

1. Sale Deed/Title deed /Mother deed/Conveyance Deed

Description: A sale deed acts as the main legal document for evidencing sale and transfer of ownership of property in favour of the buyer, from the seller. Further, it also acts as the main document for further sale by the buyer as it establishes his proof of ownership of the property. The sale deed is executed subsequent to the execution of the sale agreement, and after compliance of various terms and conditions detailed in the sale agreement as agreed upon between the buyer and the seller. It is mandatory to register the Sale Deed in Sub Registrar office of property jurisdiction within 4 months from date of execution else it is invalid.

Why it is required: To establish the ownership of seller on title of property

Mandatory: Yes. All previous Sale Deeds are required in original

Required in Original: Yes

Required For: Property Purchase + Home Loan

2. RTC Extracts

Description: R.T.C is issued by the Village Accountant contains details of the extent of land in a survey number or a sub-survey number, the extent of kharab land therein, the names of the present and previous owners, their respective holdings, names of the tenants, the kind of soil/crop, any mortgages, charges made on the properties contained therein, the status of land (whether Inam land or not), the conversion order number, date in case any property converted therein from agricultural to non-agricultural use, the references to mutation and inheritance certificates where there is any change in ownership etc.

Why it is required: To establish the title of Land if the property is located on converted land e.g. from agricultural to non-agricultural use

Mandatory: No

Required in Original: No

Required For: Property Purchase

3. Katha Certificate and Extracts

Description: Khata means an account and Khata is an account of a person who has property in the city. There are two things in a Khata: Khata Certificate and Khata Extract.

Khata certificate is required for two major purposes: For registration of a new property and for transfer of any property. It can be obtained from the Assistant Revenue officer (of the respective area). This certificate is necessary for any property owner to have.

Khata Certificate is obtained for any new registration after paying the tax. The certificate is issued saying that a particular property No 'N' stands in the name of person X. This certificate is required to apply for water connection, electricity connection, trade license and building license. The Khata certificate is given only to the owner of the property or to his family

members. No one else can take it on his behalf.

Khata Extract is getting details from the assessment register. The extract is required to get trade license, or to buy a particular property. It is an extract from the assessment register about any particular property. It has the details of the property in a particular format with the name, size of the property, use of the property (commercial purpose, residential), annual value, when assessed last. An extract is the only way to get these details of any property.

Why it is required: For transfer of property

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

4. Mutation Register Extracts

Description: Mutation Extract issued by the Village Accountant or Tahsildar contains the extract from the mutation register or inheritance certificate with details of previous owner, the present owner, the mode of acquisition of the property, the total extent of the property and the order stating that the Khatha of the property may be transferred to the name of the present owner.

Why it is required: To establish the title of Land if the property is located on converted land e.g. from agricultural to non-agricultural use

Mandatory: No

Required in Original: No

Required For: Property Purchase

5. Joint Development Agreement

Description: An individual landowner and a builder may enter into a JDA. The key feature of a JDA is that the landowner will contribute land and the builder will undertake development activity on it. Depending upon the land price, the joint development ratio is decided among the parties. In most situations, the builder will agree to allot a few flats to the landowner and will pay a token advance. In consideration for this, the landowner will part with a portion of undivided share (UDS) of land in favour of the builder or his nominee and will also allow the builder to construct and sell the agreed number of flats.

Why it is required: To establish whether original title of property rests with Builder or Landowner

Mandatory: Yes

Required in Original: No

Required For: Property Purchase

6. General Power of Attorney

Description: A "power of attorney" is a legal instrument whereby one person gives another person the authority to act on his or her behalf as his legal representative and to make binding legal and financial decisions on his behalf including Sale or Purchase of Property on Buyer or Seller's behalf.

Why it is required: To establish whether the previous Sale or Purchase was carried out by authorized person on Seller or Buyers behalf

Mandatory: Yes (If any of previous Sale/Purchase were executed through GPA)

Required in Original: Yes

Required For: Property Purchase + Home Loan

7. Building plan sanctioned by statutory authority

Description: The building plan approval process relates to the issue of permission for the construction of buildings based on specific set of rules and regulations.

