

Noida  
Extension:  
Beyond the  
glossy  
brochures

FieldWorker

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The stories so far, in my search for a flat in Noida area for self-use. Target size – 3+1BHK. So landed in Noida extension (needless to say this is the only area where I can afford one).

However one thing stands out during my search - people of my profession (engineers) are probably the easiest target of glossy brochure and salesman talks. Just imagine guy holding Engineering degrees made fools by eighth fail sales guys on regular basis.

Therefore I decided I will just ignore all sales talk as if I am deaf. I will concentrate only on hard facts and data. Which I want to share with all guys in IREF now.

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## [1] First criterion, size of the flat

*My conclusion – Super area is the biggest joke on flat buyers. Simply, because I am not at all interested in area outside the four walls of my flat (even balconies to a certain extent).*

Mahagun Mywood - Gaur City GC16 - RG Luxury Homes

Super 1545 1600 1661

Carpet 984 979 912

Carpet/Super 0.637 0.612 0.549

Carpet+Balcony 1152 1162 1117

CR+BL/Super 0.746 0.726 0.672

Arihant Arden - Earthcon Casa Royal - Gaur City GC 6

Super 1750 1690 1560

Carpet 1044 1027 933

Carpet/Super 0.597 0.608 0.598

Carpet+Balcony 1278 1138 1073

CR+BL/Super 0.730 0.673 0.688

Amarpali Golf Homes - Supertech Eco Village - Stellar Jeevan

Super 1595 1750 1694

Carpet 928 1088 1035

Carpet/Super 0.582 0.622 0.611

Carpet+Balcony 1088 1233 1163

CR+BL/Super 0.682 0.705 0.687

### ***Analysis:***

1. Super Area is not your flat area – your flat area is covered/carpet plus balconies. So a Mahagun Mywoods 1545 sq ft flat is actually a 984 sq ft flat with 168 sq ft balcony. So you are buying a 984 sq ft flat not 1545 sq ft flat. (Yes, 984 is not even 1000, wherein make belief world of builders it is more than 1500).
2. Every builder has different ratio (called loading) for carpet area / super area. Every flat size has different loading.
3. If two projects has same per square price (or commonly “rate”). The “real” rate will differ due to loading.
4. In general loading increases as flat size decreases. ie 2BHK will have more loading than 3BHK.
5. At delivery, you can safely assume you will get lesser size than shown on brochure. So the brochure size is just a façade, real size will always be less.

## [2] Flat buyers' obsession - RATE.

With each builder having different charge structure, how to compare "rate" then. Considering, the uncertainty over land acquisitions only plan is Construction linked plan. For risk takers it could be Flexi plan. I could not comprehend, why anyone will go for Down payment or time linked plan in current scenario.

Prices are as per current website rates, possibility of huge discounts is there. Anyways instead of absolute numbers I want to highlight something else.

I have taken a standard – 4th floor, park facing, covered parking, club membership, 3KVA backup\

### *Construction linked plan*

Basic Price - Height PLC				Park PLC		- Other Charges - Total		- Carpet Price		-	Carpet+Balcony
Price											
Mahagun Mywood	2675		210	90	149	3124	4906	4190			
Gaur City GC16	Not Available		110	75							
RG Luxury Homes			Not Available								
Arihent Arden	3010	110	75	300	3495	5857	4786				
Panchsheel Green		2300	90	50	128	2568	4022	3319			
Gaur City GC 6	Not Available										
Supertech Eco Village		2900	80	50	307	3337					
Stellar Jeevan	2550	70	100	115	2835	4641	4129				

### *Flexi Plan*

Basic Price - Height PLC	- Park PLC	- Other Charges	- Total	Carpet	Price	-		
Carpet+Balcony Price								
Mahagun Mywood 2525	210	90	149	2974	4671	3386		
Gaur City GC16	Not Available							
RG Luxury Homes	2700	100	160	155	3116	5672	4635	With Furnishing

