

OVER VIEW OF RERA

Promoter is required to **register** the project **before** starting any form of advertising, marketing, booking, selling, offer for selling or inviting people to purchase plots, apartment or buildings.

1. It is mandatory for the real estate developer to register the project with the RERA and obtain a **valid registration number** before proceeding
2. Promoters **cannot change the information** once entered very easily. So have to be very careful in what we upload. And the owner/Director will be responsible for all the information provided.
3. Every project measuring more than **500 square meters** or more than **eight apartments** will have to be registered with the RERA.
4. **Society** to formed within three months from the date 51% of the flats booked, in such a building or a wing, even if the project is Under construction. This will have a greater impact on Developers, as there will be 2 Authorities checking on the promoter i.e. RERA and the CHS.
5. **"Carpet area"** means the net usable floor area of an apartment, excluding the area covered by the external walls, areas under services shafts, exclusive balcony or verandah area and exclusive open terrace area, but **includes the area covered by the internal partition walls of the apartment.**
 - Explanation. — For the purpose of this clause, the expression "exclusive balcony or verandah area" means the area of the balcony or verandah, as the case may be, which is appurtenant to the net usable floor area of an apartment, meant for the exclusive use of the allottee; and "exclusive open terrace area" means the area of open terrace which is appurtenant to the net usable floor area of an apartment, meant for the exclusive use of the allottee;
 - Therefore, to let the consumer know what he/she is paying for, it is mandatory for the real estate developer to specify the carpet area thus enacting a straightforward definition to be adopted across the country.
6. The real estate developer is required to **submit all documents** related to the project which is considered necessary by the RERA
7. The real estate developer has to specify the **project completion time** in the RERA application form. Hence the real estate developer is accountable to follow the timelines otherwise he will suffer losses/ penalties.
8. The real estate developer must deposit 70% of the payment received from the consumers in an **escrow account** and ensure that the amount is solely used for the development of the project for which it was taken

9. Every phase will be considered a standalone real estate project and the developer have to obtain registration under this Act for **each phase separately**.
10. If the project is being done **phase wise** and if in the 1st phase promoters are not providing common amenities like Club House etc. then promoters cannot put ads and make brochures showing common amenities.
11. At the time of registration RERA mandates details of **past 5 years projects done** including what was the possession date promised and when was possession given.
12. Details of **FSI** proposed and approved.
13. **Project cost estimation** where in one needs to bifurcate the Land Cost and the Construction cost. This will enable the public to know how much a Developers profit is.
14. **Estimated figures given can be changed**. But there is lot of information which cannot be changed. So have to be careful while putting information.
15. **Both the developers and the landlord** or any such party which is the beneficiary of a sale of a project & receive payments from consumers as real estate developers (Promoters) are **liable** to adhere to the Act. That's even true where the land owner is a CHS in case of Re Development.
16. As per the government rules, **only registered agents are legally allowed** to function in the real estate business. Also, the RERA makes it mandatory for a developer to make a declaration about the real estate agents, architects, structural engineers and similar parties to the appellate Tribunal of the RERA.
17. The real estate developer must share **quarterly progress report** of the project, receipt of **pending approvals** and other such declarations which are related to project delivery on a regular basis.
18. Upload of sanctions on receipts basis
19. To **update the project details in 3 months** but it was suggested to do it ASAP.
20. A real estate developer can **leave the project mid-way by selling** to another developer or party by taking **written approval of 2/3rd of project's consumers** and also the **prior approval of the RERA**. If a consumer or his family holds more than one unit in the project then he/she will be considered as one consumer only.
21. Plans and layouts can be changed only with the **permission from 2/3rd buyers**.
22. Sale or allotment of **Open Parking** Areas by the Promoter is not permissible

23. **Covered Parking** and **Garage** as defined in the Act is permitted to be sold
24. The **penalties** are quite high. It may extend up to 10% of the cost of the project including imprisonment.
25. **Everything online** (registration, payment of fees etc.), hence one need not go to RERA office except for complaints hearings.
26. Promoter shall execute a **registered conveyance deed** in favor of the allottee within three months from date of issue of occupancy certificate or fifty one per cent of the total number of Purchasers, in such a building or a wing, has paid the full consideration to the promoter, whichever is earlier.
27. If due to a change in government policy, the promoter is entitled to **additional FSI** etc., the promoter can **build additional floors** in a registered ongoing project where initially those floors were not planned but **with consent** of allottees
28. Section 13(1) of the Act prohibits the promoter from taking more than **10% of the cost of apartment** without entering into a written agreement for sale, duly registered.
29. The **file size limit** is 1MB per file and only PDF files can be uploaded on the application
30. If your project has no **encumbrances**, then one can upload a self-certification stating that your project has no encumbrances.
31. Upload copy of the organization's **PAN Card**
32. **Withdrawals** to be made in accordance with the certificate issued by the CA which certified by Engineer, Architect and CA
33. Must adhere to the **project plan** at all times
34. **Refund** the money taken from the consumers with an applicable interest in case the project cannot be completed.
35. **Compensate** the consumer for the time delay if any
36. To **repair** any structural defects in the construction even after 5 years of handover of the project

**REGISTRATION OF REAL ESTATE PROJECTS REQUIREMENTS
PRECAUTIONS TO BE TAKEN WHILE REGISTRATION ISSUES &
PRACTICAL PROBLEMS**

Information to be furnished by the promoter for the registration of each real estate project/ phase.

