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## **Interest Rates Status Quo: Real Estate Leaders Welcome RBI's Move**



The RBI MPC's decision sparks optimism, with the real estate sector poised for significant growth. While the RBI has maintained interest rates unchanged for the 10th consecutive time, it has shifted its stance, surprising the country. This opens the possibility for a rate cut in December or February. Here's how the real estate sector has responded to the development.

Pradeep Aggarwal, Founder & Chairman, Signature Global (India) Ltd says, "The RBI's decision to maintain the status quo as per expectations, as it is crucial for keeping inflation in check. Though the US Fed's recent rate cut raised hopes in India, our central bank's focus on inflation control remains clear. This policy stability comes at an opportune time as the festive season boosts real estate demand. A future rate cut, when it happens in coming quarters, will benefit both homebuyers and developers, further driving economic growth."

Manoj Gaur, President CREDAI NCR and CMD Gaurs Group says "The announcement to maintain the status quo on the repo rate by RBI will enthuse the market, both buyers as well as real estate developers. At a time when the sector is witnessing a new vigour, expanding its footprints in new regions and breaking grounds in terms of offerings, this decision not only signifies stability in India's economy. It could also be a precursor to rate cuts in future. However, the affordable housing sector is one area of concern, and we are hopeful that RBI will heed to its concerns."

Amit Modi, Director, County Group, says, "The RBI's decision to keep the repo rate unchanged is timely and crucial, especially for first-time home buyers who have been eagerly waiting for the festival season for some exciting offers. Taking into account the current geo-political scenario and the country's strong macroeconomic foundation, this decision paints a picture of stability and growth. While it will invigorate the market and make buying homes more affordable, RBI's current stance also makes us hopeful of rate cuts in the future."

Deepak Kapoor, Director, Gulshan Group says, “The RBI’s decision to maintain the repo rate demonstrates confidence in India’s economic resilience, even as global challenges persist. This move will encourage homebuyers to invest in real estate as a long-term asset. It also provides an opportunity for financial institutions to offer competitive rates during the festive season when the sentiments remain high and augur well for real estate development.

Kushagr Ansal, Director of Ansal Housing says, “RBI’s decision to keep the repo rate unchanged will have a positive effect on the housing market. Although housing costs are rising, stable home loan rates provide much-needed relief to potential buyers. This stability benefits both buyers and developers by boosting consumer confidence and encouraging investment in the sector. The RBI’s decision is also expected to drive the launch of new projects and promote expansion in emerging areas of interest.”

Sandeep Chhillar, Founder & Chairman, Landmark Group says, “Amidst the positive market sentiments, keeping the repo rate unchanged at 6.5 percent for the tenth time in a row gives a further boost to the realty market. The housing sector is witnessing an all-time high demand and with the ongoing festive period, the realty sector anticipates new growth numbers to be registered for upcoming housing sales. The consistent loan rates will increase the number of potential homebuyers, enabling the sector to grow consistently.”

Uddhav Poddar, CMD, Bhumika Group says, “The economy has significantly strengthened over the past few years, with the real estate sector contributing to this recovery. RBI’s decision to keep the repo rate constant will strengthen confidence in both commercial and residential real estate investors and buyers, significantly contributing to India’s GDP and future growth prospects. Further, as RBI has kept its stance neutral, the sector looks forward to a cut in repo rates in the future. Thus, amid this steadiness, we anticipate more fruitful opportunities for buyers and developers.”

Prateek Tiwari, MD, Prateek Group says “The real estate sector has been booming over the past few years, and the RBI’s decision to keep the repo rate unchanged at 6.50% will positively affect the sector. In addition, by acquiring a neutral stance, the announcement indicates future rate cuts. Amidst the rise in housing demand, less volatility in the loan rates would instil greater confidence in the buyers and developers, welcoming long-term growth. This stability in the interest rates will notably encourage first-time homebuyers and boost the growth in the entire sector. However, the affordable housing sector is one area of concern, and we hope that RBI will cater to these concerns in the following announcements.”

Mayank Jain CEO, KREEVA says, “RBI’s decision to keep the repo rate unchanged signals stability in the financial market. The consistent and unchanged repo rate at 6.5 percent will support the ongoing strong demand for housing and strengthen the realty market’s growth momentum. This encouraging move will also sustain the positive outlook of the realty market considering the ongoing festive is a significant phase for millions of first time homebuyers. This decision of unchanged rate will augur well for the real estate sector ahead.”

