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TIMES PROPERTY

FRIDAY, NOVEMBER 13, 2020

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DIWALI FESTIVE OFFERS AND DISCOUNTS!

Are you scouting for properties to avail lucrative discounts and deals during this festive season? If the answer is yes, then you must know how to make the most of these deals!

Many real estate firms are offering lucrative and exciting offers to lure prospective homebuyers. This is also the best time for buyers as home-loan interest rates are at the lowest in the last 15 years, and additional festive offers can make buying a house a true value for money.

Buying a house during the festive season can cut down the overall cost. However, one should be careful while selecting a project, developer, and property and not decide merely on freebies and discounts.

Festive deals for buyers: Though every festive season brings offers, this time around developers are coming up with unique ways to lure homebuyers, as the Covid-19 pandemic has altered the market landscape.

Some of the schemes offered by developers include: free registration and no stamp duty charges, freebies like modular kitchen, car parking, no GST, pay 10% booking amount and 90% after possession, EMI holiday for one year, and many more.

Some developers have also even come up with schemes for corona warriors to pay just Re 1 as booking amount.

Many developers avoid reducing the basic selling price (price

per square feet) and try to compensate with discounts and such deals. Since registration charges, modular kitchen, and parking are additional costs for buyers, they prefer to opt for these schemes, which are available only during the festival period.

Manoj Gaur, MD of Gaurs Group, says: "We have 'Mauke pe Chauka' plan that makes it easy to own a commercial property by offering easy payment plans with 10% down payment within 30 days, 40% within one year, and the remaining 50% at the time of delivery. We are also running a campaign 'Festival Offer 2020' which includes 9 gifts."

Bargain hard: It is a good time to bargain on prices and discounts, which you are otherwise not going to get. Check before and after price differences and see how much you can negotiate to fit into your budget.

GST waiver: When developers offer schemes like "free GST" or "no GST" on your house, you must understand the logic before taking a decision. From April 2019, the GST levied on real estate is 1% on affordable housing and 5% on non-affordable housing. You can calculate how much amount you will pay as GST and if the same is waved off, how will it help in the final



cost of your property.

Registration charges: This is a significant amount that you must pay when you buy a property. Therefore, reduction in these charges may certainly be attractive.

Registration and stamp duty charges vary from state to state and are calculated on the property cost, location, and the type of property you buy. These charges can be between 5%-10%. For example, reduction in these charges has increased traction in the Mumbai realty market.

"We have exciting offers as this is our silver jubilee as well. Buyers will get a multitude of discounts in the form of 25-gram gold, pay 25% now and the rest

later, waiver of maintenance charges for 25 months, 25% discount on stamp duty, and compensation of 25% in case of delay in possession," Amit Jain, MD of Mahagun Group, says.

Flexible payment options: Many real estate developers are offering subvention plans like pay 10% now and the remaining at the time of possession.

This can help you book a house at the current market rate and your EMI will only start when you borrow another 90% from your bank.

This will not only be an EMI holiday for you but will also not burden you to pay as the construction takes place. Schemes like "20:80", "40:60" and

"40:40:20" payment plans are also on offer.

Yash Miglani, MD of Migsun Group, says: "Migsun Group has come up with a unique 'Possession Proof Homes' offer where we are giving an assured 1% penalty per month in case of delayed possession. Under this offer, buyers must pay 10% now and the rest 90% on offer of possession."

Additional charges: Apart from property price and registration charges, you also must pay for electricity meter, power backup, club membership, and parking. If these are waived off or if there is any waiver in these, it can help you significantly.

Enjoy freebies, BUT: Property cost: This is the first step when you plan to buy a house. You can calculate your financial liabilities and EMIs along with other household expenses to avoid trouble later. Buy a house that fits your budget along with your preferences.

House location: You can check the location in terms of social amenities and physical infrastructure. Check for hospitals and schools close by and the distance from your workplace. Often, location decisions are based on budget as established and premium locations also command higher property

prices.

RERA number: While buying a house under construction, it is essential to check the RERA number of the project, possession date, and the progress of construction periodically.

RERA ensures timely delivery of your house and in case of delay, you can also seek a delay penalty. Your investment could be at risk with non-RERA registered projects.

Builder and project: It is good to do some research on the builder and his projects. You can check his past projects, his delivery record, and construction quality to get an idea.

"With the advent of the festive bonanzas, developers have braced themselves for lucrative offers. Key aspect to be considered to reduce risk in real estate investment amidst the festive season is that buyers must calculate apartment efficiency in terms of net carpet area versus saleable area and compare prices with other available options for a fair evaluation.

"Homebuyers must decide whether the price reflects the current market reality and whether it will be a profitable investment or not," **Suwigya Awasthy**, associate partner at PSL Advocates & Solicitors, says. —**Ravi Kumar Diwaker**, *Magicbricks Bureau*