

CORP HOME SCHEME

1	Eligibility	<ul style="list-style-type: none"> ➤ Residents /NRIs/ PIO holding Indian Passports conforming to normal borrower standards with independent & regular source of income. ➤ Age of the borrower/s shall be between 18 years to 60 years subject to the condition that repayment period (including repayment holiday if any,) shall not go beyond the retirement age, in case of salaried class, and 70 years of age, in case of other than salaried class. ➤ Where property is held in joint names, all the joint holders should join as co applicants to the loan. ➤ In addition to spouse, maximum of one close relative as co applicant required for supplementing repayment capacity. ➤ However, where the property to be mortgaged is jointly owned by close relatives, all the joint owners to join as co applicants, irrespective of their age and numbers ➤ Where property is owned by applicant's parents/spouse who do not have independent/regular income, they should join as co applicant only, irrespective of their age. ➤ If, applicant is unmarried/divorcee, co obligation of parent/s (irrespective of their age) or third party guarantee is required ➤ Applicant /Co applicant must be confirmed in the service & should have two years of aggregate service in previous & present employment together. 		
2	Purpose	<ul style="list-style-type: none"> ⇒ For construction of house/flat, purchase of ready built house/ flat. ⇒ For repairs/renovation /extension/improvement of existing house/flat. ⇒ For take-over of housing loans from other Banks/Institutions. 		
3	Amount	Area	Loan Amount	Loan for Site
		Metro & Port Town Centres	Rs. 500 lacs	Rs. 30 lacs
		Urban Centres	Rs. 50 lacs	Rs. 15 lacs
		Semi Urban & Rural Centres	Rs. 25 lacs	Rs. 10 lacs
		For Repair/Renovation/Extension/ Improvement ⇒ Rs. 5 lacs.		
		Loan amount is based on location of the property.		

4	Margin & Repayment Period	Age of the house /flat (Maximum age of the house/flat shall not exceed 30 years)	Margin for Loan amount Upto Rs.1 crore	Repayment Period
		Up to 10 years	20%	25 years
Margin for loan above 1 cr to 2 cr : 25% above 2 cr to 3 cr : 30% above 3 cr : 35%		Above 10 years & up to 20 years	20%	20 years
		Above 20 years & up to 30 years	25%	15 years
		Repair/renovation/extension	20%	5 years
		<ul style="list-style-type: none"> ➤ Property mortgaged for housing loan is the primary security. ➤ Wherever, Site/Plot has already been mortgaged as security for any other credit facility, loan only for construction of house may be sanctioned with a margin of 35% on cost of construction. 		
		<ul style="list-style-type: none"> ➤ Repayment period not to exceed retirement date for salaried persons and 70 years of age for other than salaried persons. 		
5	Security	Mortgage of house / flat purchased out of Bank Finance.		
6	Guarantee	<p>⇒ Third party guarantee at the discretion of the Sanctioning Authority.</p> <p>⇒ Wherever third party guarantee is not stipulated, co obligation of Spouse is mandatory.</p> <p>➤ If, applicant is unmarried/divorcee, co obligation of parent/s (irrespective of their age) or third party guarantee is required</p>		

7	Rate of Interest	With Effective from 04.05.2009					
		Up to Rs.30 lacs		Above Rs.30 lacs & upto Rs.50 lakhs		Above Rs.50 lakhs	
Loan Tenor		Floating	Fixed	Floating	Fixed	Floating	Fixed
Up to 5 years		8.75 %	11.00%	9.50 %	11.50 %	10.00 %	11.50 %
Above 5 & upto 15 years		9.50 %		10.00 %		10.50 %	
Above 15 years & upto 20 years		9.75 %		10.50%		10.75 %	
Above 20 & upto 25 years		10.25 %		10.75 %		11.00 %	
<ul style="list-style-type: none"> ➤ Maximum tenor under Fixed rate loans restricted to 20 years for salaried class and 15 years for other category of borrowers. ➤ Housing loans under Fixed Rate of Interest is offered upto 20 years only. The rate of interest will be reset at the discretion of the Bank once in 5 years. 							

