

Home Loans

To help you realize your dream of owning a Costalnfra residence, we tie-up with major Housing Finance Companies and Banks to devise loan schemes for our various projects. We will help you get flexible and hassle free financial loan at highly competitive rates of interest along with other benefits.

Our Banking Partners:

- SBI
- HDFC
- ICICI
- AXIS

1. What are the types of home loans available?

Financial institutions offer various housing loans. Prominent among these are:

- Home Purchase Loan
- Home Improvement Loan
- Home Construction Loan
- Loans to Professionals
- Home Equity Loans
- Land Purchase Loans
- Bridge Loans
- Loans To NRIs

2. Who can apply for a housing loan?

Either can apply for Home Loans-individually or jointly. Any person, including Non Resident Indians, with a steady source of income can borrow funds from housing finance companies and banks.

You should be

- Above 21 years of age at the commencement of the loan.
- Below 65 when the loan matures
- Either salaried or self employed

3. Can a Non Resident Indian avail of housing loans?

Yes. Repayment of loan should be made within a period not exceeding 20 years out of inward remittances or out of funds held in the borrower's NRE/FCNR/NRO accounts.

4. How much can a person borrow?

Loans can be availed up to a maximum of 85% of the cost of the property (including the cost of the land). HDFC lends up to a maximum of Rs.1, 00,00,000 on a Home Loan to an individual. The balance 15% cost of the flat is to be funded by the flat purchaser from his own contribution.

5. What securities are required for a home loan?

In most cases, the property to be purchased itself becomes the security and is mortgaged to the lending institution till the entire loan is repaid. As per the requirements some institutions may ask for additional security such as life insurance policies, shares, bonds, fixed deposit receipts, national savings certificates.

6. Do Bank/Lending companies require guarantors?

Yes. Many lending companies require 1 guarantor.

7. What are the documents required at the time of making an Application for a housing loan?

If you are Employed - Latest salary slip/salary certificate showing all deductions.

If you are Self Employed - Balance Sheets and Profit & Loss Accounts of the business/profession along with copies of Individual Income Tax Returns for the last three years certified by a Chartered Accountant and a note giving information on the nature of your business/profession, form of organization, clients, suppliers, etc.

Personal details documents:

- 1 passport size latest photograph of each applicant (applicant & co-applicant) with signature across.
- Valid passport copies for all the applicants.
- Valid visa copies for all the applicants.
- Cheque / Draft in INR for fees (as per applicable rate) and the date must be in dd/mm/yyyy format*.
- Power of Attorney document as per our format duly signed by all the applicants.
- Authority letter duly signed by all the applicants as per our specified format.
- Company details as per our format.
- Copy of current overseas residential verification proof of all the applicants to the loan. (Driving license or bank statement showing overseas address or latest insurance premium receipt or utility bill).
- Copy of PAN Card for the 1st applicant OR Form 60 as per our format attached here with self attested address proof of all applicants.

Financial details documents: for salaried individuals

- Copy of current appointment letter OR Copy of salary certificate clearly mentioning the date of joining, current salary earned and designation held in the company
- Copy of previous appointment letters
- Last 3 months salary slip for fixed salary and last 4 months for variable salary
- Last 6 months bank statements clearly mentioning salary credits in the account

For self employed individuals:

- Incorporation of business
- Income Proof - Middle East: Last 2 years audited/C.A certified P&L accounts.
- US & Canada: Last 2 years CPA compiled/reviewed/audited P&L accounts.
- Others: Last 2 years C.A or equivalent certified/audited P&L accounts.
- Partnership deed (incase of a partnership firm)
- MOA & AOA of the company (incase of a private ltd. company)
- Last 6 months bank statements in the company's name
- Last 6 months bank statements in individual's name
- Business profile and office address proof

8. What is the time required for approval of a loan application?

About 0- 20 days.

9. What is the time required for loan disbursement?

Usually loans are disbursed within 3-15 days after completion of verification by the institution, documentation (such as handing over of the original agreement for sale / lodging receipt to the lender) and completion of all relevant procedures including proof that 15% of the cost has been paid upfront to the seller of the property.

10. Can I repay the loan ahead of schedule?

Yes. You can repay the loan ahead of schedule. An early redemption charge is payable, which varies from time to time. Currently, the early redemption charge is 2% and is payable on the amount being prepaid in case you decide to repay the loan in part or full.

11. Do I get a tax benefit on the loan?

Yes. Resident Indians are eligible for certain tax benefits on principal and interest components of a loan under the Income Tax Act, 1961. You can save tax up to Rs. 47,250 p.a., on an interest repayment of Rs. 1,50,000 p.a. Under Sec 88, you can get added tax benefits on repayment of principal amount up to Rs. 20,000 p.a. This further reduces your tax liability by Rs. 4,000 p.a.

12. What are the interest rates offered for home loans?

12.50% (Annual Reduction) on the amount.

13. What is an EMI?

EMI-Equated Monthly Installment is the amount payable by a borrower to the lender every month, comprising a portion of the interest and the principal loan amount. EMI commences from the month following the month in which you take full disbursement.

14. How is an EMI calculated?

EMI Formula: $l \times r [(1+r)^n / (1+r)^n - 1] \times 1/12$

= loan amount

r = rate of interest

n = term of the loan

15. Which sources, other than housing finance companies, can give loans for purchasing a flat?

A loan for purchasing a flat can be availed of from the following sources:

- ✓ Housing Finance Companies.
- ✓ Banks.
- ✓ Employer.
- ✓ Insurance company.
- ✓ Against Provident Fund Account, Fixed Deposits, Post office Savings.
- ✓ Against Shares and Debentures of listed companies.
- ✓ Government bonds and securities.
- ✓ Private parties such as relatives, friends.