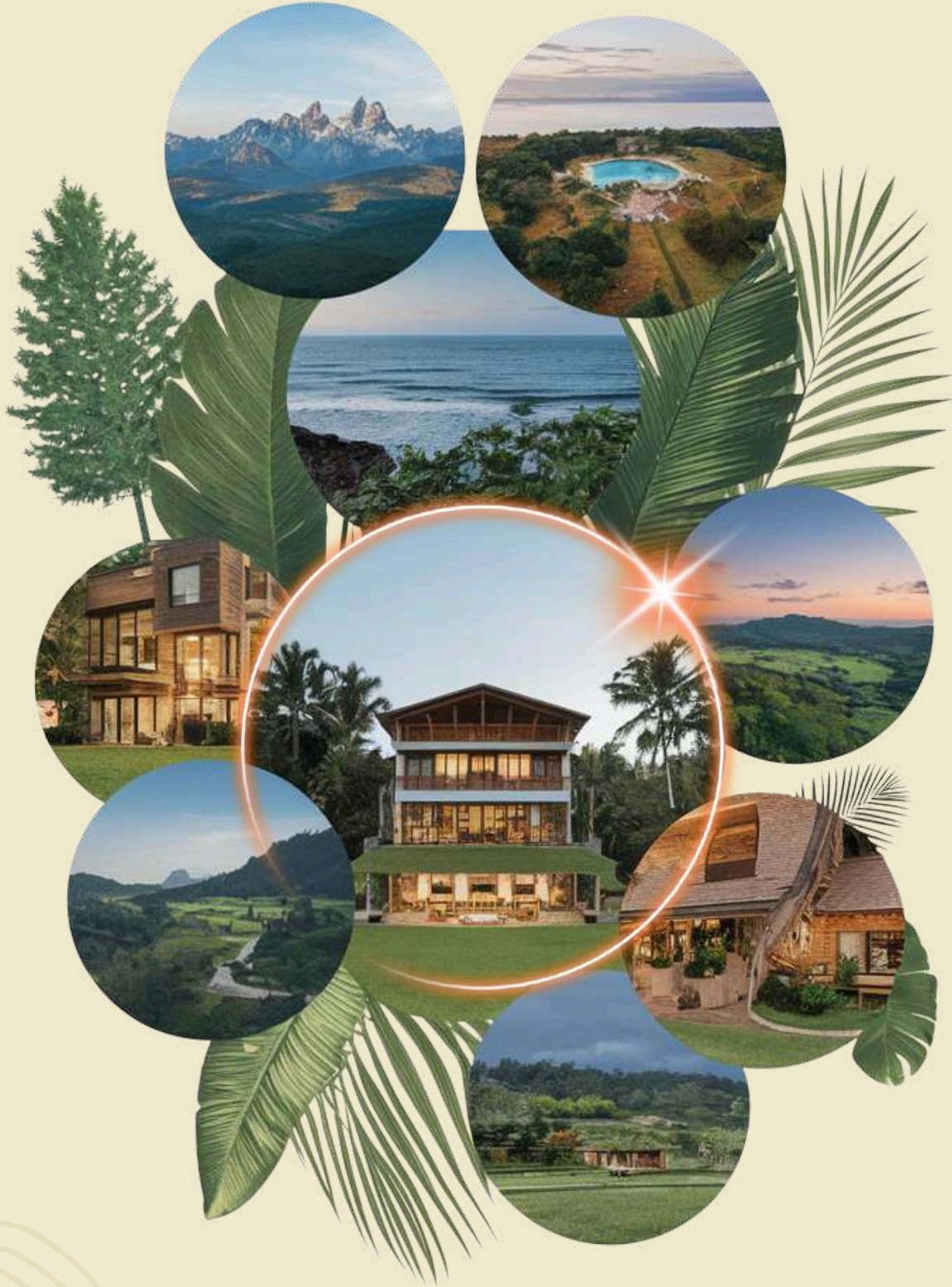


THE 
INDIAN

SECOND HOME


MARKET OUTLOOK



AXON
DEVELOPERS

360 REALTORS
Commitment | Honesty | Reliability

FOREWORDS



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MD, AXON DEVELOPERS

The Indian Second Home market continues to gather steam. The overall sector is presently sized at around USD 3.2 billion in 2025, climbing up significantly from USD 1.39 billion in 2021.