1. Promoter's - Name, photograph, contact details, address and PAN card
2. Details of the past projects (in the preceding 5 years) already launched by the real estate developer and their current status
3. Copy of legal title to land
4. Details of encumbrances on the land (if any)
5. Location of the project with clear demarcation with latitude and longitude of the land for the project
6. The development plan for the project
7. Details of basic facilities being made available like drinking water, electricity etc.
8. Approval and commencement certificates obtained from the competent authority for each phase of the project separately.
9. Details of amenities and common facilities
10. Details of both proposed and sanctioned
 - layout plan
 - details of amenities and common facilities
 - FSI proposed to be consumed
 - number of buildings or wings, floors to be constructed
11. Number, type and carpet areas of units/flats to be sold
12. The details of open areas if any like terraces, balconies etc.
13. Aggregate area in sq. meters of the recreation open space
14. Number of covered parking spaces
15. Details of associated engineers, contractors, architects and intermediaries in the project
16. Details of Architecture and design standard, type of construction technology, earthquake resistant measures for building, common area and amenities
17. The nature of the organization of allottees to be constituted and to which the title of such land parcels is to be conveyed and the specific local laws to govern such organization of allottees on completion of real estate project
18. Pro forma of allotment letter, agreement for sale and conveyance deed to be signed with the consumers under RERA
19. Land cost

20. Cost of construction
21. A declaration stating that the land of the project is verified & authenticated and the developer has a legal title to it
22. A written declaration stating that the project will be completed within specified period of time and 70% of the received funds from the consumers will be deposited in a dedicated escrow account and this amount will be used only for that particular project

PROTECTION AND BENEFITS FOR FLAT PURCHASERS UNDER RERA

With the Real Estate (Regulation and Development) Act, the government hopes to bring transparency and fair practices to the realty sector. The law will change your home-buying experience. Here are some key take aways:

BENEFIT TO CUSTOMERS:-

1. The customers can view all the documents, as the promoter is required to submit all documents related to the project which is considered necessary by the RERA
2. The Promoter has to form and register the Society within three months from the date 51% of the flats booked, in such a building or a wing, even if the project is under construction.
3. Customers will only pay for carpet area
4. If the Promoter want to leave the project mid-way by selling to another Promoter or party, then the Promoter is require to take written approval of 2/3rd of project's consumers and also the prior approval of the RERA. If a consumer or his family holds more than one unit in the project then he/she will be considered as one consumer only.
5. If the Promoter want to amend or change any Plans and layouts, then the Promoter has to take the permission from 2/3rd buyers.
6. The Promoter has to specify the project completion time in the RERA application form. Accordingly, the Promoter is accountable to follow the timelines otherwise he will suffer losses/ penalties.
7. Project cost estimation where bifurcation of Land Cost and the Construction cost has to be mentioned, this will benefit the public at large as they will be aware about the pro it that will be earned by Promoter.
8. To repair any structural defects in the construction even after 5 years of handover of the project.
9. Upload of sanctions on receipts basis and the project details in 3 months but it was suggested to do at earliest.
10. If due to a change in government policy, the promoter is entitled to additional FSI etc., the promoter can build additional floors in a registered ongoing project where initially those floors were not planned but with consent of allottees
11. Section 13(1) of the Act prohibits the promoter from taking more than 10% of the cost of apartment without entering into a written agreement for sale, duly registered.

OBLIGATION OF DEVELOPER:-

1. The Promoter has to register the project before he starts any form of advertising, marketing, booking, selling, offer for selling or inviting people to purchase plots, apartment or buildings.
2. It is mandatory for the Promoter to register the project with the RERA and obtain a valid registration number before proceeding.
3. The Promoter must deposit 70% of the payment received from the consumers in an escrow account and ensure that the amount is solely used for the development of the project for which it was taken.
4. Every phase will be considered a standalone real estate project and the Promoter have to obtain registration under this Act for each phase separately. If the project is being done phase wise and in the 1st phase we are not providing common amenities like Club House etc., then promoter cannot put ads and make brochures showing common amenities.
5. At the time of registration, the Promoters shall provide the details of past 5 years projects done and even what was the possession date promised and when was possession given.
6. The Promoter shall provide the details of FSI proposed and approved.
7. The Promoter must adhere to the project plan at all times.
8. Estimated figures given can be changed. But there is lot of information which cannot be changed. Therefore, the Promoter shall be careful while putting information.
9. Both the developers and the landlord or any such party which is the beneficiary of a sale of a project & receives payments from consumers as real estate developers (Promoters) are liable to adhere to the Act. That's even true where the land owner is a CHS in case of Re Development.
10. The Promoter must share quarterly progress report of the project, receipt of pending approvals and other such declarations which are related to project delivery on a regular basis.
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12. Promoter shall execute a registered conveyance deed in favour of the allottee within three months from date of issue of occupancy certificate or fifty one per cent of the total number of Purchasers, in such a building or a wing, has paid the full consideration to the promoter, whichever is earlier.
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14. If your project has no encumbrances, then you can upload a self-certification stating that your project has no encumbrances.

BENEFITS OF AGENTS:-

As per the government rules, only registered agents are legally allowed to function in the real estate business. Also, the RERA makes it mandatory for a developer to make a declaration about the real estate agents, architects, structural engineers and similar parties to the appellate Tribunal of the RERA.

PENALTY AND COMPLAINT

1. The penalties are quite high.
2. Refund the money taken from the consumers with an applicable interest in case the project cannot be completed.
3. Compensate the consumer for the time delay if any
4. Everything online so no needs to go to RERA of ice except for complaints hearings.

CERTIFICATE FROM THE PROFESSIONAL:-

If the Promoter want to withdraw the amount from the Escrow Account, then the Promoter is require to obtain the work completion certificate from Engineer, Architect and Chartered Accountant.