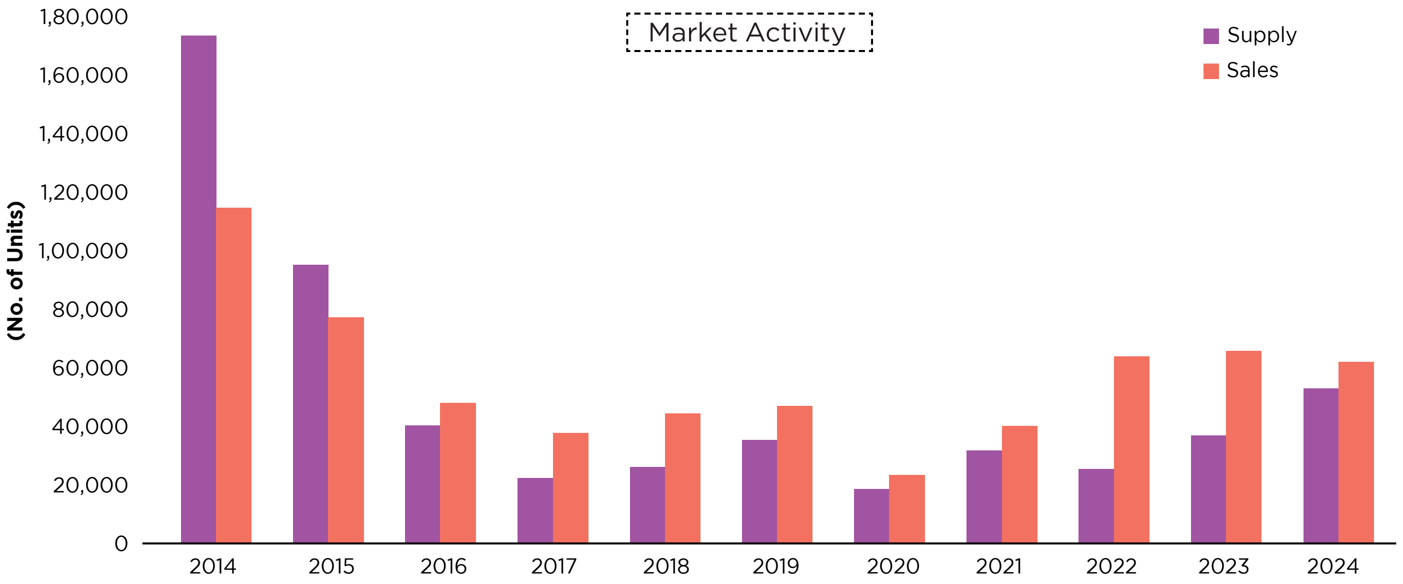
Delay in Completion and Delivery
Developers are now mandated by law to guarantee transparent, accountable, and timely delivery of projects to homebuyers, operating within the regulatory framework of RERA.

Revival of Residential Real Estate Market of NCR

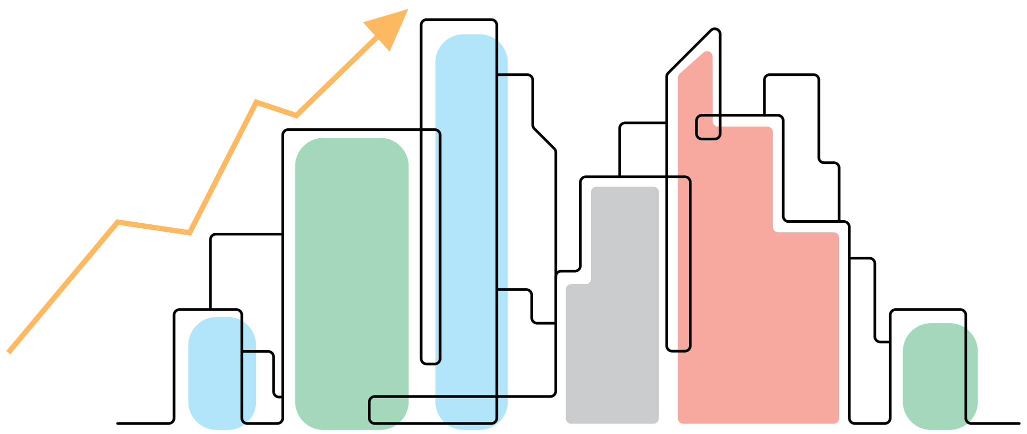
Residential Real Estate market of NCR has witnessed a revival of demand and supply post reforms, after struggling for a long time since 2014. Both supply and sales reached the lowest level in the pandemic era. Post that the market has continued to strengthen and recorded a remarkable supply of 53,000 units in 2024, almost 44% higher than the launches witnessed in the year 2023. Sales, on the other hand, dropped marginally by 6% Y-o-Y with approximately 62,000 units sold in 2024.

Gurgaon dominated the supply addition in the NCR, accounting for 52% share, primarily on Golf Course Road Extension, followed by Sohna Road and the NH8 Region. Noida and Greater Noida together comprised 28% share of NCR's total supply in 2024. Meanwhile, Gurgaon also led in housing sales, capturing 52% of the market, while Noida and Greater Noida together accounted for 27% of the total sales.

