



ALLOTTEES: **RIGHTS & DUTIES**

Why do Real Estate Agents need to know about Allottees Rights and Duties.

Real Estate Agents needs to know about the rights and duties of allottees because;

1. Real Estate agents acts as mediator hence; it is necessary for them to know what are the rights and duties of promoter and allottees apart from them.
2. Legal Compliance and avoiding Penalties; agents are regulated under RERA Act, 2016, and in case they violate any provisions including those related to allottees, they may face litigation.
3. Having knowledge of allottees rights and duties ensures agents to provide accurate, complete and lawful information about the projects.
4. Building trust with allottees; buyers are informed, they will approach only those agents who know their rights and are aware about laws related to real estate matters.
5. Assisting in Documentation and Transparency; knowledge of rights, e.g., access to sanction plans, stage wise progress reports etc., enables agents to aid allottee access accurate and complete documents.
6. Providing accurate information; agents must provide accurate and up-to-date information about the property, including its status, approvals, and any potential risks, in case they
7. Connecting buyers and sellers; agents act as intermediaries, connecting allottees with promoters (developers) and facilitating property transactions.
8. Identifying potential issues; agents can identify potential issues early on, such as project delays, non-compliance with regulations, or disputes related to property ownership.

THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016

Section 2 Definitions.

(d) "allottee" in relation to a **real estate project**, means the **person** to whom a **plot, apartment or building**, as the case may be, **has been allotted, sold (whether as freehold or leasehold) or otherwise transferred by the promoter**, and includes the person who subsequently acquires the said allotment through sale, transfer or otherwise but **does not include a person** to whom such plot, apartment or building, as the case may be, **is given on rent**;

This term includes subsequent purchasers or transferees but excludes renters. Allottees, often referred to as homebuyers, have several rights and responsibilities under RERA, which provide them with legal protections and impose obligations to ensure compliance with the project terms.

(zm) **"real estate agent"** means **any person**, who **negotiates or acts on behalf** of one person in a transaction of **transfer of his plot, apartment or building**, as the case may be, in a real estate project, by **way of sale, with another person or transfer of plot, apartment or building**, as the case may be, of any other person to him and **receives remuneration or fees** or any other charges for his services whether as commission or otherwise and includes a person who introduces, through any medium, prospective buyers and sellers to each other for negotiation for sale or purchase of plot, apartment or building, as the case may be, and includes property dealers, brokers, middlemen by whatever name called;

Section 19 of the RERA Act, 2016 deal with Rights and Duties of Allottees;

SUB-SECTIONS OF 19 DEALING WITH RIGHTS OF THE ALLOTTEE

Section

19(1) The allottee shall be entitled to obtain the information relating to sanctioned plans.(Continued below)

19(2) The allottee shall be entitled to know stage-wise time schedule of completion of the project. .(Continued below)

19(3) The allottee shall be entitled to claim the possession of apartment, plot or building.(Continued below)

19(4) The allottee shall be entitled to claim the refund of amount paid along with interest.(Continued below)

19(5) The allottee shall be entitled to have the necessary documents and plans, including that of common areas.(Continued below)

SUB-SECTION OF 19 DEALING DUTIES OF THE ALLOTTEE

Section

19(6) Every allottee, who has entered into an agreement for sale to take an apartment, plot or building(Continued below)

19(7) The allottee shall be liable to pay interest, at such rate as may be prescribed, for any delay in payment towards any amount or charges to be paid under sub-section (6).

19(8) The obligations of the allottee under sub-section (6) and the liability towards interest under sub-section (7) may be reduced when mutually agreed to between the promoter and such allottee.

19(9) Every allottee of the apartment, plot or building as the case may be, shall participate towards the formation of an association or society or cooperative society of the allottees, or a federation of the same.

19(10) Every allottee shall take physical possession of the apartment, plot or building as the case may be, within a period of two months of the occupancy certificate issued for the said apartment, plot or building, as the case may be.

19(11) Every allottee shall participate towards registration of the conveyance deed of the apartment, plot or building, as the case may be, as provided under sub-section (1) of section 17 of this Act.

