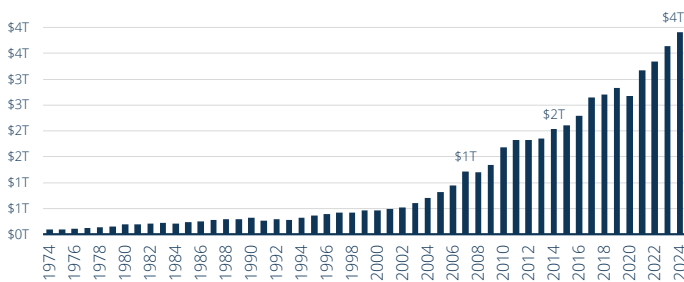


India's real estate supercycle

India's economic rise is not just reshaping global growth – it's redrawing the world's real estate map. In 2025, India surpassed Japan to become the world's fourth-largest economy, yet despite such scale, its real estate sector remains vastly underbuilt. With an expanding youthful workforce, deepening capital markets and accelerating reforms, India is entering what could be one of the largest real estate buildouts of the century – a true supercycle in the making.

India's economy has expanded at a sustained pace of 7 percent to 8 percent annually for five decades, compounding into extraordinary scale. In the past 10 years alone, India added US\$2 trillion in GDP – roughly equal to the entire economy of South Korea – and is projected to add another US\$2 trillion by 2030.

Figure 1: India's annual GDP (USD), 1974 to 2024



Source: World Bank

Yet real estate still accounts for less than 2 percent of India's GDP, while in countries such as the United States that have mature economies, it accounts for as much as 25 percent to 50 percent. This presents a roadmap for growth. As capital, people and policy converge, the foundations for a multidecade real estate investment cycle are being laid.

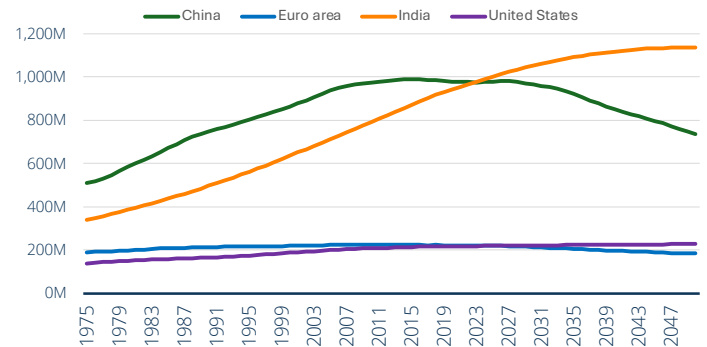
A demographic dividend

India's demographic profile is its most powerful structural advantage. Over the past 15 years, its working-age population has expanded by 200 million – roughly equal to the entire labour force of the United States. With an average age of 29, India's population is entering their prime years for earning, spending and forming households.

This demographic depth underpins a massive consumption engine. India's middle class is expected to exceed 700 million people by 2030, more than the combined middle classes of North America and Europe. As incomes rise and lifestyles evolve, demand is accelerating across every real estate segment – from residential and logistics to hospitality and office.

Crucially, the urbanisation story is only just beginning, with around 350 million Indians expected to migrate to cities by 2050 – the largest population shift in human history. This wave of urban expansion will drive demand for new housing, offices, hotels, and infrastructure on a scale few other markets have seen.

Figure 2: Working age (15–65) population of major economies



Source: World Bank

Liquidity finds its home

India's transformation is being fuelled not only by growth but by formalisation, as economic activity moves from the unregulated sector into the formal, regulated economy. The structural shifts of the past decade – demonetisation, Goods and Services Tax reform and digital payments – have moved trillions from the informal economy into regulated financial channels, forming a deep pool of domestic liquidity seeking investable opportunities.

Indian households are now channelling more than US\$3 billion per month into mutual funds, and domestic institutions are managing hundreds of billions in pensions and insurance reserves. As governance standards and transparency improve, this capital is finding new paths into real estate through REITs and other institutional vehicles.

The success of India's listed REITs has been pivotal. These structures have created a virtuous cycle, enabling developers to recycle capital from stabilised assets into new projects while giving investors access to income-generating properties with institutional oversight.

For global investors, this growing liquidity and transparency offers a powerful combination: access to one of the world's fastest-growing economies by means of a maturing, disciplined real estate ecosystem.

The office of the world

India has emerged as the epicentre of global office demand, accounting for more than 70 percent of total absorption across major global cities in the past decade. The rise of Global Capability Centres (GCCs) – hubs for multinational corporations leveraging India's talent base – has transformed the country into the world's back office, and increasingly, its innovation lab.