Resurgence in Sales and Supply

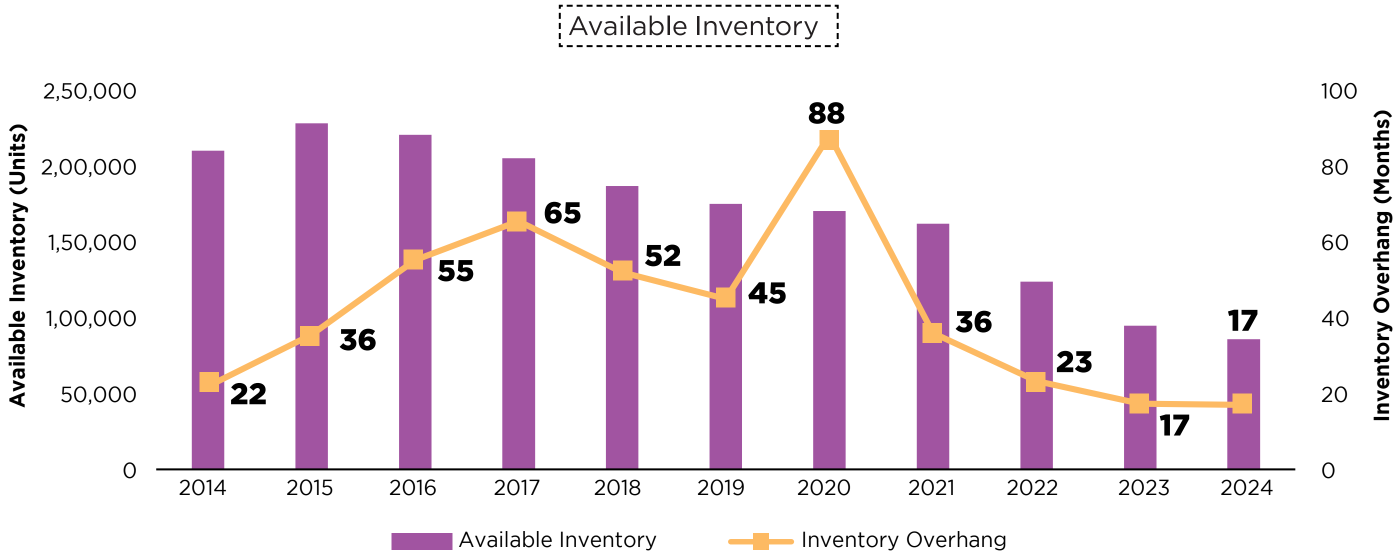


Source: ANAROCK Research



Declining Available Stock and Inventory Overhang

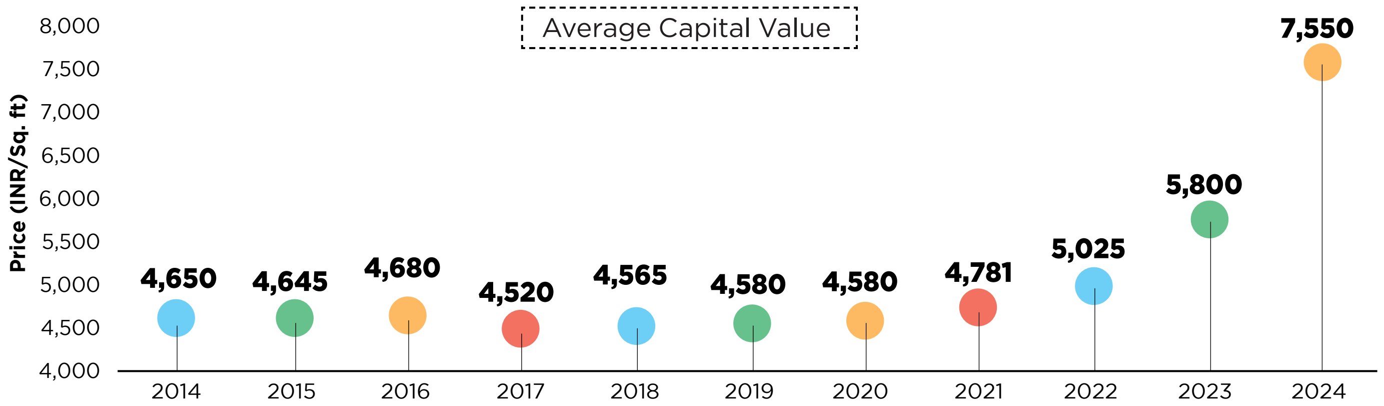
A market that once held one of the highest number of unsold units in the nation is now experiencing the most significant decline. NCR as a total held nearly 85,900 available units at the end of December 2024 as compared to over 2,00,000 units back in 2017. On a yearly basis, the inventory reduced by 9% from nearly 95,000 units at the end of 2023. A strong sales velocity over the years along with significant new launches resulted in an inventory overhang of only 17 months at the end of the year 2024.



Source: ANAROCK Research

Rising Price Trend

NCR, as a whole, witnessed over 30% YoY growth in average property prices during the year 2024. However, while analyzing the individual cities, we witnessed the maximum hike in the city of Noida and Greater Noida (34% and 33% respectively), followed by Gurgaon with 30% price appreciation as compared to the previous year. Faridabad and Ghaziabad are the two cities that recorded the lowest rise in price as compared to last year.



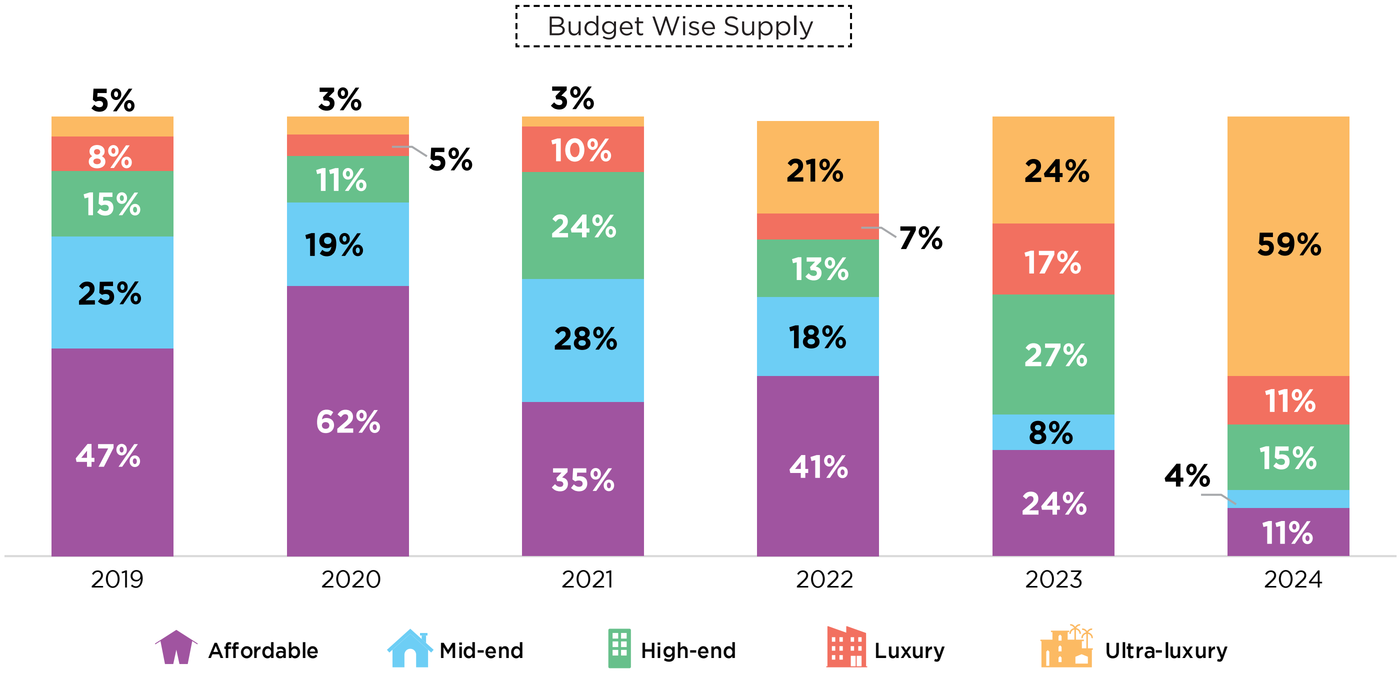
Source: ANAROCK Research

Note: Base Selling Price on BUA*

Changing Budget Dynamics: Luxury Projects Gaining Traction

NCR Residential market, as a whole, has been showing consistent signs of growth in terms of volume and value. Talking about the budget segmentation, unlike previous years when affordable housing (< INR 40 Lakh) used to hold the maximum share of supply, Luxury and ultra-luxury housing supply and demand has increased exponentially during the last 3 years as post-pandemic, homebuyers look for bigger livable spaces.

