

# **Deciphering the Future of Indian Real Estate Sector**

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## **Abstract**

*The phenomenon of real estate has been an essential aspect in the growth and development of every economy through the contribution and the potential that it brings to every state in their effort to increase and preserve their cultural heritage. As the word goes “once a fixture, always a fixture”, this aspect of real estate has not only being beneficial to the government of a country, but also to its citizens who finds it as an important asset in their livelihood be it through ownership, purchase, retail and even mortgaged of these property. Due to the constant need of the population, there have been these high demands for the construction of real estate through infrastructure, residential buildings, students’ accommodation, market warehousing and other relevant infrastructures. The government of India has not been left out in promoting and encouraging the development and potential in the real estate sector. The building of huge infrastructure, students’ accommodation, market warehouses, rental services and building have been the objective of the government in ensuring that the living condition of its citizens should be cater for. The problem is not just only providing or making these services available to the local population, or other user. The issue is whether this real estate in the country will meet the taste of time through the provision of the necessary facilities and services needed by the local population. The increase in the local population and the high cost that a citizen has to incur in having access to this real estate has been a course for concerned. The question is to ascertain whether engaging in this real estate, the government of India takes into consideration the living standard of its citizens, the income network and even the affordability of the real estate. The situation about the maintenance and the sustainability of such real estate should be of prime concern. The government when putting in place reforms for real estate, do they take into consideration the stake of the society in question? The challenges procuring the real estate sector in India has been of great worries not only to consumers, but also to government, academicians, industry and even research institute who has question the future of this valuable sector in the economy due to the various huddles faced.*

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## **INTRODUCTION**

The concept of real estate has been of great benefit to the government when establishing its policies and reforms leading to the completion of huge infrastructure projects, housing model and even the availability of services in the private and public sector. The increased need and demand of the local population has brought a great push factor for the government to increase and fasten its growth rate through the provision of infrastructure, be it in the micro or macro-economic sector. Due to the high demands of real estate, especially in some primary sector, there is the possibility that in the future, huge need will be considered in the area of office market, retail markets, students

housings, warehousing and other needs has been of prime concerned to real estate participant who sees the huge need by the local population in these area. This has been as the level of market overview, constructing retail markets, residential housing, logistic and warehouses, and even students housing. All these are as a result of the high demands in the local population, where if care is not taking, the country will face challenges in the provision of these basic need.

## **THE MARKET OVERVIEW OF REAL ESTATE IN INDIA**

The government of India in the recent years has experienced an increase in the real estate

sector not only in the country itself but also the world at large. There has been a tremendous increase in this sector who continues in competing among the world real estate sectors [1]. The country has a good background and applause in the domain of office market, students housing, retail services, logistic and ware housing front. This efforts has been thanks to the initiative and contributions makes so far by other actors who thinks that contributing to the real estate is of great necessity based on the high demands and even the future this sector holds, and the investing in this sector will not only portrays the country's image on the international scene, but equally booster its economic development. The issue is not just investing in the real estate sector, but the use of quality materials and equipment which will encourage sustainability and availability in the nearest future since there is presumption that there will growing and increase need in this valuable sector if the government turn its interest towards it.

### **THE HIGH NEED OF INDIAN OFFICES**

Office in India is of high standard and quality. As time goes on, the need for sophisticated materials are needed, and there is a high demand of such offices. Offices that were build and equipped in 2013, cannot be the same situation today. These offices varied with the nature and town in question. We do not expect that great towns like Mumbai and Delhi should have low level of expansion in terms of office infrastructures in which many considered as the core of the country's' economy. As the world expands, so too these cities will be of great need as time goes on. There should be an increase in the quality materials used in their office buildings, and the standard of such office should be portrayed. The influx of people in these cities will be of great value and importance in improving the quality and potential of the office buildings found there. So it is of this wise that those engaging in the real estate sector should have this in mind that in the future, what used to be built as offices in Indian Cities should be reconsidered at the level of the material used, equipment, decorating, safety, and even sustainability. The government and real estate owner in Indian have really contributed tremendously in ensuring that

offices in grand cities should meet up the need of the growing population as we experienced a decrease in the vacancy of offices in the big cities. The increase in the price rate of offices in the urban area in India, has led to high need for offices in the suburb [2]. There is a high demand of offices in the suburbs area. The question one need to ask is what the urban cities should do in encouraging people to invest in offices in the urban sector? [3].

