

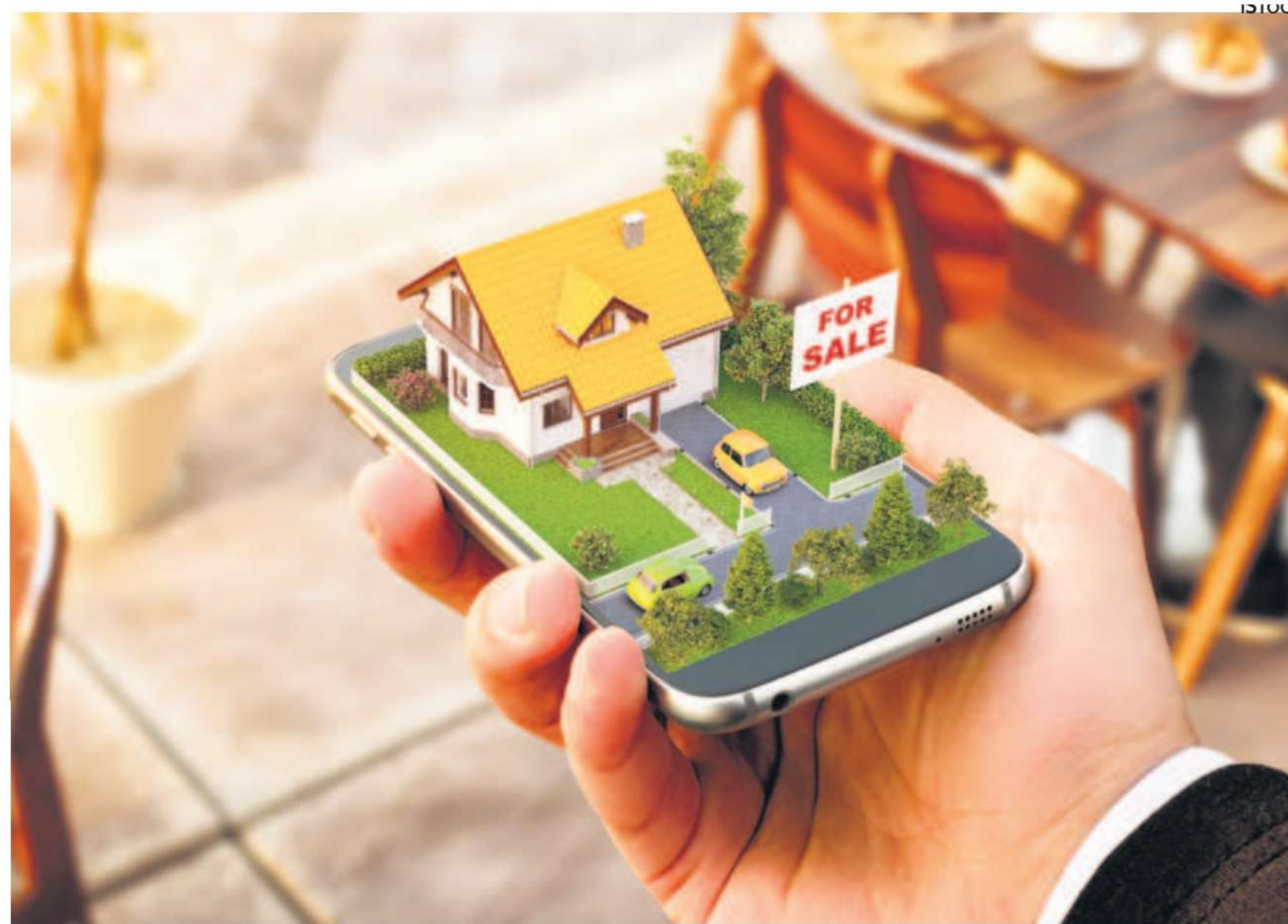
# Virtual tours may not be enough to buy a house

Digital marketing can help gather information, but physical verification is a must

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**R**eal estate is among the worst-hit sectors due to lockdown, with both construction and sales of property coming to a complete halt. While the government has allowed commencing of construction work in some non-containment zones, the real challenge for developers and consultants is to motivate homebuyers to buy property in such uncertain times.

Given that social distancing has become the new normal and is expected to remain so for a long time, developers are reinventing themselves and adopting digital methods for marketing and sales to attract homebuyers. Along with that, they are also using the time-tested practice of offering discounts and deals. We tell you about the initiatives and offers developers are rolling out in the market.



## VIRTUAL TOURS

Before buying a flat or property, you would like to visit and inspect the sample flats. You would also like to inspect the construction activity on the project site. However, given the lockdown and other restrictions, that's not possible immediately.

To provide this integral experience to buying, developers are uploading videos and providing virtual tours of apartments and projects to give buyers an idea about the available space, view, location, design and so on. "We have introduced 'Special Expression of interest' offers for all our projects through which our customers can take virtual tours of the property," said Ashish Sarin, chief executive officer, Alpha Corp. Development Pvt. Ltd, a Noida-based real estate developer.