Across NCR, there has been a significant increase in the share of launches in the ultra-luxury segment (units priced over INR 2.5 Cr.), that contributed nearly 59% in 2024 as compared to 24% in the year 2023 and only 5% in 2019. Affordable housing continued to witness a decline, accounting for only 11% share of the total launches in 2024 as compared to 41% in 2022 and 47% in 2019.



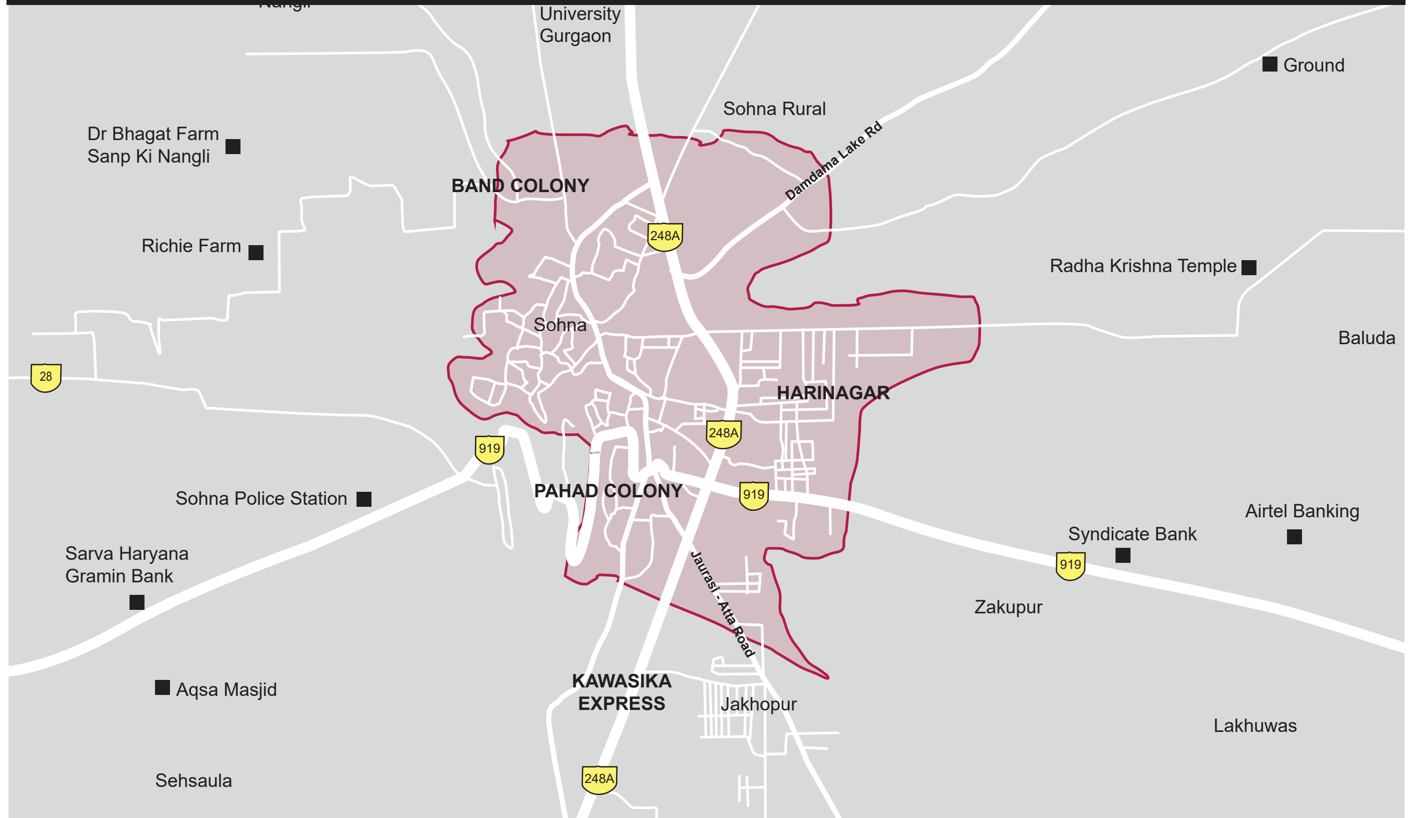
Source: ANAROCK Research

Budget Segmentation: Affordable (< INR 40 Lakh), Mid-end (INR 40 Lakh - INR 80 Lakh), High-end (INR 80 Lakh - INR 1.5 Cr), Luxury (INR 1.5 Cr - INR 2.5 Cr), Ultra-luxury (> INR 2.5 Cr)

Sustained demand for luxury properties can be attributed to the robust performance of capital markets, resulting in an increased availability of disposable wealth among individuals. Consequently, there is a heightened aspiration to elevate one's living standards by acquiring superior residential accommodations along with an aspiration for unparalleled amenities, a lifestyle conducive to well-being, distinctive architectural designs and a prestigious location that confers an elevated social status upon its occupants.

