CREATIVE Proptech
Realty Research & Wealth Management

KHARGONE COMPREHENSIVE REAL ESTATE MARKET REPORT

JUNE 2026

Khargone 2026: A City on the Cusp of Transformation

This report delivers a comprehensive analysis of Khargone's real estate market, an emerging Tier-3 city in western Madhya Pradesh. Anchored by agriculture, particularly chilli production, and positioned at the intersection of two upcoming national highway projects, Khargone is transitioning from a stable, supply-heavy market into one with strong long-term appreciation potential.

This report covers the resale market, price trends across key micro-markets, demand-supply dynamics, buyer profiles, ROI scenarios, and expert intelligence gathered from leading local developers and independent brokers.

Over the last four years (2022–2025), Khargone's property market witnessed strong appreciation, with Industrial properties growing at an average 26% annually, followed by Commercial properties at 15.1% and Residential properties at 14.1% YoY.

₹2,000–4,500	₹6,000–60,000	2 Bypasses	5–10 Years
City Residential Plot Rate/sqft	**Commercial Rates/sqft**	**Upcoming National Highways**	**Long-Term Growth Horizon**
2025 | Varies by location	2025 | MG Road & Bistan Road peak	Bhusawal-Chittorgarh & NH-347B	Expert consensus view

Stable	Plots	16.2 km	Local Only
Current Market Status	**Highest Demand Asset Type**	**Greenfield Khargone Bypass**	**Developer Landscape**
Last 2 years; demand slowdown	Preferred over multistory	NH-347B | Decongestion & freight	No large metro developers present

Khargone — Western MP's Agricultural Heartland, Poised for Infrastructure-Led Growth

Economic Foundation

Khargone's economic backbone is agriculture, with chilli production and cotton farming defining the district's commercial identity. The city functions as a regional trading hub for Nimar region flanked by Khandwa to the east and Barwani to the south. Commercial development is early-stage, with primary activity concentrated along Bistan Road (the main MG Road artery), Sanwad Road, and the historic Jawahar Marg wholesale market.

Unlike Tier-2 cities, Khargone's real estate market is dominated entirely by local developers who operate in plots and single-unit homes. No large national or metro-based developer has entered the market yet, a characteristic that keeps pricing relatively accessible but also limits the aspirational product supply that drives premium demand.

Impressive Infrastructure Pipeline

Two major national highway projects are expected to be transformative for Khargone's real estate market:

- Bhusawal–Chittorgarh National Highway: A major national corridor that will have Khargone as a bypass node — increasing freight traffic, commercial activity, and surrounding land values.
- NH-347B (Hiwarkhedi–Roshni–Ashapur–Rudhy & Deshgaon–Julwania Sections): Improving connectivity across Betul, Khandwa, Khargone, and Barwani districts, featuring a 16.2 km Greenfield Khargone Bypass designed to decongest the urban core, improve road safety, and enable smoother movement of tourist and freight traffic across the region.

Additionally, upcoming law colleges and universities are expected to boost residential rental demand, while new malls and commercial complexes will further stimulate the residential property ecosystem.

"The bypass will be a game changer for Khargone. Real estate will witness an uptrend in the next few years. Currently the commercial rental market is better than residential.

Virat Mahajan, Owner
Vaidehi Construction

Khargone Property Prices : Location-Wise Data (2022–2025)

The following price data has been sourced from broker feedback and analogous market rates across Khargone's six key micro-markets. All rates are per square foot (SBUA).

Sanwad Road

Sanwad Road is a newly developing residential corridor known for mid-range properties and good connectivity. Key commercial anchors include D-Mart, hospitals, marriage gardens, and car/bike showrooms. The road benefits from a growing amenities ecosystem including shopping, healthcare, and educational institutions.

Year	Residential Plot (₹/sqft)	Shop/Commercial (₹/sqft)
2022	₹2,500–3,000	₹14,000–15,000
2023	₹3,000–3,500	₹15,000–16,000
2024	₹3,500–4,000	₹16,000–18,000
2025	₹4,000–4,500	₹18,000–20,000

3-Year Property Appreciation (2022–2025): Residential ~55% | Commercial ~31%

Bistan Road (Main MG Road Artery)

Bistan Road is Khargone's primary commercial spine, directly connected to the main MG Road. It hosts major commercial showrooms, Anaj Mandi, Vishal Mega Mart, Reliance Fresh, Max, and multiple banks/NBFCs. This road has seen the strongest commercial appreciation in the city, particularly for shops.