8	<p>EMI & Eligible Income</p>	<p>EMI/Notional interest of existing and proposed loan together as a percentage to net income will be applicable as per guidelines</p> <ul style="list-style-type: none"> ▶ Interest debited during the initial repayment holiday period will be accumulated and added to principal and EMI is fixed based on the balance outstanding at the beginning of the repayment period. ▶ However, borrower has the option to service the interest debited during repayment holiday period to reduce his liability. <hr/> <p>⇒ Regular & verifiable income only considered.</p> <p>⇒ Salary, Pension, Business income, Agricultural income etc., are eligible.</p> <p>⇒ In case of seasonal income, Quarterly/Half Yearly/ Yearly installments are fixed.</p> <ul style="list-style-type: none"> ▶ Rent saving AND/OR Future rent may be considered to the maximum of 50%, based on actual rent prevailing in the area where the property is situated. Such income should be stable and shall be available for repayment, during the entire repayment period. ▶ Wherever the main applicant is an IT assessee, his Income Tax savings on availing housing loan is considered to arrive at repayment capacity. (This provision is applicable for main applicant only, provided he is an IT assessee and on availing the loan, is eligible for such IT relief)
	<p>Revision in EMI</p>	<ul style="list-style-type: none"> ▶ EMI is fixed at the time of sanctioning of loan based on loan amount in relation to loan tenor. ▶ If the interest rate is revised during the period of loan, EMI will be revised at the date of annual review of loan. ▶ Borrower may request to fix EMI for principal amount along with interest debited during initial repayment holiday period. ▶ In such cases, tentative EMI will be fixed at the time of loan sanction. ▶ Interest debited during the initial repayment holiday period will be accumulated and added to principal and EMI will be fixed based on the balance outstanding at the beginning of the repayment period. ▶ However, borrower has option to service the interest debited during initial repayment holiday period to reduce his liability. ▶ In case the borrower avails loan amount lesser than the sanctioned amount, EMI will be fixed only on the amount disbursed. No further disbursement shall be made thereafter. However, rate of interest to be charged is based on the loan amount originally sanctioned.

9	Project Cost	<ul style="list-style-type: none"> ➤ Loan for construction/purchase of house in Agricultural land not to be permitted under the Scheme. ➤ Project cost consists of purchase price, Stamp Duty, Registration Charges, VAT/Service Tax etc.. ➤ In case of ready built flat/flat under construction, sale agreement can include cost of parking area. ➤ In case of construction of house, project cost includes construction of compound wall. ➤ Cost of Solar Water Heating System may also be considered as one of the components of project cost ➤ Where loan is availed for construction of house/purchase of ready built New flat/New house or flat/house under construction, cost of permanent fixtures such as wardrobe, wooden fittings/racks & Italian Kitchen etc., are permitted to be added in the project cost. However, cost of such items not to exceed 10% of the loan amount sanctioned, subject to the maximum of Rs.2 lakhs.
10	Maximum number of Housing loans permitted	<ul style="list-style-type: none"> ➤ Maximum of three housing loans, other than loan for Repairs/ Renovation/ Improvement/extension, is considered subject to borrower's income/ repayment capacity, satisfactory status of the previous loans etc.. ➤ All housing loan limits availed for purchase of/ construction/ repair/ renovation/ extension etc., are clubbed together for the purpose of charging Rate of Interest.

11	Processing Charges.	Up to Rs.5 lacs	0.50% of loan subject to min Rs.1000/- & max Rs.2500/-
		Above Rs.5 lakhs & upto Rs.15 lakhs	0.50% of loan subject to min Rs .2500/- & max Rs.7500/-
		Above Rs.15 lacs & upto Rs.20 lacs	0.50% of loan subject to min Rs.7500/-& max Rs.10000/-
		Above Rs.20 lakhs	0.50% of loan subject to min Rs.10000/- & max Rs.50000/

12	Pre Payment Penalty	Floating Rate Option	
		<ul style="list-style-type: none"> ➤ 0.50% of amount prepaid in excess of 10 EMIs / 2 Quarterly /1 Half yearly /1 yearly instalments during the loan year OR pre closure of loan account. ➤ (No penalty for loans sanctioned prior to 01.02.2005) 	
		Fixed Rate Option	
		<ul style="list-style-type: none"> ➤ Penalty at 1% on the entire amount prepaid. ➤ No penalty for Prepayment after completion of 5 years. ➤ No penalty for Prepayment for amount not exceeding 10 EMIs / 2 Quarterly /1 Half yearly /1 yearly instalments during the loan year. 	

