

**ART Affordable Housing Finance – Coverage**

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Planning to buy a home with your fiancé?  
Here's how to make the process a breeze

# SECURE A HOME BEFORE TYING THE KNOT

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The thrill of securing a home with your fiancé is an opportunity to literally build a home together and start your married life on a bright note. The process that is exciting is also a tad tricky, there are a number of legal, financial and social aspects to take care of. Here's how you can start this journey on the right track.

**LOCATION:** Tying the knot means spending a lifetime together. Hence, it is crucial that you keep in mind your fiancé's requirements as well. Location is a crucial aspect when it comes to picking a place to live. Connectivity is of utmost importance, this not only applies to you, but also to your partner. The daily commute, accessibility to your parents' home, presence of transport, schools and other basic necessities need to be considered before finalising your home," says Arvind Halli, MD and CEO, ART Affordable Housing Finance.

**PLAN YOUR FINANCES:** Discussing finances, liabilities and assets with your partner is crucial at this stage. Chalk out your future plans and make a detailed budget

that you both will stick to. Understand the amount you would require for your wedding, savings, your new home and other expenses that may come up. Transparency is the key here.

While putting together a budget, factor in the amount that you would need as down-payment. Trust your current earning and not what increment you expect in the future. It's a good discipline to ensure that your EMI is not more than 40-45 per cent of your net take-home salary. Be careful on your credit card and other spends during this period, which may impact your financial ratings. It is good to close small or pending loans before applying for a home loan.

As a first-time buyer, government schemes such as CLSS/ PMAY can also be availed of if it is in the affordable housing segment. "Tax benefits can be claimed on both, the principal and interest components of the home loan as per the Income Tax Act. You can also purchase property in joint names. A joint home loan is an option that may prove fruitful for married couples," says Halli.

Rohit Poddar, joint secretary, NAREDCO West, says, "Follow a

structured financial plan, apply for home loans (if required), and contact a lawyer to meet the legal needs as the change in surname and residential address needs to be taken into account."

**FUTURE ASPIRATIONS:** Investing in a home also means being restricted to a city. Discuss your career goals. If there are chances that you may be moving cities to climb up the corporate ladder, then you may consider not investing in a home at the moment.

## GOVERNMENT DOCUMENTATION:

- Ensure your valid legal ownership document is duly recorded in the sub-registrar office by paying for the stamp duty and registration in full value as soon as you have purchased your home.

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## PAPERWORK INVOLVED

There are three aspects to it - the lender, the property owner and the government. These are mainly to establish identity, eligibility and proof of the individual, the property and the transaction.

You also need to factor in a change in name and residential address while completing the paperwork.

**Lender:** Could be a banker or non-banking financial corporation (NBFC).

- Ensure that a memorandum of understanding (MoU) or agreement of sale you enter into are bonafide documents.
- Ensure that the amount, interest rate, schedule of payments and its related performance parameters and obligations are understood, captured and agreed upon jointly.
- Additionally, consider insuring your property.

**Seller:** Could be a builder/ individual investor/financier/ reseller.

- Title documents, encumbrance certificate,
- List of approvals and permissions of the property to be established,
- Ensure floor plans, features and offerings of the project, handover conditions and receipts.

## POP THE QUESTIONS

Here are a few questions to ask your fiancé before your big day,

- Do you have any financial liabilities?
- What are your financial assets?
- How much do you earn, spend and save every month?
- How much are you willing to spend on our wedding?
- What are your future financial aspirations/ goals?
- What according to you should be our budget to buy a home?
- How will we manage the everyday expenses and the EMIs?
- What are your requirements and indulgences?
- Do you buy branded items?
- Do you invest in gadgets?
- Would you like to go on vacations together? How often?
- How much do you generally spend on leisure activities or hobbies?
- Do you invest in stocks or fixed deposits?
- What are your views on lending and borrowing money from friends and family?