

HOME BUYING PROCESS & CUSTOMER
RELATIONSHIP MANAGEMENT

Elements impacting one's home buying decision

The real estate sector in India has witnessed phenomenal changes in recent times, including grabbing the attention of global audiences.

BEHIND THE SCENES:

The strong expansion of this sector is likely supported by high economic growth, regulatory and taxation reforms, rising disposable incomes and urbanization. Its growth has brought along several visible transformations in the sector. The major ones being:

- Introduction of REAL ESTATE REGULATION ACT (RERA)
- Implementation of a uniform tax structure via the Goods & Services Tax (GST)
- Increased scale
- Development of new operating models (leasing and rental) Introduction of corporate
- Introduction of new regulations Advancement in technology
- Newer funding sources (private equity, non- banking financial companies etc.)
- New product offerings

This transformation has also resulted in the emergence of new challenges across the entire value chain of the Indian real estate development:



This is why the development of the entire project takes about 3 to 6 years depending upon the scale, location and type of development. The customer will primarily be concerned with the credentials and the project execution track record of the Developer/ Promoter, possession timelines, the quality of construction, the provision of the amenities promised which must be clarified wherein the customer would probe into the relevant papers and permissions in order to ascertain the genuineness of the project. The documents required include:

1. RERA registration number of the project.
2. Approved plan of the building along with the number of approved floors.
3. Land title clearance whether the Developer/ Promoter is the owner of land or he has undertaken an agreement with a landlord. If so, the title report should state it is free and clear.
4. Complete break up of all charges apart from the basic selling price which will include floor rise, premium local charges, clubhouse charges and all costs and charges to be paid at the time of possession.
5. Clarity on Society/ Condominium formation, Defect Liability Period with details on conveyance
6. Provision for Input Tax Credit (if applicable)
7. Any other documents to be disclosed as part of and as mandated under RERA (REAL ESTATE REGULATION ACT).

ELEMENTS OF PRICING:

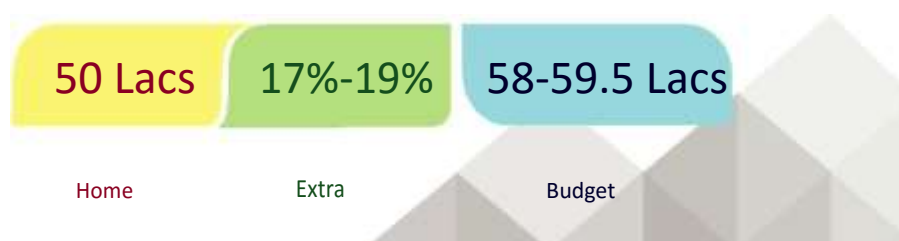
Given the fact that this is the largest investment that is made by an individual, the customer would determine a budget for the purchase of a property. While provisioning for finances, it's not just the value of the property that has to be considered but also several other expenses that need to be accounted for:

- Agreement Value, as stated and payable only to Developer/ Promoter (also called consideration value) will also have to factor into account
- Stamp duty & Registration fees
- Government taxes/ levies (GST, TDS, any other)
- Legal fees
- Bank loan processing fees (if opting for bank loan)
- Brokerage fees (if bought through a real estate agent)
- Society transfer charges (in buildings with societies)
- Advances taken as pass-through charges by the developer/ promoter Corpus Funds/ maintenance, taxes, electricity/ water/ essential services

Also, during budgeting exercise, it is advisable that the customer also estimates for the following:

- Cost of furnishing the property post-handover
- Monthly maintenance fees to the society
- Future house tax/ property tax payments

For every residence, the customer must account for at least 17%-19% additional payout.



Key Documents & Stages

Application Form:

The application form is the first document that the customer as a buyer, will sign while booking a residence. It includes the customer's personal details as well as the terms and conditions of the booking. Customers are advised to go through the terms in detail to understand the responsibility as a buyer.

Allotment Letter:

This is formal proof that the customer receives of buying his/ her new home. An allotment letter or reservation letter is issued to the customer upon completion of approximately 10% payment to Mahindra Lifespaces. As the name suggests, this is ideally a pre-agreement/registration, formal legal allotment or reservation of the unit in the customer's name. It contains details regarding the unit booked such as the unit number, the carpet area of the unit, the consideration value (agreement value) of the booked unit, details of car parking spaces allocated and a brief description of the taxes & government levies payable on the property transaction.

