

Procedure to register under RERA – Karnataka



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Procedure and documents required for registration of Real estate projects under RERA

Government of India has enacted Real Estate (Regulation and Development) Act, 2016 on 26/3/2016. Government of Karnataka has notified Karnataka Real Estate (Regulation and Development) Rules-2017 in the State Gazette on 11/7/2017.

Karnataka Real Estate Regulatory Authority (RERA) has been set up, Principal Secretary to Housing Department is the Interim Authority.

Questions	Provisions & Analysis
Registration Requirement under the Act	Section 4(1) of the Act states that "Every promoter shall make an application to the Authority for registration of the real estate project in such form, manner, within such time and accompanied by such fee as may be specified by the regulations made by the Authority"
Registration of Project	Every Real Estate project having - <ol style="list-style-type: none"> 1) Land more than 500 Sq Mtrs or 2) Building having more than 8 Units <ul style="list-style-type: none"> • Intending to sell • Whether Commercial or Residential Shall be registered
Do all projects require registration ?	<ol style="list-style-type: none"> 1) Every New Project shall be registered 2) All Ongoing projects required registrations - following are exempted <ol style="list-style-type: none"> a. In Case of Layouts - Road, civic amenities handed over to the Local Authority as on 11th July 2017 b. Apartments - Common Areas & Facilities are handed over to Association c. Projects with all development works completed and 60 % Sale Deeds are executed on or before 11th July 2017 d. Projects with all development works completed and OC is applied on or before 11th July 2017

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Time Limit to Register the Projects	31 st July 2017				
How to Register ?	Online registration - http://rera.karnataka.gov.in/				
Is any Govt Fees payable for Registration ?	 Real Estate Regulatory Authority Karnataka Government of Karnataka				
	Yes -through - e-khajana or generate challan and remit in Banks				
	Type	Description	Upto 1000 Sq Mtr	Above 1000 Sq Mtr	Maximum Fees
			INR/mtr	INR/mtr	INR
	Group Housing	Apartment / villa	5	10	500,000
	Mixed	Res / Commercial	10	15	700,000
	Commercial	Commercial	20	25	1,000,000
	Plotted Land		5	200,000	
What Information / Documents should be uploaded on website?	<ol style="list-style-type: none"> 1) Promoters Details - KYC 2) Financial - BS, PL, Audit Report, Dire Report, ITR V, Cash Flow 3) Estimated Cost of project 4) Project Details,status 5) All Sanctions / CC / NoC's, Specifications, EC 6) Photos / Brochures 7) <u>Proforma of Sale Deed, Sale Agreement</u> 8) Form B Declaration 9) Project Bank Account details 				
Certificates required from professionals <ul style="list-style-type: none"> • Architect • Engineer • CA • Advocate 	Certificates from Professionals - <ol style="list-style-type: none"> 1) <u>Architect</u> shall certify that the physical condition at the site of construction is as per the sanctioned plan as well as % of completion. 2) <u>Engineer</u> will certify that the Value shown in the cost of construction is matching with the physical condition at the site of the real estate project. 3) <u>CA</u> to certify the proportion of the cost incurred on construction and land cost to the total estimated cost of the project 4) CA to certify total amount collected, total amount spent and balance with promoter 5) Legal Title Report from <u>Advocate</u> having more than 10 years' experience in Real estate matters 				

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Other Documents	Few other documents required as per Act and Rules
Note	<ol style="list-style-type: none"> 1) Ensure the correctness of information before uploading - <ol style="list-style-type: none"> a. Deficiency in information or documents may result in rejection of Application b. Any false information / Documents -may lead to levy of penalty upto 5 % of Project Cost 2) Ensure the certificates are obtained from professionals as per RERA Requirements - <ol style="list-style-type: none"> a. Architects b. Engineer c. CA d. Advocates 3) Don't forget to file the physical application with Authorities - in 2 CD's with high resolution documents <p style="text-align: center;">Sri Kapil Mohan, IAS Principal Secretary (Housing) Interim Real Estate Regulatory Authority, Karnataka Karnataka Housing Board Complex Ground Floor, Kaveri Complex K.G. Road, Gandhi Nagar Bengaluru, Karnataka 560009 Telephone : 080 -22256956, 22034504 Email - info.rera@karnataka.gov.in</p> <p style="text-align: center;">In case your file size is big (more than 1 mb), you may upload the JPEG photo of the Important Page only.</p>
Non-availability of financial documents	In case of non-availability of financial documents due to total number of financial years of establishment less than three years, the entity can upload a blank document with "NOT APPLICABLE with appropriate reason" text against relevant/respective year column and upload & submit available documents only.
Is any extension of time available?	As on today, no extension is not provided Last date for filing and obtaining registration is 31 st July 2017
What happen if I don't register and obtain registration before 31 st July 2017?	<ol style="list-style-type: none"> 1) New Project - Cannot be launched 2) Ongoing Project <ol style="list-style-type: none"> a. Pulldown all your advertisements / Hoardings b. Temporarily stop marketing through website c. Shall not advertise in any media - newspaper, TV, FM, SMS, Mail etc d. Shall not sell any project to customers e. Shall not collect money from Allottees <p style="text-align: center;">Only activity allowed is the construction / development of project</p>

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Real Estate Agent	Should register before 31 st July 2017 Very simple process Fees - Individual Rs. 25,000/- Other than Individual Rs.2,00,000/-
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References -

- Real Estate (Regulation and Development) Act, 2016
- Karnataka Real Estate (Regulation and Development) Rules, 2017
- Press Release issued by Real Estate Regulatory Authority, Karnataka
- Website - <http://rera.karnataka.gov.in/>

Our views expressed herein are based on our understandings of the RERA Act, Rules, Press Release, Online information at RERA website. Basis on suggestions received we keep updating the document periodically. No assurance is given that authorities will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. The views are exclusively for educational purpose and any correction you feel necessary please write to consult@reraconsultants.in