



FAQ'S - BUYING PROPERTY

Q : Which documents are to be verified before purchase of a Flat ?

A : Before you purchase a flat, you have to have a title and document search conducted by a competent advocate. You cannot do it yourself. You have to use the services of a competent advocate. It is a professional job to be done with professional assistance.

Q : What is the difference between built up area, super built up area, and carpet area?

A : Carpet Area: This is the area of the apartment/building which does not include the area of the walls. Built up Area: This includes the area of the walls also Super Built up Area: This includes the built up area alongwith the area under common spaces such as the lobby, lifts, stairs, etc. This term is therefore only applicable in the case of multi-dwelling units.

Q : What are all the important documents one should check before buying any property ?

A : If you want to purchase a property, you have to look at the approved layout plan, approved building plan, ownership documents, carryout search, etc. Contact an advocate before you purchase a property so that he can advise you.

Q : Who is liable to pay Stamp Duty-the buyer or the seller?

A : The liability of paying stamp duty is that of the buyer unless there is an agreement to the contrary. Section 30, of Bombay Stamp Act, 1958 states the liability for payment of stamp duty.

Q : In whose name are the stamps required to be purchased ?

A : The stamps are required to be purchased in the name of any one of the executors to the Instrument.

Q : What is meant by the market value of the property and is Stamp Duty payable on the market value of the property or on consideration as stated in the agreement ?

A : Market value means the price at which a property could be bought in the open market on the date of execution of such instrument. The Stamp Duty is payable on the agreement value of the property or the market value which ever is higher.



Q : Which are the instruments that attract the payment of Stamp Duty ?

A : The instruments like Agreement to Sell, Conveyance Deed, Exchange of property, Gift Deed, Partition Deed, Power of Attorney, settlement and Deed and Transfer of lease attract Stamp Duty on market value of the property.

Q : Who is the appropriate authority for knowing the market value of the property ?

A : The Sub-Registrar of the area, in whose jurisdiction the property is located, is the appropriate authority for knowing the market value of the property.

Q : What are the risks associated in buying a flat on Power Of Attorney (POA) basis ?

A : Purchasing a flat on a POA basis is not permitted under the law of the land.

Q : Is a POA revocable ?

A : Yes, a POA can be either revocable or irrevocable, depending on what sort of a POA one has made.

Q : What exactly do we mean by a Free Hold flat? What are the advantages and disadvantages, if any ?

A : A freehold property (plot or a flat) is one where there is a whole and sole owner(s), ownership is full and unconditional (within the provisions of the laws of the land) and there is no lessor / lessee involved.

Q : How to convert a POA flat into a Free Hold one ?

A : POA cannot be converted into anything. Leasehold properties of DDA in Delhi can be converted to freehold, as per provisions.

Q : How to verify the authenticity of the various documents submitted by the seller of the house, particularly with regard to the possibility that the house has not been sold earlier to a third party ?

A : Regarding authenticity of documents, again, you have to take the help of an advocate to verify.



Q : Do we have any agency in Delhi which can provide a comprehensive service under one roof for hassle free purchase of society flats for its customers ?

A : Comprehensive services in the real estate sector are provided by several brokers in various cities of India. In the directory of services on our portal www.indiaproperties.com you can find a list of them and you can contact them directly.

Q : A flat in a Co-op Hsg. Society is to be gifted. What are the legal formalities? What about stamp duty ?

A : Gift of an immovable property is considered as a "transfer" under the provisions of the TOP Act and you have to have the transaction registered through a Gift Deed and pay stamp duty as per provisions of the relevant stamp act depending in which state the property is situated.

Q : Upon buying a flat from a builder in a building under construction, what are the permissions and papers that one should check with the builder, so as to ascertain the genuinity of the builder ?

A : When you are buying a flat from a builder in a building under construction, you have to check the following:

- Approved plan of the building along with the number of floors.
- Ensure that the floor that you are buying is approved.
- Check if the land on which the builder is building is his or he has undertaken an agreement with a landlord. If so, check the title of the land ownership with the help of an advocate.
- Check the building byelaws as applicable in that area and ensure that the builder is building without any violation of front setback, side setbacks, height, etc.
- Check specifications given in the agreement to sell of the sale brochure. Is he providing the same actually on the ground or not?
- Check the reputation of the builder.
- Ensure that urban land ceiling NOC (if applicable) has been obtained or not.
- NOC from water and electricity authorities also have to be obtained.
- NOC from lift authorities.