Growth Corridors of NCR

SOHNA - A Satellite Town Set to Transform the Landscape



Map not to scale, for representation purpose only

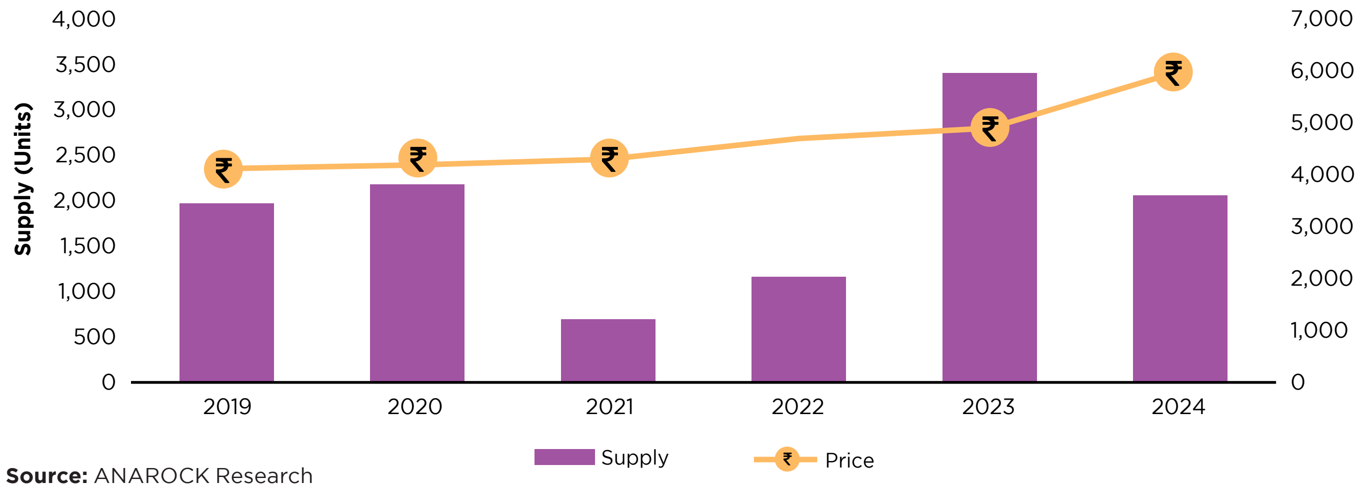
Situated in the southern section of Gurgaon, Sohna is also commonly referred to as South Gurgaon. This micro market boasts convenient access to a variety of well-established employment hubs in the region, including existing commercial and office centers in Gurgaon, up-and-coming business areas along Sohna Road, and long-established industrial clusters near Bhiwadi and Manesar.

One of the fastest growing localities in Gurgaon, Sohna already has an established social infrastructure, featuring numerous educational institutions, healthcare facilities, and hotels. This is expected to significantly enhance within the next three to four years.

Sohna is emerging as a prominent residential real estate destination in Gurgaon, thanks to its proximity to key business centers like DLF Cyber City, Udyog Vihar, MG Road, Golf Course Road, and Sohna Road. Enhanced accessibility, competitive pricing, nearby industrial clusters, and planned infrastructure improvements all contribute to its appeal.

Sohna – Residential Real Estate Dynamics

- Driven by numerous infrastructure and commercial developments, the Sohna micro market has seen approximately 11,500 units launched since 2019.
- 2023 set a new record of launches with 3,400 units, the highest in the last 5 years. 2024 saw approximately 2,060 units added to the micro market.
- By the end of 2024, the Sohna micro market had nearly 4,280 units available, with an inventory overhang of 12 months.
- The average price in Sohna as of 2024 stands at approximately INR 6,000 per sq. ft., significantly lower compared to other developing areas in Gurgaon, offering attractive options for homebuyers looking for affordable projects.
- The average size of units has doubled from 1,000 sq ft in 2020 to over 2,000 sq ft in 2024.

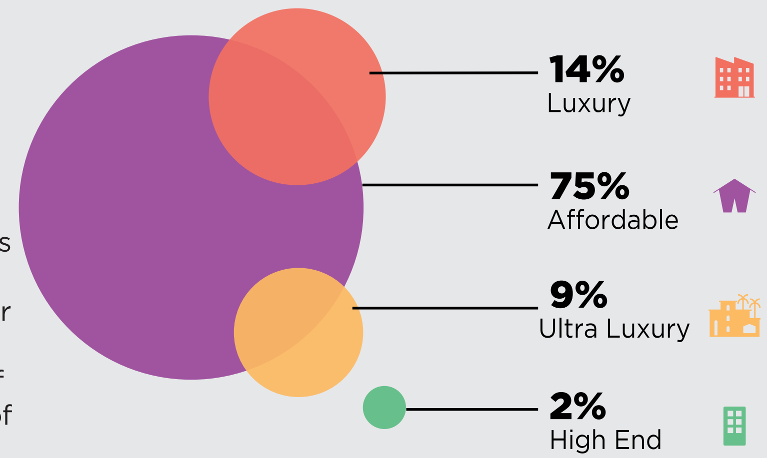


Source: ANAROCK Research

Supply : 2023 - 2024

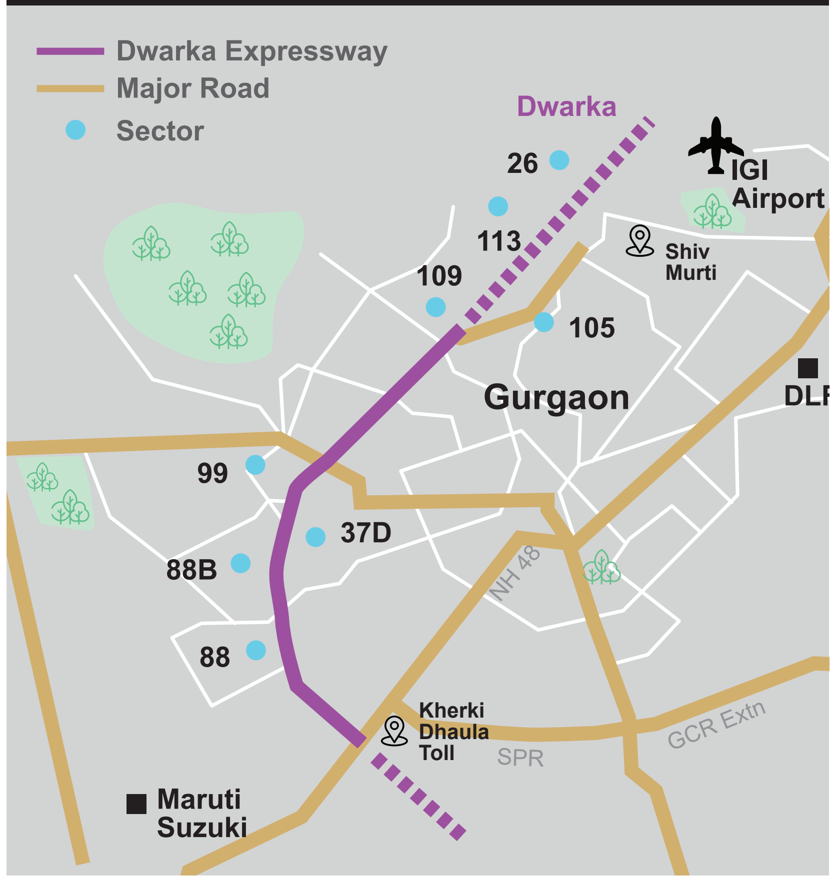
On the budget segmentation front, affordable housing (< INR 40 Lakh) remained the most preferred price segment amongst developers.