Agreement to Sell or Lease (to be registered as mandated by law)

This is an important document that contains the detailed terms and conditions of the transaction, along with other following vital information:

1. Description/location of the residence/ unit
2. The purchase price for the property, along with all other charges applicable towards the development and maintenance of the unit
3. The amount of deposit payable by the customer, along with the payment schedule
4. Possession date of the residence, along with necessary compensation on delay
5. Post-handover formalities including maintenance liability and other livability guidelines that need to be adhered to
6. All terms and conditions pertaining to responsibilities/ liabilities of both parties
7. Clause specifying the court or consumer body which would have jurisdiction in case of a dispute
8. Appropriate time mandated for completion of registration as mandated by law in that specific city, state/union territory.
9. RERA registration number of the project and all disclosures as mandated under RERA

Stages of the Customers Home Buying Journey

A - Application Stage:

- The customer acknowledges the terms and conditions of the application/ booking form and should insist for a copy of the relevant price sheet for his/ her records and booking application/ booking form along with a copy of the terms of the application/ booking and receipt of money paid (valid subject to realization).
- The customer will confirm and clarify the commercial details of the transaction with the Sales Manager, including types of taxes and levies payable on different components and timelines when they come into effect.
- Elements like Photo ID / Signature and other documentary requirements PAN, Aadhar, photo id & address proof, etc. from the customer must be given focused attention to avoid the form being put on hold / rejected by Mahindra Lifespaces.
- The customer must compulsorily share his/ her own email ID and primary contact (mobile) number, not the referrer's or agent's number.
- If the customer is a Non-Resident Indian (NRI), then the customer needs Person of Indian Origin (PIO) or similar documents to prove his/ her resident or domicile status.
- In case the customer has made a booking after seeing a sample or show flat, the customer must insist on the list of internal amenities which would be included as part of the standard offering for the customer's residence, to avoid any confusion later.
- Estimated forecast or timelines of payments require the customer to clarify with the Sales Manager to understand the actual frequency of payment demands linked to the construction milestones, so that the customer can be prepared with the necessary finances.
- Mahindra Lifespaces endeavours to be transparent about all terms of the application on the unit, the project, all components of pricing as well as providing the following at the application stage:
 - Copy of application form
 - Receipt for booking amount
- The customers designated Customer Relationship Manager is required to contact the customer within 05 working days of confirmation of the booking and share his/her contact details communication going forward, to complete the customer welcome & on-boarding process:

- **Welcome Call:**

The key objective of the welcome call is to introduce the customer to the customer relations associate who shall be the customer's first point of contact for any queries or service requests & reiterate and confirm all the minutiae of the booking at the outset. The CRM executive calls the customers and get himself/ herself introduced two working days from the date on which the welcome letter is sent and develop a strong relationship. Apart from sharing personal coordinates and service window timelines, the CRM Executive would provide clarifications about all customer coordinates, explain the chosen residence details, value of residence, indicative govt. levies, product inclusions, tentative value of CAM and other post-handover fees, payment timelines, importance of timely payments, interest implications, cancellation charges, etc. After closing this call, the CRM executive signs off and files this along with application form in the customers file. In this conversation, the data that is missed out when signing the application form required for the database is obtained.

- **Welcome Email:** Post the welcome call a welcome email has to be sent to the customer sharing the details of the booking. The welcome email will cover all the details including the payment schedule of the customer for his records.

- **Welcome Letter:** The CRM Executive sends across a Welcome letter to customer which welcomes the customer to the Mahindra Family, and introduces the dedicated CRM personnel who would be in touch with that respective customer (within 5 working days after receiving the application form with the booking amount).

B - Time-bound Payments Stage:

The customer is required to complete time bound payments within standard timelines without fail, irrespective of loan sanction amount. An illustration is shown in below grid:

Booking Amount	At the time of booking	10% of residence value*
After Execution of Agreement	Within 45 days of booking	9.9% of residence value*

*Please note this is an illustration and the actual time bound payment may vary from project to project.

- In the illustration mentioned above, time bound installments will be payable without the need of a formal demand letter from Mahindra Lifespaces.
- The customer price sheet also mentions the exact amounts for the customer to pay to Mahindra Lifespaces for two initial installments, hence it is imperative for the customer to collect a copy of the relevant price sheet at the time of booking.
- Payments are to be made by cheque / DD and can be sent by either of the modes:
 - Courier to our sales/ site address
 - For the NEFT / RTGS process, the IFSC and other bank details for which the customer may have to procure the details from the designated bank.

- The Sales Manager must ensure that the following are mentioned on the reverse of the cheque / DD
 - The Customer's/Main Applicant's name
 - Contact number
 - Wing
 - Building
 - Project name
 - Installment name as per payment schedule.
- On making payments through RTGS, the customer is required to compulsorily share the UTR Reference Number via a registered email ID with the respective Customer Relationship Manager.
- The timely completion of payments is the customers responsibility and any delays will result in interest charges as per RERA (Real Estate Regulation Act) and GST as applicable from due date till actual realisation.

Our promise:

- Mahindra Lifespaces' promise to its customer is the issuance of the allotment letter post clearance of the booking payment (equivalent to 10% of the Agreement Value). This letter will confirm that the unit is allotted to the customer effective the date mentioned therein.
- Mahindra Lifespaces also promises to send the customer receipts by courier for any payments made. Alternatively, the Customer Relationship Manager can also help with acknowledgement of payment through other channels to confirm the amount received.