Post pandemic, there has been significant transformation in the lifestyles of average individual. People now understand the importance of living amidst nature, taking periodic breaks to recharge the mind & body, lead an overall healthy lifestyle, etc. There is an increased spotlight on wellness centric vacations, staycations and workcations, in the middle of idyllic natural environs.

This is naturally pushing the sales of second homes and other related categories such as rental villas, cottages, and farm stays etc. While homebuyers are aggressively searching for the right property mix, developers are coming up with new launches to cater to the evolving demand.

India's rich & diverse landscapes encompassing spellbinding mountainous peaks, panoramic sea beaches, idyllic rural landscapes, thick eco reserves, further incentivizes the second home segment. It gives ample space to developers, designers, and architects to create innovative projects.

To further learn about the evolving segment, we have compiled the outlook report, largely focusing on second home market. The report offers valuable insights & actionable data on market size of second homes, current trends, future growth trends, demand patterns, market shares, etc.

This is one of the indigenous researches done in this regard, as we have very limited data & insights about the segment. While there is no dearth of data & insights about conventional real estate, second homes as a category has got limited attention from the researchers.

This is relatively new category and hence has not been recipient of detailed academic & research interest. To reverse this, we have undertaken the assignment. As Second Homes are slated to grow fast, it is important to offer valuable insights and perspectives about the segment. In this way the existing knowledge gap can be bridged and everyone can be immensely benefitted.

This report and the data can be greatly helpful to developers, designers, property management companies, and other enterprises which are active or are discerning to be part of the ecosystem. The comprehensive study can also offer valuable information to other related entities such as development agencies, researchers, academic institutions, etc.

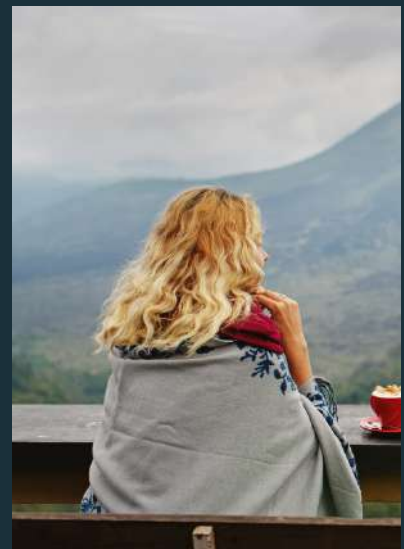
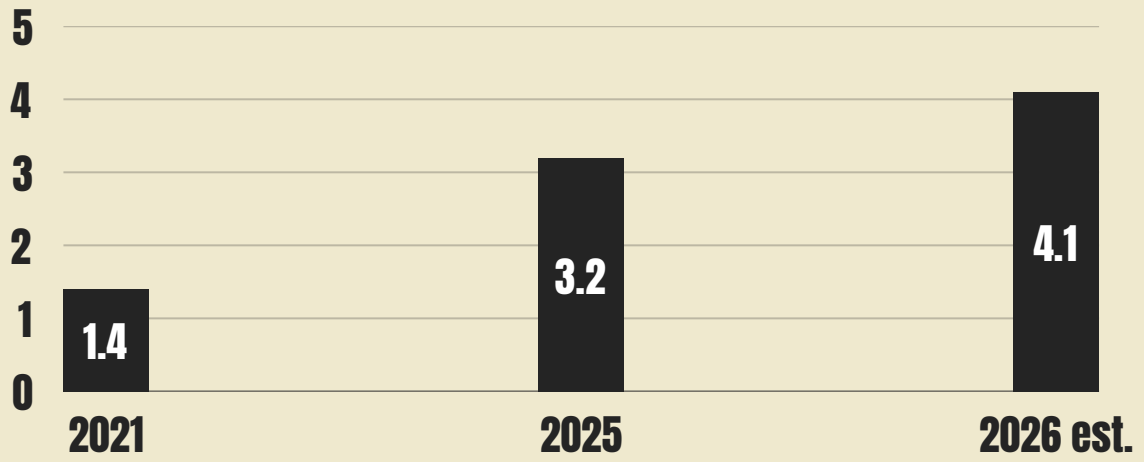
The research has been compiled following a rigorous methodology, wherein we have scrutinized data from over 30 markets across India. This includes numerous prominent second home & holiday home destinations in Himalayas, Western Ghats, Konkan, Sahyadri Trails, Aravalli, and much more.