Why it is required: To establish whether the property is authorized or unauthorized

Mandatory: Yes

Required in Original: No

Required For: Property Purchase

8. NOC from Electricity Deptt/Pollution Control Board/Water Works/ Air Port Authority

Description: Before starting the construction, builder requires NOC from all key Govt Departments. In some states NOC from at least 19 departments required ranging from Pollution Control Board to Fire & Safety etc. Simple e.g. If builder does not get NOC from Electricity Deptt then in all probability u will not get electricity connection thus 100% dependency on generators and maintenance bill will shoot up drastically.

Why it is required: To ensure Govt approvals are in place

Mandatory: Yes

Required in Original: No

Required For: Property Purchase

9. Supplementary agreement / Ratification Deed (if any)

Description: Supplementary agreement captures any extension, change or modification in certain clauses of Principal Agreement. Many a times changes are required in principal agreement and only way to execute the same is through Supplementary agreement. Just check whether any supplementary agreement is executed for any of Principal agreement.

Why it is required: To avoid any future shock on modified clauses which u were not aware

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase

10. Allotment Letter from the builder/co-operative society/Housing Board/BDA.

Description: Generally while pursuing Bank Loan to buy property, Builder/Housing Society issues an Allotment Letter to the buyer which gives details that what is the description of the subject property being sold/bought by the two parties and also it mentions the amount of money which buyer has paid to the builder/housing society, such that remaining amount can be financed by the bank.

On the basis of this Allotment Letter generally bank finances the remaining amount.

As such the Allotment Letter also gives all the pertinent details of the Property being bought/sold and also about the specifications of the Project on the whole.

Agreement of Sale is documented on a Stamp Paper, whereas the Allotment Letter is on a simple piece of paper.

Allotment letter is only issued to 1st owner by builder and subsequent owners can demand copy of original allotment letter from previous owner

Why it is required: For Description of Property & Project specification by Builder or Housing Society

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

11. Sale Agreement between Builder and 1st Owner

Description: The Agreement must contain the liability of the Promoter/Builder to construct the building according to the plans and specifications approved by the local authority. It should also contain possession date, price to be paid by the purchaser and the intervals at which the installments towards the full payment are to be made specifying the stage of construction, the precise nature of the body to be constituted of the persons who would take the flats, details regarding the common areas and facilities specifying the percentage of undivided interest in the common areas and facilities pertaining to the apartment agreed to be sold, a statement of the use for which the apartment is intended.

Why it is required: As mentioned in Description

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

12. Construction Agreement between Builder & 1st Owner

Description: The construction agreement is essentially a works contract. In other words, it is an agreement in writing for the execution of the work relating to the construction of the apartment and it also involves the transfer or sale of the goods involved in the execution of the contract. The nature of this contract is such that a person undertakes to execute work by incorporating various items, things and goods in such work. When completed, these items along with the executed work are owned by the person for whom the work has been executed.

Why it is required: As mentioned in Description

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

13. Copy of possession letter from the builder

Description: It ensures that possession of the said building is being delivered to the purchaser on the effective date specified in the letter.

Why it is required: As mentioned in Description

Mandatory: Yes (In case of 1st Purchase i.e. from Builder)

Required in Original: Yes

Required For: Property Purchase + Home Loan

14. Payment receipts paid towards the builder

Description: Don't forget to collect original Payment receipts from builder.

Why it is required: As mentioned in Description

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan (In case of 1st Purchase i.e. from Builder)

15. If any loan on the property (Current or past)

Description:

- a. List of document with the vendor bank loan.
- b. Closure letter with penalty.
- c. If the loan is closed then copy of closure letter from the concerned bank.

Why it is required: To ascertain that property is not mortgaged

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

16. Sale agreement with the Seller

Description: It is an agreement which is entered into between the parties for dealing with the property and which creates a right to obtain a sale deed mentioning the property. Normally it fixes a time for completion, payment of earnest money or part payment of purchase consideration. Generally it is a document that precedes a sale deed and in such cases does not require registration and will also not confer any charge or right on the property. However in some states the sale agreement itself will be registered and will act as a sale deed. For Home Loan purpose, it is mandatory to pay stamp duty equal to 0.10% of Sale Agreement value.

