

LOAN AGREEMENT

(Reverse Mortgage Loan)

LOAN AGREEMENT

THIS LOAN AGREEMENT made at _____ this the _____ day of _____, 200 _____

BETWEEN

1. ☐ **Limited**, a company within the meaning of the Companies Act, 1956 and having its registered office at _____ and a branch office at _____ (hereinafter referred to as “**the Lender**” which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns) of the **one part**;

OR

1. ☐ a banking company within the meaning of the Banking Regulation Act, 1949 and having its registered /head office at ☐ and a branch office at _____ (hereinafter referred to as “**the Lender**” which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns) of the **One part**;

AND

- 2(i) MR./Mrs./Ms. ☐ S/o W/o D/o ☐ aged about ☐ residing at ☐ (hereinafter referred to as “**the Borrower**” which expression shall unless it be repugnant to the subject or context thereof, include his /her heirs, executors, administrators and permitted assigns) of the **Other part**.

OR

- 2(ii) Mr./Mrs./Ms. ☐ S/o W/o D/o ☐ aged about ☐ and Mr./Mrs./Ms. ☐ S/o W/o D/o ☐ aged about ☐ both residing at ☐ (hereinafter collectively referred to as “**the Borrower**” which expression shall unless it be repugnant to the subject or context thereof, include their heirs, executors, administrators and permitted assigns) of the **Other part**.

WHEREAS

- (A) The Borrower (or where the Borrower includes spouse, one of them) is a Senior Citizen as hereinafter defined and is the absolute owner of a self acquired and self occupied house property more particularly described in Schedule I hereto (hereinafter referred to as “**the residential property**”) and has applied to the Lender for a loan of Rs. _____ against the security of the said residential property for the purposes described in Article 2 of this Loan Agreement;
- (B) The Lender, on the basis, inter alia, of the application has agreed to grant the loan to the Borrower upon terms and conditions hereinafter set forth;

NOW THEREFORE THE PARTIES HERETO AGREE AS FOLLOWS:

**ARTICLE –1
DEFINITIONS AND INTERPRETATION**

1.1 Definitions

In this Agreement, the following capitalized words shall have the following meanings:

“Agreement” means this Loan Agreement together with the Schedules and Annexures attached hereto as may be amended from time to time in accordance with its terms.

“Annexure” means the Annexure(s) or Schedule(s) to this Agreement

“Borrower” means a single or two borrowers (husband and wife) as the context may require.

“Business Day” means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Mumbai.

“Encumbrance” means a mortgage, charge, lien, pledge hypothecation or security interest of any description whatsoever and also "negative lien" and "non-disposal" undertakings, if any given by the Borrower.

“Loan” means the amount of the loan agreed to be made available under this Agreement as described in Article 2 and shall wherever the context so requires include the outstanding principal amount of the loan..

“Loan Amount” means the amount of the Loan and includes outstanding interest, fees, charges, levies, expenses, claims, costs and/or other dues payable to the Lender in relation thereto.

“Outstanding Amount” means the amount outstanding to be repaid under the Loan which amount shall include the principal, interest and such other expenses as are agreed to be borne by the Borrower under this Agreement.

“Parties” means the Lender and the Borrower.

“Prepayment” means premature repayment as per the terms and conditions laid down by the Lender in that behalf and in force at the time of prepayment.