



STATE CONSUMER HELPLINE KNOWLEDGE RESOURCE MANAGEMENT PORTAL

Centre for Consumer Studies, Indian Institute of Public Administration, New Delhi
Sponsored by Department of Consumer Affairs, Govt. of India



When Buying Property

1. Ascertain whether the concerned builder/ realtor have obtained C. L. U. (Commercial Land Use certificate) or permission letter from the competent authority of the area where he is setting up the Project for sale.
2. Do extensive survey about the market rates and negotiate.
3. Ascertain and confirm the target completion date.
4. Ascertain the date of possession when the property will be handed over to the buyer?
5. In case the project has been completed and some of the sites have already been occupied, discuss with them to find out the problems if any being encountered by them.
6. Discuss about the penalties for delays in payment, possession etc.
7. Carefully study the cost escalation clauses, cancellation policies and payment refund procedure.
8. The site plan should clearly define about provision of gardens, Public utilities, Electricity, Roads, Water and Sewages etc.
9. Ascertain whether the buyer will have to pay any extra charges for the above mentioned facilities.
10. When buying property from the developer check carpet area, built-up area and super built up area, payment terms, schedule of payments and also study complete technical specifications of the design and material etc.
11. Ensure that the design offered is earthquake resistance.
12. Always insist for complete original documents and check the ownership title of the Property to be purchased, Certificate of non-encumbrance (i.e. free from any dispute), certificate of all dues including municipal taxes electricity, water and sewage etc. paid.
13. Make sure that the seller has paid all taxes associated with the property till date. Ask for the recent tax paid receipts from the seller.
14. The Banks are normally ensuring that the project being financed by the banks are approved for proper projects. Enquire from the Banks regarding sanction of loans to buy the property.
15. If original document are not available counter check the ownership from the available photocopies. Verify the ownership details from developing authority/ Municipal Corporation or Tehsildar office.
16. If the property is to be transferred by means of Power of Attorney verify whether the attorney holder has the authority to sell the property.
17. Carefully read the clauses of power of attorney.
18. Make proper verification. Enquire regarding the property and the neighboring land by examining the land map properly.
19. Whether the property is mortgaged/ hypothecated with the bank or under civil / criminal dispute.
20. Whether the property is free from any encroachment.
21. Ascertain whether land to be purchased come under acquisition notification of Govt. u/s 4 & 6 of land Acquisition Act.
22. Get a certificate copy of every document from the concerned Sub Registrar / Tehsildar office.
23. Ensure that payments are made through cheques / DDs in the name of vendor against a proper receipt like sale deed, Agreement to sell etc.
24. Ensure that signatures / finger-prints are made on the documents by the vendor.
25. No sale is complete without signatures of both the parties.



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