

RBI's 'Cautious, Balanced Approach' on Repo Rate Status Quo to Keep Real Estate Growth on Track



Mumbai, August 6, 2025: The real estate sector welcomed the Reserve Bank of India's (RBI) status quo on the repo rate at 5.5 per cent on Wednesday.

After three straight cuts, the Central bank kept the repo rate—the rate at which it lends money to commercial banks—as the rupee remains under pressure due to the US tariff threat. However, the decision also reflects the RBI's confidence in the economy, especially softening inflation, despite global uncertainties.

With the festive season approaching, the real estate sector has praised the RBI's decision. Industry leaders expect the sector's growth momentum, especially buyers' interest, to continue.

While a rate cut could have given homebuyers a much-needed boost, developers say the RBI's decision reflects a cautious and balanced approach.

Vishesh Rawat, VP, head of marketing, sales & CRM, M2K Group, said, "For the real estate sector, especially in a time when buyer sentiment is gradually improving, this move ensures that home loan rates remain attractive and predictable. As we approach the festive season, stable borrowing costs are likely to support housing demand across segments, particularly among first-time buyers and the mid-income group."



It also sends a positive signal to developers and institutional investors looking at long-term commitments, he added.