



Real Estate Sector embraces the RBI's decision

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. 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."

Nandni Garg, Director, Rajdarbar Ventures says "Since the real estate sector witnessed a surge in demand for luxury residential properties, the repo rate stability will again be advantageous for the sector. This will boost and enhance the demand for residential properties and enable developers to create more projects that meet buyers' needs. Additionally, stable home loan rates will provide significant relief to prospective homebuyers. As luxury housing continues to gain traction, this stability will likely enhance buyer interest in luxury real estate, motivating developers to create more projects."

Saurab Saharan, Group Managing Director of HCBS Developments, says "The RBI keeping the repo rate constant at 6.5% aligns with the sector's growth. With higher sales growth in the sector, this decision will prove favourable amidst India's resilient economic growth. On the other hand, it is a huge step towards easing the financial strain on prospective buyers. The sector has already been performing well over the past years, and this decision is anticipated to foster the sector's growth, allowing developers to curate projects and cater to the evolving needs of buyers."

As per Salil Kumar, Director, Marketing and Business Management, CRC Group, "RBI's decision to keep the repo rate unchanged at 6.50% is a welcome step that will maintain the momentum observed in the real estate sector. Moreover, a repo rate cut is expected in the near future, as RBI has kept its stance neutral. A positive demand is anticipated in the commercial sector since financial instability has been resolved and interest rates remain stable. This will likely increase the flow of potential buyers towards this sector, as investing here will not put much strain on their pockets. We hope the authorities will maintain a favorable approach, benefiting the real estate sector in future announcements as well.

Neeraj Sharma, MD, Escon Infra Realtors says, "Aligned with previous announcements, the RBI maintained the repo rate at 6.5% once again, bringing huge relief to developers and buyers. As luxury housing gains momentum, maintaining the status quo will further strengthen the market, and stable loan rates will sustain public confidence in the authorities. This stability will continue taking the sector to new heights, strengthening both commercial and residential segments and opening the gateway for developers to launch projects in emerging areas of interest".

As per Pawan Sharma, MD, Trisol RED, “RBI’s decision to maintain the repo rate at 6.5% once again reflects a steady approach to balancing inflation control and growth stimulation. This stability provides a favorable environment for continued growth in the real estate sector, especially in the luxury housing segment in the NCR region. We anticipate that this consistent monetary policy will further boost consumer confidence and sustain the ongoing demand for real estate investments, contributing to a positive outlook for the industry.”

Surinder Bansal, Managing Director of MDB Group says, “The RBI’s decision to hold the repo rate steady at 6.5% marks a significant opportunity for the real estate sector. This stability creates a conducive environment for both buyers and developers, encouraging investment during a critical time in the market. As home loan rates remain favorable, we foresee a rise in buyer activity, paving the way for new developments that can address the growing demand in various segments of real estate.”

Mukul Bansal, Managing Director of Motiaz says, “The Reserve Bank of India’s decision to maintain the repo rate at 6.5% is a forward-thinking approach that will benefit the housing market significantly. This stability in home loan rates, especially during the auspicious festive season, will not only ease the financial burden on prospective homebuyers but also enhance their confidence. We anticipate a notable uptick in demand, which could lead to an acceleration of new project launches and invigorate the overall real estate sector.”

Amit Kumar Malhotra, Head of Sales & Marketing of Ambience Group says, “The RBI’s decision to keep the key rates unchanged reflects a balanced approach to the current economic landscape. The move to stabilize the rates, particularly the reverse repo at 3.35% and the inflation projection at 4.5%, provides a favorable environment for the housing sector. The controlled inflation outlook, despite the potential upward risks from rising metal prices, will help maintain home loan affordability, which is crucial for both homebuyers and developers. We remain optimistic that this consistency in monetary policy will support steady demand in the residential real estate market, further encouraging the overall growth of the sector.”

According to Ambika Saxena, Director of Corporate Communications, Bayside Corporations, “While luxury real estate is generally less impacted by rate cuts, the significance of the RBI’s decision to maintain the status quo for the tenth consecutive time lies in the message it sends about the strength of the Indian economy. This move highlights the country’s solid growth trajectory, reinforcing investor confidence and signalling a strong potential for high returns on investment (ROI) for both homebuyers and investors in the luxury real estate sector.”

Gurpal Singh Chawla, Managing Director, TREVOC said, “The RBI’s decision to maintain the repo rate is a welcome move, particularly as we enter the festive season. This stability not only reinforces confidence among homebuyers but also creates opportunities for financial institutions to offer competitive loan options, making homeownership more accessible during this auspicious time.”

Piyush Kansal, Executive Director of Royal Estate Group, Says, the RBI’s decision to maintain the repo rate at 6.5% is expected to lead to a favorable rise in the housing market. The unchanged home loan rates during the festive season, including Navratri and Diwali, will provide some relief to potential homebuyers.

As a result, stable interest rates will benefit both buyers and developers, boosting confidence and investment in the sector. The RBI's decision is poised to encourage the launch of new projects and expansion in emerging sectors of development.

Vice President of Sales and Marketing at Spectrum Metro commented that the RBI has once again kept the repo rate unchanged at 6.5%. The central agency made this decision keeping inflation in mind. However, in our opinion, the agency could have considered revising the rate by 25 basis points, which would have provided more support to the economy. The Indian economy is expected to grow at a rate of 7% in FY25, making it one of the fastest-growing markets at a time when global growth remains mostly sluggish. Nevertheless, the RBI's decision will support both the commercial and residential real estate markets during the festive season.