C - Agreement / Registration Stage:

- Registration of an agreement is mandated by law and is required as proof of ownership Registration / Agreement which is the joint responsibility of both parties. The flow of this process is different across various states/union territories in our country, as mandated by the applicable RERA regulations within the state/union territory.
- Approximately 5%-6% of the residence value is typically the registration and stamp duty value, but varies as per the state/union territory. Ready provision of these funds will help the customer fulfill registration formalities immediately, in time for construction initiation and demands thereof.
- With the introduction of RERA, the agreement registration process will be typically defined as per the state / union territory in which the project is located and the RERA mandate within that state. This is especially of prime importance to customers who wish to avail of bank loans in order to fund their property purchase. It is recommended that the customers understand the requirements as per RERA within the state prior to finalizing on the property purchase.
- In case the bank / HFI is helping the customer with the remainder 80% loan, the customer needs to confirm that they will absorb these charges too. Please ensure complete documentation on this front for the customer's own clarity.

- Before the actual registration, the customer is to send Mahindra Lifespaces the Stamp Duty & registration demand drafts with the requisite forms duly filled out, within a week from the date of the registration invitation notification. The Stamp Duty Value and Registration Charges will be as per the prevailing rates. Hence, any changes in this as compared to what was communicated at an earlier time will be governed by the ready reckoner.
- Basis the token availability confirmed by Customer Care, the customer is required to be present at the registrar's office on the date and time scheduled for the registration.
- The customer is required to collect the registered agreement from the registrar's office or alternatively from Mahindra Lifespaces, details of which will be provided to the customer at the time of registration. Since the availability and collection of the agreement have a dependency on the registrar's office, the timelines cannot be guaranteed.

Our Promise:

- We shall send the customer a letter of intimation detailing the stamp duty and registration charges payable for the customer registration as soon as we have the requisite documents/ approvals organized.
- Since the registration activity falls outside Mahindra Lifespaces' purview, we shall only be able to provide the customer with basic guidelines on the process. Mahindra Lifespaces will not be responsible for any errors/ delays/ cancellations from the registrar's office and will only play the role of facilitating this process.
- Registration tokens at the registrar's office will be booked on a first come first serve basis and will be determined by which customer first sends us the stamp duty and registration demand drafts along with completed formalities, (details of which will be communicated along with the above mentioned intimation).
- Bank disbursement for further payments (in case the customer is going in for a home loan) shall continue to be the customer's responsibility.

To Do (for the Customer):

- Sanction and timely disbursement of home loan from the bank is the customer's responsibility.
- Although preferred bankers for the project are expected to result in quicker disbursements compared to other banks, the customer will still need to ensure requisite documents and comply with procedures with the banker for timely disbursements. While Mahindra Lifespaces has a contractual obligation with its customers, the banking relationship will definitely be only between the customer and the bank.
- In case the customer wishes to go for any bank other than the ones on the Mahindra Lifespaces' preferred bankers list, the disbursement timeline and/ or delayed payment interest shall be customer's responsibility.

- Timely registration/ agreement will be critical in ensuring that the customer is in time to get disbursements from the customers bank to honor construction based demands by Mahindra Lifespaces. If registration/ agreement is delayed due to the customer's delay in sending the required Stamp Duty and registration demand drafts or the related forms as per our Registration/ Agreement process, then interest as per RERA (Real Estate Regulation Act) and GST as applicable from due date till actual realisation on the overdue payment would apply. This interest, along with the delayed disbursement payment should be made via a separate crossed cheque.
- Any specific banking requirement over and above the standard processes will be on the customer's account and thus the customer will need to arrange for it. Any delay caused due to these additional formalities will have to be borne by the customer, while Mahindra Lifespaces will commit to coordinate with the internal/ external legal teams to make these papers available.
- In the event that certain documents or processes are not in line with the organizations standard procedures; Mahindra Lifespaces may revert with a regret to support the customer. In such an event, it will be the customer's prerogative to either continue with the same banker or alternatively choose a banker recommended by Mahindra Lifespaces.

Our Promise:

- Mahindra Lifespaces shall endeavor to provide 2-3 preferred bankers, who would have approved the project for home loans and will thus enable reduced documentary requirements, which will eventually lead to quicker disbursements.
- Due to high dependency on customer diligence and bank policies, Mahindra Lifespaces is constrained to extend minimal commitment on the final disbursement process and timelines.

E - Construction-Linked Payments

This is linked to the progress of work at site wherein customer payments are demanded only when the corresponding work-stage is completed. Under RERA regulations it is mandatory to have completed the registration/ agreement to be able to make more than 10% payments towards the consideration/ agreement value.

To Do (for the Customer):

- The customer is required to complete the registration formalities as mandated by the respective state/union territory RERA mandate, prior to making payments in excess of 10% of the Agreement Value.
- The customer is required to immediately initiate the requisite formalities on receipt of intimation from Mahindra Lifespaces before construction demands are initiated.