Arihant Arden	2840	110	75	300	3325	5572	4553
Panchsheel Green		2162	90	50	128	2430	3806 3806
Gaur City GC 6	Not Available						
Supertech Eco Village	2755	80	50	307	3192	5134	4530
Stellar Jeevan	2450	70	100	115	2735	4477	3983

### ***Analysis***

1. First and foremost, "rate" = total flat cost divided by carpet area of the flat. [carpet area may or may not include balconies, your choice]. Calculate yourself; do not believe builder/broker.
2. Builders (eg Gaur) can have only Time based plan. [shut-up guys (with common sense)]
3. Projects can have high PLCs. [Mahagun – 210 for 4th floor]
4. Project can have high other-charges, so always consider all inclusive. [Yes, parking and club charges are in all inclusive]
5. Now consider the five projects, whose data I have given for CLP & carpet area (without balcony)

Arihant 5857 > Supertech 5367 > Mahagun 4906 > Stellar 4641 > Panchsheel 4022.

[Arihant Arden 45% more costly than Panchsheel, really a Harvard Case study is in offering if Arihant can sell at this price]

[Supertech is more costly than Stellar, maybe huge broker discount is in offering from Supetech].

### **[Tip 1] Service Tax**

And yeah, do not forget 2.575% service tax on Basic Sale Price and 10.3% on almost every other charge (except parking). [I personally thank Mr. Mukerjee for not taxing parking.]

### [3] Run away builders

Noida & Greater Noida builder plots were given by BMW to builders on very easy terms of 5% payment per 6 months. With dark clouds again over Noida extension – Land acquisition in SC and high possibility of hostile government after election. High chances a number of builders will be washed out (run with your money) after the storm abates.

So, question arises, which ones are least likely to run away with your money. The answer I think is

- A. those with deeper pockets
- B. those who wants to remain in business
- C. those who have already invested so much, that only completion will give them handsome returns

How can an average Joe get to identify them: [my take, looking for more points?]

Category A:

- Has delivered projects with “acceptable” delays in past.
- [HIGH] Have NO Stalled projects.
- Not impacted by earlier government change.
- Has not expanded too fast. [Else will burst with little or no effort].

Category B:

- Not closely associated with BMW/BSP.
- [HIGH] One of their last project was at least (1/4)th size of their current NE project.
- First time builders – BIG NO.

Category C:

- Has complete possession of land at least from authority – completed fencing on circumference of the plot. Farmer would not allow land in his possession to be fenced out by the builder.
- Have at least first floor built for most of the towers.
- [HIGH] The project was bankable before farmer issue started. As I came to know, HDFC bank was disbursing loans for projects for which at least 30% payment was done to authority. Please understand DISBURSAL does not mean APPROVED.



## **[4] Project is bankable.**

So what, I require is my flat to be bank loan disbursable.

After everything goes well on farmer and political front, in my assessment, the tower (not project) will not become Bank disbursable, until at least ground floor slab is there for tower. Reason, bank also needs guarantees, with no land to guarantee (why, stupid, land is still owned by authority), at least basic structure should be there. So, I not expect any disbursement from banks until some structure is out of ground.

Approved vs Disbursal.

1. Bank can approve 1000 projects, but does not release/disburse loan for even one flat in 1000 projects. Why would bank do that – processing fees goes to bank, isinted.
2. Approved project is “FRAUD” played by banks and builders
3. There is only one milestone for loan – FULL DISBURSAL.

Some basic situations:

### *Situation 1:*

Builder/Broker says: Project will be bankable in one week.

What I listen: Payment to authority is incomplete, no plan approval is there, will takes months to bankable.

### *Situation 2:*

Builder/Broker says: Project approved by Bank ABC. Gets nod from Bank ABC representative sitting in builder office.

What I listen: Bank ABC representative is just a commission agent and not an employee of the bank.

What I ask: Can you get me in touch with someone whose loan is DISBURSED from Bank ABC. [If bank agent does not give names and numbers immediately, I think you got the “bankable” status.]

