

Quick Review on RERA



REAL ESTATE AGENT UNDER **RERA**

Section 2 (zm) of RERA defines real estate agents. According to the definition, a “real estate agent” means any person, who negotiates or represents other persons for transfer of a real estate property by way of sale to another person and receives remuneration or fees or any other charges for his services whether as commission. A real estate agent is also a person who introduces, through any medium, prospective buyers and sellers to each other for negotiation for sale or purchase of real estate property, as the case may be, and includes property dealers, brokers, middlemen etc.

REQUIREMENT OF REGISTRATION

- It is required for the real estate agents to obtain a registration certificate from the Real Estate Regulating Authority. RERA also says that the real estate agents will also be liable for any flaws in the project and can be prosecuted for any misconduct in the business. It is Section 9 (1) of RERA that mandates the registration. Section 9 prohibits an agent to operate his business without such registration.

PROCEDURE FOR REGISTRATION

According to Rule 8 of the National Capital Territory of Delhi Real Estate (Regulation and Development) (General) Rules, 2016 (“Rules”) read with Section 9 (2) of RERA state that every real estate agent, required to register, shall make an application in writing to the Authority established under RERA Form ‘G’, in triplicate

- ▶ Application for RERA registration should be accompanied by the following documents:
- ▶ Name, registered address, type of enterprise (proprietorship, societies, partnership, company etc.);
- ▶ In case of a Real Estate Agency the particulars of incorporation including the bye-laws, MoA , AoA,
- ▶ Name, Address, contact details and photograph of the real estate agent or director or Partners
- ▶ Last three years Income tax Return and if no IT returns are available, a declaration must be furnished.
- ▶ Past experience in this field of business. A declaration for this should be furnished.
- ▶ PAN & Aadhar cards
- ▶ Photo
- ▶ Address of place of business and
- ▶ Blank receipt (sample) for the commission that will be billed.

REGISTRATION FEES FOR RERA

- Rs 500 to Mahaonline for Maha-Rera website (plus taxes and bank charges, if any).
- Rs 10,000 for individual, proprietor, or proprietorship firm.
- Rs 1, 00,000 for partnership firm, society, private Ltd/Ltd Company, LLP, etc.
- Once the above application and fee is submitted, the authorities will issue RERA registration certificate within 30 days of application. The RERA registration certificate should be displayed at the place of business. All promotional materials such as advertisements and brochures of the broker must mention the RERA registration number.

BOOK OF RECORDS

- The agent shall maintain book of accounts, records and documents, separately for each real estate project.

REGISTRATION TIME FRAME

- The authorities shall deliver the registration number, along with the certificate, within 30 days from the date of registration.

VALIDITY OF REGISTRATION/RENEWAL

- Valid for five years. Renewal to be done at least 60 days prior to the expiry of the registration.

PENALTY ON UNREGISTERED BROCKERS INVOLVED IN REGISTERED PROJECT

- »» Rs 10,000 per day during the period of failure and a maximum of up to 5 per cent of the value of the deal or project value



CONDITIONS FOR REGISTRATION CERTIFICATE

- Not to facilitate sale of unregistered property;
- Due maintenance of books of accounts records and documents as provided under rule 14;
- Avoid use of any unfair trade practices as enumerated under the rules assistance to enable the allottee and promoter to exercise their respective rights and fulfill their respective obligations at the time of booking and sale of any plot, apartment or building, as the case may be; and
- Generally adhere by the provisions of the Act and the Rules.

DEEMED REGISTRATION

- According to Section 9 (4) of the Act read with Rule 9 of the Rules, if the Authority does not grant or reject the registration certificate within 30 days, hereon the completion of the period specified under sub-section (3), if the applicant does not receive any communication about the deficiencies in his application or the rejection of his application, he shall be deemed to have been registered.

POINTS TO BE NOTED



- ❧ The registration certificate should be displayed at the place of business.
- ❧ All advertisements, marketing, selling or purchase papers, should have the registration number.
- ❧ RERA registration for Brokers will be valid for 5 years from date of issue. The license can be renewed again for a period of 5 years, by submitting a renewal application 60 days prior to the expiry date.