

Goa's real estate gold rush demolishing affordable housing

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OPINIONATED

The outsider-driven real estate boom in the State's speculative luxury market has not only priced out the locals but it has also led to the egregious neglect of affordable housing



GATED DREAMS: A surge in high-end real estate is driving up prices, putting affordable housing out of reach for many locals.

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Houses around Goa are being built faster than children would construct buildings with their Lego building blocks—plastic inter-lockable bricks used in Lego games to erect modular structures.

You can see them from the Atal Setu bridge on hillslopes, shooting up in the middle of a farm, mushrooming in mangroves, towering over charming houses in idyllic areas, palatial homes with intimidatingly tall gates in bustling middle-class localities; they are just about everywhere.

Don't let unchecked real estate development dry up Goa's taps

These spanking new homes—super and semi luxurious—sparkle against dilapidated and run-down buildings and homes that house locals in most areas. They are largely occupied or owned by people from outside the State.

The coastal State's real estate sector is booming, but it's not to the advantage of Goans. A large portion of the windfall from the real estate gold rush is making its way to builders and investors from outside. There's very little in it for the locals.

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In fact, as property prices zoom, the average Goan is getting priced out of the market. Every major non-Goan developer has made a beeline for the State's real estate market, eyes firmly fixed on returns. And, it is the luxury housing segment, which is the most lucrative for them. And so, it makes business sense for them to bet on it.

Early this year, a presentation by Goa Housing Board's engineer, Sadashiv Gaonkar, revealed property prices in Goa were rising at the rate of 15 per cent to 30 per cent annually. Much of this yearly handsome return is restricted to the luxury segment.

This trend of the premium housing segment flourishing was also depicted in a report brought out by real estate consultant Knight Frank late last year. It showed sales of luxury homes (Rs 1 crore and above) was growing at over 46 per cent even as there was degrowth in mid and affordable segments at 13 per cent and 14 per cent respectively.

According to real estate research firms, the key markets for luxury homes in India are Delhi-NCR, Mumbai, Goa and Bangalore. Therefore, it comes as little or no surprise that Goa's affordable housing market, today, is lying by the wayside.

Sales of luxury homes (Rs 1 crore and above) was growing at over 46 per cent even as there was degrowth in mid and affordable segments at 13 per cent and 14 per cent.

Except for a few announcements being made by the State government every now and then, there's not much happening in that segment. Any effort to scout for an affordable home in Goa usually comes to naught.

Again, prices of affordable homes, albeit in smaller sizes, in Goa begin from Rs 30-35 lakh and go up to over Rs 60 lakh. An impregnable market for common locals. Perhaps, even for the commoners from outside.

The local government has been talking of launching a low-cost housing scheme of 50-100 homes in every taluka for Goans on Goa Housing Board land or revenue land at the cost of Rs 10-15 lakh per home. Goa has 12 talukas. This means the scheme will require the State government to build 600 to 1200 affordable homes across the state. In September last year, it had set a deadline of two years for itself.

Chief Minister Pramod Sawant had earnestly committed that the government would ensure locals moved into their new (affordable) homes in two years. More than six months have elapsed since then, his promise remains mere words with little action on it.

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The mention of the scheme made a reappearance in the CM's Budget speech, where he spoke of drafting a comprehensive housing policy to provide affordable homes to Goans. Besides this, there was an allocation of Rs 5 crore for slum development.

Another move in this direction by the State government is the announcement of Comunidade Land Development Rules for 2025. Under this, it has allowed cash-strapped Comunidades to develop their land in partnership with the private sector, mandating 20 per cent of the land to be set aside for affordable homes for *Gaonkars* (native Goans).

Goa's forests and trees face threat from real estate lobbies

The rules mandate minimum 10,000 sqm of Comunidade land for development. It has to be seen how this will promote affordable housing in Goa.

In summary, Goa's real estate boom can be marked as being speculative, with meagre or no benefit for locals, and it hardly addresses their housing needs.

Today, Goa has a substantially high rate of vacancy in its high-end property market. Still, one has yet to see real investment pouring into affordable housing. As for legislative responses to this egregious neglect, it leaves a lot to be desired.

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