

A Complete Construction & Engineering Magazine

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# PROJECTS

## MIRROR



# ROADS FOR DEVELOPMENT

### INTERVIEW



Rishi Dev - Principle Architect - Rishi Dev Architects & Associates

### GUEST ARTICLE



Mr. Anil Pharande, Chairman - Pharande Spaces & President - CREDAI Pune-Metro

### ARTICLE



Mr. LC Mittal , Director, Motia Group

### ARTICLE



Mr. Amar Sarin, Managing Director & CEO , TARC

### ARTICLE



PEB Building: A Versatile Application

## Is real state in India still a profitable investment?



Mr. Amar Sarin, Managing Director & CEO , TARC

**R**eal estate has a reputation for steadiness, which always makes investing in this field advantageous. This was evident during the pandemic. Real estate remained robust and offered investors a safe refuge to invest their hard-earned money while many other investment channels were failing.

The Indian real estate market is currently boomin-g fast and offering a chance to invest and gain profit. The sector's expansion is being continuously fuelled by the increasing urbanisation, people's desire for a better life, and growing interest from foreign investors. By 2030, the market is anticipated to have grown from US\$ 200 billion in 2021 to US\$ 1 trillion. This number suggests a more promising future for the industry, which is both alluring and motivating for investors.

### Factors that make real estate a profitable investment

In the post-pandemic environment, businesses are starting to open, which is increasing rental income every day. In the major Indian, demand for both business and residential space has been steadily rising. From the pre-pandemic era in 2019, major Indian cities' monthly residential rental demand has grown by at least 10–20%, according to ANAROCK.

At the same time, due to their rapid growth in recent years, tier-2 and tier-3 cities have attracted the interest of common people and investors alike. The real estate industry has also included them in the scope of their expansion plan, giving small investors the chance to profit from a vibrant environment.

In terms of FDI flow, the sector is the third largest in India. This reveals how well-regarded the industry is among overseas investors. When they search for investment opportunities, the Indian real estate market appeals to them the most. Value increases as a result of this. There is a good probability that investors may receive a lucrative offer from overseas investors.

The fact that real estate investment is a safe investment option in comparison to other options is another significant and enticing feature. To be sure of a satisfactory return,

interest on bank accounts, mutual funds, stocks, and even cryptocurrency investments is too volatile. They are quite reliant on the state of the market. On the other side, the real estate market is comparatively stable. Even when prices change, the interest rate doesn't go too deep and always remains beneficial.

Investors who invest in real estate are also qualified to receive some tax benefits. Under section 80C, they can save up to INR 1.5 lakh on the principal amount of a house loan. Similar to this, section 24 allows them to save up to 2 lakh on interest payable. As a result, their taxable income reduces significantly, and real estate investment becomes more affordable.

Most importantly, real estate is the best mortgage on which investors can raise loans according to their needs and requirements, including business loans and educational loans. Since real estate is the best form of collateral for lenders, loans secured by it are simple to get. Loan AgainstProperty (LAP) is available for a longer period of time and is less expensive than unsecured personal loans. Seniors can obtain loans against property through reverse mortgage financing agreements without giving up ownership.

### Things to consider before investing in real estate

Before making a final decision, investors should consider a few important factors to get a higher return. Real estate investing entails a sizable sum, therefore it's crucial for investors to understand their goals. Is it for personal use or passive income? Accordingly, the spending limit and location should be chosen. Site location should be ideal to ensure smooth accessibility to office, school, hospital and market. Most importantly, investors should go through property papers carefully and check for clear titles, RERA details, and occupancy certificate. In case of doubt, they should consult legal experts.

An investment in real estate may be among the finest choices given the industry's continued expansion and the aforementioned advantages. It improves quality of life, provides financial security, and allows investors to leave a lasting legacy for future generations. [www.projectsmirror.net](http://www.projectsmirror.net)