- The customer must clear all construction based payments and all other payments by or before the 21st day from the date of demand letter. This must also include the prevailing TDS Form 16B for the differential 1% payment made to the Income Tax Authorities (in case this is applicable) for value of units above Rs. 50 lakhs.
- In case of bank disbursements, the customer must submit the demand letter immediately to the bank and ensure appropriate follow up, such that the disbursement and eventual payment to Mahindra Lifespaces is effected by or before the 21st day from the date of demand letter.
- In case of delays for any payments, the customer must ensure that the interest amount is simultaneously paid by way of a separate crossed cheque of the said interest amount in favors of Mahindra Lifespaces.

Our Promise:

- Send timely demands for all construction based due payments via courier and email to ensure prompt communication of demands and updates to the customer. This is being provided to ensure prompt communication of demands and updates to the customer and reduce dependency on external courier partners and / or their lapses.
- Wherever required by law, ensure that the architects certificate is annexed with the demand letter to ratify the concerned construction stage and demand.

F - Goods & Services Tax (GST)

After the implementation of GST, Service Tax & VAT is now covered under the umbrella of GST and this is a levy by Central Government and will be uniform all over India.

The payment calls (including booking amount) received will attract GST as applicable on the construction services. The rate depends on total consideration and carpet area of the unit being booked by the customer. There are certain components of consideration like Club House charges, power backup charges, and Maintenance etc. which will attract GST at full rate. This may vary based on the changes and mandates governing GST payment.

G - Tax Deducted at Source (TDS)

Tax Deducted at Source (TDS) is a means of collecting income tax in India, under the Indian Income Tax Act of 1961. Any payment covered under these provisions shall be paid after deducting prescribed percentage. It is managed by the Central Board for Direct Taxes (CBDT) and is part of the Department of Revenue managed by Indian Revenue Service (IRS).

- As per the Finance Bill of 2013, TDS is applicable on the sale of immovable property wherein the sale consideration of the property is equal to or exceeds Rs. 50,00,000 (Rupees Fifty Lakh).

- Sec 194 IA of the Income Tax Act, 1961 states that for all transactions with effect from June 1, 2013, Income Tax @ 1% should be deducted by the purchaser/buyer of the property at the time of making payment of sale consideration. Income Tax so deducted from the consideration payable to Mahindra Lifespaces should be deposited by the customer to the Government Account against our PAN through any of the authorized bank branches.
- Simply put, this means that if the property value is worth Rs. 60 lakhs, then the customer will actually pay 59 lakhs and 40,000 to the seller / developer and deposit the remainder Rs. 60,000 to the tax authorities.
- The example however is straight forward, only if the entire transaction of Rs. 60 lakhs happens at one go and the TDS payment is also deposited in lump-sum. The actual activities involved may not necessarily be so simple, hence the procedural steps, conditions and documentation needed are explained below:
- As explained above, the property value transacted between the customer and Mahindra Lifespaces should be above Rs. 50 lakhs, for the TDS activity to trigger.
- Since Mahindra Lifespaces demands will be phased out through the life cycle, there are 2 ways the customer can make this TDS payment to the tax authorities and submit the necessary proof (Form 16B which in simple words is TDS Certificate) to Mahindra Lifespaces
 - 1) Pay a lump sum of the total tax at one go online (since the total consideration value will be known at the outset), download the Form 16B and submit it to Mahindra Lifespaces soon after;
 - 2) Pay as the customer goes basis a calculation of 1% of the demanded value. In this case, for every demand raised by Mahindra Lifespaces, the customer will need to pay 99% from either his/ her own funds or bank sources (as the case may be), clear the TDS amount online on the TDS website and submit the proof along with the payment before the due date.
- As per statute, it is mandatory that the proof of payment of 1% TDS (Form 16B) is shared with Mahindra Lifespaces for its own tax assessment purposes. This is the only acceptable proof as per law to confirm for Mahindra Lifespaces that the customer has deducted Income Tax at Source (TDS) from consideration payable to Mahindra Lifespaces and also deposited the same against the PAN of Mahindra Lifespaces. Deducting TDS and depositing the same with government is the liability of the customer.
- Typically, for every payment, the customer as a buyer will need to deduct 1% and collect the Mahindra Lifespaces PAN details from the Customer Relationship Manager.
- While visiting the Tax website, the customer needs to complete a form called 26QB (statement cum challenge form), where in the customer will need to key in the demand amount, 1% of its value, the customer as well as Mahindra Lifespaces PAN details, the customer's name, purchased property details, etc.

