



Document checklist before buying a commercial property.

There are many buyers who are preferring to buy resale commercial properties as compared to under construction ones. Here's a list of important documents you must check before closing the deal.

Buying a **commercial property** generally involves a huge amount of money and major care must be taken while conducting such a deal. A **commercial property** has many advantages and is preferred over under-construction projects by many people. However, you must make sure the property has clear ownership titles and that all government permissions are in place. Here is a checklist of all the documents that must be scrutinised by you, while purchasing a **commercial property** which is up for sale.

Commercial property: Purchase checklist

Sale deed

The sale deed for commercial property is the most important document that you must check from the seller of the sale property. The sale deed is the proof of the sale that must have happened between the current owner and the previous owner. It is the sale deed, forms the basis of transfer of ownership of the property to the current owner from the previous owner. You must read all the contents of the sale deed thoroughly and you can even ask questions related to some of the aspects of the sale deed from the current owner, if you have any doubts.

Building plan

The building plan for commercial property is another important document that you must check and make sure whether the property has a sanctioned building plan or not. A building plan is usually approved by the municipality of the area. The plan has the blueprint of the property



including the equipment layout and various utilities. Any additional construction to the sanctioned building plan is liable to be pulled down by the local authorities as it would be considered illegal.

Completion certificate

A Completion Certificate for a commercial property is very important and will ensure that the building has been constructed in accordance with the local laws and is ready to be occupied by people. This commercial property completion certificate is issued by the municipal authority of the area and is necessary for getting loans from banks or NBFCs. This is also important for getting water and electricity connections in the building.

Tax payment receipts

Any building has to pay various taxes to various government departments— more so if it is a commercial property. You must check that all taxes have been paid and ask the current owner for the receipts.

Encumbrance certificate

An encumbrance certificate ensures that there are no dues or obligation against the building. This document is also very important and can be obtained from the sub-registrar's office where the property has been registered at the time of buying commercial property.

Conversion order

If the land on which the commercial property stands currently was agricultural or residential land, then a conversion of the use of the land must have been filed by the builder. This is



called Change of Land Use. Such a conversion order must also be verified by you to avoid any problem in the future.

Possession certificate

At the time of sale of commercial property, the builder must have given a possession certificate of the property in question, to the first owner. This document is not re-issued for the purpose of resale, but the current owner must hand over the document to you.