Hope you like the report. Feel free to share your valuable inputs on the same

MARKET SIZE OF INDIA'S SECOND HOME MARKET

THE SIZE OF THE SECOND HOME MARKET IN INDIA (USD BILLION)

Source: Axon Developers, 360 Realtors



THE GROWTH

IN THE SECOND HOME MARKET IN INDIA IS FUELLED BY A HOST OF FACTORS

1

Average urban dwellers are now understanding the importance of

spending time amidst tranquillity of nature. Refreshment and rejuvenation are no more just a buzz word, but becoming integral part of day-to-day lives. This is resulting in increased demand for villas, cottages, and farm stays in pristine & picturesque destination.



2

The rise in remote working has been instrumental in accelerating the

second home segment drastically in India. With the WFH and remote working becoming more commonplace, it makes perfect sense to have an alternate place amidst idyllic natural beauties to operate seamlessly, away from the hustle bustle of the hectic city lives.



3

The traditional boundaries between vacation, wellness, tourism and

healing are blurring. Individuals are now understanding how essential it is to relax, heal yourself and develop new positive habits. This is accelerating demand for concept homes such as second homes, vacation villas, plantation bungalows, farm houses, etc.

4

The concept of Second Home Markets is breaking ground across

picturesque destinations, which are at an approachable distance from Indian metros. Places such as Karajjat & Alibaug (Mumbai), Lonavala (Pune & Mumbai), Alwar (NCR), and Nandi Hills (Bangalore) are witnessing a growing launch of gated villas, vacation homes and independent bungalows.

5

The segment is becoming organized with increased participation from big

players such as DLF, Ipsarva, Axon, etc. Consequently, we are now seeing more organized and gated style branded projects with a host of topline amenities. This includes sporting facilities, entertainment zones, cafes and F&Bs, wellness centres, spas, adventure sports, infinity pools and much more.



6

Second homes are becoming potential source of constant rental income.

As demand for curated services & exclusive spaces are rising, second homes are becoming the frontrunner of alternate hospitality space. Many tourists now prefer private villas and holiday homes, instead of mainstay hotels. Research suggest that investing in Second Homes can give 7-9% rental returns.



7

The alternate hospitality space has witnessed increased organization

with the advent of new age villa management start-ups such as Saffron Stay, EKO Stay, Rentlagram, Lohono Stays, Stay Vistas, Trip Villas, etc.

8

Due to the growing cases of smog & air pollution, many homebuyers are

purchasing second homes, especially in the hills as a long-term health investment. During the smog season, which happens post Diwali, many households send their elderly parents, kids to the hills so that they can avoid pollution.