Why it is required: To fix terms and conditions for sale

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

17. Latest Tax Paid Receipt from the date of registration up to date (Property Tax/Municipal Tax etc)

Description: It shows property details i.e. area, owners name & other imp details related to property. For income tax purposes in India, property is considered as a source of income and hence, tax is levied on that. Properties are usually meant by real estates which include any building, flat, shop etc. as well as the land appurtenant to the building. Under the Income Tax Act, incomes from the properties are regarded as one of the heads of income. The amount of tax is calculated on the value of the property being taxed. It is the local municipality authority that levies property tax for the maintenance of basic civic services in the city. Unlike the countries like UK where the occupier is liable to pay the property tax, it is the liability of the property owner to pay the property tax India to the concerned municipalities.

Why it is required: As mentioned in description

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

18. EC up to date for latest 13 years or from the date of registration till date

Description: This certificate is to be got from the sub registrar's office. This office is directly under control of the Inspector of Registration of Properties, operated by the state government. The certificate shows that in a given period of time from when the property was bought/sold has there been any transaction or mortgaging. Buyers/sellers ask for this certificate for when a new transfer (sale) is taking place, so that the buyer knows what all transactions have happened.

According to the kind of transaction, the certificate is given in two different forms. Form 15, will have details of transactions during the period of registration in the name of the owner. A person will get a 'nil encumbrance certificate when no transaction has taken place. this certificate would appear on Form 16.

The encumbrance certificate is to confirm that the property is still in the name of the person who is selling it.

Why it is required: To establish ownership of seller on title of property

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

19. Demand Letter from the vendor before disbursement

Description: Demand letter is issued by builder to 1st owner, demanding payment due as per schedule agreed between builder & 1st owner.

Why it is required: As mentioned in description

Mandatory: Yes (For 1st Purchase)

Required in Original: Yes

Required For: Property Purchase + Home Loan

20. Own contribution receipt along with the bank statement from which you have paid your contribution to the vendor.

Description: It is required by the institution i.e. bank or HFC which is providing loan for the property to ascertain that buyer has pooled & paid his own contribution to seller.

Why it is required: For availing Home Loan it is mandatory for purchaser to contribute 20% of Purchase Value from his own sources and bank only approve loan upto 80% of purchase value/

Mandatory: Yes

Required in Original: No

Required For: Home Loan

21. NOC from the Society/Building association.

Description: An upto-date no objection certificate from the apartment's owners association shall be insisted mentioning Association does not have any objection on ownership transfer

Why it is required: To avoid any future objection by association

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

22. No-due certificate from the building association.

An upto-date no dues certificate from the apartments owners association shall be insisted.

Further a certificate from the Association that no charge of any Bank or financial institution is recorded with them with respect to the apartment.

Yet another certificate from the Apartment Owners Association that they are custodians of all the Original documents and approvals of the entire property is a MUST.

Why it is required: To ensure owner has cleared all the dues & association is custodian of all original documents

Mandatory: Yes

Required in Original: Yes

Required For: Property Purchase + Home Loan

23. Approved plan of construction/extension & license for construction.

Description: Before starting the construction, Builder obtain approval from local development authority for construction.

Why it is required: To ensure building has approval in place for construction

Mandatory: Yes (For 1st purchase from builder)

Required in Original: No

Required For: Property Purchase + Home Loan

24. Detailed cost estimate/valuation report from Chartered Engineer/Architect (if applicable)

Description: Before approving loan, Bank carry out property valuation e.g. if u have applied for loan of 80% for property worth 60 Lacs & valuation report of bank estimate property value as 50 Lac then bank will only fund 80% of 50 Lac.

Why it is required: To fix loan eligibility based on property valuation

Mandatory: No (Normally its bank's internal document)

Required in Original: No

Required For: Home Loan

25. Conversion order/betterment charges paid receipt.

Description: Generally the lands available are basically agriculture in nature, as the major occupation is agriculture and the Government has taken various measures to secure & preserve it. The general use of all such lands is agriculture and if it has to be used for any other purpose

other than agriculture, the property owner must obtain legal permission from the competent authority by following prescribed procedures.