*Scenario for those who want to book now in current situation.*

Builder/Broker says: Sir, pay 10% now book flat. Pay rest on project bankable.

What I did: I believed and paid 10%.

[1 year hence, project is bankable, got loan paid the rest].

[5 year hence, with possession letter what I got.] Late payment fine with 36% interest on that.

[Happening now to CR guys who missed bank loaned payment by few months, what will happen to NE with 2 years of delay – Late fee fines exceeding the BSP]

What I should have done originally: Get written in BBA & LoA that no further payment is due to me now. Next payment when the Bank DISBURSES my loan.

## **[5] Demystifying “multi-story flats in open green field”.**

The timeline of the multi-story has major phases

1. Before excavation: Builder does not have land in his possession. So, he is selling “Castles in the Air”. With one “puff” all can vanish.
2. Excavation: Builder has land in possession, but cost to the builder till now – bribes (that too partly paid) and nominal payment to authority. High risk, no time to buy for first time or ill-informed buyer. [I am both].
3. Some construction and bank disbursement started. [I think I can buy now]
4. Structure complete.
5. Finishing.
6. Possession [usually incomplete and backdated].

Usually Stage 1 and Stage 5 take longest time. Why,

Reason stage 1: Authority declared the land allotment (not possession), long wait from farmer possession to authority possession (compensation/abadi issues) to builder possession (bribes and initial payment). Meanwhile all the time, builder is selling “Castles in Air”. [Simple case: builder surrenders the plot and goes home with my money].

Reason stage 5: Builder got all my money, so is not interested in completing the project. Channeled all my money to builder's next to be launched project. I keep screaming, paying rent and paying EMI. [Find out that builder has done this in past project, if yes, old habit die hard, will happen again.]

Personally, I am ready to pay up to 20% [Two years of interest for uncountable mental peace] to the builder, if I am sure builder is not infected with this Stage 5 disease (but alas).

### **[Tip 2] Late penalty Joke**

Late penalty Joke is also a cruel joke played at time of possession. If at all given, Rs 5/feet – Rs 7500 for flat costing Rs 30000 in EMI (not to mention rent). Mostly it is not given, even if given, will be very short period, with incomplete flat and possession date backdated.

## [6] Payment plan

**Your payment schedule = your EMI increase schedule.**

Consider CLP payments in % below

Time bound	- Excavation	- Structure	- Brickwork	- Possession	- Post Time bound	
Mahagun Mywood	30	5	50	10	0	5
RG Luxury Homes	35	0	43	4	18	0
Arihent Arden	13	9	43	17	19	0
Panchsheel Green	20	10	55	10	5	0
Supertech Eco Village	20	10	48	17	5	0
Stellar Jeevan	27	9	54	5	5	0

### ***Analysis:***

1. Best payment plan for buyer

A. Min Time Bound payment: No construction, no payment

B. Max Possession time payment: Least likely of issue explained in [Part 5]

2. Mahagun Mywood has last payments on a fixed date. So, last payment may not be last payment, if construction is delayed (very funny). By brickwork, builder has all your money. Least desirable payment plan.

3. Arihant Arden: has least initial payment and max possession time payment. Arihant is costly, but payment plan is best of the lot.

4. Always consider that for same cost and same covered area, the final cost is different. Reason payment plan [Can it get more confusing than this?]. No major issue: simply calculate, with excel sheet, its kids job, if you cannot do it, get a kid that can do it for you.

## **[7] Easiest information gathering - online**

1. IREF [needless to say]: <tip> ignore "the/my best project" and "personal message" kind of comments. [Read them as broker comments, better focus on project/builder negatives]
2. Indian Consumer Complaints Forum : Search by Builder name as keyword. [If you love horror stories, you will have a collection, try "Supertech" first]
3. Wikimapia - Let's describe the whole world!  
  
