BioSpectr
the business of Bi
24 years of leveraging the business of Bio
www.biospectrumindia.co

India needs 2.6 billion sq. ft. of additional healthcare real estate by 2035: CBRE report

17 October 2026 | News

Southern states such as Andhra Pradesh, Telangana, Tamil Nadu, Kerala, and Karnataka have higher existing healthcare infrastructure

India is projected to require an additional 2.6 billion sq. ft. of healthcare real estate by 2035, driven by the need for nearly 2.9 million incremental hospital beds, to align with the current global healthcare infrastructure benchmark, according to CBRE South Asia's latest report titled *"Beyond Core: A 2035 View of India's Alternate Sectors - Part I".*

India currently has approximately 1.6 hospital beds per 1,000 people, significantly below the global average of 3.3 per 1,000. To close this capacity gap, the country's total healthcare real estate footprint would need to expand substantially from an estimated 2.1 billion sq. ft. in 2025, the report highlights. The requirement presents a significant opportunity for developers, investors and healthcare operators to create purpose-built and scalable healthcare assets across markets.

The report's analysis of non-communicable disease (NCD) prevalence and hospital bed density highlights significant disparities in healthcare infrastructure across states. Chhattisgarh, Odisha, Madhya Pradesh and Jharkhand have low hospital bed density compared with their disease burden, indicating potential unmet demand for secondary and tertiary healthcare services.

Meanwhile, states such as Karnataka, Kerala, Tamil Nadu and Telangana have relatively stronger healthcare infrastructure and higher household incomes, supporting further expansion of specialised healthcare facilities and medical ecosystems.

Beyond conventional hospitals, the sector is also witnessing the growth of diagnostic centres, day-care surgery centres, wellness and preventive healthcare formats, including health screening centres, rehabilitation clinics, eye-care centres, IVF centres and vaccination facilities, particularly in urban locations.

Given the highly competitive landscape in certain cities, operators are increasingly evaluating existing hospitals to enter established markets faster, leveraging operational infrastructure, licences and patient networks.

Although nascent, medical office buildings can also be developed in the country, housing single or multiple healthcare tenants such as diagnostics, rehabilitation, child development, IVF, eye-care, dental and wellness providers. These assets allow multiple services to be co-located within one development, improving patient convenience while strengthening asset utilisation.