

# RERA--A 'real'ty law

The Rajya Sabha passed the Real Estate Regulator Bill, which will help regulate the realty sector and bring in clarity for both buyers and developers.

**SHAMEEM KHAN**

TOUTED as a key reform measure in the real estate sector, RERA will hopefully bring cheer to both home-buyers and builders. Here are a few things you should know about it:

- 1) As per this law, the real estate regulator has authority to govern both residential and commercial real estate transactions.
- 2) For redressal of grievances against any builder, it establishes approaching the State Real Estate Regulatory Authority for that particular state as the government body. This will happen once every state ratifies this Act and establishes a state authority on the lines set up in the law.
- 3) As per this act, the developer will have to deposit 70% of the project funds in a dedicated bank account. This is done to ensure that builders do not delay completion and handover of the project to consumers by investing the proceeds of the booking money of one project in numerous new projects.
- 4) It is mandatory for devel-



opers to post all information on issues such as project plan, layout, government approvals, land title status, sub-contractors to the project, schedule for completion with the State Real Estate Regulatory Authority (RERA). In effect, they will pass this information on to the consumers. Also, every project measuring more than 500 square metres or more than eight apartments will have to be registered with the RERA.

5) Carpet area has been clearly defined in the law. This will ensure that the practice of selling on the basis of ambig-

uous super built-up area for a real estate project will come to a stop as this law makes it illegal.

6) The law also ensures that any delay in completion of the project will make the developer liable to pay the same interest as the EMI being paid by the consumer to the bank to the consumer. The developer also cannot make any changes to the plan that had been sold without the written consent of the buyer.

7) The maximum jail term for a developer who violates the order of the appellate tribunal of the RERA is three years

## Developers speak

**Ajay Nahar**  
CMD, Nahar Projects

It will be a more reliable market for homebuyers for investment as well as end users. With RERA coming soon, builders will also deliver in time and bound by rules to complete projects with promises that fulfil for home buyers. Thus eventually for about a year, property prices are set to rise slowly due to high demand.

**Shravan and Vinay Agarwal**  
(Vishesh Group)

Speaking of Government policies, RERA is being highly awaited. It would regulate the developers due to which the possession would be on time. This will be beneficial to customers in the long run to get timely delivery.

with or without a fine.

8) There is a provision for after sales service too in this act. The buyer will be able to contact the developer in writing within one year of taking possession to demand after sales service if any deficiency in the project is noticed.

## New housing hub

We all know that Mumbai life is getting congested and expensive every day compelling people to look for planned complexes/townships at affordable prices. No wonder, Neral-Karjat is fast emerging as a popular residential destination for this segment.

Once known as the junction to go to Matheran via the toy train, the town lacked infrastructure and connectivity. However, today Neral-Karjat boasts of various development plans, government offices, budding social infrastructure, vast commercial and branded residential townships, making it one of the fastest developing districts of uptown Mumbai. This belt is witnessing a revolution similar to the one that the Vasai-Virar belt saw over the last 10 years. Buyers have a good chance to get more amenities with luxurious elements at an affordable price.

Neral-Karjat is directly connected by rail and road. Recently, the Union Cabinet approved the Mumbai Urban Transport Project Phase-III. Panvel-Karjat double line suburban corridor too will cater to the significant urbanization

and population growth in recent years in this area. Neral-Karjat is connected via several national and state highways. The Mumbai-Pune Expressway is also accessible from here. Buses are available to all regions of Mumbai and bus frequency to Panvel is very good.

A good number of schools, engineering-medical-pharma colleges, institutions of higher learning, retail shops, hospitals and shopping areas are coming up here rapidly.

Today, Neral-Karjat is attracting masses to buy residential spaces as for self-use as well as for investment purposes. Many migrant families from Mumbai and Navi Mumbai are buying here owing to the affordability factor.

The Government's initiatives of 'Housing for all by 2022' and the current reduction of lending rates by banks will also give affordable housing a huge boost.

There is huge development of large integrated townships with the property market of Neral-Karjat offering lucrative opportunities for real estate growth.

## "Best practices followed by Sai Estate Consultants to maintain its No. 1 position."

---Vicky Wadhvani, MD, Sai Estate Consultants Pvt. Ltd.

Though traditionally speaking, brokering is not a dream job for the young and qualified. But Sai Estate Consultant's have made it possible. The journey of SEC began in 2009 by Mr Bhagwan Wadhvani to become one of the most successful brokering companies in the city. The business was taken forward by his two sons-Amrit Bhagwan Wadhvani and Vicky Bhagwan Wadhani.

Today, SEC is a well-known brokering company in real estate market based in Chembur. The ISO 9001 Certified Company takes over the properties in and various locations of Chembur which is now being considered as a prime location with good connectivity and fine infrastructure. Holding a team of 50 plus employees, the USP of SEC is reaching out to each and every aspect of client's property needs. It deals not only in selling of residential and commercial property but also in rental units.



"We ought to support and favour the buyers today while negotiating terms with developers. We follow exhaustive check lists before listing a project on our shelf. Nothing better than a peaceful, safe, clean & seamless transaction!"

**Vicky B Wadhvani**  
Managing Director,  
Sai Estate Consultants  
Chembur.



"Every minute aspect of the visit with us is extremely important and is dealt with utmost care. Be it fumigation of cars used for property inspections to our 24 x 7 after sales support desk, we continuously strive to improve our product, processes and service standards"

**Rohit Ruparel**  
AVP : Sales & Operations

## De-coding a decade of development

One of the most enterprising developers in suburban Mumbai, Sanjay Devnani has constructed over one lakh sq.ft of multiple residential structures. He is also of the prominent developers in India's largest second home destination - Aamby Valley City. He has executed some fine projects in Chembur like Harchand Smriti, Mangal Murti Sharan, Hibiscus to name a few.

He also holds the post of president at Khar gymkhana, which is one of Mumbai's most prestigious clubs. The network he has created and nurtured through the years is truly commendable and his stature emerges well only through his work and associations.

Here, he speaks about the paradigm shifts in the real estate market in the last 10 years.

- 1) Carpet area V/S Super built up area—This will help developers offering transparency in the form of specifying actual RERA carpet areas and thereby attract more buyers.
- 2) Development V/S Developer: For years, home buyers have looked at brochures and



Mr. Sanjay Devnani

development plans before considering buying real estate. With a more informed market today, buyers are researching the 'man' behind the development, the builder and his recent track record. Realtors with poor personal or professional history are seeing lesser transactions.

- 3) Discounts V/S hidden costs: Gone are the days where developers could offer a free car on every sale and double the value of the gift for the car parking allocation. Infrastructure fees, development charges and new laws will make it difficult for developers to hide costs before you sign the dotted line.
- 4) On time delivery V/S false promises: The new norms

will ensure delivery date with valid approvals, OC, etc. are in place before the developer can wash his hands off the project. Heavy penalties will be levied on deferred possession beyond permissible timelines.

5) Own money V/S borrowed monies: With fewer organized investors operating in the realty markets in the Island city, developers will have to rely on genuine end user sales.

6) Brokers V/S Consultants: With more educated youngsters choosing real estate brokering as a possible career option, more private realty brokering companies will eventually graduate themselves from just brokering to an advisory. This will enable home buyers to rely on expert advise rendered by quality brokering houses. RERA will ensure only the fittest brokers conduct business.

7) Black V/S White: With the whip on demonization, the black money in the real estate sector has been sucked out to a large extent and the environment is conducive for clean, white and clear transactions.