[Satellite pictures are about 6 months old but can tell - position, size, surrounding area. Even construction status 6 month back]
4. <http://finance.groups..com/group/crossings-republik/> : As many builders in NE are delivering in CR. Best place to know buyers experience from start till now. [Please do not focus on returns, focus on buyers experience with builder and how a builder behaved/executed the project since launch to delivery]
5. Visit <https://www./nefoma> on facebook, will get too know how builders are treating current buyers.
6. Google as much as you can on your selected projects.
7. Greater Noida Real Estate Property [Some sector layouts map, can be found here] [If anyone finds maps of Sector 4, 16, plz inform]

## **[8] Multiple visits to Crossing Republik & Indirapuram**

Give multiple visits to CR & Indirapuram – alone, with wife, with friends, with kids

1. Closest feeling to high dense project that are coming up in NE. NE will be far higher and denser, only with better infrastructure.
2. Multiple NE builders have delivered in these places. Talk to multiple residents, they are the one who bought 5-8 years back, and were in same situation as you now. [Plz for God sake, do not talk about “rate” or “gain”, talk about experience with builder, quality and maintenance of the project]
3. In Indirapuram check out, the projects that were delivered more than 3 years back (talk to residence). [All buildings look same when new, quality difference shows on older buildings]

## **[9] Living Experience**

If you are living in the flat, there is nothing called APPRICATION only thing that matter is EXPERIENCE.

### **[Tip 3] Super area increase at possession time**

I came to know (maybe from this forum or someone told me) that in GN the balconies of length 5 ft are excluded from FAR calculation.

So you can safely assume:

All those builders having less than 5 ft balconies on "brochure" will go for 5ft balconies in construction. [Balconies are cheap to extend, if planned]

Small gain in flat size will translate to large payment in super-size.

## **[10] The reputed builder syndrome.**

I do not care about builder reputation - PERIOD.

I want: A good quality, timely delivered, well located, well designed and well maintained flat at reasonable price.

I have shown the current thread to one of my friend, promptly he asked – which one to buy if all have issues Mr Know-it-all.

My answer: “Doosro ki baat per mat jao, apni akhal lagao”.

## **[Tip 4] Noida Extension: Great time to research, not buy**

Due to land acquisition issue; nobody should buy in Noida Extension. But understand, this region will remain cheapest in Noida region with OK location and Good infrastructure.

Now you cannot buy, but you can get yourself acquainted with various dimensions of flat buying. Like anything new, it takes time to know very basic of flat buying.

Since you are not buying, you cannot fall into broker/build tricks. So, when everything clears out you are far better equipped to take an informed decision.

This is why I am just collecting information, for me this is the BEST time to RESEARCH. Buying can wait.



## **[11] Premium demanded for “proposed” Metro**

### Proposed DMRC Metro

1. One of my friends works for DMRC, he says metro construction start in one simple way – pay first. Full payment first than construction. As I understand UP – this pay first is not going to happen, unless UP CM makes lots of money. [But unfortunately DMRC does not pay bribes.]
2. Only on pure merit – Sector 62 area, Noida Expressway Commercial Area and Pari-Chock area have far better case.

### Proposed “other” Metro by PPP

Lots money to be made by CM and “Private Company”. How, give land for Metro [aka Expressway for land]. Metro will come, where land is empty – maybe even Yamuna expressway but not Noida Extn (which is already sold).

I never take the metro talk seriously, as for me:

“Best case scenario for Metro in NE – No metro in Noida extension.”

## **[12] With all due respect, high-rise living is the game you may not know anything.**

If you have never lived in a high-rise (at least G-10), then try to find out the issues/challenges of high rise living (needless to say in INDIA not USA).

As I know the two most important factors, in a high-rise

1. Maintenance agency
2. Lift

### **1. *Maintenance agency (not RWA)***

No point in future gazing. Will come back to this topic later.