13	Conversion Charges	<ul style="list-style-type: none"> ➤ From Floating to Fixed : 1% of the outstanding balance, inclusive of upto date interest as on the date of conversion. ➤ From Fixed to Floating :The existing fixed rate loans including those already subjected to reset, where rate of interest charged is below 12% can be converted to floating rate at the option of the borrower at the time of next reset by payment of conversion charges at 1% on the loan amount outstanding as on the date of conversion. ➤ The existing fixed rate loans including those already subjected to reset, where rate of interest charged is 12% and above , can be converted to floating rate at the option of the borrower at any time during the currency of the loan by payment of conversion charges at 2% on the loan amount outstanding as on the date of conversion. ➤ Re-Scheduling of loan to lower tenor is not allowed under the Scheme.
14	Loan for Site & Construction of House thereon.	<ul style="list-style-type: none"> ➤ Under the Scheme, loan for purchase of site/plot/land and construction of house thereon are considered. ➤ Where loan is availed for purchase of site & construction of house thereon, cost of site/land should not exceed 60% of project cost. ➤ Construction should commence within 12 months. ➤ Construction should be completed with in maximum of 24 months. ➤ In case of default in construction of house, rate of interest is charged to such loan is COBAR+0.50%+3% and the interest at this rate is applicable from from the date of initial disbursement of loan.
15	Take Over of loan	<ul style="list-style-type: none"> ➤ Take over of housing loan availed with other banks/ Institutions/ employer permitted ➤ Take over of loan from first financier is only permitted (i.e. First time takeover of loan only is permitted) ➤ Repayment period should not exceed leftover repayment period of transferor bank OR repayment period prescribed under the Scheme in relation to age of the property OR Balance life of the property, whichever is shorter ➤ Loan amount should not exceed 75% of market value or Balance outstanding at transferor bank whichever is lower ➤ Age of the property not to exceed 25 years.
16	Second Loan for Enhancement	<ul style="list-style-type: none"> ➤ Enhancement of loan may be permitted during pre EMI or post EMI period ➤ loan for enhancement treated as separate loan. However loan amounts are aggregated for computation of rate of interest.

17	For Repairs / Renovation/ Extension.	<ul style="list-style-type: none"> ➤ Loan for repair/renovation/extension will be considered ➤ Maximum loan is Rs.5 lakhs & maximum repayment period 5 years. ➤ Loan for repair/renovation not given within 12 months of availing first loan, if the age of the property is within 5 years. ➤ If the age of the property is more than 5 years, second loan is permitted for repairs/renovation, within 12 months of availing first loan. ➤ Value of the property must be two times of loan amount. ➤ Balance life of the building shall be 25 years. ➤ Loan for repair/renovation are aggregated for computation of interest rate. ➤ For loan upto Rs.1 lakh, EMG of house/flat may is not compulsory. In such cases, the loan shall be fully secured by financial assets such as shares/ debentures/units/LIC Policies/deposits/NSCs, subject to maintaining prescribed margin against such securities.
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18	Loan against Second charge / Pari Pasu Charge	<ul style="list-style-type: none"> ➤ In case of resident individuals such as employees of Government/ Reputed institutions/Organizations/ Corporates, who have already availed housing loan from their respective employers by mortgaging the property in favour of the employer, in such cases, housing loan is considered on a selective basis only against Pari-Passu charge. ➤ In such cases, value of the property must be 150% of the total loans availed against such property. ➤ Loan against second charge not considered.
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19	Corp Flexi Loans	The Scheme is to facilitate the younger borrowers expecting income growth in the years to come, and would like to avail higher quantum of loan than the normal eligibility. Under the scheme, installments will be flexible/progressive/step up, in tune with increase in income. (The scheme is only for salaried class)
	Option 1	<ul style="list-style-type: none"> ⇒ loan amount will be 130% of the normal entitlement. ⇒ First 5 years, EMI is based on present repayment capacity for normal loan entitlement.(100%) ⇒ Next 5 years, EMI will be normal for full loan (130%) ⇒ Balance period, EMI will be for balance repayment period on the balance outstanding at the end of 10th year.
	Option 2	<ul style="list-style-type: none"> ⇒ loan amount will be based on present repayment capacity. ⇒ First 5 years, EMI at 70% of normal EMI. ⇒ Next 5 years, normal EMI. ⇒ Balance period , EMI will be for balance repayment period on the balance outstanding at the end of 10 th year.

	Other conditions	<ul style="list-style-type: none"> ➤ No relaxation permitted from the prescribed margin. ➤ Certificate from employer regarding salary structure for the next 5 years compulsory.
20	Disbursement	<ul style="list-style-type: none"> ➤ Loan amount directly remitted to the seller. No reimbursement of purchase price permitted under the scheme. ➤ In case of flat/ property is under construction, loan is released in stages depending upon the progress of construction.
21	Insurance	<ul style="list-style-type: none"> ➤ Property to be covered under Insurance under Reinstatement value method. ➤ Insurance of the mortgaged property is mandatory and the insurance premium borne by the borrower.
22	Corp Griha Raksha.	Insurance of the borrower under Corp Griha Raksha considered at the option of the borrower. Premium amount is added to loan amount.