

## RE still a preferred investment option

Real estate tops as preferred asset class for investment for 47% respondents, says a survey

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Real estate continues to be the preferred asset class for investment and nearly 50 per cent of prospective customers are expecting prices to rise in coming months due to strong demand during festive season, according a property portal and NAREDCO survey. As per the survey findings, 47 per cent of respondents prefer to invest in real estate, the highest compared to other asset classes such as stocks, gold, and fixed deposit. The data shows that 21 per cent of respondents prefer to invest in the stock market, 16 per cent in fixed deposits and 15 per cent in gold. Housing prices recorded a 7 per cent YoY increase in April-June quarter of 2022.

The survey findings also suggest that 48 per cent of respondents anticipate prices to rise further in the coming months. "India's

moderated the outlook, the sentiment regarding the economy remains well above the dip recorded during 2020.

Commenting on the survey findings, Rajan Bandelkar, president, NAREDCO, avers, "The residential markets across India remain upbeat despite growing concerns about rising interest rates. The stronger sales momentum anticipated in the coming months and quar-



**DID YOU KNOW?**

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residential market has seen a sharp revival in demand after the second wave of the Covid-19 pandemic. The rising cost of borrowing increase in input costs and strong demand has resulted in a rise in housing prices," says Dhruv Agarwala, group CEO, of a leading property portal that jointly conducted the survey along with NAREDCO. "We expect housing demand to remain strong in the upcoming quarter on the back of strong consumer sentiment and the seasonal uplift in demand during the festive season," Agarwala observes.

The survey observed that homebuyers are cautious yet optimistic about the economic scenario for the coming months; 73 per cent of respondents feel that the economy would continue to stay on its growth trajectory in the coming months. While ongoing global uncertainties have

ters stems from the fact that property remains the best asset class in comparison to buying gold, mutual funds or making a fixed deposit."

### RATE HIKE

The RBI last week decided to increase the repo rate by 50 bps for the fourth consecutive time to 5.90 per cent. This will put pressure on homebuyers' EMI burden.

Manoj Gaur, president CREDAI NCR and CMD, Gaur's Group, says, "At one level it reflects the confidence in the economy and future growth outlook at another level it was necessitated by the recent global developments. It will have a marginal impact on the real estate sector and the buyer's sentiments so far have remained buoyant towards residential real estate signalling the preference for real estate as an asset class."

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