Rights of the Allottee:

Access to information

Section 19 (1) and (2)

- (1) The allottee shall be entitled to obtain the information relating to sanctioned plans, layout plans along with the specifications, approved by the competent authority and such other information as provided in this Act or the rules and regulations made thereunder or the agreement for sale signed with the promoter.**
- (2) The allottee shall be entitled to know stage-wise time schedule of completion of the project, including the provisions for water, sanitation, electricity and other amenities and services as agreed to between the promoter and the allottee in accordance with the terms and conditions of the agreement for sale.**

Remedies for allottees for being aggrieved by any action or inaction by promoter:

Right to claim possession:

Section 19(3)

The allottee shall be entitled to claim the possession of apartment, plot or building, as the case may be, and the association of allottees shall be entitled to claim the possession of the common areas, as per the declaration given by the promoter under sub-clause (C) of clause (I) of sub-section (2) of section 4.

Right to claim refund

Section 19(4)

The allottee shall be entitled to claim the refund of amount paid along with interest at such rate as may be prescribed and compensation in the manner as provided under this Act, from the promoter, if the promoter fails to comply or is unable to give possession of the apartment, plot or building, as the case may be, in accordance with the terms of agreement for sale or due to discontinuance of his business as a developer on account of suspension or revocation of his registration under the provisions of this Act or the rules or regulations made thereunder.

Right to claim the entitlement of necessary documents;

Section 19(5)

The allottee shall be entitled to have the necessary documents and plans, including that of common areas, after handing over the physical possession of the apartment or plot or building as the case may be, by the promoter.

Duties of Allottees:

Section 19

(6) **Every allottee**, who has entered into an agreement for sale to take an apartment, plot or building as the case may be, under section 13, **shall be responsible to make necessary payments** in the manner and within the time **as specified in the said agreement for sale** and **shall pay at the proper time and place, the share of the registration charges, municipal taxes, water and electricity charges, maintenance charges, ground rent, and other charges, if any.**

(7) The **allottee shall be liable to pay interest**, at such rate as may be prescribed, for any delay in payment towards any amount or charges to be **paid under sub-section (6).**

(8) The obligations of the allottee under sub-section (6) and the liability towards interest under sub-section (7) may be reduced when mutually agreed to between the promoter and such allottee.

(9) **Every allottee** of the apartment, plot or building as the case may be, **shall participate towards** the formation of an association or society or cooperative society of the allottees, or a federation of the same.

(10) Every allottee shall take physical possession of the apartment, plot or building as the case may be, within a period of two months of the occupancy certificate issued for the said apartment, plot or building, as the case may be.

(11) Every allottee shall participate towards registration of the conveyance deed of the apartment, plot or building, as the case may be, as provided under sub-section (1) of section 17 of this Act.

Section 17 Transfer of title (Execution of Registered Conveyance Deed)

(1) The promoter shall execute a registered conveyance deed in favour of the allottee along with the undivided proportionate title in the common areas to the association of the allottees or the competent authority, as the case may be, and hand over the physical possession of the plot, apartment or building, as the case may be, to the allottees and the common areas to the association of the allottees or the competent authority, as the case may be, in a real estate project, and the other title documents pertaining thereto within specified period as per sanctioned plans as provided under the local laws:

Provided that, in the absence of any local law, conveyance deed in favour of the allottee or the association of the allottees or the competent authority, as the case may be, under this section shall be carried out by the promoter within three months from date of issue of occupancy certificate.

Key Responsibilities for Real Estate Agents

- **Educate Allottees:** Agents must inform allottees of their rights and responsibilities, including payment obligations and access to information.
 - **Ensure Compliance:** Agents should help allottees comply with rera regulations and agreements.
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- **Facilitate Dispute Resolution:** Agents can assist allottees in resolving disputes with promoters or filing complaints with RERA.

CONCLUSION:

In conclusion, RERA mandates Real Estate Agents to verify promoter details, titles, approvals, tax payments, and litigations. By adhering to these obligations, agents ensure transparency, mitigate risks, and protect home buyers' interests. Their role in upholding these standards fosters a credible and secure real estate market, benefiting all stakeholders involved.

ANY
QUESTIONS
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THANK YOU!