KEY FINDINGS OF THE RESEARCH

1 There is a total of ~ 17,000 branded hotel rooms in these markets (mostly premium & upscale rooms.)



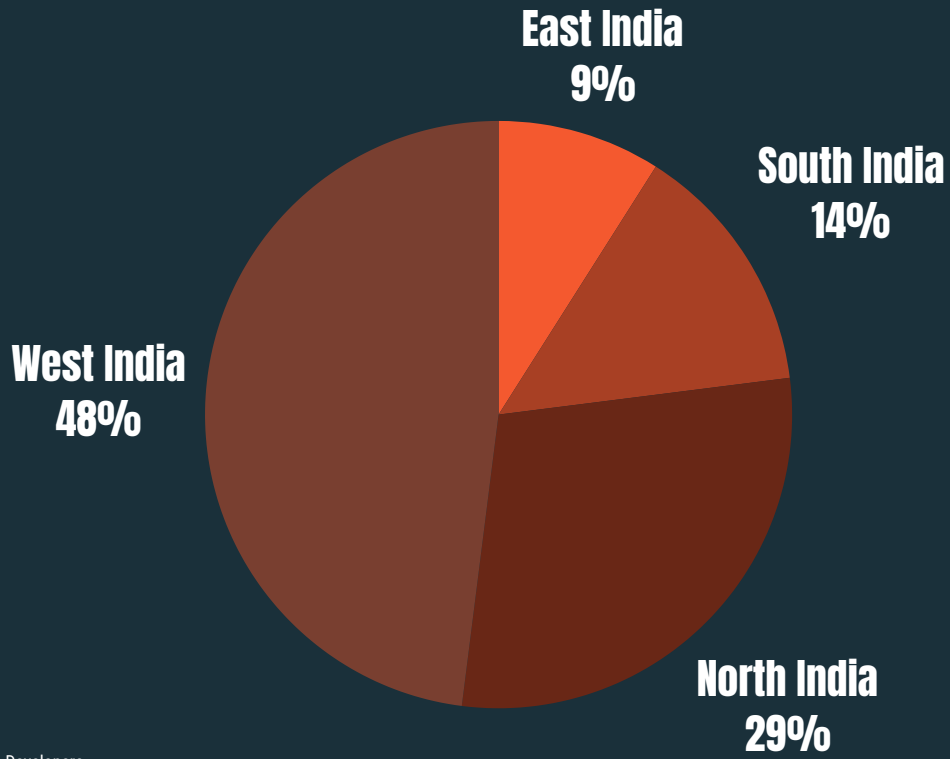
2 There are around ~14,150 organized second home/ vacation villa units in India, as per our research. (This only comprise organized projects with at least 30 units and doesn't include independent villas and bungalows)

3 The average price appreciation over the past 12 months have been 10.1%.



4 Average land price in these locations is around ~ 3,100 PSF.

BREAK-UP OF SECOND HOMES IN INDIA (REGION WISE)

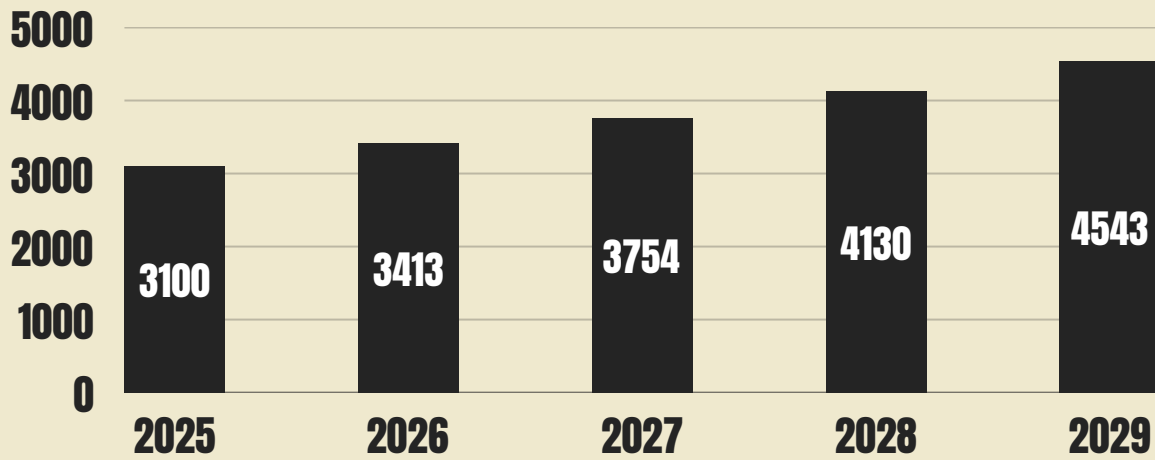


Source: 360 Realtors, Axon Developers



AVG. LAND PRICE TRENDS (INR PSF, CY 25- 29)

