



# First-Time Homebuyer India: Essential 2026 Checklist

India's residential real estate market hit USD 482 billion in 2024 and projects 10.5% CAGR growth to USD 1.18 trillion by 2033. Luxury sales (₹4Cr+) surged 37.8% YoY while NRI investment reached USD 14.5 billion (+20% YoY). First-time buyers face constrained affordable supply (<₹40L segment down 6%) but structural tailwinds from urbanisation, infrastructure, and institutional capital. This checklist distils the exact sequence used by successful salaried buyers and NRIs in 2025 transactions.

## STEP-BY-STEP ACQUISITION CHECKLIST (8 Weeks)

### Week 1: Budget Reality Check

- Maximum affordable price = (Annual income × 5) minus existing EMIs + 15% buffer for stamp duty/registration.
- ₹15L annual salary → ₹60-70L home budget
- ₹25L annual salary → ₹1.1-1.3Cr budget
- Test EMI at 9% interest (20 years) using SBI/HDFC calculators. Sustainable ratio: EMIs <45% gross monthly income.

### Week 2: Loan Pre-Approval (Critical)

- Apply at 2-3 banks (SBI, HDFC, ICICI). Locks borrowing power, signals serious intent to sellers.
- Required docs: 3 months salary slips, 2 years ITR, 6 months bank statements.
- NRIs: Add passport, visa, overseas income proof, NRE account statements.
- Typical approval: 75-80% of property value at 8.5-9% fixed for first 3 years.

### Weeks 3-4: Property Shortlist

- RERA-registered only.
- **Priority micro-locations:**
  - Bengaluru: Whitefield, Sarjapur Road (IT corridor)
  - Pune: Hinjewadi, Baner (tech hub proximity)
  - Gurgaon: Dwarka Expressway, Golf Course Extension

- Mumbai: Thane, Navi Mumbai (commute <45 min)
- Visit 5-7 properties.
- **Checklist:** water supply, power backup (2+ hours), parking allocation, lift maintenance.

## Weeks 5-6: Legal Due Diligence

- Hire property lawyer for these 5 documents:
  1. Encumbrance Certificate (13-30 years, Sub-Registrar office) - No loans/disputes
  2. Title Deed Chain - Clear ownership transfer history
  3. Approved Building Plans - Municipal corporation sanction
  4. NOCs - Society/bank clearance
  5. RERA Status - rera.gov.in (zero complaints, on-time progress)
- **Red flags:** Court cases, disputed land, unapproved floors, developer bankruptcy history.

## Week 7: Negotiation & Agreement

- Resale: Offer 5-10% below asking price.
- New launches: 3-5% off.
- Agreement to Sell (10% token): Include possession timeline, delay penalty, 12-month defect liability.
- NRIs: Execute via apostilled Power of Attorney from country of residence.

## Week 8+: Registration & Handover

- Balance payment via cheque/RTGS (avoid cash >₹2L).
- At Sub-Registrar: Pay stamp duty online. Get mutation updated (revenue records, 30 days)
- Insure immediately (₹5-10K/year premium)
- Activate society membership, get the share certificate.



## KEY MARKET DATA 2024-2026

**Infrastructure Alpha:** Properties within 2km of metro corridors Phase 2/3 or new expressways outperform by 15-25% over 5 years (JLL Infra Study).

## SPECIAL CONSIDERATIONS

**PMAY Subsidy** (First-Time Buyers <₹18L annual income):

₹1.8L interest subsidy on ₹35L loan.

Eligibility: No family member owns a pucca house.

**NRI Rules:** FEMA allows residential purchase. Cannot buy agricultural land. Route funds through NRE/NRO accounts only.

### Risk Mitigation:

- Avoid under-construction unless reputed developer
- Never skip Encumbrance Certificate
- Model EMI at +2% interest rate stress test
- Resale market = higher risk, lower price (10-15% discount vs ready-to-move)

## REAL-WORLD EXAMPLE

Mumbai couple (₹12L/month combined) targeted Thane resale (₹1.2Cr budget). Skipped RERA-complaint project, chose verified resale with clean 20-year EC. Negotiated ₹8L off list price. Closed with SBI pre-approval at 8.75%. Property +12% in 6 months.

Download this checklist as your transaction roadmap. Print, tick off each step. Your first home purchase becomes a calculated wealth-building move, not a leap of faith.