Real Estate Business Opportunity in India by Grahame Clark

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India is one of the fastest emerging economies today. In fact, it is ranked higher than Russia, Italy, or UK. It also ranks second amongst the developing nations. Thus, the purchasing power capability of India consumers makes it an area of immense potential. It also offers a wide array of options and avenues to pursue.

India is a happening place these days and is being touted as the emerging economic success story of the 21st century. Places like Mumbai, formerly known as Bombay has real estate, prices of which can be compared to any of the top ranking western cities of the world. It can also offer you far greater yields with property prices scaling the roof in recent years. Much of the growth has been witnessed in the Indian real estate sector with huge investments coming in.

Most non resident Indians & OCIs (Overseas citizens of India) wary of investing in Indian real estate a couple of decades ago are now applying online and checking out top ranking brokers to buy homes and properties across India. To cater to the growing demand from overseas Indians, real estate companies are building properties that can be compared to anywhere else in the world. There are premium properties to suit NRI pockets and they are full of amenities not seen anywhere else.

It has become common for many NRIâ€™s in their sunset years to spend a couple of months each year in their former homeland. To exceed their expectations, real estate companies, many of which are multinationals, are investing in land to create replicas of real estate properties found in the US and UK. The townships that are being created are integrated like they are abroad.

You can get all facilities close to your property and you wonâ€™t have to go out and look for them outside the boundary.

The huge potential of India business lies in the fact that it offers a very large consumer base to tap into. With the population of India running into the billions, the scope it offers is tremendous. And as the nation is continuously growing by amassing higher GDP growth, the standard of living is also rising. So, the per capita incomes of an average middle-class Indian today is more than what it used to be.

One sector that is certainly gaining from this India business boom is real estate business. Indian real estate market is witnessing a boom in the industry with observed exponential increase in the residential, commercial, retail, and recreational properties. All the projects are booming enormously, taking the market to new heights.

The Indian government is also putting in more money in real estate and many old regulations have been fine tuned to attract more money into the sector. The property tax act, the rent control system, land ceiling regulations have also been updated and made more investor friendly for people wanting to put their money into real estate. Along with domestic laws, the foreign exchange regulation act has also been made more liberal to get more people from aboard into Indian real estate buying, selling and investing.

Private equity players are also finding the real estate an excellent business opportunity as the returns have skyrocketed in the last few years. It pays to buy property in India and keep it for investment purposes. And you donâ€™t have to wait long enough as the returns can be seen upfront in just a couple of years.

Foreign investors in real estate are expected to bring in around $100 million and they can range from small, medium to large projects across India. Even smaller towns are experiencing a boom in real estate.

However, those looking for properties in India are not satisfied with mediocre apartments and standards of living. They are looking for something beyond these basic amenities provided by most builders.

Real Estate sector is considered as a great employment generator and could be instrumental in growth of cement, steel and other connected industries. A study reveals that for every one crore (10 million) rupees of investment in housing, nearly 290 industries in the building material sector get activated besides the core manufacturing sector constituting cement, steel and bricks. Therefore, investment in housing is capable of achieving a three-in-one solution of employment generation, economic development and human development. Real estate development in India is estimated to be in the region of USD 12 billion, growing at a pace of 30 per cent each year.

Hence, Indian properties prices have been rising along with the demand to make posh apartments with the latest facilities. This rapid growth of property in the country relies on the government policies. These are the policies which would facilitate investments in terms of foreign direct investment. Thus the Indian economy is also booming along with the rapid growth of the real estate business.

The Indian government has been introducing friendly policies through which the real estate business has become the second largest employer. The real estate industry has largely contributed towards gross domestic product. Considering these factors the real estate sector has been contributing 5% of the countries growth. The real estate and construction industry is also expected to rise to 6% in the next five years.

All the major cities like Mumbai, Delhi, Kolkata, Chennai, Hyderabad and Chennai are getting some of the best constructions with this boom in the real estate sector. These include constructions in various sectors like health care, residential, retail and commercial developments. Due to strong interest from the foreign investors and NRIÂ´s the boom in the sector is intense. This has further pushed the Indian real estate cost way beyond its actual potential.

The first FDI project for Rs. 100 crore (1 billion) residential township in Gurgaon, North India has already been approved by the Government. It is estimated that urban housing sector would require investments of USD 25 billion over the next fiveyear period. Urban population is expected to grow from 290 million to 600 million by 2021, while the requirement for housing units will grow to 68 million by 2021. At present, India has only about 19 million housing units. As per a study conducted by the United Nations, by the year 2015, 10 of the worldâ€™s largest cities will be in Asia (excluding Japan) and three of these will be in India. The projection suggests that the demographic growth will be high and the country is poised for rapid urbanization, which will lead to major developments in real estate and infrastructure projects.

In today's market investing in real estate is considered as one of the most lucrative and money-spinning business as it gives lots of opportunities to earn the money or income. Investment in property is as safe and secure compared to the other investment market. We know that fluctuations happen in every market but if investments are planned out well then it is possible to get rid from most of the risk. So be positive and don't lose the real estate business opportunity in India.

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Grahame Clark - About Author:
Franchise Bazar provides information about different types of franchise and a India business opportunities available in the market. Here in this article you can get information about a Real Estate Business opportunities available in India.

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