Residential Real Estate Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Residential Real Estate & Housing (Real Estate & Construction)
> **Source:** https://www.mordorintelligence.com/industry-reports/residential-real-estate-market
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 11.6 trillion
Projected Forecast (2031)	USD 11.6 trillion
Growth Rate (CAGR)	6.05 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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![Major players in Residential Real Estate industry](images/chart_2.png)

![Residential Real Estate Market Size](images/chart_3.png)

![Residential Real Estate Market Share by Property Type, 2025](images/chart_4.png)

![Residential Real Estate Market Share by Business Model, 2025](images/chart_5.png)

![Residential Real Estate Market Growth Rate by Region](images/chart_6.png)

![Residential Real Estate Market Concentration](images/chart_7.png)

![footer background image](images/chart_10.png)

![Mordor Intelligence on Facebook](images/chart_12.svg)

![Mordor Intelligence on Pinterest](images/chart_14.svg)

![Mordor Intelligence on Instagram](images/chart_15.svg)

![ESOMAR](images/chart_17.png)

![GPTW](images/chart_19.png)
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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market OverviewStudy Period | 2020 - 2031 |
Market Size (2026) | USD 11.60 Trillion |
Market Size (2031) | USD 15.53 Trillion |
Growth Rate (2026 - 2031) | 6.05 % |
Fastest Growing Market | Asia-Pacific |
Largest Market | Asia-Pacific |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

Residential Real Estate Market Analysis by Mordor IntelligenceThe Residential Real Estate Market size is expected to grow from USD 10.90 trillion in 2025 to USD 11.60 trillion in 2026 and is forecast to reach USD 15.53 trillion by 2031 at 6.05% CAGR over 2026-2031.

Residential real estate market growth continues to draw from persistent housing undersupply in several large economies and policy-led acceleration of new construction, while institutional investment reshapes rental living and professionalizes operations at scale. Affordability pressure is redefining tenure choices in developed markets as price-to-income ratios and financing costs push first-time buyers toward rentals, widening the addressable base for multifamily and single-family rental platforms. Large public programs in India, Saudi Arabia, and Brazil are providing budget commitments, approvals reform, and mortgage support that stabilize pre-sales, de-risk delivery, and crowd in private capital for affordable and mid-market supply pipelines. In Europe, the revised Energy Performance of Buildings Directive is forcing an upgrade cycle across an older residential stock, tightening codes for newbuilds, and steering financing toward retrofits and low-emissions construction.[1]https://www.gov.br/pt-br

Key Report Takeaways* By property type, apartments and condominiums led with a 59.0% residential real estate market share in 2025; villas and landed houses are expected to record a 6.23% CAGR during 2026–2031.
* By price band, mid-market accounted for 47.0% of 2025 volumes; luxury and super-prime are projected to expand at a 6.30% CAGR during 2026–2031.
* By business model, the secondary market held a 61.0% share in 2025; primary sales are set to grow at a 6.66% CAGR through 2031.
* By mode of sale, outright sales captured 62.0% activity in 2025; rentals are forecast to grow at a 6.84% CAGR through 2031.
* By geography, Asia-Pacific led with 34.50% residential real estate market share in 2025; the region is also expected to post the fastest growth at 6.96% CAGR during 2026–2031.

Key Market Trends

Market Trends and InsightsDrivers Impact Analysis of Residential Real Estate Market

*Drivers	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Rapid urbanisation & middle-class expansion	+1.8%	Global, concentrated in APAC (India, Indonesia, Vietnam), Sub-Saharan Africa, and Latin America	Long term (≥ 4 years)
Institutional BTR & SFR capital inflows	+1.2%	North America & EU core markets, expanding to APAC hubs (Tokyo, Seoul, Singapore)	Medium term (2-4 years)
Wealth migration & second-home demand in tax-advantaged hubs	+0.9%	UAE, Portugal, Singapore, Monaco, selected Caribbean jurisdictions	Medium term (2-4 years)
Net-zero mandates driving green-retrofit premium	+0.7%	Europe & North America, emerging in Asia-Pacific	Long term (≥ 4 years)
Climate-risk migration reshaping housing pipelines	+0.6%	North America, Australia, EU	Long term (≥ 4 years)
Blockchain-enabled fractional ownership	+0.4%	UAE, Singapore, Switzerland, selective US states	Medium term (2-4 years)

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

Global delivery remains fragmented outside a small cohort of very large builders, with many regional and local developers contributing meaningful volumes in their submarkets across the residential real estate market. Leading U.S. platforms have built vertically integrated models in land development, mortgage, and title, lifting capture rates and providing more control over affordability levers during sales cycles. Faster construction cycle times, tighter working capital management, and digital engagement tools are central to improving inventory turns and maintaining return on equity through different macro environments. These operational strategies, paired with selective geographic diversification and brand segmentation by buyer need, have supported share gains in the new-home segment.

Several leaders in the residential real estate market have also expanded into rental strategies to meet demand for move-in-ready communities without ownership commitments, using SFR and build-to-rent to diversify income and accelerate cash conversion. Institutional buyers continue to acquire stabilized pools, and some builders monetize rental communities through bulk sales rather than holding long-term, reducing capital intensity while keeping development pipelines active. In Europe, large landlords have prioritized modernization and decarbonization, investing in building envelopes and heat systems that improve tenant experience and long-run portfolio performance.[5]https://investor.drhorton.com/

At the premium end, brands and partnerships with hospitality operators or design houses have gained traction, particularly in the UAE and India, where branded residences reinforce pricing and speed of sale within the residential real estate market. Developers continue to launch phased master plans that integrate housing with retail, leisure, and office components to strengthen absorption and capture destination premiums. Across all price bands, the competitive bar is rising on energy performance, technology integration, and customer service as buyers place greater weight on total cost of ownership and lifestyle quality.

Residential Real Estate Industry Leaders* D.R. Horton, Inc.

* Lennar Corporation

* PulteGroup, Inc.

* NVR, Inc.

* Toll Brothers, Inc.

* *Disclaimer: Major Players sorted in no particular order

Scope Methodology P Space

Our study defines the residential real estate market as the annual dollar value of completed ownership transfers and formal rental contracts for dwellings that are legally zoned for human habitation, including single-family houses, villas, townhomes, cooperatives, apartments, and condominiums, across primary (new-build) and secondary (existing-home) channels.

Scope exclusion: Land banking, off-plan raw land deals, timeshares, informal rental agreements, and corporate staff housing lie outside the present scope.

Frequently Asked Questions

Why is institutional capital moving into housing now?

Institutional investors are reallocating from low-yield commercial assets into the global residential real estate market, where stable occupancy and inflation-linked rent growth promise superior risk-adjusted returns.

Which region offers the strongest near-term growth?

Asia-Pacific leads with a 6.96% CAGR through 2031, supported by urbanisation, rising middle-class incomes, and proactive infrastructure spending recorded across China, India, and Southeast Asia.

How are net-zero rules affecting valuations?

Properties that already meet rigorous efficiency codes command rent and price premiums, while non-compliant stock faces retrofit costs that can erode value, particularly in Europe and North America.

Will higher interest rates derail housing demand?

Tighter credit is slowing ownership transactions but simultaneously boosting rental demand, sustaining overall revenue growth for the global residential real estate market despite headwinds.

How severe is the global housing shortage?

Shortfalls vary by market: the United States lacks up to 3.8 million units, Germany could be short 1 million by 2027, and Australia is targeting 1.2 million new homes in five years, underscoring widespread supply gaps that underpin long-run demand.