Ashwani Kumar, Pyramid Infratech says, “With RBI maintaining the repo rate, the decision continues to bring positive development for real estate developers. Besides keeping the policy stance neutral, this indicates a possibility of rate cuts in the following announcements. institutions to come up with lucrative offers”

With a notable increase in demand within the housing sector, the stability in loan rates provides much-needed relief to potential buyers. Ahead of the festive season, the decision increases the confidence of first-time buyers to invest without the pressure of rising interest rates. This decision will strengthen buyer interest in the sector and enable bankers and financial institutions to come up with lucrative offers”.

According to Dr Amish Bhutani, Managing Director of Group 108 RBI's decision to stabilize the repo rates strikes a balance between controlling inflation and promoting growth, which is crucial for the real estate segment. The unchanged SDF and MSF rates provide market stability, while the projected FY25 inflation at 4.5% reflects the central bank's confidence. However, rising metal prices could present inflationary risks. We believe this stability will spur growth in the commercial and retail segments, especially with the festive season approaching, when demand for retail spaces typically surges, creating favorable conditions for both investors and retailers.

Rajjath Goel, Managing Director, MRG Group says, “The RBI's decision to keep the repo rate unchanged at 6.5% is remarkable for the realty sector. With the country's economy performing exceptionally well, along with good GDP growth and control over inflation, the sector is expected to continue performing well in the future. Since the RBI has kept the stance neutral this time, this decision will benefit the sector by offering a cut in the repo rate in coming announcements. This shows the government is considerate of buyers' sentiments and expectations and supports the sector's overall growth. Thus, this will allow developers to launch new projects and encourage home buyers to invest confidently.”

Sachin Gawri, Founder and CEO, RISE Infraventures says, “RBI's repo rate influences housing affordability and loan repayment terms. With RBI maintaining the momentum and shifting its stance to neutral, the encouraging news will boost the confidence in the market. Ahead of the country's growth prospects and rapid infrastructure development, we anticipate a rise in housing and retail demands. The constant repo rate will lead to stable loan rates, boosting developers' confidence and relieving buyers, allowing them to proceed with investments. Hence, we remain optimistic that this continued support will propel the rising demand in the real estate market, leading to lower rate cut in the future.”

Yash Miglani, MD of Migsun Group says, “Real estate sector continues to show positive growth, with increasing consumer demand and rising investments in the mid, premium, and luxury residential segments. The festive season has further fueled this momentum. The RBI's decision to keep the repo rate unchanged will accelerate this progress, providing relief to buyers by keeping their EMIs stable and offering additional motivation to the real estate sector.”

SKA Group Director Sanjay Sharma says that by keeping the repo rate stable at 6.50% during the festive season, the RBI has once again met buyers' expectations. This will not only stabilize interest rates for potential buyers but also boost purchases during the festive period. This is a welcome step by the RBI, and we hope that the rapid growth of the real estate sector will continue. This decision will prove beneficial for both buyers and developers.

Ravindra Gandhi, Founder and Managing Director of Tirasya Estates says, “The RBI's decision to keep the repo rate unchanged, shifting its stance to neutral, is an encouraging news for the real estate market, benefiting both buyers and developers.

This announcement has come around at a time when the sector is experiencing renewed energy, expanding into new regions and enhancing its offerings. This signifies stability in India's economy, especially amidst global challenges. This status quo could also pave the way for potential rate cuts in the future, fostering greater optimism. However, we remain concerned about the affordable housing sector and hope the RBI will address its challenges in the upcoming reviews.”

Harsh Gupta, CEO of Sundream Group, Says, the RBI has once again made a commendable move by keeping the repo rate unchanged. This decision will instill confidence among buyers, especially during the festive season when commercial real estate is witnessing good sales. A stable repo rate provides reliability and confidence to home buyers. This stability directly impacts the growth of the real estate sector, which in turn plays a crucial role in contributing to India's GDP and future growth prospects.

As per Manit Sethi, Director, Excentia Infra, “The RBI's decision to maintain the status quo on the repo rate for the tenth consecutive time is a welcome move. It aligns with the country's growth prospects and rapid infrastructural development. This stability benefits all stakeholders in the real estate sector—homebuyers, developers, and financial institutions alike and encourages real estate development in tier 2 cities.”

**Among others who welcomed the RBI's decision are Nandni Garg from Rajdarbar Ventures, Saurab Saharan from HCBS Developments, Salil Kumar from CRC Group, Neeraj Sharma from Escon Infra Realtors, Pawan Sharma from Trisol RED, Surinder Bansal from MDB Group and Mukul Bansal from Motiaz.**

Amit Kumar Malhotra from Ambience Group, Ambika Saxena from Bayside Corporations, Gurpal Singh Chawla from TREVOC, Piyush Kansal from Royal Estate Group and vice President of Spectrum Metro also echoed that the RBI's decision will support both the commercial and residential real estate markets during the festive season.