- The customer is advised caution while entering the PAN or other details in the online Form 26QB as there is no online mechanism for rectification of any error e.g. instead of basic / income tax, if the customer erroneously chooses Other or _Education Cess or Interest_ or Penalty, the column in the final Form 16B will show zero amount deposited by the customer. Mahindra Lifespaces will not get any credit in the tax liability assessment and the amount will remain payable by the customer to Mahindra Lifespaces. In fact, reversal of any errors made by the customer may lead to a long drawn process with no assurance of reversal and hence it is extremely important to exercise caution while filling the TDS amount on Form 26QB.
- The 9-digit alphanumeric acknowledgement number generated on filing the Form 26QB, will be needed to place the customer's request for the Form 16B. On placing the request for Form 16B, the general timeline quoted by tax authorities website is anywhere between 2 to 5 days. Ideally, within a week's time, the customer should be able to download the Form 16B.
- On receipt of this form, the customer compulsorily needs to submit this to Mahindra Lifespaces as this serves as a confirmation for the 1% differential amount while the customer would have separately paid 99% of the demanded value. Mahindra Lifespaces will verify this in the Form 26AS for the amount mentioned in the customer Form 16B and reject and match along with the customer's individual PAN details. After this exercise is completed, due credit in the customer account will be passed.

H - Possession Stage

- The customer will be invited for possession of his/ her residence wherein it is important that the customer clears dues within 21 days from intimation. Apart from clearing the dues pertaining to consideration/ agreement value, the customer may need to clear other charges, including electricity/ water deposit, Common Area Maintenance Advance (CAM), Legal, Club House deposit / fees, etc.
- It is essential that the customer carefully understands the methodology of maintenance charges along with details of what will be handed over as the corpus fund, electricity charges, development charges, etc. The customer must ensure that the registration process is completed well in advance to avoid any delay in scheduling possession of the customer's residence.
- The customer must be available in person for the unit takeover visit as per the dates indicated by the Customer Relationship Manager, especially in case the customer is an NRI/Outstation client. In case the customer has given power of attorney to another person to take the possession on his/ her behalf, it is imperative that the customer checks if it includes the clause authorizing completion of possession formalities on the customer's behalf. This is typically not a part of general power of attorney formats. The customer must also ensure that the fit-outs are in line with the guidelines provided to the customer by our Facilities Management team.

Our promise:

- Handover of possession as per the timelines committed in the RERA registration of the project.
- Timely intimation and demands to help the customer organize for funds and complete documentation formalities.
- Due diligence to ensure readiness of the customer's residence prior to scheduling the handover.
- Customer Relationship Management & Facilities Management teams to assist the customer with the possession documentation e.g. possession certificate, society form, electricity form etc.
- Providing the customer with a handover guide along with the warranty documents for the customer's residence.
- Adhering to requisite agreement clauses specific to delay in handover and its relevant compensation (incase applicable).
- Post possession support from our onsite Facilities Management team and Relationship Management team in case of any concerns.

J. Post Possession Stage

- Mahindra Lifespaces ensures timely possession of the customer's unit, post readiness. In case of personal occupancy, the customer must ensure a personal check of the electrical and plumbing fitments. The customer must also test the functioning of all mechanical items personally like doors/ windows etc
- The customer must be familiarized with basic aspects like approach roads, parking slots, lift lobbies, service timings, contact numbers of the Facilities Management, utility services, essential service vendors, plumbers/ electricians etc.
- The customer must adhere to fit out policy and guidelines, thereby ensuring zero risk to unit and building stability. The customer must ensure responsible living within the premises and support the common cause of community living. They must also partake and drive active society formation, collectively take over the reins and management of facilities during and after society formation.

Our Promise:

- Ensure smooth transition for unit takeover and all-round comfort during moving into the unit.
- Timely service and product delivery as well as assistance for any issues.
- Ensure roll out and drive for strict adherence of fit out policy/ guideline.

- Provide clear process and escalation matrix for complaints/ issue handling.
- Conduct regular checks on all unit and common area equipment for regular functioning.

Defined service window to log, register and address the customer issues.

- Immediate response / restoration process for any break down or outage.
- Complete upkeep and maintenance of all common area maintenance / services.
- Drive comfortable society formation norms and successful handover of all common area management affairs to society.

K. Cancellations / Transfers (Mahindra Lifespaces Policy)

- As mandated under RERA regulations, upon the Allottee committing 3 (three) defaults in payment on due date of any amount due and payable by the Allottee to the Promoter under this Agreement (including his/her proportionate share of taxes levied by statutory authority / concerned local authority and other outgoings) the Promoter shall at its own option, may terminate this Agreement.
- Provided further that upon termination of this Agreement as aforesaid, the Promoter shall only upon the Allottee executing and registering a Deed of Cancellation of this Agreement, refund to the Allottee (subject to adjustment and recovery of agreed liquidated damages/forfeiture amount or any other amount which may be payable to Promoter as mentioned below), within a period of 30 (thirty) days of the termination the amount of Total Consideration (net of TDS amount, if any) of the said Apartment which may till then have been paid by the Allottee to the Promoter.
- If anything apart from the booking amount has been paid, then any other expenses on the account like cheque bounce charges with government taxes / levies on the amount forfeited are to be forfeited from such payments, in addition to booking amount.
- Taxes accrued, are immediately relayed to relevant government agency and hence forfeited
- Interest already paid - is not refundable
- Interest due but not paid - payable
- Transfer Charges will attract GST as applicable.
- Post registration cases, SD/ Registration/ ST/ MVAT/ Any other government levy paid will be lost since all of this is passed on to government bodies on real time basis

