

HOME BUYING GUIDE

List of documents to verify before booking a property?

1. Confirm if the approved plans are in place from the appropriate authority.
2. Check if all other permissions from various authorities are in place. E.g. Utility Companies, Environment Clearance, Airport Authority, etc.
3. Confirm if the Land title is clear and there is no disputes / litigation (Title Certificate).
4. Confirm if the Builder has the Intimation of Disapproval (IOD) and Commencement Certificate (CC) to start construction.
5. Have the agreement evaluated by an Advocate. Check possession date promised and provide for penalty if Builder does not deliver as agreed.
6. Check and negotiate the payment schedule.
7. Do not book in Pre-launch without executing and registering the agreement. In Maharashtra, it is mandatory for Builder to do both at inception stage itself.

List of documents to verify at the time of registering your property.

1. Approved plans
2. Title Certificate from Advocate of current date
3. Copy of IOD / Commencement Certificate
4. Stamp duty paid receipt
5. Demand Draft for payment of Registration fees.
6. Property Card showing CTS No. of plot
7. PAN cards of Sellers and Buyers
8. Khata Extract

How to verify project approvals documents?

Same documents as above would need to be verified for checking project approvals. Confirm approved plans, other approvals such as environmental clearances are important and NOC from utility companies. Title Search must be carried out at the Sub Registrar's office to verify title and ascertain encumbrances, if any.

Which documents must be compulsorily registered?

As a general rule the following documents pertaining to immovable property must be registered vide Section 17(1) of the Registration Act, 1908:

- (a) Instruments of gift of immovable property;
- (b) other non-testamentary instruments which purport or operate to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees, and upwards, to or in immovable property;
- (c) non-testamentary instruments which acknowledge the receipt or payment of any consideration on account of the creation, declaration, assignment, limitation or extinction of any such right, title or interest; and
- (d) leases of immovable property from year to year, or for any term exceeding one year, or reserving a yearly rent;
- (e) non-testamentary instruments transferring or assigning any decree or order of a court or any award when such decree or order or award purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, of the value of one hundred rupees and upwards, to or in immovable property.

In Maharashtra State, w.e.f. 1-4-2013, the following additional documents are also required to be compulsorily registered:

(f) agreement relating to the Deposit of Title Deeds, where such deposit has been made by way of security for the repayment of a loan or an existing or future debts;
(g) Sale certificate issued by any competent officer or authority under any recovery Act;
(h) Irrevocable Power of Attorney relating to transfer of immovable property in any way, executed on or after the commencement of the Registration (Maharashtra Amendment) Act, 2010."

Documents that you should have at the time of possession?

1. All original chain of agreements form part of the title documents and must be obtained by the buyer.
2. Do remember to obtain the original registration receipts and the original stamp duty receipts.
3. A letter of possession duly witnessed by two witnesses confirming the physical handover of the premises.
4. In case of a Society, the original share certificate together with all transfer forms duly executed.
5. Proof of payment of all dues such as maintenance, electricity, phone, water, property taxes upto the date of handing over possession.
6. A limited power of attorney from the Seller(s) authorizing the buyer(s) to sign all documents and applications etc. pertaining to the said premises.
7. An NOC from the Society or other body confirming that they have no objection to the transfer.

What is a sale deed?

A sale deed, also called a "conveyance", is a document which transfers immovable property be it land or a house, flat, office or other structure to another person. In almost all cases, the sale deed must be registered compulsorily except in the case of resale of units in existing cooperative societies where the state law grants a specific exemption from registration. Regardless, all sale deeds are liable for stamp duty and the rates vary from state to state. Also the duty depends upon various factors, such as age of building, location and type of unit and so on.

What is a title deed?

A title deed is a document that proves the right of a person to an immovable property. A person can acquire an immovable property by various means and a properly stamped and executed document evidencing the transaction is a title document. For example a sale deed, a release deed, a relinquishment deed, a gift deed, a family settlement deed, a partition deed, a will all are evidence of how a person has acquired an immovable property and may be called title deeds.

What is a conveyance deed? Why is it required?

The word conveyance means the transfer of ownership or interest in real property from one person to another by a document, such as a deed, lease, or mortgage. In India, transfer of property or rights in immovable property is governed by the Transfer of Property Act, 1882. For the transfer of any immovable property or rights in immovable property, it is necessary to execute a conveyance deed.

What is a building completion certificate?

A building completion certificate is the final document granted by the plan sanctioning authority and usually follows the occupancy certificate. This document certifies that all acts necessary in connection with the construction of a building are complete.

What is an occupancy certificate?

An occupancy certificate is granted by the plan sanctioning authority once the building is complete and ready for Inhabitation. In some places, an official water connection is granted only after the OC has been obtained. This document is given after verification that the construction has been carried out in accordance with the approved plans. The builder is not entitled to give possession and the unit buyer is not allowed to occupy the unit till the OC has been obtained. Further, the property comes into existence on and from the date of granting of OC. Property taxes are also levied as a unit from the OC date.

What is a Khata?

A Khata is a record of assessment of a property, giving details of the property such as location, area, usage etc. for the purpose of payment of property tax. It is issued by the Municipal Corporation or other authority entitled to levy property tax such as a Development authority or a Panchayat. The Khata shows who is the registered owner of the property in the records and if you have acquired a property by sale, gift, will, etc. , you should have your name substituted for that of the seller in the Khata. This is another document you must check whilst buying a property to verify the title of the seller.