

FREQUENTLY ASKED QUESTIONS:

1. WHAT IS RERA?

The Government of India passed the Real Estate (Regulation and Development) Act 2016, (RERA Act) on 26 March 2016, to regulate the Real Estate sector in India. The RERA Act came into force on 1st May 2017.

2. WHAT IS THE DEFINITION OF RERA CARPET AREA AS PER RERA ACT 2016?

As defined by RERA, carpet area refers to the net usable floor area of an apartment, excluding the area covered by external walls, areas under service shafts, exclusive balcony or verandah area, and exclusive open terrace area. However, it includes the area covered by the internal partition walls of the apartment.

3. ARE THERE ANY OTHER AREA APART FROM RERA CARPET?

Yes, apart from the RERA Carpet area, there is a balcony area, and a wash area of a unit which needs to be considered when buying an apartment, in some projects having terraces, the same needs to be considered as well in the RERA Area.

4. WHAT DOES IT MEAN BY THE RERA AREA?

RERA Area is the total area of an apartment which includes RERA Carpet + Balcony + Wash area. Thus, ONE single combined area for all areas is mentioned as per the act.

5. WHAT IS THE DIFFERENCE BETWEEN THE RERA AREA AND THE RERA CARPET?

RERA Carpet as per the act is just the area that includes the entire area of an apartment excluding the area covered by the external walls. But the RERA Area includes other areas like the balcony, wash, and terrace of the unit, thus making it easy to understand as a single combined area.

6. WHAT IS A SUPER BUILT-UP AREA?

Super Built-up area of the unit includes the area of the entire apartment with a balcony, wash, terrace and other constructed area of the project which are common in nature like stairs, a lift cabin, overhead water tanks, underground water tanks, borewell, basements, security cabin, electrical infrastructure, other amenities like club house, gymnasium, home theatre, community area, children play areas, other facilities built for the residents, and such other built facilities of the project.

7. WHAT IS THE DIFFERENCE BETWEEN RERA AREA AND THE SUPER BUILT-UP AREA?

RERA Area includes only the RERA Carpet + Balcony + wash area of the apartment, whereas the super built-up area includes the area of the apartment and an additional proportionate area of common development of the project.

8. WHY BUY PROPERTY AS PER RERA AREA?

Buying a property as per RERA Area gives the buyer an exact verifiable area of the apartment, he/she is going to buy. All other common areas of development are not added in the RERA Area.

9. CAN I MEASURE THE AREA OF THE APARTMENT THAT I BUY?

YES, when you buy with RERA Area, you can physically measure the area that you are going to buy. You need not worry about how much other additional area is added in the form of super built-up to the area when buying the apartment.

10. WHY TO COMPARE THE RERA AREA OF THE UNIT BEFORE BUYING THE PROPERTY?

When comparing a property shortlisted before buying, comparing the RERA Area is the best way to make an apple-to-apple comparison on what you are buying. An area which one can physically verify and it does not have any other areas apart from the apartment you are buying.

11. THERE ARE MULTIPLE TERMINOLOGIES USED LIKE SUPER BUILT-UP AREA, BUILT-UP AREA, FSI, WHAT TO DO?

There are multiple terminologies used, thus creating confusion for the buyer when making a decision, thus opting to buy ONLY as per RERA Area will do away with any other terminologies prevalent in the market and create complete transparency.

12. WHAT IF THE PROJECT I HAVE LIKED, IS QUOTING IN A SUPER BUILT-UP AREA?

It is mandatory as per the RERA Act 2016 to sell properties as per RERA Area, thus you should insist on knowing the RERA Area of that particular apartment. Once you have the RERA Area of that apartment, you can easily see what you are getting for the price you are going to pay and also compare RERA Area of multiple projects before making your decision.

13. DOES THIS RERA ACT AND RERA AREA APPLY ONLY TO APARTMENTS?

NO, the RERA Act as well as the RERA Area applies to all real estate transactions. Be it an apartment you buy, a commercial office, a shop or a plotted development. In the act, the “apartment” word is mentioned as a single example to give clarity on the subject and avoid confusion by using multiple types of development and terminologies.

