



## GOA REAL ESTATE REGULATORY AUTHORITY

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F.No: 1/RERA/Circulars/2019/453

Date: 31/05/2023

### CIRCULAR

**Sub:- Mortgaging or creating a charge on apartment, plot or building after executing Agreement for sale.**

The Goa Real Estate Regulatory Authority (Goa RERA) has noted few instances of mortgaging or creating a charge on apartment, plot or building after executing Agreement for sale.

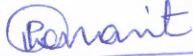
2. The provisions under Section 11(4) (h) of The Real Estate (Regulation and Development) Act, 2016 mandates upon the promoter –“ after he executes an agreement for sale for any apartment, plot or building as the case may be, not to mortgage or create a charge on such apartment, plot or building, as the case may be, and if any such mortgage or charge is made or created then notwithstanding anything contained in any other law for time being in force, it shall not affect the right or interest of the allottee who has taken or agreed to take such apartment, plot or building as the case may be”.
3. (i) In the light of above , all promoters of real estate projects are hereby directed not to mortgage or create a charge on apartment, or plot or building after executing Agreement for sale in the first instance.

(ii) If a mortgage or charge is created then notwithstanding anything contained in any other law for time being in force, it shall not affect the right and interest of the allottee who has taken or agreed to take such apartment , plot or building as the case may be.

(iii) The promoter should inform all existing allottees immediately regarding mortgaging or creating charge on the apartment, or plot or building as well as allottees right under section 11(4) (h) of the Real Estate (Regulation and Development) Act, 2016. Further, the promoter should incorporate a clause under the Agreement for sale in respect of all prospective buyers to this effect.

(iv) It is the obligation of the promoter to apprise provisions under section 11(4) (h) of the Real Estate (Regulation and Development) Act, 2016 to the Competent Authority in whose favour such mortgage or charge will be created against apartment, plot or building as the case may be, in a real estate project.

4. This is issued with the approval of the Authority.

  
(Sampurna Bhagat)  
Dy.T.P(RERA)

**Copy to:**

- 1) The President, CREDAI -GOA, 315, Gera Imperium -II, Patto Plaza, Panaji, Goa 403001
- 2) The Chairman PNS, 501, Radiance Kotwal Park, Near Bodyline Gym, Opposite Ved Mandir, Trimbak Road, Tilakwadi, Nashik, 422002
- 3) The President, WIRC Goa Institute of Chartered Accountants of India, 201/2, 2<sup>nd</sup> Floor, Kamat Towers, Patto Plaza, Patto Centre, Panaji, Goa, 403001
- 4) Technical Setion (Goa RERA)