



Budget 2026: Real Estate developers express disappointment

Prime, Residential / February 1, 2026 / Written by Writer / 11 minutes of reading

After witnessing a slowdown in housing sales and new supply over the past two years—more pronounced in the affordable housing segment—the real estate sector had pinned its hopes on the Union Budget 2026-27 for direct incentives to revive demand. However, the absence of any targeted relief for housing has come as a disappointment for the industry.

That said, the government announced a series of measures that could have a strong multiplier effect on real estate demand over the medium to long term. These include an allocation of Rs 5,000 crore per city economic region for tier-2 cities, including temple towns, aimed at unlocking urban growth potential. The Budget also laid emphasis on infrastructure-led development through new industrial corridors, manufacturing hubs, high-speed rail and freight corridors, CPSE REITs, data centre along with an enhanced public capital expenditure outlay of Rs 12.2 lakh crore.

Industry leaders share their views on the Budget's implications for the real estate sector:

Shekhar Patel, President, CREDAI National

CREDAI welcomes the government's continued focus on infrastructure spending, which is a big positive for the real estate sector. Investments in highways, metros, logistics corridors, railways, and urban infrastructure will improve connectivity, unlock new growth corridors, and support long-term urban development. However, CREDAI is deeply disappointed that the Budget offers nothing concrete for affordable housing.

Dr Niranjan Hiranandani, Chairman of NAREDCO & Hiranandani

The Budget propels a transformational shift towards regional economic development through the creation of City Economic Regions (CERs). Each CER will integrate multiple urban centers—spanning Tier-2, Tier-3 cities and temple towns—and their surrounding hinterlands into unified economic ecosystems. These ecosystems will thrive on enhanced connectivity, improved competitiveness, and elevated liveability standards.



Navdeep Sardana, Founder, Whiteland Corporation

By de-risking the construction phase and improving credit availability, the move will accelerate project execution and crowd in private investment. Faster asset monetisation through REITs and enhanced freight connectivity will further unlock liquidity across the ecosystem.