Year	Residential Plot (₹/sqft)	Shop/Commercial (₹/sqft)	Offices (₹/sqft)	Industrial Plots (₹/sqft)
2022	₹1,500–2,000	₹23,000–25,000	₹9,000–10,000	₹500–600
2023	₹2,000–2,500	₹25,000–28,000	₹10,000–11,000	₹600–700
2024	₹2,500–3,000	₹28,000–32,000	₹11,000–11,500	₹700–800
2025	₹3,000–3,500	₹35,000–40,000	₹11,500–12,000	₹800–1,000

3-Year Property Appreciation (2022–2025): Residential ~55% | Commercial ~31%

Khandwa Road is a developing corridor with currently low commercial occupancy but good connectivity from the city center and bus stand. The upcoming Khargone Bypass on NH-347B will have direct connectivity from Khandwa Road, making this zone a significant near-future opportunity for plotted residential development.

Year	Residential Plot (₹/sqft)	Shop (₹/sqft)	Offices	Industrial Plots (₹/sqft)
2022	₹2,000–2,500	₹8,000–10,000	N/A	₹600–800
2023	₹2,500–3,000	₹10,000–12,000	N/A	₹800–1,000
2024	₹3,000–3,500	₹12,000–14,000	N/A	₹1,000–1,200
2025	₹3,500–4,000	₹14,000–16,000	N/A	₹1,200–1,500

3-Year Appreciation (2022–2025): Residential ~67% | Shops ~67% | Industrial ~93%

Diversion Road / Mangrul Road / Jawahar Marg

Diversion Road is a major traffic and commerce hub connecting Jawahar Marg, Radhavallabh Market, Sitavallabh Market, Collector Office, Tehsil Office, Post Office, and Bus Station. Radha Vallabh Market is one of the most prominent central commercial hubs in Khargone located along the Khargone–Indore Road in Jawahar Nagar. Jawahar Marg serves as the city's wholesale kirana (grocery) market.

Year	Residential Plot (₹/sqft)	Shop (₹/sqft)	Offices (₹/sqft)
2022	₹2,500–3,000	₹35,000–40,000	₹8,000–10,000
2023	₹3,000–3,500	₹40,000–45,000	₹10,000–11,000
2024	₹3,500–4,000	₹45,000–50,000	₹11,000–12,000
2025	₹4,000–4,500	₹50,000–55,000	₹12,000–15,000

3-Year Appreciation (2022–2025): Residential ~55% | Offices ~50% | Shops ~40%

Post Office Square / Sarafa Market / Tagore Park / MG Road

This is Khargone's premium residential and core commercial zone. Tagore Park, Nutan Nagar, Vishwasakha Colony, Shrinath Colony are established residential pockets with excellent connectivity and proximity to commercial hubs. MG Road hosts the old retail market. Sarafa Market (gold/jewellery) operates on a per-unit basis with rates reaching ₹70,000–80,000/sqft, the highest in the city.

Year	Residential Plot (₹/sqft)	Shop (₹/sqft)	Offices
2022	₹4,000–4,500	₹30,000–35,000	N/A
2023	₹4,500–5,000	₹35,000–40,000	N/A
2024	₹5,000–5,500	₹40,000–50,000	N/A
2025	₹5,500–6,000	₹50,000–60,000	N/A

3-Year Appreciation (2022–2025): Shops ~69% | Residential ~35%

Kasrawad Road

Kasrawad Road is an emerging residential township corridor hosting new developments like Gokul Avenue, B.K. Nagar, Shivalay Township, and Laxman Vihar. The Collector Office and Mela Ground are located on this road. An industrial area developed by DIC on leasehold basis adds an employment anchor to this zone.