### **2. *Lift***

- a. Should be of high quality and the maintenance available in NCR. I prefer Kone and dislike Otis. Heard lots of China-made lifts are also available in market now (they will be cheapest, but once sold no guarantee, builder's favourite) [Visit builder's last projects - the standard of lift tells a great story on builder's commitment to quality and resident's quality of living]
- b. Higher the number of lift, the better for residents. Plus, size of the lifts is also important. Location of lift is also a consideration, two lifts at ends of a central lobby means one only lift at a time for you.
- c. If there is no service lift – DO NOT BUY [will not live in a building whose Architect's degree is fake].

**Recommended:** Visit and spend some time in the following two societies of Indirapuram

1. Jaipuria Sunrise Greens
2. Ashiana Upvan

## **[Tip 5] Any yeah, after your visit to above two societies**

Do have a long chat with your friends who chant - Location-Location-Location as motto of flat buying.

### [13] Brokers speak Chinese, so I could not understand properly

Brokers may play a constructive role in searching plots or RTM flats. But for under-construction flat, broker's only objective is to get maximum commission. Do I need to elaborate, which builder will pay maximum commission – the ones who are selling you 3rd grade stuff or simply not interested in building at all.

Here are some of my translations for Broker's Chinese speak.

1.

Broker: Sirji, builder's first project, need to establish in market, so your project will be better than Taj-Mahal.

I listen: First time builder, has proven nothing, can vanish with my money.

Result: NOT BUYING [even if I am getting one flat free for one flat purchased: A bird in hand is better than two in the bush].

2.

Broker: Sir, most "reputed" builder in NCR, only the "name" is enough to sell.

I listen: Broker is getting maximum commission on this.

I ask: Can I get the locations of all previous projects, so that I can check out the "reputation".

Broker: Sir, the last projects were build long ago, see for the future.

Result: NOT BUYING [Messed up previous projects, I will not buy where tomorrow, I will ashamed to invite my relatives and friends, no matter how cheap the deal I am getting].

3.

Broker: Sir, buy this project.

I tell: Mrs does not like layout.

Broker: So I will get you this one, best deal.

I tell: Location not good (keep doing this, until all his "best deals" are over, have patience it will 3-5 max)

I ask: Can you get me ABC project. [I am researching about ABC project]

Broker: Sir bad project has a number of short coming. Lists shortcoming 1,2,3 ...

Result: Valuable INFORMATION on project ABC I am interested.

4.

Broker: The project is sold out only few units left.

I listened: He is trying to offload the worst units in the project.

Result: NOT BUYING [Worst units for me, sold out in NE, nice joke]

There are more, will update as soon, as I remember them.

Many will be wondering; if I keep saying NOT BUYING, when I will BUY. Dear sir, it is like seeing girls for marriage, you can reject as many as you can. But, once you said YES, you are struck with her for life. Good, thing in NE, is that the ones you refuse are not going to be married off, [Nobody is buying in NE] you will get second chance.

## **[14] Guaranteed best location in Noida extension**

Sorry, to disappoint you guys, I do not know the best location in NE.

What I know is worst locations in NE. Apologies again; I will not be talking about distance (in kms) from Gaur roundabout or proposed sector 1 Hindon Bridge.

### ***Worst locations***

1. Near to STP: I stayed in Sector 50 not far from a STP. For me a STP is equivalent to a Gas Chamber. Smell and fumes that can suffocate you to death. Please do not say that - a number of non-smelling STP's are there in NCR. Please, google for Sewage treatment plant and Water treatment plant.

Worst location No. 1: Mahagun Mywoods and Gaur City 2

2. Near to Dumping ground or/and SWP: There is one existing behind Sector 1, exact location is not clear to me. Now behind can only mean Hindon side, as all other sides are already in Sector maps. So project nearest to proposed Hindon Bridge may turn out to be worst located (interesting).

Worst location No. 2: Hindon side of Sector 1 [Eastend Athena, Gayatri Aura, Eleven Acacia - Solaris, Gaur Mulberry, Antriksh Golf Link]

3. Next to High Tension wires: Studies says High tension wire causes Cancer. Studies may be wrong, but I would not take risk to know that they were right.