More than 2 million professionals are now employed in GCCs, and leasing activity continues to be dominated by global occupiers seeking scale and efficiency. Many tenants are expanding from single floors to entire campuses, underscoring long-term confidence in India's talent and infrastructure.

Despite strong fundamentals, India's office assets remain attractively priced. Yields often exceed 8 percent, with rent escalations averaging 5 percent annually – levels that are difficult to replicate in developed markets. Combined with rents that are roughly one-third of those in global gateway cities, the runway for growth is long.

Hospitality takes flight

India's travel and tourism industry is riding a parallel growth curve. As air connectivity expands and disposable incomes rise, domestic travel has become one of the strongest demand drivers in the hospitality sector.

Domestic trips outnumber outbound travel by a factor of 200 to 1, and this market is set to double by the end of the decade. Yet India still has only 3 percent of the hotel keys per capita compared to its peers, indicating acute undersupply.

Luxury and upper-upscale segments are particularly well poised for growth. The number of high-income households earning above US\$40,000 annually is projected to treble by 2030, while supply will remain limited. Average room rates are also a fraction of those in comparable global markets, suggesting significant pricing headroom.

As more Indians experience international standards of hospitality, expectations for domestic quality and service are rising. This shift favours institutional operators and branded chains capable of delivering consistently high standards at scale – hallmarks of sustainable growth.

Logistics and infrastructure: the backbone of growth

Ecommerce and manufacturing are driving unprecedented demand for logistics space. With more than one billion mobile subscriptions, India is the world's fastest-growing digital economy, and its ecommerce market has trebled in size in recent years.

At the same time, the "Make in India" initiative and global supply chain diversification are catalysing industrial expansion. Global leaders from Apple and Foxconn to Hyundai and Airbus are deepening their manufacturing footprints to leverage India's cost advantages and domestic market scale.

This growth rests on a foundation of infrastructure investment. Over the past decade, India has added 35,000 miles of new highways, streamlined interstate trade via the Goods and Services Tax and unlocked massive public spending for logistics corridors and ports. Total warehousing stock has trebled to roughly 400

million square feet, yet remains far below global benchmarks, offering a long runway for investors in logistics and industrial real estate.

Housing the nation

As India's cities swell, housing is emerging as both a social imperative and a commercial opportunity. From affordable rental housing to student accommodation and senior living, the demand drivers are broad-based and deeply structural.

Affordability pressures and lifestyle preferences are seeing younger Indians opt to rent for longer, creating opportunities for institutional rental platforms. The Model Tenancy Act of 2021 has provided a legal framework that balances landlord and tenant rights – an important step toward market institutionalisation.

Meanwhile, purpose-built student and senior housing are nascent but growing rapidly, supported by shifting family structures and rising incomes. Each represents an underpenetrated segment with strong demographic tailwinds and growing investor interest.

A new investment horizon

India's appeal as a real estate market rests on three converging strengths:

1. Sustained Demand – driven by demographics, urbanisation and consumption-led growth
2. Structural Undersupply – across all major asset classes, from housing to hospitality
3. Rising Liquidity – enabled by formalisation, domestic capital flows and financial innovation

These forces are ushering in a period of long-duration, broad-based and self-reinforcing growth in real estate activity. Unlike cyclical recoveries, this expansion is underpinned by structural fundamentals: a deep labour pool, strong governance reforms and rising domestic capital participation.

The India story is no longer one of potential – it's one of scale and execution. Investors are witnessing the emergence of a real estate market that mirrors the trajectory of the economy itself: dynamic, diversified and increasingly disciplined.

From tech campuses in Bengaluru to logistics hubs in Delhi, from luxury hotels in Goa to urban rental housing in Mumbai, the opportunities span sectors and strategies. What ties them together is a structural shift – a deep, multidecade expansion fuelled by demographics, capital and reform.

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COMPANY OVERVIEW

Brookfield Asset Management is a leading global alternative asset manager, headquartered in New York, with over US\$1 trillion of assets under management across renewable power and transition, infrastructure, private equity, real estate, and credit. We invest client capital for the long-term with a focus on real assets and essential service businesses that form the backbone of the global economy. We offer a range of alternative investment products to investors around the world – including public and private pension plans, endowments and foundations, sovereign wealth funds, financial institutions, insurance companies and private wealth investors. We draw on Brookfield's heritage as an owner and operator to invest for value and generate strong returns for our clients, across economic cycles.

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