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Realtors, Property Brokers in State Rush to Register Under RERA

Over 400 developers start the process, Maha first state to notify new realty rules

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Mumbai: Realty developers and property brokers in Mumbai, the county's hottest property market, and the rest of Maharashtra are rushing to register their projects and themselves, respectively, under the newly-implemented Real Estate Regulatory Authority (RERA) in the state.

Within the first three days of its initiation on May 1, over 400 real estate developers in the state have started the process of registering their respective projects under RERA, while over 800 property brokers across the state have also set the process in motion.

Maharashtra was the first state to notify its state RERA rules and one of the first to appoint an intermediate authority. In April, the state appointed Gautam Chatterjee, a senior IAS officer of the 1982 batch, as interim regulator.

"The pace of registration has picked up at an early stage itself. We expect ongoing projects, running into few 10 thousands, to register themselves over the next three months. The system is robust and we are fully geared to handle that sort of work," Chatterjee told ET.

The above mentioned 800 real estate brokers and 400 project proponents have al-



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ready created user IDs and passwords to initiate the process of applying for registration under the Maharashtra Real Estate Regulatory Authority.

The new real state Act was notified on May 1, 2016, and came into effect nationwide from Monday. States were asked to

prepare and notify their respective rules in tandem with the Act so it could be implemented effectively.

Realty developers are not allowed to launch any projects without registering it with the RERA authority. This is a major shift from the earlier practice of builders to launch and sell part of the project through soft-launch or pre-launch activities.

Apart from this, ongoing projects, or under-construction projects, are expected to be registered with the authority within three months up to July 2017 to comply with the regulations. Real estate brokerages and agents are also not allowed to practice until they get registered with the authority.

According to RERA, which aims to improve transparency in real estate sector and protect homebuyers' interest, builders are expected to disclose project-related information, including project plan, layout, and government approvals-related information to customers.

Any major change in the project will have to be done only after receiving the consent of two-third homebuyers in that project. To avoid diversion of funds, RERA mandates developers to maintain 70% of the funds collected from buyers in a separate bank account in case of new projects.

