



## Awareness for Home Buyers 2.0

***This article should be read in conjunction with the publication in Kutchi Patrika dated 18.08.2024.***

RERA applies not only to the booking of residential units but also to commercial units, offices, shops, plots in plot projects, etc. In this publication and the previous one, the term "homebuyer" includes buyer of any of the above type of property.

### **RERA protects buyers of new units but does not apply to:**

- Purchasers of resale units after receipt of occupancy certificate.
- Tenants of existing Paghdi units/ SRA unit holder.
- Project Affected Parties (PAP).
- Members of societies undergoing redevelopment / self- redevelopment.
- Landowners incase of joint development agreement.

*If an existing member of the society buys additional space, they may be eligible for relief under RERA, although this can be quite litigious since original character of member remains.*

### **Dos & Don'ts for Home Buyers**

#### **Dos**

- Check whether the project is registered with MahaRERA.
- Verify documents on the MahaRERA portal
- Obtain an allotment letter (ensure that it is in comparison with Model Allotment Letter) upon payment of the booking amount.
- Understand the terms of the Draft Agreement for Sale ( compare with Model Draft Agreement for Sales and check deviation report ).
- Ensure that key information in the allotment letter and Agreement for Sale is accurate (e.g., unit number, carpet area, possession date, parking details, consideration amount, amenities).



- Obtain the payment schedule (for consideration amount and other payments) on the promoter's letterhead and confirm it matches the Agreement for Sale.
- Keep copies of all email and written correspondence, including demand letters, marketing material, commitments, and amenities lists.
- Retain copies of any consent obtained by the developer during the project's development

## Don'ts

- Don't book property through an agent who is not registered with MahaRERA. If a unit is booked through an unregistered agent, holding the agent accountable later can be difficult. (MahaRERA issues separate registrations to agents, which require them to pass an exam.)
- Don't pay more than 10% of the amount without registering an Agreement for Sale.
- Don't make payments towards consideration into a bank account other than the collection account specified in the Agreement for Sale (also check on maharera portal the details of registered bank account).
- Don't delay payments. Homebuyers are liable to pay interest @ SBI MCLR + 2% p.a. for such delay
- Don't default in making payment of 3 installments or more, it gives right of termination to developer
- Don't take possession before Occupation Certificate is obtained

## Additional Precautions for Units Purchased in Societies Under Redevelopment

Keeping in mind conflicting Court Judgements as to obligations of the societies towards new purchasers, new purchasers in a redeveloped society should ensure following :

- The society should be a party to the Agreement for Sale.
- The terms of the Agreement for Sale should ensure that in cases of termination/ assignment, the society will adhere to Section 15 of the RERA Act regarding the transfer of obligations from old developers to new developers/society.



- It is advisable to avail a housing loan so that the society issues an NOC to financial institutions, which can help protect interests in case of termination or cancellation.
- Ensure that the society is also listed as a promoter during project registration with MahaRERA.

## Please Note

- Homebuyers are entitled to delayed possession interest. Any project extension by MahaRERA does not affect this entitlement.
- Any cancellation at the allotment stage from Homebuyer will lead to a deduction of up to 2 % of Price of Unit. Balance amount shall be refunded within 45 days.
- Termination by home buyer will lead to a deduction (or recovery) of liquidated damages/ any agreed amount. Such refunds should be provided within 30 days.
- The homebuyer is entitled to delayed interest at SBI highest MCLR + 2% p.a. in case of any of the above defaults of Developer

## Verification Sources from MahaRERA Portal

The MahaRERA portal <https://maharera.maharashtra.gov.in/> is central source of information for homebuyers about any project. Homebuyers can also access limited information by scanning QR codes available on brochures, newspaper ads, or other marketing materials for the project.

The term MahaRERA is used throughout this document as it pertains to property purchased in Maharashtra. Document availability and information sources may differ in other states, but the fundamental purpose of the law remains the same.

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