Year	Residential Plot (₹/sqft)	Shop (₹/sqft)	Industrial Plots (₹/sqft)
2022	₹1,000–1,500	₹4,500–5,000	₹500–600
2023	₹1,500–1,700	₹5,000–5,500	₹600–800
2024	₹1,700–2,000	₹5,500–6,000	₹800–1,000
2025	₹2,000–2,500	₹6,000–7,000	₹1,000–1,200

3-Year Appreciation (2022–2025): Industrial ~100% | Residential ~80% | Shops ~37%

MICRO-MARKET COMPARISON & INVESTMENT SCORECARD

Location-by-Location Investment Ranking

Location-by-Location Investment Ranking

	Location	2025 Plot Rate (₹/sqft)	2025 Shop Rate (₹/sqft)	3-Yr Plot Appreciation	Bypass Benefit	Expert Rank
1	Khandwa Road	₹3,500–4,000	₹14,000–16,000	~60%	Very High	★★★ ☆
2	Bistan Road	₹3,000–3,500	₹35,000–40,000	~75%	High	★★★ ★★
3	Sanwad Road	₹4,000–4,500	₹18,000–20,000	~60%	Moderate	★★★ ★★☆
4	Diversion / Jawahar Marg	₹4,000–4,500	₹50,000–55,000	~50%	Moderate	★★★ ★☆
5	MG Road / Tagore Park	₹5,500–6,000	₹50,000–60,000	~33%	Low	★★ ☆
6	Kasrawad Road	₹2,000–2,500	₹6,000–7,000	~100%	Moderate	★★ ☆

Plot Rate Price per sqft for residential plots
Shop Rate Price per sqft for commercial shops
3-Yr Appreciation Estimated plot price growth over 3 years
Bypass Benefit Positive impact from bypass connectivity
Expert Rank Expert recommendation (★★★ = Best)

> Sanwad Road and Bistan Road are the two good real estate markets and will definitely be worth investing in. Other roads such as Kasrawad Road, Julwania Road, and Khandwa Road are not as good due to connectivity limitations — though the bypass will change that.
>
> **Shubham Rathore,**
> Independent Real Estate Expert

Market Balance: Supply-Heavy, Demand in Transition

Khargone's real estate market is currently characterised by a supply-demand imbalance weighted toward oversupply particularly in residential plots. Demand has slowed relative to the post-COVID supply surge, with buyers pausing due to competing investment alternatives (gold, silver, equity markets) and limited institutional-grade product availability. However, the foundational case for long-term appreciation is being built via infrastructure.

Zone	Demand Trend	Supply Status	Market Type	Primary Asset	5-Year Outlook
MG Road / Core	Stable	Limited	Balanced	Commercial Shop	Strong Commercial
Bistan Road	Growing	Moderate	Demand-Led	Residential Plot + Shop	Very Positive
Sanwad Road	Developing	Moderate	Balanced	Residential Plot	Positive
Khandwa Road	Slow	Moderate	Supply-Led	Plot + Industrial	High Potential
Kasrawad Road	Low	High	Supply-Led	Plot + Industrial	Speculative
Diversion Road	Commercial-Driven	Limited (Core)	Commercial-Led	Shop + Office	Stable

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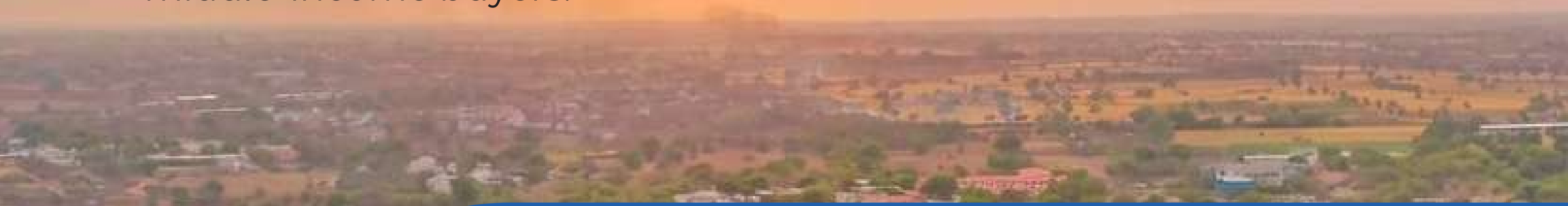
Currently the supply is high as compared to demand. Demand has slowed down since the last two years. There is possibility of long-term gains from the Khargone real estate , it will be a lifestyle-driven destination in the next 5–10 years.