"People are making more use of technologies like 3D visits, slice view of the project, video call with builder and brokers, initial online payment, among others," said Dhruv Agarwala, group CEO of real estate portals Housing.com, Makaan.com and Proptiger.com. However, site visits can't be ruled out completely, he added.

Apart from that, real estate consultants are organizing property webinars, showcasing available projects and their details to potential homebuyers, on the lines of property fairs. They are also organizing online interactive sessions with developers' representatives and sales teams to answer homebuyer queries.

## ONLINE BOOKING

Once you like the property in the virtual tour, you may even opt to make the booking online. Typically, you had to visit the office of the agent or the developer to make the booking. Online booking involves payment of the initial token amount for the property.

Many developers are already offering online booking facility to homebuyers either through their own websites or through real estate portals. Some others are on the verge of joining the bandwagon.

For instance, PropTiger.com is in the process of launching an end-to-end online booking facility on its portal. "This will help prospective buyers. Besides finding a property of their choice, they would also like to complete the entire booking process online, including making advance payments," said Agarwala.

However, what if you don't like the property when you finally visit in person? Some developers are providing a refund of the entire booking amount in case buyers change their minds after visiting the site. Typically, the booking amount is non-refundable though.

"There are many people who are considering buying properties, but are not doing so as they are unable to take site visit. Our offer is aimed at attracting such buyers. As we are offering 100% refund in case a buyer opts for cancellation within a stipulated time period, they can safely book a property of their choice," said Manoj Gaur, managing director, Gaurs Group, and chairman, Affordable Housing Committee, CREDAI (National).

Do check the terms and conditions for the refund though. Many other developers are offering full refund upon cancellation of online booking but only within a stipulated period.

## OFFERS AND SCHEMES

This may be a good time to look out for good bargains in real estate. Besides taking the help of technology to push sales, developers are also offering discounts and deals.

Even before the lockdown, some developers were offering gold coins or white goods with every booking. Developers have now added to that in view of the bleak economic scenario. For instance, Migsun Group, an NCR-based real estate developer, is offering buyers a 10% discount on the property value. In addition, it is also offering to pay three equated monthly instalments (EMIs) on behalf of the buyers.

Some developers are trying to

appeal to the compassionate side of buyers by offering that the booking amount will be donated for the fight against covid-19. For instance, Gurugram-based MRG World said that the ₹2 lakh booking amount that buyers need to pay will be donated to the government's PM CARES Fund. "The pandemic is the biggest crisis faced by mankind in the last 100 years or so. In such a scenario, it is our responsibility to contribute whatever we can and we have launched this scheme with this purpose," said Rajat Goel, joint managing director, MRG World.

Spectrum Metro, a Noida-based developer, has launched a special initiative wherein the company is donating the booking amount of up to ₹50,000 to PM CARES Fund.

However, some developers and consultants are still in wait and watch mode. "We are skeptical about the efficacy of any offers or discounts at this stage of uncertainty. We may consider

modifications in offerings to make it appealing if there are sufficient enquiries and site visits. Much of our offerings would depend on our clients' strategy to liquidate their inventory. For now, we will have to wait and watch and take a cue from the industry situation to calibrate our solutions accordingly," said Rahul Grover, chief executive officer, Sai Estate Consultants Chembur Pvt. Ltd, a Mumbai-based real estate broking firm.

Besides, offers and discounts may not make any difference to the luxury segment, which is the worst-hit in the current scenario. "We are into luxury housing with houses worth ₹4.5 crore upwards. Offers and schemes do not make much sense for customers in this cate-

gory. Obviously there are enquiries about price cuts and distress sales, but as of now we are just concentrating on better marketing of our products," said Ram Raheja, director, S. Raheja Realty, a Mumbai-based real estate developer.

## WHAT SHOULD YOU DO?

The first thing to consider in the present situation is job and cash flow certainty. "Those who have the slightest doubt should hold their decision for next few quarters. Property prices are unlikely to increase so there is no harm in postponing the buying decision," said Hemant Rustagi, chief executive officer, Wiseinvest Advisors, a financial planning firm.

If you want to go ahead and buy a property for end use, be careful about it and remember you may need to make visits to the site and other offices. Online marketing can be convenient for gathering information on projects, but a decision should be taken only after physical inspection of the project and ascertaining of other important details. You may have to visit your bank branch to avail a home loan. Also, since the onus of doing the due diligence around the title, approvals, certifications and construction status lies with the buyer, you may have to physically visit the concerned offices for these details.

Though some developers are promising to return the full online booking amount, you must check the terms and conditions carefully before making any such payment. Don't forget to evaluate the freebies and offers in terms of cash, and give more weightage to cash discounts.

Remember that in the current situation, ridden with labour shortage and other uncertainties, project delays can't be ruled out. So, if possible, avoid buying under-construction property.

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