### **The Presence of a Retail Market**

It is noteworthy that real estate has gain great ground in the Indian Sector, but many people thinks that buying or putting the equipment's for such services will be cumbersome and even costly. This has pushed the birth of another service known as the retail services which has gain rapid force and growth in the country. The consumer behaviours, towards the consumption and purchase of goods have pushed many services in investing in the retailing sector. The building of mall in India for retail facilities has been a primordial and speedy aspect of the country, most of the consumers and especially those who are unable to make it to the big offices, sees the retail markets as a ground in satisfying their wants. A glaring example can be at the level of technology and mobile sector which has been of high demand to the local population both the consumers and customers who find their way to the mall in purchasing their goods. This sector has really encouraged the Indian government in providing provision for such services. There is a high presumption and prediction that the retail market or sector will be not only of great necessity to the Indian government, but to those who thought it in investing in the real estate sector in the future. They have to understand the growing investment sector will gain lots of ground not only the whole sale, but also in the retail market sector. They have to foresee the high need of the local population and the strength of the investment market.

### **THE NECESSITY OF RESIDENTIAL HOUSING**

Residential housing is also a growing concerned for the population. There is an accession that as far as there is increase in population, there will equally be a growth in the housing facility for resident [4]. The

problem here is not just the residential house, but it should be built in such a way that it can be affordable. The decrease in policies program, reduction in tax rate has been an encouraging factor for those engaged in real estate. The affordable housing facility in India has triggered the sector as we witness high sale of residential housing, sensitive price experienced, completion in projects, indirect discounts to developers, and a host of others. All these have been felt by the government of India who have benefit from such services. The question is whether such advantages will continue to be experienced in the future. What if there is an increase in government policies, increase in the tax system and other facilities, will the sector continue to experience such benefits? All this will only suffice if the government of India takes things into consideration when reforming the sector. Those who engaged in this sector need to be cater for like the increase in the completion of such houses which will warrant quality, accessibility of loan facilities from banks even at low interest rate, granting of infrastructure status to affordable housing, and even the redefining the criteria need for affordable houses.

The houses should not just be affordable, but also match or correspond to the technological advancement in place, the environment, the friendly nature of the environment, the energy facilities, the infrastructure used, and even the cost of the material used for such houses. Also, that the building of these houses should not be only the government show, there are private individuals that are already in the building of such houses, the government of India should go into partnership with these individuals by providing them lands for the construction of these houses at affordable prices. The individual can even give their private lands to the government. Even in the future, the affordable houses should extent to Senior residential areas, students, cities and housing, and even private investment [5].

### **THE EXISTENCE OF A WAREHOUSE AND LOGISTIC FACILITIES**

The availability of logistic and warehouse facilities has been of great benefit to the Indian society. There has been a laudable investment

in this area of real estate which has experienced formidable advancement in the country development and investment rate, where the private sector has taken it upon itself to invest in the logistic and warehouse sector. Customers and client in the country look up to the government that when creating business centre large space warehouses should be created for packaging of goods especially in giant industries when created. The increase in the amount of goods saw the need of spacious and quality warehouses which will to an extend increase the rents rate of the country. This issue of logistic and warehouses is necessary and important for the growth of every economy, and the government of India has not been left in looking at the bright future of the sector and provide rooms for the construction of the warehouses and logistic. The issue is not just creating the warehouses, but rather to look at the future policies network that exist in the sector. There is always that tendency that when things start working well in a specific sector, it draws the attention of the government to starts increases the tax rate in the sector so as to increase revenue. Since statistic has shown that this sector is glaring and promising to the economy, I believe the state or investor in this sector should make all effort by ensuring that the warehouses are always accessible and available when needs arises, and that there should be some degree of sustainability in the area to permit a continuous flow and demand in the sector, if not it will lose it subsistence and importance.

### **THE PLACE OF STUDENT HOUSING IN THE INDIAN REAL ESTATE**

The increase rate of foreign students into India has been a cause for concern. Most of these foreigners who comes into India for studies faces problem of accommodation and housing facilities. This has pushed the government of India, University institute and other private individual to engage in the building of hostels and houses for the accommodation of these students. The increase number of students gaining access to colleges as well as Universities in India is in the rise, and this has increased the demand and needs of students housing. Even though with the provision of

these facilities, the housing sector still lack some basic necessity like safety, the hygienic condition, and even the livelihood which are more beneficial to the girl students to the detriment of the boys. The is that foreseeability that those engaged in such project should work in hand with education ministries in providing them the statistics of all students enrolling in the educational sector so that it will enable them to know how to go about with the project and the buildings [6].

## CONCLUSION

With all these analyses indicated, there is a high tendency that the sun is shining brightly towards the real estate sector in India. There is a lot the countries stand to benefit if interest in tilted towards this sector through the increase in investment and development of the various sector involved in the real estate. Even though with all these put in place, the sector has been very challenging and lacking especially when concerned with aspect of the lack of a regulatory framework which will in enabling the control and management of the sector for better enforcement and sustainability of the area in order to ensure future endeavours. The sector is also experiencing a slow atmosphere in the domain of equitable investment especially in some domains such as the residential market which till now is a growing concern not only to the government, but to the

growing population. To finish, one can see that if the government of India has to place investment in the real estate sector, then we are proud to say without any fear of contradiction that, *“the future of real estate in India is bright and promising.”*

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