Aakash Bhandari,
Director — Aakash Developer Pvt Ltd

Demand Drivers — Factor Analysis

- Agricultural Economy (Core Anchor): Chilli and cotton trade generates steady wealth among the farming community, the primary plot buyer segment in Khargone.
- Infrastructure Uplift (Near-Future Driver): Both bypass projects (Bhusawal–Chittorgarh NH and NH-347B) are the single largest anticipated catalyst. Expert consensus puts the uplift window at 2–5 years from now.
- Education & Institutional Demand (Emerging): Upcoming law colleges and universities will generate rental and residential demand, a trend that has been transformative in comparable Tier-3 cities.
- Commercial Expansion (Early-Stage): New malls and commercial complexes are beginning to appear, slowly shifting Khargone from a purely retail/trading town toward a mixed-use urban center.
- Competing Asset Classes (Drag Factor): Gold, silver, and equity market momentum — amplified by current geopolitical tensions, is diverting investor capital away from real estate, particularly among middle-income buyers.



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Khargone's economy is primarily driven by agriculture and chilli production, while improving commercial development, resolved water supply issues, and upcoming infrastructure projects such as the Bhusawal–Chittorgarh bypass are expected to boost residential real estate growth, even as the market continues to be dominated by local developers rather than large metro players.

Mahesh Raghuvanshi,
Owner, Property Wala

ASSET TYPE ANALYSIS

What Sells in Khargone — And What Doesn't

Asset Type	Demand Level	Liquidity	Price Trajectory	Expert Verdict
Residential Plots	High	Good	Strong Appreciation	Best investment class
Commercial Shops	High (Core Locations)	Moderate	Strong Appreciation	Excellent on Bistan Rd
Office Spaces	Low-Moderate	Limited	Slow Growth	Limited product available
Industrial Plots	Moderate	Moderate	Good Appreciation	Khandwa / Bistan area
Standalone Houses	Moderate	Moderate	Steady	End-users prefer over apts
Multistory Apartments	Low	Poor	Flat/Slow	Avoid — market rejects

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Multistory buildings are not easy to sell as people prefer standalone houses or plots. Plots have good demand in Khargone, Julwania Road, Kasrawad Road, and Bistan Road are developing regions that will get a boost from the bypass.

Durgesh Joshi,
Independent Real Estate Experts

Khargone: A Patient Capital, High-Conviction Long Play

Three interlocking arguments make Khargone a conviction-grade long-term investment market particularly for patient capital with a 5–10 year horizon:

Infrastructure Argument

The dual bypass effect of Bhusawal–Chittorgarh NH and the 16.2 km Greenfield NH-347B Bypass will materially alter Khargone's connectivity profile. Bypass corridors globally deliver 30–60% land appreciation in the 3–5 years post-completion. Early accumulation at current prices (₹2,000–4,500/sqft residential) represents a significant discount to post-bypass pricing. Khandwa Road and Bistan Road are the primary beneficiaries.

Institutional Arrival Argument

Currently, zero large metro-scale developers operate in Khargone. When the first branded developer enters — driven by bypass-led land opportunity, it will trigger rapid price discovery across all corridors. This is the inflection point to watch. Law colleges and universities arriving ahead of this event will pre-seed the demand pool.

Plot-Centric Demand Argument

Khargone's buyer preference is structurally clear: residential plots over apartments. This means returns are driven by land appreciation, not occupancy or rental yield, making the investment case simpler and more durable. The land-to-structure ratio favours investors in a city where multistory supply cannot be absorbed.

Rank	Location	Best Asset	Investment Horizon	CRTV Verdict
#1	Bistan Road	Residential Plot + Commercial Shop	3–7 years	Strong Buy
#2	Sanwad Road	Residential Plot	3–5 years	Buy
#3	Khandwa Road	Plot (Bypass Proximity)	5–8 years	Strategic Buy
#4	Diversion / Jawahar Marg	Commercial Shop / Office	3–5 years	Commercial Buy
#5	MG Road / Tagore Park	Residential Plot (Rental Hold)	Long-term hold	Hold/Selective
#6	Kasrawad Road	Residential Plot (Speculative)	7–10 years	Watch & Wait

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