Conversion is a legal process by which the property owner changes the use of the land from agriculture to non agriculture purpose. It is also called CHANGE OF LAND USE. The legal sanction/ conversion/ order/grant/permission is necessary to use the land for any other purpose

Why it is required: For converted lands

Mandatory: Yes

Required in Original: No

Required For: Property Purchase + Home Loan

26. Layout approval plan sanction

Description: The layout plan should be approved by the local development authority. In the absence of this you could face Khata transfer and plan sanction problems. The development authority has a right to demolish the developmental works and restore the land to status quo ante if layout approval plan is not in place. The title to the site itself can be fairly safe (if documents are clear) but the development is unauthorized.

Why it is required: As mentioned in Description

Mandatory: Yes

Required in Original: No

Required For: Property Purchase + Home Loan

27. Auction Sale confirmation letter from Local Development Authority

Description: If any site/land is purchased by builder or by independent house owner by ways of Auction by Local development authority then this letter is definitely required

Why it is required: As mentioned in Description

Mandatory: Yes (As applicable)

Required in Original: No

Required For: Property Purchase + Home Loan

28. Release deed (if applicable)

Description: Release Deed is done to Release rights whereby a person renounces a claim upon other person or property. If u r purchasing a property, which might have been inherited by seller or was part of settlement between legal heirs of original owner then definitely you will come across release deed.

Why it is required: As mentioned in Description

Mandatory: Yes (As applicable)

Required in Original: Yes

Required For: Property Purchase

29. Completion Certificate

Description: This certificate is issued by Municipal Authorities showing whether the building complies with the rules of building height, distance from road, and whether it is built according to approved plans and is ready for habitation.

Why it is required: To ensure building is constructed as per approved plan

Mandatory: Yes

Required in Original: No

Required For: Property Purchase + Home Loan (Mandatory for 1st Purchase)

30. Occupancy Certificate

Description: The occupancy certificate is obtained at the end of the construction. Once the builder applies for the certificate an inspection is done again to confirm if the construction has happened according to the sanctioned plan.

This certificate is mandatory for any builder before he allows people to take possession of the property.

Why it is required: To ensure flat is ready for occupancy and construction is done as per sanctioned plan

Mandatory: No

Required in Original: No

Required For: Property Purchase + Home Loan (Mandatory for 1st Purchase)

31. Loan/Charge/Mortgage by Builder:

Description: If the Builder or the Land Owner has created a charge in favour of any Bank or Financial Institution, a NO OBJECTION LETTER from the institution shall be insisted. Such NO OBJECTION letter shall clearly state the property, the name of the borrower, the borrower's account number, the apartment, floor, area, car park etc., and shall be addressed to the Purchaser. The original letter shall be always kept in the safe custody of the Purchaser. If in the No Objection letter it is stipulated that all payments by the Purchaser shall be through the financial institution, the same shall be complied.

If the Builder states that they have not availed any loan or have not created any charge on the property, the same shall be stated in definite words in the agreement/s to be entered into with the Developer. There shall also be a recitation that "all original documents, deeds and approvals are held by the Developer in their safe custody and that the Developer shall continue to hold the same in their safe custody in trust for all the purchasers of apartments, and shall

never part with the Originals and that as soon as the Association of Apartment Owners is formed, all the Original documents, Deeds and approvals will be handed over to the Association." This shall be over and above a declaration in the agreement/s by the Land owner and the Developer that the property is free from all encumbrances.

Why it is required: To ascertain property is not mortgaged by the Builder

Mandatory: Yes

Required in Original: No

Required For: Property Purchase

32. DEED OF DECLARATION

Description: A copy of the Deed of Declaration of the Apartment Owners Association and the Bye Laws annexed to the same shall be called for and read to confirm that it confirms to the sale deed/title deed. It is also advised to look for any additional burden/costs in the form of transfer fee payable by the Transferee.

Why it is required: To establish transfer of ownership to original buyer by builder

Mandatory: No

Required in Original: No

Required For: Property Purchase

33. Latest Electricity Bill

Description: Always insist on Latest Electricity Bill and Payment receipt from previous owner as Electricity bill is the another solid proof to establish the ownership of current owner

Why it is required: To establish ownership

Mandatory: No

Required in Original: Yes

Required For: Property Purchase