Legal Documentation:

Power of Attorney (POA) document: The specific POA format is shared by the Legal Team and the same is handed over to the customer who needs it. POA document must be in our standard MLDL format. In case where specific power of Attorney is required, suitable changes are to be made by the Legal Team in MLDL format. This is followed only for registration and possession. The POA process will differ depending on the where the customer is located or resides:

- Customer residing in India, but in a different City/State: If the Customer is residing in India, but in a different city, the stamp duty applicable for franking/ execution of POA to be registered is as per the rules and regulations prevailing in that state/union territory.
- The customer & property details to be listed in the POA are obtained from the customer master tracker (in the Application form), and the POA draft is filled by the customer relations associate and sent for the customer's signature. Alternatively, the POA may also be filled by the customer himself/ herself and proceed with the notarization and registration.
- It is recommended that the POA is notarized in the same city/ location where the customer holds his permanent residence.
- Customer is residing out of India: If the customer is residing outside the country, the customer & property details to be listed in the POA are obtained from the customer master tracker (in the Application form), and the POA draft is filled by the customer relations associate and then sent to the customer by email.
- The customer would then have to download, fill, complete and check this document, before printing the same on A4/ Legal paper. This POA would then have to be signed and endorsed by the Indian Consular Office or Indian Embassy or by a competent Public Notary within the same city/locality.
- The notarized POA would subsequently then, have to be stamped by the Registrar of Stamps (located within the same city/locality as the customer's permanent residence) the stamping of document must be done within 90 (ninety) days from the date of notarization, otherwise the POA would be rendered invalid.
- The above process is normally followed for execution of POA but as per each location, if there is any difference in law, we would follow the same.

Sale/ Lease Agreement or Apartment Buyer Agreement (as applicable):

The Legal Team shall prepare the draft format of the Sale/ Lease Agreement (these may vary as per regions and the law of the land will take precedence in this).

- The Sale/ Lease Agreement is executed within 45 days from the date of the Application Form. (regulations and processes for this may vary from region to region).
- The customer relations associate shall fill the agreement with all the project, unit, booking & customer details which is then thoroughly scrutinized by the CR manager, the agreement is printed once it is checked and found to be accurate. The Agreement is printed in duplicate, one copy to be handed over to the customer and one copy to be retained for company records.
- The customer or POA holder (as applicable) is then invited to the site CR office to sign the agreement, in case the customer lives outside the city then the document is sent to the customer's listed residence and he/she is allowed a window of 07 (seven) working days to sign and return the Agreement to us.
- After obtaining the customer's signature, the agreement is then handed over to the Company's signing authority for their signature.
- The original agreement is handed over to the customer and in the event the customer has availed of a loan from the bank/ HFI, then the original may also be directly handed over to the bank/ HFI with the customer's consent and a photocopy of the same is given to customer. The duplicate agreement is filed in our records for safe custody.

Sale/Lease Deed (as applicable): The Legal Team shall prepare the draft format of the Sale/ Lease Agreement (these may vary as per regions and the law of the land will take precedence in this).

- At the appropriate time (time for registration will vary as per region), the customer relations associate shall initiate the Sale/ Lease Deed process and communicate the details of stamp duty and registration payment to be made (this amount is sent with the final demand letter at the time of possession, in case of Delhi). Stamp Duty and registration charges are calculated as per the requisite value (calculated as per the current regulations as mandated by the regional regulatory authority).
- In this communication, the customer relations associate shall also send a personal details form to the customer to list the full name, address, contact number, email id, PAN and Aadhar Card details, as may be listed in the Sale/ Lease Agreement (complete name change NOT ALLOWED). The purpose is to capture accurate details so as to avoid any input errors in the agreement/ registration. The customer is asked to complete the payments towards the Final Possession Demand, Stamp Duty and Registration along with the completely filled and duly signed personal details form (signatures of all applicant(s)/ co-applicant(s) is mandatory).