Worst location No. 3: Nirala Estate and Patel Neotown

4. Next to Industrial sector: Industries cause air and water pollution (yes, even so-called clean ones).

Worst location No. 4: RG Luxury, Supertech Eco 3, 130 meter road side of Tech Zone IV

NOTE: All the above factors could not affect the whole project. Just measure the "safe distance" as per you and you are good to go.

## [15] Blank checks that buyers sign and give to Builders

Movies are sometimes informative, as even a 6 year old knows - never sign a blank check. But we adults sign a whole blank check book and hand over to Builders. This signed "Blank check book" is called "Builder Buyer Agreement" or BBA.

What is BBA: ONLY legal document that states that you have bought an under-construction flat and builder has sold it to you. All the conditions/agreements are written in this document.

1. Any "verbal" agreement between you and broker/builder has NO VALUE. Every little detail must be a part of BBA.
2. This is a multi-page document (maybe be 20-30 pages), but so is your check book. Consider each page of document as a check and each line of the document as payee name.
3. For your selected projects, demand an unsigned BBA to read. If a builder refuses/makes excuses – DO NOT BUY. [No point in crying afterwards, when you yourself drilled holes in your financial boat].
4. BBA is great way to know, the CHEATER status – from non-cheater to biggest cheater.
5. Hire a lawyer to make you understand the document. [Man, it costs few thousand for mental peace for years – BEST few thousand you ever spent.]
6. BBA can be registered. [more details search IREF]
7. For loan the BBA is one of the major documents. Banks keeps BBA after loan disbursal.

Builder's take it or leave it policy on BBA.

1. Builders will not change a single line of BBA.
2. But your awareness on the terms, conditions and dates, can save you lakhs. [Hint: for every delay or unpaid amount builders charge 24-36% interest.]
3. Imagine payment, which you did not know anything (but builder silently put in BBA) was not paid from booking to possession. Builder do not always inform of such silent features of BBA. [Why 36% interest damn't for 5 years].

Some basics I know of BBA

1. Your flat number. [Yes, builders/broker can change your flat number].
2. Must include the details of payment plan. [Each milestone and each date needs to be verified]
3. Must include the flat floor map and cluster diagram [exactly the one you are buying] and finishing details.
4. Delivery date
5. Late possession penalty.
6. In NE farmer compensation clause in there for all builders. [No idea, what to make out of this]
7. [Request others for more information]

Follow one hand 10% payment and other hand complete signed BBA.

1. This will only be possible if you are paying by draft.
2. Make sure signed BBA is same (to last line), the one whose unsigned version was given to you.

Super Area increase without any increase in carpet area

1. It's written in BBA, shown right at your face with the demand.
2. 3% increase is norm. If 3% is not written and written in vague language. Be ready to shell out more (from 3% to 300%), sky is the limit for the builder in this case. [You signed a blank check, do not crib now].

[Will keep on editing as more information unfolds]

**[Tip 6] Regarding Stellar. I will give you the actual names in [Scenario 3, Part 13]**

Broker: Sir, buy Mahagun Mywoods.

I tell: Mrs does not like layout. [Good One, I am not even married]

Broker: So I will get you on Eco Village, best deal.

I tell: Location not good (keep doing this, until all his “best deals” are over, have patience it will 3-5 max)

I ask: Can you get me Stellar. [I am researching about Stellar Jeevan]

Broker: Sir bad project has a number of short coming. Lists shortcoming 1,2,3 ...

Shortcoming number 1: Too far from Gol Chakkar – 7km, Sir. [Actually it is 5 km, but if you follow traffic rule: then 6 km due to u-turn you have to take]

Shortcoming number 2: Small builder [Yes, far smaller than Mahagun & Supertech, I myself never heard this name a year ago]

Shortcoming number 3: Very costly [Correct, it was costliest project at that time before GC1, GC2 and Arihant rate went north]

Shortcoming number 4: Loading is on higher side. [If you love balconies, this is not a project for you, else it loading in lower than most projects].

