



# REAL ESTATE IS INDIAN ENTREPRENEURS' NO.1 CHOICE OF INVESTMENT! WHY?

## Lets's get Real!

**ATUL GOEL**

**A**s we stare down the barrel of a new year – 2025 is almost here! – we have the annual opportunity to look back at the world and try to make sense of the year that has just passed. In today's column, I want to speak about the world of Indian and global entrepreneurs and their investment habits. As data shows, these habits have everything to do with real estate!

HSBC – a multinational banking company that needs no introduction – recently released their review of entrepreneurs from around the world; the HSBC Global Entrepreneurial Wealth Report 2024. They focused on multiple aspects of business in this review – family business practice and holidaying trends to name a few. But most importantly they performed in-depth analyses of how entrepreneurs from all corners of the earth invest their money. This report, which surveyed entrepreneurs in India, China, the US, Hong Kong and Singapore (among others), has brought forward some interesting data in this regard.

63% of all surveyed business owners or entrepreneurs – from across the world, mind you – allocate their wealth to investment, and real estate forms a significant part of their investments. That is to say, they use real estate to generate a stream of income – mostly through renting or leasing out their properties. A further 51% own real estate apart from that, solely intended for personal use.

So, what does this data mean? It means that throughout our world, entrepreneurs and businessowners – be they first time buyers or experienced landlords – invest in real estate! That same HSBC report goes on to state that Indian entrepreneurs have some of the highest rates of investment in the world – and a good chunk of this investment is in real estate. 61% of Indian businessowners and entrepreneurs, for instance, own real estate for investment purposes. This is among the highest rates of real estate ownership recorded in the countries surveyed by the report.

To those of us that are watching the Indian real estate sector, these investment

reports that summarise 2024 should not come as a surprise. As I have mentioned in some of my earlier columns, 2024 has been a year of meteoric growth for the Indian real estate industry. Investment in the sector, private investment specifically, grew by 20% this year as compared to last. Between 2023 and 2024, Indian real estate developers are estimated to have built nearly 5 million homes. In the top 9 Indian metropo-

lises, over 90 million square feet of office space has been leased – surpassing the estimates for the year of 50 million. In the coming year, that space could increase by at least as little as 15 million square feet.

Just like India's GDP, our businessowners aim to grow and make money – lots of it. So, I contend that the study of entrepreneurs is vital to understanding our modern economy. Why? To quote from the report: "because entrepreneurs matter now as never before. Our attitudes towards those who start and run businesses have shifted enormously in the



past 30 years. Founders are now lionised and celebrated, and children dream of growing up to found tech businesses. Start-ups drive economies, provide jobs and, increasingly, change the world. We live in the age of the entrepreneur – and understanding them is more important than ever."

So, if we were to listen to Indian entrepreneurs, what are they saying? They are saying that there is a reason that they are optimistic about investing in real estate. (Optimism, the report states,

is one of the key differentiators of all entrepreneurs.) As India's skylines grow taller and glitzier, our investment patterns also begin to change. And nowhere is this change more visible than in the investments of entrepreneurs. The actions of small businessowners and entrepreneurs are the perfect microcosms of national economies.

India is going to grow – its cities will sprawl out horizontally as they climb ever higher. The question is, will you be a wise investor or will you be left behind? Investing wisely and carefully in real estate is a great way to get Real Rich and, in today's 'age of the entrepreneur', real estate has been proven to be the world's preferred avenue of investment!

## REAL RICH

GETTING REAL ABOUT REAL ESTATE

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