

PRESS RELEASE**HOUSING AND URBAN DEVELOPMENT DEPARTMENT**

In pursuance of the Real Estate (Regulation and Development) Act, 2016, the Government of Tamil Nadu have notified the Tamil Nadu Real Estate (Regulation and Development) Rules, 2017 on 22.06.2017. A Selection Committee under the Chairmanship of Hon'ble Chief Justice, High Court of Madras or his representative, Secretary, Housing and Urban Development Department and Secretary, Law will act as the Selection Committee to make recommendations for appointment of the Chairman and two members of Real Estate Regulatory Authority of Tamil Nadu and Appellate Tribunal of Tamil Nadu. In the interim, the Secretary, Housing and Urban Development Department will act as Real Estate Regulatory Authority.

The salient features of the Tamil Nadu Real Estate (Regulation and Development) Rules, 2017 are as below:-

- All Real Estate projects and Real Estate agents have to mandatorily register with RERA, if they are involved in development and sale of any real estate project having

development/built up area of 500 sq.mt or where the number of units exceed eight.

- These Rules will apply to all ongoing projects and future projects
- No sale in a real estate project can be made without registration of the project with RERA.
- Seventy percent of the amount collected from the allottees shall be deposited in a separate escrow account to cover the cost of construction and land cost
- The developer of each project has to certify through an affidavit that he has legal title to the land on which the project is being developed free from all encumbrances and the period within which the project will be completed
- Not more than ten percent of the total cost of the unit can be collected from an allottee without a specified written agreement and total cost of the unit shall be specified in the written agreement
- All the units have to be sold mentioning the carpet area of the unit which will be made available to the allottee at the time of delivery of the unit.

- It is obligatory on the part of the promoter to obtain completion certificate for the project from the prescribed authority.
- The promoter is liable to rectify any structural or workmanship defect or defect in quality or provision of service or any other obligation if brought to notice within 5 years from the date of handing over of the possession at his cost within 30 days.
- Any person aggrieved by the decisions/directions of the Authority or adjudicating officer under the Act can prefer appeal to the Appellate Tribunal consisting of a chairman and not less than two members of which one shall be a judicial member and the other shall be Administrative or technical member.
- Various penal provisions have been prescribed under the act ranging upto ten percent of the estimated cost of the project or imprisonment upto 3 years or both. The offences under the act are compoundable.
- It is mandatory for a promoter to upload the details of the proposed project on the website of RERA, including details of

registration, types of apartments or plots booked, list of approvals taken, etc.,

- Both promoter and buyer are liable to pay equal rate of interest in case of any default from either side.
- The customer / buyer / allottee may download the required informations / plans /documents from the website.
- The Government of Tamil Nadu have also granted its consent for tagging the Union Territory of Andaman & Nicobar with the Real Estate Regulatory Authority and Appellate Tribunal of Tamil Nadu.
- The Office of the Authority will temporarily function at third Floor of Thalamuthu Natarajan Building, Egmore, Chennai-8.

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