Source: Axon Developers, 360 Realtors



INFORMATION ABOUT SELECTED SECOND HOME DESTINATION

	Existing branded hotel rooms (100)	Daily visitors (1000)	Price appreciation (%)	Total second home units (100)
Sindhudurg	0.5	2	28	38
Rishikesh & Narendra Nagar	4.1	7.5	9.5	1.5
Ayodhya	33	120	22	6
Chamba & Tehri	0.4	1.5	20	0
Alwar	2.9	1.5	17	5.3
Siliguri & Darjeeling	5.4	2.5	7	3
Lonavala	6.5	4.5	7	10
North Goa	2.5	18	27	5.4
Dehradun	8.7	5	12	9.6

Shimla	5.5	25	6.2	5.6
Solan & Kasauli	4.3	5.5	15.2	5.2
Coorg	6.7	4.5	4.3	0.5
Haridwar	6.3	35	-5	11
Nainital	2.1	3.3	12	1.5
Mussoorie	5.1	4.1	9	1.6
Chamba (HP)	2.1	2.2	5	1
Kalimpong & Gangtok	7	3.9	4	0.1
Srinagar	7.1	8	17	1
Ooty	3.9	8.5	14	1.1
Panchagni & Mahabaleshw-ar	5.5	11	10	1
South Goa	12	21	18	6.4
Alibaug & Karjat	3.4	11	12	1.6
Nandi Hills	0.7	4.5	7.3	15.5
Pondicherry	3.5	21	6	1.5
Ratnagiri & Dapoli	0.5	0.9	4	9.5
Kovalam	5.2	6	12	2.1
Sancoale	1.2	NA	140	1.5
Tilari	1	NA	35	20

SWOT ANALYSIS OF SECOND HOME MARKET IN INDIA

- The segment is slated to grow backed by healthy socio-economic foundation.
- Big mainstream developers are entering the space, lured by its long-term growth potential.
- There is an intrinsic shift towards healing, rejuvenation and wellness.
- Post-pandemic, households now spend generously rather than saving.
- India has a plenty of natural beauties to develop second homes.

S

- Still a nascent segment with limited Grade-A developer involvement.
- The market is still not very organized
- Many territories in Himalayas, Konkan & North east still has poor accessibility.

W

- Plenty of opportunities to develop gated style projects comprising villas and plotted style projects.
- Besides villas and guesthouses, there is plenty of opportunities to develop other innovative concepts such as eco-hotels, Ayurveda resorts & forest lodges and much more.
- Government is building new infrastructure in the form of highways, railway corridors, greenfield airports, which is improving connectivity to pristine destinations.
- Plenty of opportunities for investors to make long term capital gain and recurrent rental income.
- Potential for brands to enter the space to develop Branded Homes.

O

- Higher cost can create barrier to enter
- Increased competition from mainstay hotels and resorts
- Many organizations are now rolling back remote and hybrid work models.
- Long distance travel can be a hindrance

T

RESEARCH

METHODOLOGY

1

The report is a product of a rigorous research, wherein over 30 second home markets were evaluated, analysed and monitored. Data was collected for each market pertaining to market size, property price appreciation, projects, etc. Other related data such as tourist volume, hospitality supply, infrastructure development etc. were also analysed to render a more balanced viewpoint.



2

Market sizes are calculated as per the bottom-up approach, wherein individual size of each market is evaluated and then are summed up to find the aggregate size.

3

To procure data both primary secondary researches has been conducted. For secondary research, numerous published resources, news and media reports, etc. have been referred.



4

For primary research, numerous stakeholders such as concept real estate developers, second home buyers, tourists, etc. were interviewed.

SECOND HOME MAP



Srinagar

Mussoorie

Shimla

Solan & Kasauli

Chamba

Dehradun

Rishikesh & Narendra Nagar

Haridwar

Nainital

Mussoorie

Alwar

Jaipur

Ayodhya

Lucknow

Gangtok

Siliguri

Alibag

Lonavala

Mahabaleshwar

Ratnagiri

Sancoale

Tilari

Sindhudurg

North Goa

South Goa

Coorg

Nandi Hills

Ooty

Munnar

Kovalam

Puducherry