

Solar power to show the way



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Owning a home was never so easy as it has become in recent times. The state and the central government has come forward with various schemes to help us in owning our own homes.

Low interest rates

Earlier, interest rates on home loans used to be very steep. Moreover, getting a home loan was also very difficult. With the introduction of CIBIL score, we now have a standard credit worthiness tool which has helped to smoothen the home loan approval process. Now the interest rates are as low as 9 per cent per annum which makes buying easier than before.

Credit-linked subsidy

If your income is below Rs 18 lakh per annum, the credit-linked subsidy scheme under the Pradhan Mantri Awas Yojana (Urban)-Housing for All scheme allows a first-time home buyer to get a home loan subsidy of up to 6.5 per cent which translates into an upfront subsidy benefit of up to Rs 2.67 lakh.

Lower stamp duty

When you plan to buy a house, you also need to have a budget for the registration fee and stamp duty and that is a significant amount indeed. However, from April 2017, the buyer is allowed to pay only a 2 per cent stamp duty to register the agreement for sale.

The balance stamp duty which can be paid at the time of the final conveyance deed registration will also be charged at the same rate as was done while registering the agreement for sale provided the conveyance is done within four years.

In the 2018-19 budget, the state government has also proposed a reduction in the stamp duty by 1 per cent. Hence, the new stamp duty rates will be 6 per cent for urban housing and 5 per cent for rural housing for properties valued up to Rs 1 crore.

Income tax benefit

Last but not the least! You can get income tax benefits on the repayment of the principal component of home loan for up to Rs 1.5 lakh under section 80C and on repayment of interest component of up to Rs 2 lakh under section 80EE once you avail yourself a home loan for buying your own house.



HOW MUCH MONEY DO YOU NEED TO BUY AN AFFORDABLE HOUSE

Flat Type	Approx. Price	GST & other charges	Total Price	Initial payment	Loan amount	CLSS Benefit	Effective Loan Amount	EMI for 20 years @ 9% interest
1 BHK	8.00	1.5	9.50	0.95	8.55	2.67	5.88	Rs 5240 p.m.

(Figures in Rs lakh)

CREDIT-LINKED SUBSIDY SCHEME

Income Group	Family income	Upfront subsidy
EWS & LIG	Up to Rs 6 lakh	Up to Rs 2.67 lakh
MIG I	Rs 6 lakh to Rs 12 lakh	Up to Rs 2.35 lakh
MIG II	Rs 12 lakh to Rs 18 lakh	Up to Rs 2.30 lakh

Family means husband, wife and minor children
The beneficiary should not own a *pucca* house either in his/her name or in the name of any member of the family in any part of India

Affordability counts

One should look for a real affordable house to benefit lifelong. Which means, the property is not only affordable at the time of buying, it is equally affordable in terms of living too. Like, it has three-sides open cross-ventilated rooms, good community space and activity centre, children's play area, low monthly maintenance and above all a location that has good connectivity.

Now, how much money do you need to spend in buying an affordable home?

For a 1BHK Flat, you need around Rs 85,000 in hand to make an initial payment and pay an EMI of Rs 5,240 per month, which is just Rs 174.6 per day. (See chart)

New energiser

Rooftop solar photovoltaic system is

going to be a big gamechanger with the induction of net-metering. With solar power's reliance on batteries now over, it is on its way to become an imperative addition to all new and old residential complexes.

Rooftop solar has gained a perception of being a luxury for high income group residences which is far from the truth.

Grid-tied rooftop solar plants can be a necessary addition to affordable housing.

First, solar power provides tangible results in terms of adding value for the residents.

Second, if designed correctly, grid-tied rooftop solar plants could offset up to 90 per cent of the common electricity requirements of the complex of common lighting, lifts, pumps, STP etc which contributes 60-70 per cent to the maintenance charges in affordable housing complexes. All these energy gains contribute in carbon footprint savings to the environment. Solar panels also give heat

insulation to the terrace which further helps in energy efficiency.

Many developers have taken the plunge in installing rooftop solar panels in our country.

Asia's largest and the world's second largest solar panel installation in any housing complex is coming up at your doorstep in Serampore!

So, let's once again sum up the desirable features of a house that is affordable and yet provides a great living experience. It should have the following:

- Three-sides open cross-ventilated home with ample air and light will help you reduce electricity cost.
 - In-campus gymnasium, community hall, children's play area and shopping and sports facilities that will help you lead a healthy and wholesome life.
 - Good road and rail connectivity will help you reach your destinations at a lower cost.
 - Low monthly maintenance will help increase your monthly savings.
 - Solar power plant on the roof. This facility will surely reduce the monthly maintenance cost as majority of the latter is spent on common area lighting and running common facilities such as water pumps, lifts etc. The use of solar power can reduce up to 90 per cent of the common electricity cost.
- So, get your new home which is not only affordable but also provides sustainable living.



Picture by Sanat Kumar Sinha