- **Once the customer has completed all the outstanding payments as per the Final Possession Demand and there are no outstanding dues, the Accounts Team shall issue a No Dues Certificate. Only after the receiving this No Dues Certificate shall the registration of the Sale/ Lease Deed be scheduled.**
- The customer relations associate shall also share a communication with the customer which should also include such details as the process that will be followed and set expectations so that the customer is made aware of the practices at the local registration office and his/her responsibilities during this process.
- The name & contact details of the designated individual who will be SPOC for the registration process have to be shared with the customer for ease of co-ordination. A clear disclaimer should also be sent to the customer that in event the registration is cancelled by the customer after the registration token being confirmed, the company may levy a penalty.
- The customer relations associate shall fill the Sale/ Lease Deed with all the project, unit, booking & customer details which is then thoroughly scrutinized by the CR manager, the Sale/Lease Deed is printed once it is checked and found to be accurate, as per the practice followed at the respective project and in compliance to the regional government procedures. The customer or POA holder (as applicable) is then invited to the site CR office to sign the Sale/ Lease Deed the customer and is subsequently signed by the Company's signing authority (the signing process & timelines may also vary as per regions).
- The customer relations associate shall then book a token for registration as per a convenient date confirmed by the customer.
- A designated representative (this may be an employee or an authorized vendor/agent) at the registrar office shall then process the registration formalities at the registrar office. Any charges for scanning and processing incurred at this juncture shall have to be borne by the customer.
- Before finalizing the registration date with the customer, there should be a signoff document wherein projects, sales, accounts sign for no dues (only in locations where applicable)

It is important to note that the above processes serve as a broad guideline for the registration of property, and the actual process being undertaken for each project in various regions may vary as per the mandate of the local regulatory authority.

FAQ's

WHAT IS CARPET AREA, BUILT-UP AREA & SUPER BUILT-UP AREA?

- Carpet Area: As per RERA, carpet area is defined as 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.
- Built-up Area: This includes the carpet area plus the area of the walls.
- Super Built up Area: This includes the built-up area along with the area under common spaces such as the lobby, lifts, stairs, etc.

DOES THE AGREEMENT FOR SALE HAVE TO BE REGISTERED?

The agreement for sale between the Developer/Promoter and the customer has to be registered as required by the law of the land. The customer must register that same within four months from the date of execution of the Agreement at the office of the Sub-Registrar appointed by the State Government, under the relevant Registration Act.

UNDER WHOSE NAME DO I PURCHASE THE STAMP PAPER AND WHO PAYS THE STAMP DUTY WHILE BUYING /SELLING?

The stamp paper is generally purchased in the name of the executor to the agreement. Generally, the buyer i.e. the customer will pay the stamp duty unless agreed otherwise.

WHAT ARE THE TIMELINES WITHIN WHICH THE CUSTOMER SHOULD EXPECT TO GET RECEIPTS, ALLOTMENT LETTERS, AGREEMENT, ETC DONE?

Typically, post booking, the initial receipt and allotment letter is shared within 7-10 days provided all customers coordinates are correct and contact is established correctly. In case of any specific delays, the Sales and Customer Relationship Management teams will connect with the customer and clarify details / doubts to resolve concerns amicably. While the organization strives to execute actions first time right, given the manual interface at the outset, there can be small input errors which are corrected immediately.

DOES THE PROPERTY HAVE TO BE INSURED?

Both the promoter/developer and the customer will have to ensure that the property is duly and properly insured for fire and other appropriate hazards, as required by RERA and /or banks / financial institutions with whom the customer may wish to mortgage the property, during the pendency of loan. In such cases, the beneficiary of the policy will be the concerned institution offering the loan. Even otherwise, it is advisable to insure the customer's property from hazards and fire.

WHAT IS THE LOAN AMOUNT WHICH CAN BE SANCTIONED?

Banks/ Financial institutions sanction loan amounts based on certain criteria depending upon the customer's repayment capacity (which takes into account the customer's age, qualifications, assets, liabilities, stability of occupation, savings history) according to the customer's income. The customer can include income of other members in the customer's family too, in case the customer wants to increase the amount of the loan. The maximum loan that can be sanctioned varies with housing finance companies. Generally, the maximum loan amount is 80 to 85% of the cost of the customer's home.

WHAT IS AN EQUATED MONTHLY INSTALMENT(EMI)?

An EMI is the monthly amount to be repaid to the bank or financial institution against a loan amount borrowed for a fixed period of time. An EMI has two components, the Principal and the Interest component.

There are two methods:

1. Reducing Balance Method
2. Monthly Reducing Balance.

The Reducing Balance method reduces the principal amount already paid from the outstanding loan amount. Every time the customer makes a payment, the customer pays interest on that part of the original principal sum that has remained unpaid till then. The loan carrying the lower EMI for the same tenure is the cheaper option.

WHAT IS PRE-EMI INTEREST?

An EMI consists of Principal and Interest components. Pre-EMI is the interest portion on the disbursed loan. Pre-EMI interest is payable every month from the date of each disbursement up to the date of commencement of EMI.

WHAT IS A HOME IMPROVEMENT EXTENSION LOAN?

A home improvement loan is one that is made available to do external works like structural repairs, waterproofing or internal work like tiling and flooring, plumbing, electrical work, painting, etc.

