



Residential Real Estate – National Capital Region

Area sold in National Capital Region
estimated to grow by 12-15% to
reach decadal high in FY2026

December 2025



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Area sold in the NCR is projected to expand by 12-15% to reach a decadal high in FY2026; growth is expected to remain flattish in FY2027.

The YTS is likely to remain strong at around 0.6-0.7 times as of March 2026 and March 2027 on account of sustained sales momentum.



- The National Capital Region (NCR) is the fourth-largest residential real estate market among the top seven* cities in India, accounting for 16% of the area sold in FY2025. NCR recorded a decadal high of 103 million square feet (msf; +32% YoY) of area sold during FY2025, backed by healthy sales velocity and launches, and the momentum remained healthy in H1 FY2026 with a 19% YoY increase to 57 msf. ICRA estimates the area sold in NCR to grow by 12-15% to 115-120 msf in FY2026.



- New launches in NCR surged by 69% YoY in FY2025 to a robust 110 msf. In H1 FY2026, new launches grew by 15% YoY to 63 msf, backed by sustained demand in the luxury segment, and are likely to remain at similar levels in H2 FY2026. Overall, ICRA projects launches to increase by 10-12% in FY2026 and 2-5% in FY2027.



- The years-to-sell (YTS) witnessed a considerable reduction in NCR to 0.6 years as of September 2025 from 1.7 years in March 2022, driven by continued strong demand. The YTS is likely to remain strong at 0.6-0.7 years as of March 2026 and as of March 2027 (0.6 year as of March 2025).



- The blended realisation, i.e. average selling price (ASP), in NCR grew by about 31% and 13% on a YoY basis in FY2025 and H1 FY2026, respectively, which is the highest growth among the top seven cities. This was majorly driven by pricing flexibility arising from low inventory levels, along with a higher proportion of sales tilting towards the luxury/ultra-luxury segment. Given the significant rise in the ASP in recent years, ICRA expects the ASP growth rate to taper in the medium term.



- Historically, mid-segment launches dominated the NCR market until FY2023. However, FY2024 marked a turning point as luxury segment launches surged, overtaking mid-segment activity, a trend that has sustained through H1 FY2026. The share of luxury segment sales in NCR climbed sharply to 58% in FY2025 and remains robust at 48% in H1 FY2026, up from 24% in FY2021, in terms of area sold, driven by evolving consumer preferences for larger, premium homes. However, the recent rise in mid-segment launches in H1 FY2026 signals developers' strategic shift towards a more balanced launch mix. The change in segment mix will also have a commensurate impact on blended realisation going forward.



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