

How will HDFC Bank decide the home loan amount i am eligible for?

HDFC Bank will determine your Home Loan Eligibility largely by your income and repayment capacity. Other important factors include your age, qualification, number of dependants, your spouse's income (if any), assets & liabilities, savings history and the stability & continuity of occupation.

What does an EMI mean?

EMI refers to the 'Equated Monthly Installment' which is the amount you will pay to us on a specific date each month till the loan is repaid in full. The EMI comprises of the principal and interest components which are structured in a way that in the initial years of your loan, the interest component is much larger than the principal component, while towards the latter half of the loan, the principal component is much larger.

What does 'own contribution' mean?

'Own Contribution' is the total cost of the property less HDFC Bank's home loan.

How do I repay a home loan?

For your convenience, HDFC Bank offers various modes for repayment of your house loan. You may issue standing instructions to your banker to pay the installments through ECS (Electronic Clearing System), opt for direct deduction of monthly installments by your employer or issue post-dated cheques from your salary account.

When can I make a home loan application?

You can apply for a Home Loan at any time once you have decided to purchase or construct a property, even if you have not selected the property or the construction has not commenced.

What does 'market value' of the property mean?

Market value refers to the estimated amount that is expected to be fetched on the property as per the prevailing market conditions.

How do i make a loan application?

You could collect an application form from our nearest office or simply download it from our website and submit it yourself along with the supporting documents and the processing fee cheque at any HDFC Bank office that is convenient to you. Alternatively you have the option to make an online application from anywhere in the world by clicking on 'Instant Home Loan' on our website and also know your Home Loan eligibility instantly.

Do i get tax benefits on the loan?

Yes. You are eligible for tax benefits on the principal and interest components of your Home Loan under the Income Tax Act, 1961. As the benefits could vary each year, please do check with our Loan Counselor about the tax benefits which you could avail on your loan.

What security will i have to provide?

Security of the loan would generally be security interest on the property being financed by us and / or any other collateral / interim security as may be required by us.

It is extremely important for you to ensure that the title to the property is clear, marketable and free from encumbrance. There should not be any existing mortgage, loan or litigation, which is likely to adversely affect the title to the property.

When do i start repaying the principal amount?

Repayment of the principal commences from the month following the month in which you avail full disbursement of your loan. Pending final disbursement, you pay interest on the portion of the loan disbursed. This interest is called pre-EMI interest. Pre-EMI interest is payable every month from the date of each disbursement up to the date of commencement of EMI.

In the case of under construction properties, HDFC Bank also offers you a unique 'Tranching' facility wherein you can choose the installments you wish to pay till the time the property is ready for possession. Any amount over and above the interest which is paid by you goes towards principal repayment, thus helping you repay the loan faster. This is especially useful in case your disbursements are likely to be spread over a longer period of time.

What does 'agreement to sell' mean? Does it have to be registered?

The 'Agreement to Sell' in a property transaction is a legal document executed on a stamp paper that records in writing the understanding between the buyer and the seller and all the details of the property such as area, possession date, price etc.

In many Indian states, the Agreement to Sell is required to be registered by law. We suggest that in your own interest you should register the Agreement within four months of the date of the Agreement at the office of the Sub-Registrar appointed by the State Government, under the Indian Registration Act, 1908.

What does encumbrance refer to?

Encumbrance on a property refers to claims or charges on the property due to liabilities such as unpaid loans and bills. It is critical that during your home search you consider properties which are free of encumbrances of any sort.

What is an under construction property?

An under construction property refers to a home which is in the process of being constructed and where possession would be handed over to the buyer at a subsequent date.

When can i take disbursement of the loan?

You can take disbursement of the loan once the property has been technically appraised, all legal documentation has been completed and you have invested your Own Contribution in full. You can submit the request for the disbursement of your loan by visiting any of our offices or online by logging on to [‘Online Access for Existing Customers’](#).

In how many installments can you disburse the loan to me?

Once we receive your request for disbursement, we will disburse the loan in full or in installments, which usually do not exceed three in number. In case of an under construction property, we will disburse your loan in installments based on the progress of construction, as assessed by us and not necessarily according to the developer’s agreement. You are advised in your own interest to enter into an agreement with the developer wherein the payments are linked to the construction work and not pre-defined on a time-based schedule.

Does the property have to be insured?

Yes, you will have to ensure that your property is duly and properly insured for fire and other appropriate hazards during the pendency of the loan. You will also have to produce evidence thereof to HDFC Bank, each year and/or whenever called upon to do so. HDFC Bank should be the beneficiary of the insurance policy.

Are there any restrictions on transfer of immovable properties?

In terms of Chapter XX C of the Income Tax Act, 1961, the Central Government has the first option to purchase certain immovable properties exceeding certain value. Therefore such transactions covered by this Chapter can be proceeded with only after complying with the requirements prescribed therein.

What is a Balance transfer loan ?

Transferring your outstanding home loan availed from another Bank / Financial Institution to HDFC Bank is known as a balance transfer loan.

Who can avail a Balance transfer loan ?

Any borrower who has an existing home loan with another bank/HFI in which he/she have had a regular payment track of 12 months ,can avail a balance transfer loan from HDFC Bank.

What is the maximum term you can avail for a balance transfer loan ?

The maximum term that a customer can avail is 30 years or till the age of retirement ,whichever is lower under HDFC Bank's 'Telescopic Repayment Option.