Over 75% of the total supply since the beginning of 2023 was launched within this price bucket, leaving limited supply in other price segments. However, a little over 1,200 units were introduced in luxury and ultra-luxury segments, contributing 23% of the total supply, a first time in the history of the micro market.



Source: ANAROCK Research

DWARKA EXPRESSWAY – Redefining Access Between Delhi and Gurgaon



Map not to scale, for representation purpose only

Dwarka Expressway has emerged as a key player in the NCR real estate market. Its appeal to both end-users and investors stem from excellent connectivity to established areas like Dwarka, Golf Course Road, Golf Course Extension, and Old Gurgaon. Additionally, its proximity to the international airport and the presence of Grade A commercial spaces make it a prime property hotspot.

The micro market boasts a range of prestigious educational institutions, world-class healthcare facilities, and premier shopping malls. Enhanced by a rich social and robust physical infrastructure, the livability quotient of Dwarka Expressway is significantly elevated.

The expressway zone has been witnessing the rise of a number of high-quality residential projects from reputed builders. These range from affordable and mid-range housing to luxury apartments and gated communities, catering to a diverse array of preferences and budgets.

Overall, the residential real estate market along the Dwarka Expressway is dynamic and holds a promising future, with opportunities for both residents looking for a quality living environment and investors seeking valuable returns.

Dwarka Expressway – Residential Real Estate Dynamics

- Following the pandemic, the Dwarka Expressway residential real estate market saw a substantial surge in supply, with nearly 12,350 units added in 2021 and 2022. However, there was a sharp decrease in launches in 2023, with only 1,880 units introduced.
- A resurgence in demand, once again the micro market attracted the attention of developers and recorded a supply of nearly 11,300 units during 2024, the highest in the last 7 years.
- Since 2019, the micro market has witnessed a total supply of over 32,840 units.
- As of 2024, there are approximately 9,880 units still available, with an inventory overhang of 12 months.
- The average property price in the micro market stands at around INR 11,000 per sq. ft. This reflects a significant appreciation of over 2x from approximately INR 5,360 per sq. ft. in 2019.
- The average size of units in this micro market has gradually increased from 800 sq. ft. in 2020 to 2,720 sq. ft. in 2024.

Source: ANAROCK Research

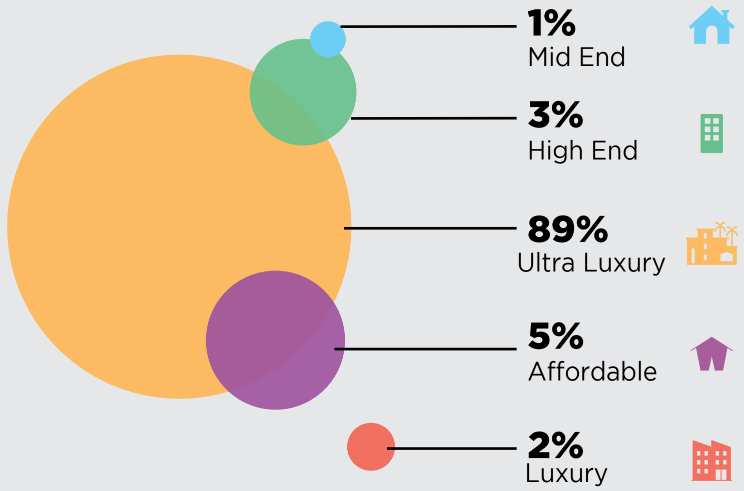
Supply : 2023 - 2024

The micro market has transitioned from being an affordable market to an ultra-luxurious market.

Affordable housing (under INR 40 lakh) has been the predominant segment in the market, comprising 66% of the total new units added during 2019 to 2023.

Conversely, the trend has seen a reversal in 2024 with all the launches recorded in ultra-luxury segment (above INR 2.5 crore).

Overall, the luxury (INR 1.5 crore to INR 2.5 crore) and ultra-luxury (above INR 2.5 crore) segments combined have contributed 91% to the total supply of last 2 years.



Source: ANAROCK Research

NEW GURGAON – Fastest Emerging Residential and Commercial Hub

Map not to scale, for representation purpose only

Driven primarily by demand from the employment hubs in Gurgaon and Manesar, New Gurgaon has become a popular and affordable alternative for many professionals. The region offers reasonable rental prices, excellent connectivity and an expanding array of social and physical infrastructure facilities, all of which attract a growing number of buyers to this part of the NCR.

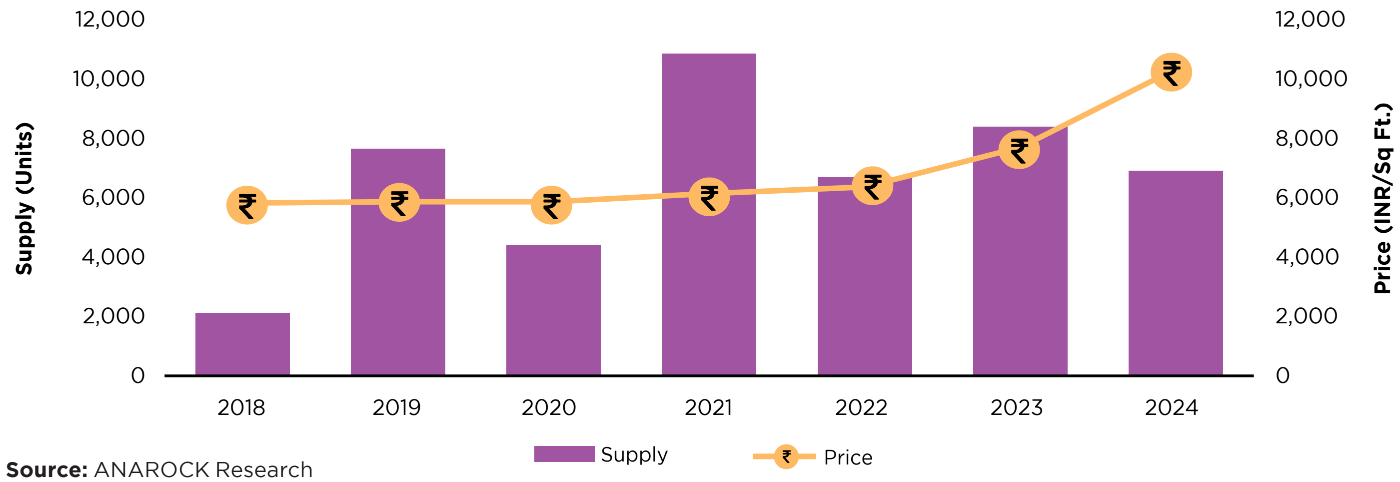
New Gurgaon benefits from its proximity to major roads such as the National Highway 8 (NH8) and the recently operational - Dwarka Expressway, enhancing its connectivity to major business districts and the national capital, Delhi. Its closeness to the Indira Gandhi International Airport and established industrial hubs like Manesar also add to its appeal.