I was wondering how come, every third broker (road side, tent sitting) know the flaws in Stellar Jeevan. I have the answer – I found no broker who was selling Stellar Jeevan.

Do not say, I accused all those who were “honoring” me are – Brokers. But fact of the matters is

“Stellar is not being sold by brokers, so no money to be made by them by cheating buyers.”



## [Tip 7] Price adjusted to loading

The loading calculation, I (not everybody) consider the most correct representation as :

(carpet area + 40% weight-age to balcony area) to super area.

Take the three cases: top, middle and bottom

Panchsheel Green      30.7

Earthcon Casa Royal    36.6

RG Luxury Homes      40.2

Assume, I am buying RG Luxury Homes at Rs 2500 all inclusive, what will be equivalent price as per super area for rest of two

A.      Earthcon Casa Royal: 2650 (6.0 % more)

B.      Panchsheel Green: 2897 (15.8 % more)

So, I (not everybody) will be paying EQUALLY per sq ft, if I buy any of the below three:

RG Luxury Homes at Rs 2500,

Earthcon Casa Royal at Rs. 2560,

Panchsheel Green at 2897

### **[Tip 8] There is not a single luxury project in NE**

NE is a budget buyers place and will remain so for near future. All the claims of luxury projects are just a PLAIN LIE.

Projects which are more than 3 years old in Indirapuram, can get you a rough idea of the "standard of living". But remember, the FAR was mostly 2.75 for those Indirapuram projects, its 3.5 for NE, so NE will be far denser.

Please note that, if a high rise is not maintained properly, it will be far worse than DDA flats. At least DDA flats do not have high density. Jaipuria Sunrise Greens is a classic example of high-rise society being far worse than DDA flats.

### **[Tip 9] Best project in Noida Extension**

Answer: NONE, because there are no completed projects in NE.

Delivery should be primary (No. 1) criteria for all buyers. Especially in NE, for a good numbers of end users; "Delivery" could be the difference between becoming home owners and becoming homeless (life or death).

5 years after SC clears NE, status of projects could be most likely this

1. Delivered: Enjoy
2. Still under construction: Depressing
3. Stalled: All is lost

And 10 years after,

1. Delivered: Relieved
2. Stalled: All is lost for more projects

So, "best deal" (cheapest) today won't turn out to be "best deal in reality". It's your money and your life, not your office colleague's.

## **[Tip 10] Would you buy a car, if you like the toy model of the car?**

If your answer is Yes, may God help you.

Buying a flat, after liking it's sample flat, is equivalent to buying a car after liking it's toy model. Sample flat exists in "Alice in Wonderland" not in this world. Everything in sample flat is fake – size, material, finishing.

Best policy on sample flats – IGNORE.

## **[Tip 11] Just half an hour at project's website**

A half-hour visit to builder's/project's website, may give you enough information to REJECT the project outright.

1. Builder's last projects: If not mentioned, nothing is delivered so far.
2. Minimum delivery criteria: 3 high-rise residential, size not less than 1/8th of this project.
3. Too many projects, less delivery: High chances of stalled projects.
4. Payment plan: In CLP, more than 30% before excavation or 40 % at excavation is undesirable.
5. Floor plans: Calculate loading, carpet area (no 2BHK in a 1BHK's area).
6. Contraction updates: No pictures, No construction.
7. Extra charges: No discounts on Extra charges.
8. Site plan: Irregular shape – next to village, future development - no possession.
9. No of phases: Single phase project is a big plus.
10. Any usual fact or figure missing – be very suspicious.

Status: Consider or Reject

### **[Tip 12] Well aerated apartment is highly desired**

Be sure to note the positions and sizes of windows in the flat's floor and cluster plans. For health reasons visualize the flow of fresh air across the apartment.