14. DOES THE COST AND SIZE OF PROPERTY CHANGE WHEN BUYING IN RERA AREA?

NO, the cost of the property in the old practice of super built-up area and now RERA Area is the SAME. Even the size of the Property will also remain the SAME. Only the method of buying/selling of property has changed for better clarity and measurable transparency.

15. CAN THE PRICE OF THE PROPERTY WITH SAME AREA BE DIFFERENT?

YES, the RERA Area of the property you are buying is the same, but the facilities, features, parking, common area development type and size, and other value additions provided in the projects will always be different. Thus, the price points will be different. Based on these considerations one can compare and then decide to buy the property.

16. WHAT IS THE BOX PRICE, WHEN WE GO TO BUY PROPERTY?

Box price of the property is the one single BASIC price you will pay for the apartment you are looking to buy.

17. ARE THERE ANY OTHER CHARGES I HAVE TO PAY OVER AND ABOVE BOX PRICE?

YES, society maintenance cost, maintenance deposit, Stamp duty, GST and any other statutory taxes and duties applicable from time to time are to be paid over and above the Box price of the apartment.

18. HOW CAN I VERIFY THE RERA AREA BEFORE BUYING A PROPERTY?

RERA Area is easily available to verify on the respective RERA Authority website in your state of residence. All the project details along with the particular unit area you want to verify can be easily seen and verified before buying a property.

19. WHERE CAN I SEE THE RERA AREA WRITTEN WHEN BUYING A PROPERTY?

RERA Area is easily available to see in the brochure of the project, the website of the project, and all legal documentation of the unit when purchased [i.e. Agreement to sale, Sale deed, Allotment letter, Booking letter.....] and verify the same on the RERA Authority website in your state of residence.

20. WHAT IF I HAVE BOUGHT A UNIT IN A PROJECT UNDER CONSTRUCTION AS PER SUPER BUILTUP AREA AND THE SAME PROPERTY IS NOW SELLING BY RERA AREA?

Nothing to worry. Only the method of selling/buying the property has changed and not the actual area of the property. You can visit your developer and they will be able to show and explain to you the old method of calculation and the new method of RERA Area. The legal documentation if executed buy you and also the RERA authority website would also have the RERA Area mentioned clearly for you to refer.

21. HOW CAN I GET CLARITY THAT I AM GETTING THE SAME AREA AS PER RERA AREA vs OLD PRACTICE OF SELLING A SUPER BUILT-UP AREA?

Only the method of selling/buying the property has changed and not the actual area of the property. You can visit your developer and they will be able to show and explain to you the old method of calculation and the new method of RERA Area. Additionally, the RERA authority website would have all the details for you to refer to and verify.

22. HOW CAN I UNDERSTAND AND COMPARE AN OLD PROPERTY WHICH HAS WRITTEN SUPER BUILT-UP AREA IN LEGAL DEEDS vs A NEW PROPERTY SELLING ON RERA AREA?

Not to worry. Old deeds have a general practice of mentioning the BUILT-UP area of the unit along with the super built-up area of the property in the legal deeds. You have to compare the Built-up area and RERA Area of the two properties you are making a comparison of while making a decision. The difference in both areas would be only due to the area of the external walls of the same property which is included in the built-up area, whereas in the RERA Area, it is not considered.

23. HOW TO COORELATE BETWEEN OLD PROPERTIES WHICH HAVE LEGAL DOCUMENTATION AS PER BUILT UP vs NEW PROJECTS HAVING RERA AREA?

The built-up area includes the outer walls of the property when calculating area, whereas the RERA Area does not include the outer walls for the same property. Thus, the difference. Rest all the area remains same for a particular property.

24. WHAT ABOUT THE VALUATION OF THE PROPERTY?

A clearly verifiable area always gives better clarity, thus in the long run RERA Area would give better valuation clarity for the property. When comparing old areas based on super built-up or built-up, one can easily verify the actual physical area of the property, compare and based on that valuation can be easily derived.