New Gurgaon continues to develop as a vibrant and dynamic area within the NCR's real estate landscape, drawing attention from both end-users and investors looking for promising returns on their investment.

The outlook for residential real estate in New Gurgaon is optimistic and holds great promise owing to its great connectivity and strategic infrastructure planning. However, the successful completion and execution of planned and ongoing infrastructure projects will be crucial to sustaining and enhancing the future growth of this region.

New Gurgaon – Residential Real Estate Dynamics

- Over the past six years, the New Gurgaon region has added nearly 45,000 units to its housing supply, driven by several infrastructure and commercial developments.
- In 2023, the micro market saw the launch of approximately 8,400 new units, marking the highest annual supply in the last five years and constituting over 36% of Gurgaon's total supply for the year. Another 6,900 units were added in 2024.
- As of the end of 2024, there were over 11,200 units still available in the micro market, with an inventory overhang lasting 12 months.
- The average property price in New Gurgaon as of 2024 was around INR 10,350 per sq. ft. Since 2019, average property prices in the micro market have increased by over 76% and 34% since the previous year.
- The micro market also witnessed a significant rise in the average unit size, from 600 sq. ft. in 2019 to 2,520 sq. ft. in 2024.

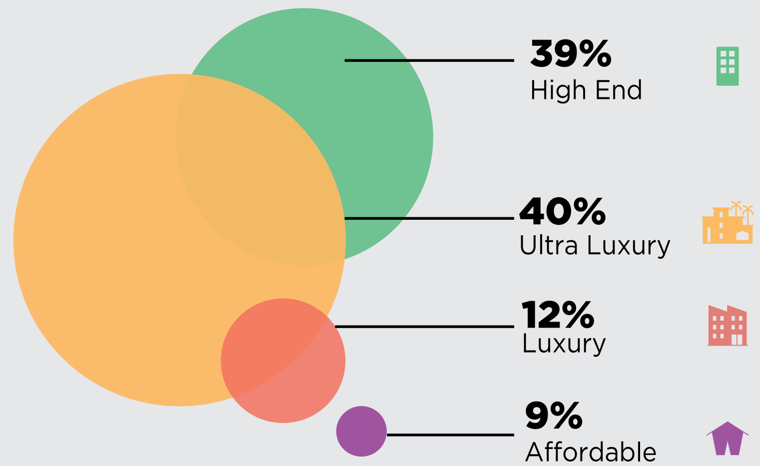


Source: ANAROCK Research

Supply : 2023 - 2024

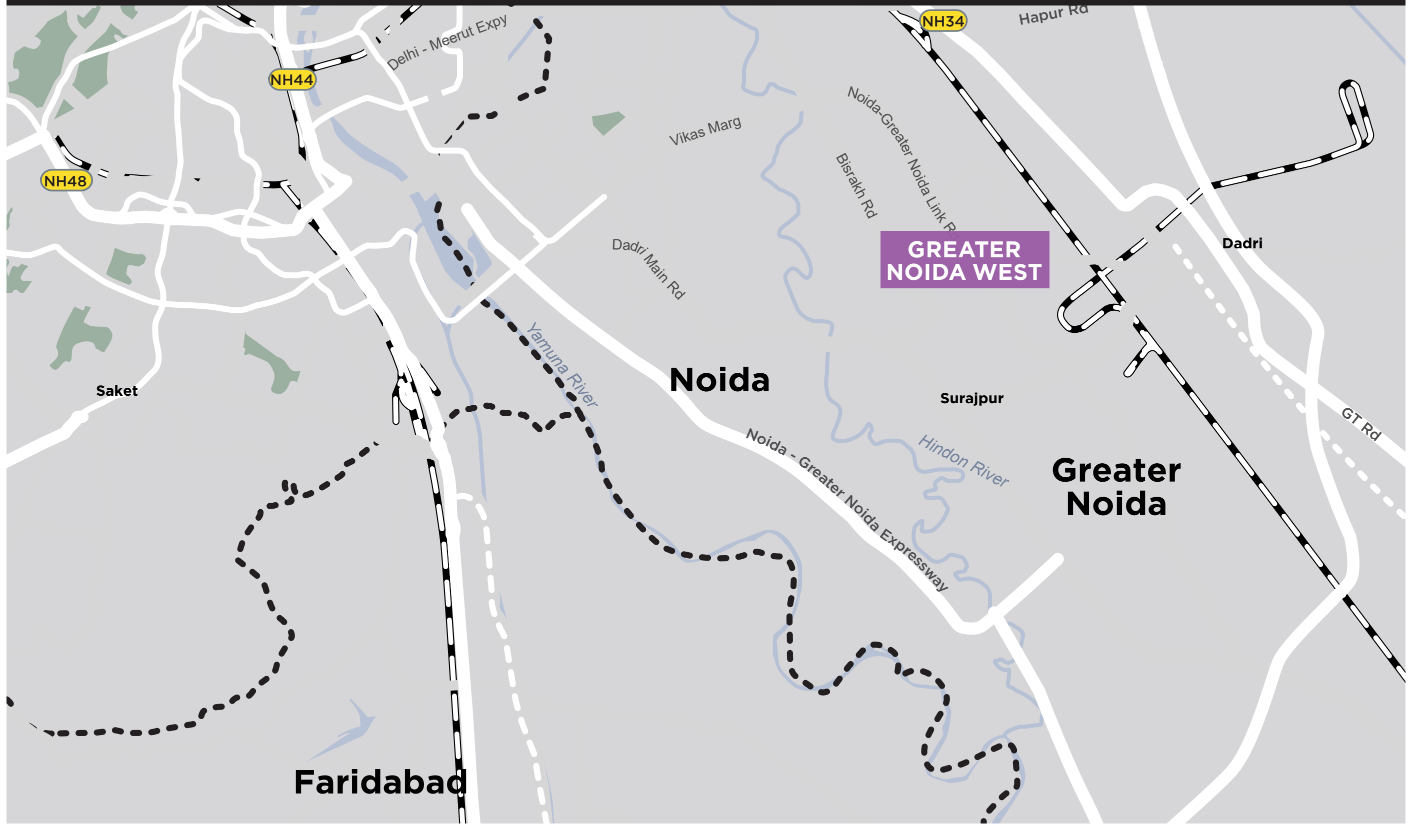
Interestingly, nearly 91% of the supply added in the last 2 years consists of units priced above INR 80 lakh, indicating a significant shift in demand from affordable to more upscale housing options.