All windows and balconies on a single side mean poor cross ventilation. Especially, small sized flats (2BHKs in NE) could turn out to be suffocating.

### **[Tip 13] Expected flat density in Noida Extension**

It's more or less sure that price of any decent project with construction started in NExtn will be near to Rs. 3000 psft. Not a happy scenario for the majority of home seekers in NExtn, who have budget of Rs. 25-30 Lakhs. This means super area of 830-1000 sqft.

To meet this market demand, expect majority of projects to contain large number of small flats (830 to 1000 sqft), if FAR is increased to 3.5, the flat density would be around 150-200 per acre. Just too much congestion, more like "chawls" than society flats.

However, look for projects having bigger flats and numbers of bigger flats are more. More the number of bigger flats, the less is the flat density as build up area per acre due to FAR remains the same.

### **[Tip 14] Crazy loading in NExtn projects**

I started this thread with first point being, super area is not the area of your flat, calculate the carpet area/usable area of the flat yourself.

As per threads some of the projects in NExtn have crazy loading above 45%, this beats any common sense. Smaller units are worst affected.

Be careful on this part.

### **[Tip 15] Builder's ability to deliver in NExtn**

It must be noted that the plot sizes and number of flats being launched in NExtn projects, far exceeds the proven delivery of most of the builders.

Most of the builders in NExtn are first timers or are small time players. Suddenly due to Mayawati, they are sitting on acres and acres of land to develop. Anybody with basic sense of finance and engineering will tell, that a majority of these builders will find extremely difficult to deliver and many will simply run away.

Some like Palm Olympia, Valencia Homes, Devika Gold, Nirala & Earth Towne have already showing extreme strain and forcing their current buyers to pay more.

Do leg work and find as much as you can about the builder. If builder has not delivered previous projects with flats totalling 25% of its NExtn project, buying with that builder is pure gamble. If you want to gamble with your money, what anyone can say, it's your money.

### **[Tip 16] High flat density has started to raise its ugly head in NExtn**

Clearly, flat density has started to raise its ugly head in NExtn. Consider the new project Unibera H++.

The project has equal number of units of 925, 1175 & 1385. Thus, average unit size is 1162. Now balconies are not part of FAR, the average carpet area without balcony is 65% of Super area. Add 5% for area covered by walls. Thus, average flat size as per FAR calculation is 813 ( $1162 * 0.7$ ).

Therefore, the flat density per acre

At FAR of 2.75 =  $43560 * 2.75 / 813 = 147$  flats per acre

At FAR of 3.5 =  $43560 * 3.5 / 813 = 188$  flats per acre

My calculations might not be exact. But IREF members can get rough idea.

See the new layout of Supertech Eco Village 1. Apart from increase in number of towers, there is a significant increase in 1BHK units and small 2BHK units. From older layout, a number of larger sized units are converted to small 2BHK.

Makes sense, as purchasing power of maximum buyers in NExtn remains the same in Rs 20-30 Lakh range. Only way, a builder can sell at above Rs 3000 psft is to reduce sizes of the units.

The sizes have become so small, that in drawing room of a 2BHK unit, you can have either sofa set or a dining table. In case of small 3BHK drawing room, with sofa set you can have only a small dining table. So much for the premium apartments.

Well, if someone who is looking at NExtn with a budget of Rs 30+ Lakh. Go for the projects with larger sized flats to mitigate the effects of high density.

## **[15] Abridged checklist before buying**

1. Stick with the builders, with proven track record.
2. Totally avoid new, small and over expanded builders.
3. Buy in CLP only.
4. Buy in tower for which at least excavation work is complete.
5. Have realistic time frame for delivery. (3+ years for best case, on average take 5+ years)
6. If you are dependent on loan, after legal mess is over, expect banks to reject a huge number of loan applications depending upon the builders' or buyers' finances.
7. Do not mind to pay a little more, as owning a flat is objective not booking a flat.
8. Do not expect great returns from NExtn due to high density, huge oversupply and profile of the buyers.