An extension loan is one which helps the customer to meet the expenses of any alteration to the existing building like extension/ modification of the customer's home. The customer can avail such a loan facility of a home improvement/extension loan, after obtaining the requisite approvals from the relevant municipal corporation/building authority.

WHAT SECURITY DOES THE CUSTOMER HAVE TO PROVIDE AGAINST THE LOAN AMOUNT TO BE BORROWED?

Generally, by way of deposit of title deeds and/or such other collaterals, security is provided. Additionally, if the property is under construction, interim security may be required. Collateral or interim security could be assigned to the Bank/ Financial Institution where the surrender value is at least equal to the loan amount. There could be other forms of guarantees or pledge of shares acceptable by the Bank/ Financial Institution. The customer should ensure that there is no existing mortgage or loan or litigation which can affect the title of the property. The title should be clear, marketable and free from encumbrances.

CAN THE CUSTOMER REPAY THE LOAN AHEAD OF SCHEDULE?

It is possible to repay a loan ahead of schedule. While a recent RBI circular makes a reference to zero penalty on pre-payment or foreclosure of loans, it is safe to clarify and negotiate with the institution prior to signing up on the loan, on specific penalties, to avoid any hassles later on.

WHAT IS THE PROCEDURE FOR FORMATION OF A SOCIETY?

Allottees Association/ Society, Apex Body Formation & Conveyance Process:

The Association of allottees or Society of residents is formed as per the stipulations of the The Real Estate (Regulation and Development) Act, 2016. All customers shall Signed in the Society Membership Forms at the time of filling the application form.

- For a project that constitutes a single building not being part of a Layout; or in case of layout of more than one building or a wing of one building in the layout, the CRM Team shall submit the proposal/application in that behalf to the Registrar for registration of the Single Co-operative Housing Society, within three months from the date on which fifty one per cent. of the total number of allottees in such a building or a wing, have booked their units.
- For a project where an Apex Body is required to be formed then the CRM Team shall submit an application to the Registrar of Housing Society for registration of the Apex Body or Federation.

Association formation in regions where there is no stipulated rule:

- A communication is sent to all customers, when the project is nearing completion regarding the importance of forming an Association.
- When the project common area is nearing completion, a common meeting for all customers is organized for the purpose of forming an adhoc committee.
- In this meeting, the unit owners are introduced to each other and the recommendation to form an adhoc committee comprising of Chief Promoter / President, Secretary and Treasurer with committee members, is tabled.
- Any queries (if any) raised by the owners are resolved by the FM, CRM & Legal Team members present.
- Any common announcement regarding facility management services, are also presented in this meeting.

- Once Society is Registered then following property documents are kept ready to hand over to the registered Association Members.
 - Society Registration Certificate
 - Occupation Certificate
 - Copy of approved plan copies
 - List of customers with their contact details
 - All AMC and DLP documents for all common area equipment's
 - Common area Electrical and plumbing drawing
 - Building Plans and as build Drawings
 - Sample Bye laws
 - The Adhoc committee will coordinate with CRM & FM Teams for resolving all teething issues.
- After registration of the Association is completed and a copy of the same is submitted to us, the handover of accounts and original documents is given to the registered association.

Conveyance Process:

- Under the RERA Act, it is mandatory that;
 - i. For a project that constitutes a single building not being part of a Layout; or in case of layout of more than one building or a wing of one building in the layout, If no period for conveying the title held by MLDL to the legal entity of the allottees is agreed upon, then subject to MLDL's rights to sell the balance un-sold units, the conveyance is executed within three months from the date of issue of occupancy certificate or fifty one per cent. of the total number of allottees in such a building or a wing, have paid the full consideration to the promoter, whichever is earlier.
 - ii. For a project that constitutes of a building or a wing of a building in a Layout, if no period for conveying the title held by MLDL of that building or a wing of that building to the legal entity of the allottees is agreed upon, then subject to MLDL's rights to sell the balance un-sold units, the conveyance of the structure of that building or wing of that building (excluding basements and podiums) is executed within one month from the date on which the Co-operative society or the company is registered or, as the case may be, the association of the allottees is duly constituted or within three months from the date of issue of occupancy certificate , whichever is earlier.
 - iii. For a project that constitutes a layout, if no period for conveying the title held by MLDL in respect of the entire undivided or inseparable land underneath all buildings/ wings along with structures of basements and Podiums constructed in a Layout is agreed upon, the conveyance of the entire undivided or inseparable land underneath all buildings jointly or otherwise is executed within, within three months from the date on which the Apex Body or Federation or Holding Company is registered or, as the case may be, the association of the allottees is duly constituted or within three months from the date of issue of occupancy certificate to the last of the building or wing in the layout, whichever is earlier.
 - iv. A solicitor is appointed to prepare the Conveyance deed, which, once approved by the Managing Committee is signed by the authorized signatories and registered.
 - v. The copy of the deed is maintained at MLDL and original filed at the Society office.