In contrast, affordable housing (under INR 40 lakh), which previously dominated the market, represented just 9% of the cumulative supply for 2023 and 2024.



Source: ANAROCK Research

GREATER NOIDA WEST – A Planned Urban Agglomeration



Map not to scale, for representation purpose only

Also referred to as Noida Extension, Greater Noida West is among the most rapidly developing micro-markets in the NCR. Surrounded by Noida and Greater Noida, this area includes sectors 1, 2, 3, 4, 10, 12, 16, 16B, 16C, as well as Tech Zone IV and Knowledge Park 5.

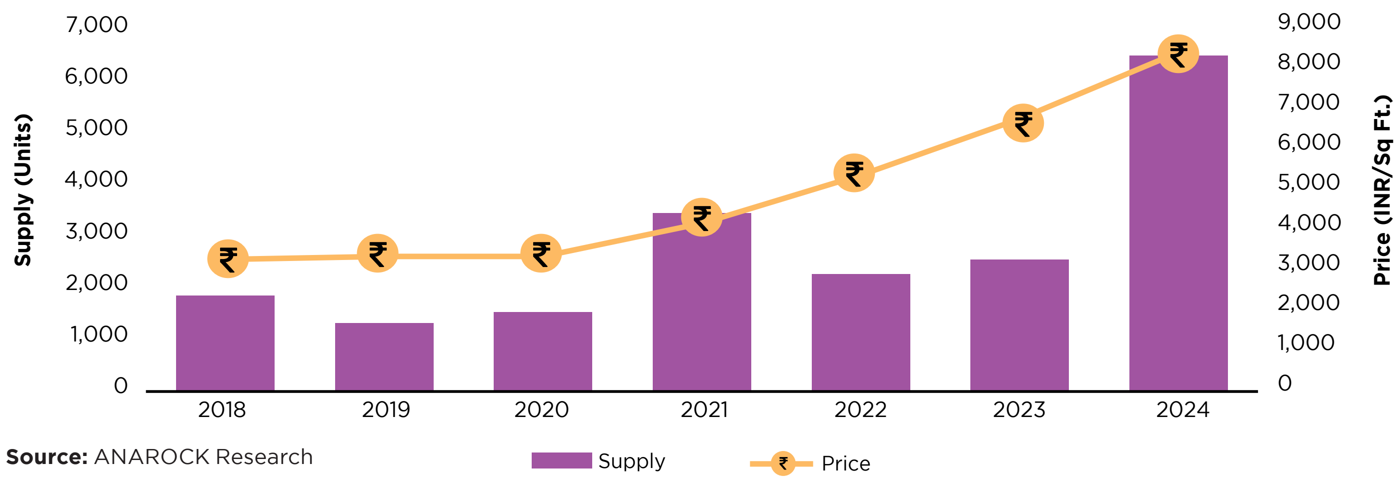
Real estate development in the micro market began in the early 2000s, led by Greater Noida's expansion. Over the years, this region has witnessed significant development of residential and commercial projects, deservedly gained recognition as an 'affordable hub' within the NCR. Additionally, the area is well equipped with social infrastructure, including schools, hospitals, and a variety of retail and entertainment options.

With robust infrastructure in place, the region is poised to become one of the most promising affordable real estate investment destinations in the NCR. Additionally, commercial developments in and around Greater Noida West are significantly enhancing the local real estate market.

With upcoming infrastructure projects like the Noida International Airport at Jewar and the FNG Expressway underway, property prices in the area are anticipated to rise further.

Greater Noida West – Residential Real Estate Dynamics

- After experiencing a substantial influx of over 80,000 units from 2013 to 2018, annual launches in the micro market have since stabilized, fluctuating between 2,000 and 3,000 units. Since the beginning of 2019, the region has seen a total supply of approximately 11,150 units till 2023.
- However, 2024 witnessed a supply of over 6,500 units, marking a 150% increase from the launches recorded in 2023. Nearly 2,560 units were launched in 2023
- As of the end of 2024, there are about 8,940 units still available, with an inventory overhang lasting 21 months.
- Property prices in the micro market have more than doubled over the past five years and appreciated about 24% in the last 1 year, reaching an average price of INR 8,450 per sq. ft. by the end of 2024.
- The average size of the unit in this micro market has grown consistently from 1,150 sq. ft. in 2019 to 1,950 sq. ft. in 2024.

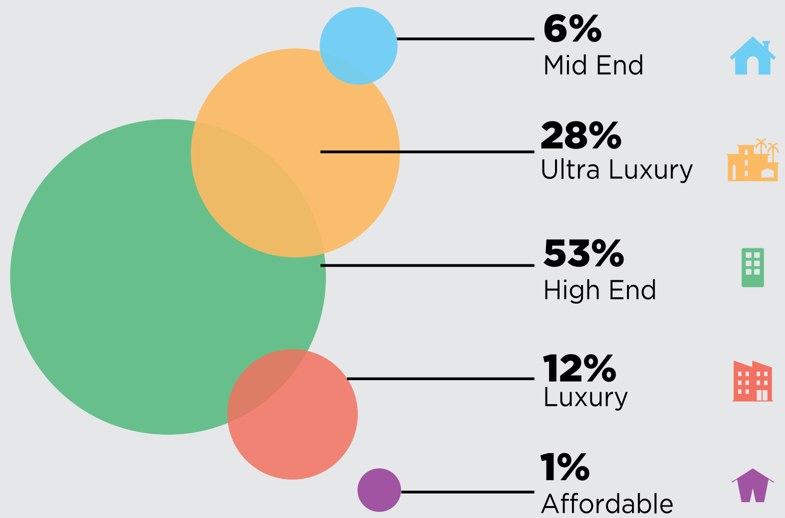


Source: ANAROCK Research

Supply : 2023 - 2024

The year 2023 and 2024 witnessed maximum supply in the premium segment (INR 80 Lakh – INR 1.5 Cr.), contributing over 53% of the total supply, indicating a significant shift in demand from affordable to more upscale housing options.

In contrast, affordable housing (under INR 40 lakh), which previously dominated the market, represented just 1% of the supply of the last 2 years.

