

CRITICAL SUCCESS FACTORS TO PROCURE A OWN HOUSE

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ABSTRACT

Owning a house is an important desire of every Individual. Owning a house becomes easy to some people and challenging to some people. These all depends upon the awareness about the land procurement process and its formalities. That too, if the buyer belongs to middle income group, he can invest only on budgetary houses. If the location of the buyer is rural based his investment may be sufficient to procure an individual house. Similarly if the investor is located in city, then it will become a challenging one to meet out the budget required to own an individual house. Then the alternate choice of the investor may be towards apartment houses. While this is the case on investment side, his investing ability alone is not sufficient to procure a house. Investor needs to aware or consider some of the most essential factors to procure house investment irrespective of the property proposed. This study explores the most essential critical factors a housing investor has to consider to have secured investment. This study may enlighten every common man to handle his investment carefully in the real estate sector. Also these critical factors may provide knowledge to make a secured property management.

KEY WORDS: Investor, Real Estate Sector, Construction Industry, Apartment, Housing, Property Management.

INTRODUCTION

Every individual wants to own a house and willing to have that own house as an individual house. Owning an individual house is not that much trivial to a middle class investor, that too in cities. In big cities, it is a big challenge to common man and is not so easy to achieve his target. Especially to middle class investors, hence they are all inclined to apartment houses that can meet out their financial sources. Hence, the demand for middle class budget apartments grows to meet out the need of the middle class population. Hence, Real estate promotion business lies in promoting apartments projects for middle class budget. So, Business promoters also inclined towards promoting apartments projects, targeting middle class investors. So that, the technocrats also moves to promote their housing business promotion in middle class budget houses. So, new

housing business promotion entrants also focused towards apartment promotions as their targeted business opportunity. Construction Engineers having lesser experience in construction industry also started targeting in promoting apartment construction at budget based.

CORPORATE SELLER OR ENGINEER BASED

Every investor should have their own buying strategy or strategy for promoter analysis while procuring apartments. They should have sufficient negotiation skills and analytical ability to justify their suppliers. They should have clear awareness about their choice of choosing their suppliers as whether they are going to procure a house that was planned and promoted by an experienced engineer or corporate housing promoters. There should be a sufficient clarity about the housing promotion was done by direct supervision of a construction engineer or a corporate housing promoters those who are promoting their houses as a corporate entity.

If the housing project is promoted by a construction engineer, the buyer should consult that engineer and may collect sufficient information directly from the engineer promoting that housing project. The buyer could collect technical information that can provide implied information about the expertness and experience of the construction and business promoting engineer. If the housing project is promoted by a housing promoting corporate, a representative representing that corporate may explain the technical details about the housing in promotion. The investor cannot take it as granted, all the promoters commitments that he provides during the process of selling the house projects. He may apply some false commitments as his marketing strategy just to promote the project. Those false commitments may be or may not be fulfilled at the end of the project. Hence, the investor should have ability to explore and assess the promoter, before deciding the promoter with all the possible decision making efficiency.

CREDIBILITY

The investor should have sufficient ability to assess the promoting engineer or corporate based on their credibility and their sustainability in the housing project promotions. The investor should not justify this factor based on the size of the project but based on the credibility of the promoter. The investor should assess the quantum of experience of the promoter in the construction industry. If a promoter exists in a market for tenure of five years or more, it is an indication that their credibility is better that can be assessed by verifying their existing customers those who invested earlier from that project promoters. The investor can approach those customers and may collect their expert opinion and experience about the particular housing promoter to conclude the promoter. Also it is always better to take opinion from the recent customers of the current project in which the investor proposed to procure a house. This assessment should be physical visit to the site proposed and conversion in person; it should not be just oral confirmation or telephonic conversation.

NATURE OF THE SITE

It is investor's responsibility also to assess the nature of the site proposed or construction done. Investor should visit to the spot and verify the nature of the site. He should collect about the site, such as whether site is a new housing promotion area, or already promoted. If the site is a past project, the stability of the soil can be easily verified. If the site is located in a promoted area, investor can claim the stability information about the existing construction. If the project is a, to be promoted one and apartment based, the investor has to verify with the promoter about the soil stability test, and the confirmation about the soil test were conducted in at least six locations. The report should reflect the eligibility of the soil as per industry standards. Those soil test report may help the investor to understand the condition of the soil, size of the eligible pillars, size, and

related standards to be followed etc. investor should collect the report and keep clarity with the consultation of a known engineer or market experts.

CONSTRUCTION STRUCTURE

Investors have to verify the nature of the construction and its nature, based on the report of the soil test, and its standards. Because based on the soil report only construction project approval of the proposed construction project and its approval of the local authorities. The approval report of the proposed construction will reflect about the technical details about the materials required and its specifications. Investors should understand and verify the specifications in the approval and the construction in process. The investor should verify materials used, depth of the pillars, applications of the technology, diameter of the pillar, rods used to form pillars, blue metals proposed, quality of the cement recommended and its grade, construction materials and size of the materials to be used., density of the of the concrete and etc., should also be verified.

LEGAL DATA

Investor has to verify the blue print approval of the housing proposed has to be verified that whether it has been stated as per the plan approval of the local body authority. This approval should be within the approved period and its expiry has also to be verified by the investor. Also investor has to cross verify whether the construction is as per the specifications stated in the approval of the plan. Also he has to check the approval specifications that includes no of floors if it is a multistory building. Investor has to do regulation analysis about the existence and quantum of violation if any; that violation has to be noted in the aspect of viability for solving etc. The investor should aware of these violation in the construction, and also should cross verify those violations against the approved one, and all the possibilities for ratification or the quantum of penalty should also be noted if any.

COMPLETION CERTIFICATES

If the investor is interested towards a project that too a completed one, then he has to verify the construction completion certificates from respective local body authorities for the eligibility to occupy. Completion and Occupancy certificate should express as if there is no violation or incompleteness, and if any, that has to be ratified or not etc.; that completion certification should be issued by the respective authorities with appropriate field and physical verifications of the site certified. Such certificate should also express that the respective site has been constructed as per the specifications of the approval and nothing has been violated etc., In practical, these types of tests are becoming rarest, but it is always better to have the same appropriately without fail. But at the same time utilizing those improperly approved housing for residence without appropriate approval is also a risky one. Only Apartment housing projects can fulfill the housing need of the city resident's, especially middle class investors in the cities. These are the reasons why an investor has to consider the experience of the individual promoter or the credibility of the corporate promoter has to be taken into consideration while choosing the housing promoter analysis. Hence the investor needs to apply all the most important critical factors that have to be adopted, from the approval of the site proposed to construct to till getting the construction completion certification, and occupying the apartment or individual house. Then only the investor can feel secured in his investments and residence.

CONCLUSION

Earning is easy but securing the hardly earned money thru investment is a challenging one. Every individual wants to fulfill his desire, in which owning a house property is one of the most essential as well as social status of every one. To fulfill his desire investor has to explore the

housing market according to his need and budget. According to the budget and location the size and nature may defer. Investors' affordability makes him to take decision accordingly. Investor needs to possess sufficient awareness and skills to procure a house. He has to consider so many critical factors while deciding the investor, choosing the location, finalizing the cost, concluding the quality, desiring the facilities, verifying the legal documents, resourcing the finance and executing his decision etc., this study provides the most essential critical factors that can provide successful investment in a housing property in the real estate sector.

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