

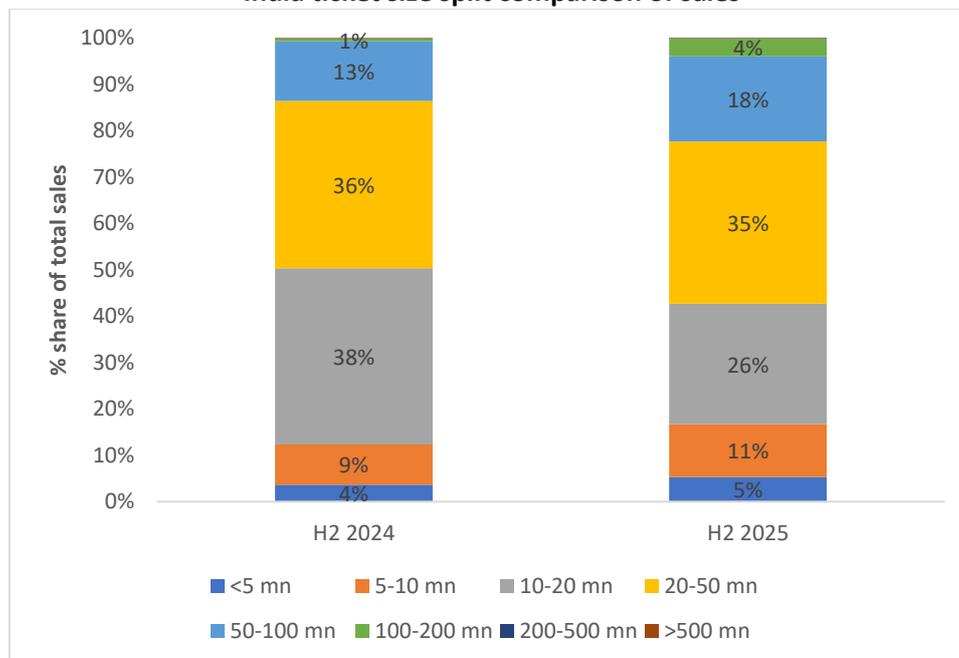
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## Premium housing demand strengthens as affordable sales fall 17% YoY in 2025: Knight Frank India

- Premium segments (INR 10 mn+) now constitute 50% of total annual sales
- New launches in sub-INR 5 mn category witnessed a sharp contraction of 28% YoY

**National, February 16, 2026:** Knight Frank India, in its flagship report, *India Real Estate: Office and Residential Market H2 2025*, highlighted an intensifying shift in India’s residential landscape. While the overall market remained resilient with 3,48,207 units sold in 2025 and sales of units priced over INR 10 mn rose by 14% year-on-year (YoY), the affordable housing segment— **homes priced under INR 5 mn experienced a significant decline of 17% YoY. An overall**

India ticket size split comparison of sales



Source: Knight Frank Research

The report notes that the slowdown is largely confined to lower ticket segments. In fact, **annual sales in the INR 5–10 mn category also shrunk by 8% YoY.** Consequently, homes priced above INR 10 mn now dominate the landscape leaving a comparatively much smaller footprint of affordable housing sales across India. This trend was particularly evident in cities like **Delhi-NCR, which saw a 9% decline** in overall sales, **and the affordable category sales fell by 25% YoY** in the region

## Sales

City	H2 2025 Units (YoY change)	2025- Units (YoY change)
Mumbai	50,153 (3%)	97,188 (1%)
Bengaluru	28,774 (3%)	55,373 (0%)
Pune	26,592 (-4%)	50,921 (-3%)
NCR	25,657 (-10%)	52,452 (-9%)
Ahmedabad	19,355 (5%)	38,403 (4%)
Kolkata	9,382 (3%)	18,752 (2%)
Hyderabad	9,327 (13%)	18,262 (12%)
Chennai	8,806 (7%)	16,896 (-3%)
<b>Total</b>	<b>178,046 (0%)</b>	<b>348,247 (-1%)</b>

Source: Knight Frank Research

**Shishir Bajaj, International Partner, Chairman and Managing Director, Knight Frank India**, said, “The overall residential market continues to exhibit underlying resilience, supported by a stable macroeconomic backdrop and recent repo rate cuts. However, the affordable housing segment faces pronounced pressures, with demand declining 17% YoY and supply contracting more sharply by 28% YoY. This divergence signals a structural shift in the market, as capital allocation and buyer preference increasingly gravitate toward higher-value homes. The marked slowdown in new affordable launches highlights developers’ reluctance to commit capital to this segment, as they focus on premium housing, which is shaping the current housing cycle.”

## Ticket-size Segment Health

Ticket-size segment	Unsold Inventory (housing units) (YoY change)	Quarters-to-sell (QTS)
0 – 5 mn	176,903 (-7%)	8.7
5 – 10 mn	136,569 (-3%)	5.3
10 - 20 mn	129,761 (14%)	5.5
20 – 50 mn	52,322 (40%)	3.9
50 – 100 mn	9,603 (-4%)	2.9
100 – 200 mn	2,929 (27%)	5.2
200 – 500 mn	1,239 (27%)	15.8
>500 mn	450 (48%)	9.5

Source: Knight Frank Research

In 2025, the affordable housing sector faced a significant supply crunch as well, as developers pivoted away from lower-ticket projects, leading to a **28% YoY drop in new launches** for units priced under INR 5 mn and an 9% decline in the INR 5–10 mn category. This **lack of fresh supply resulted in 7%**

**contraction of unsold inventory in the sub-INR 5 mn segment, even as the broader market underwent a major structural shift toward premiumisation.**

## India Market Summary

Parameter	2025	2025 Change (YoY)	H2 2025	H2 2025 Change (YoY)
Launces (housing units)	362,148	-3%	182,444	-4%
Sales (housing units)	348,247	-1%	1,78,046	0%

Source: Knight Frank Research

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### About Knight Frank

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