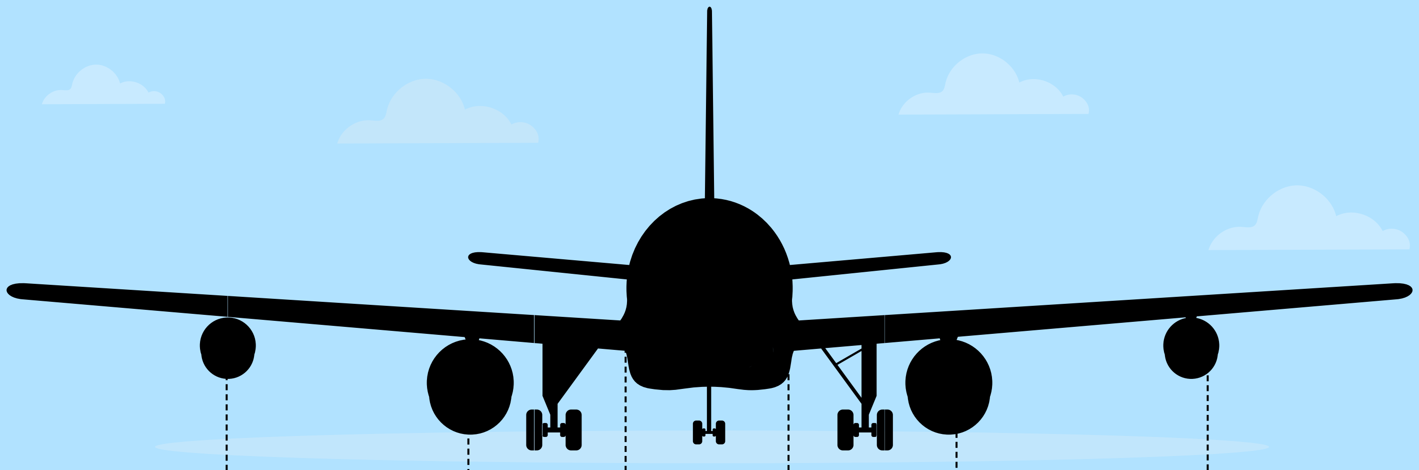


Source: ANAROCK Research

Noida International Airport (Jewar)

A New Runway for NCR, Ready to Launch in May 2025

Jewar International Airport, officially known as Noida International Airport, is a major upcoming airport located in Jewar, Uttar Pradesh, near Noida, part of the NCR. Scheduled to open in May 2025, it will be India's largest airport in terms of land area. Initially designed to handle over 12 million passengers annually, it will have modern terminals, advanced cargo facilities, and sustainability features. The airport will connect NCR to global destinations, boosting tourism, trade, and the local economy. As an alternative to Indira Gandhi International Airport, its construction and operations are expected to generate thousands of jobs and significantly improve regional connectivity.



Location
Jewar, Gautam Budh Nagar District, Uttar Pradesh

Construction Start Date
June 2022

Expected Operational Date
May 2025 (Phase – 1)

Area
1,334 Hectares

Number of terminals
4

Number of Runways
6

Key Updates

After the successful completion of a validation flight in December of last year and with more than 80% of the terminal building's construction already complete, the Noida International Airport in Jewar, Greater Noida, is on schedule for its upcoming launch in May 2025.

NHAI gets approval for construction of approximately 8.5 km elevated stretch on Greenfield Expressway extending from Jewar Airport to Faridabad. It aims to enhance road connectivity and drive local economic growth along the Faridabad-Jewar route.

The government has allocated Rs 1,000 crore for the development of the new expressway originating from Bulandshahr. This link will connect to the Yamuna Expressway approximately 24 kilometres ahead, with an estimated total project cost of INR 4,415 crore.

Upcoming infrastructure projects such as metro connectivity, upgraded road connectivity; industrial corridors such as DMIC and other industrial townships are planned to improve the overall appeal of the region

Impact on Real Estate:

The imminent Jewar Airport is poised to revolutionize Noida and Greater Noida, triggering a surge in residential, commercial and industrial developments. As Asia's largest airport, it will ignite economic growth and enhance regional connectivity, attracting investors and homebuyers. Luxury residential projects along the Yamuna Expressway are witnessing heightened interest, offering modern amenities and diverse housing options. Simultaneously, industrial corridors and smart city initiatives are creating employment, further boosting demand for both residential and commercial spaces. This synergy of infrastructure and development positions the region as a high-growth zone, promising substantial long-term value for investors and residents alike.

Way Forward

The NCR stands as North India's vital economic, political and cultural core, orchestrating substantial regional development. Encompassing Delhi and its extended territories, the NCR's central position in governance, housing India's federal apparatus, bolsters its strategic importance. This, coupled with a highly developed transportation network of highways, railways, and airports, creates a fertile ground for investment. Industries like real estate, manufacturing and technology are thriving, driven by this connectivity and accessibility. The NCR's expanding footprint, extending into peripheries significantly influences the broader socio-economic fabric of North India, shaping its growth trajectory.

The NCR's real estate market is a perennial subject of interest, distinguished by its strong underlying factors and a favorable outlook for long-term growth. The market's vitality is primarily attributed to consistent end-user demand, propelled by young professionals and families drawn to the region's abundant career prospects. The emergence of innovative housing models, such as co-living spaces and sustainable homes, is further diversifying the market and attracting a wider range of investors. Also, Gurgaon has been playing a pivotal role as an employment hub, attracting more Start-Ups, GCCs and small businesses to set up their operations.

Nevertheless, addressing regulatory uncertainties and infrastructure constraints is essential for maximizing the market's potential. Significant infrastructure development includes new metro lines, highways, and flyovers boosting connectivity and accessibility, thereby enhancing the quality of life for residents and also strengthening the region's appeal as an investment destination. Upcoming Noida Airport (Jewar), industrial corridors such as DMIC, the Eastern Dedicated Freight Corridor, FNG, Special Economic Zones in Noida and Greater Noida in Uttar Pradesh, and industrial townships in Haryana are few of the under development/proposed projects in the region.

To conclude, the NCR's real estate sector demonstrates substantial long-term potential, bolstered by its strategic positioning, consistent infrastructure progress, and growing interest from homeowners and investors alike. Key growth corridors such as Sohna, New Gurgaon, Dwarka Expressway and Greater Noida West are attractive destinations offering multiple housing options along with office and retail developments. Also, with core areas reaching saturation and connectivity improving, peripheral locations are expected to experience significant growth in demand and supply in the near future.

ANAROCK

VALUES OVER VALUE

About ANAROCK

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 seven 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.

AUTHORS:

Ashim Bhanja Chowdhury
Senior Vice President - Research & Advisory | ashim.chowdhury@anarock.com

Simmi Arora
Assistant Vice President - Research & Advisory | simmi.arora@anarock.com

EDITOR:

Priyanka Kapoor
Senior Vice President - Research & Advisory | priyanka.kapoor@anarock.com

For bespoke research requirements, please connect with

Dr. Prashant Thakur
Regional Director & Head of Research | prashant.thakur@anarock.com

ANAROCK Property Consultants Pvt. Ltd.

1002, 10th Floor, B Wing, ONE BKC, Plot No. C-66, G Block Bandra Kurla Complex, Mumbai 400 051

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