

### **RERA orders promoter to immediately sign Agreement for Sale with allottee**

Instructions were issued to get the Agreement for Sale signed as per UP RERA Rules, 2018 and to comply with Section 13 of RERA Act.

Collection of more than 10% of the unit price by the promoter from the allottees without signing the Agreement for Sale is against the protection of the interests of the allottees and is in violation of the provisions contained in Section 13 of the RERA Act.

While hearing the matter, the Hon'ble Bench directed the promoter to immediately sign the BBA / Agreement for Sale on the format of Model Agreement of Rules 2018 with the allottee and upload it on the RERA complaint page.

The Authority raised objection over making the allottee sign an agreement different from the format of Model Agreement for Sale and sought clarification from the promoter.

Lucknow/ Gautam Buddha Nagar: While hearing the complaints of allottees in the bench by Shri Sanjay Bhusreddy, Chairman, UP RERA, it was found that in many cases the promoters have collected more than 10% and up to 70-75% of the cost of the unit from the allottees but Agreement for Sale / BBA has not been signed with the allottees. Taking cognizance of such cases, the Hon'ble Chairman has issued orders to the promoter to immediately sign the format of Model Agreement for Sale made available on the RERA portal with the allottee and has also been directed to provide a copy of this Agreement for Sale to the allottee and upload its copy on the complaint page on the RERA portal. It is to be noted that the promoter collecting more than 10% of the unit price of the allottee without signing the Agreement for Sale is a violation of Section 13 of the RERA Act and is against the protection of the interests of the allottees.

In such cases, Uttar Pradesh RERA, using the powers vested in Section 35 and 36 of RERA Act, 2016, has ordered the promoter to sign the Model Agreement for Sale format made available on the RERA portal with the allottee so that compliance of the provisions of Section 13 of RERA Act can be ensured.

And the allottee can receive the Agreement for Sale of his unit. It is the sole duty of the promoter and the right of the allottee to provide the signed Agreement for Sale to the allottee after the promoter has received the booking amount from the allottee, which is not more than 10%, in respect of the unit. Any allottee / home buyer should take care that they pay more than 10% of their unit to any promoter only after signing the Agreement for Sale.

Apart from this, it has also come to light in many cases that the contract/agreement for sale/BBA signed between the promoter and the allottee is not in accordance with the format of the Model Agreement for Sale of UP RERA Rules, 2018. In such cases, the Hon'ble Bench is seeking an explanation from the promoter as to why the Agreement for Sale was signed by them on some other format despite the model format of the agreement being available on the portal!

UP RERA is regularly advising home buyers through its social media platform to make them aware that they should not pay more than 10% of the unit price to the promoter without signing the Agreement for Sale and that the agreement should be signed only on the model format approved by the state government which has been made publicly available in the legal section of the RERA website.

For viewing social media links-

<https://x.com/UPRERAofficial/status/1836763723131961660> and

<https://x.com/UPRERAofficial/status/1841838193731371243>

Sanjay Bhusreddy, Chairman, UP RERA said that the promoters should sign the Agreement for Sale / BBA from any allottee only on the format of Model Agreement for Sale approved by the UP Government and should not demand more than 10% of the unit price without signing the agreement. On the other hand, allottees should also keep in mind that they should never pay more than 10% of the unit price without signing the model agreement with the promoters.

He also said that there should be no arbitrariness in compliance of RERA Act by the promoters and allottees should not be misled in any way. RERA Act has been made to protect the interests of allottees and RERA will ensure that RERA provisions and orders are complied with by the promoter in time.