HOME LOAN

PERSONAL LOAN

BUSINESS LOAN

BALANCE TRANSFER

CREDIT CARDS

EDUCATION LOAN

CAR LOAN

WORKING CAPITAL

MAGIC FIN-MART

CHILD PLANS

HOME INSURANCE

ENDOWMENT PLAN

VEHICLE INSURANCE

TERM INSURANCE

FIRE INSURANCE

PERSONAL ACCIDENT

TRAVEL INSURANCE

HEALTH INSURANCE

PENSION PLANS

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รับเสด็จ
欢迎

Home LOAN

SECURED PRODUCT

By End Of This Session, You Will Be Able To Understand…

MAGIC FIN-MART

- What is Home Loan?
- Its advantages and uses
- Documentation
- Eligible borrowers
- Income eligibility criteria
- Applicable conditions
- Eligibility calculating method in general

What is it all about?

MEANING

What is Home Loan?

A loan given by a bank, Mortgage Company or other financial institution for the purchase of a primary or investment residence. In a home mortgage, the owner of the property (the borrower) transfers the title to the lender on the condition that the title will be transferred back to the owner once the payment has been made and other terms of the mortgage have been met.

How home loan will help you?

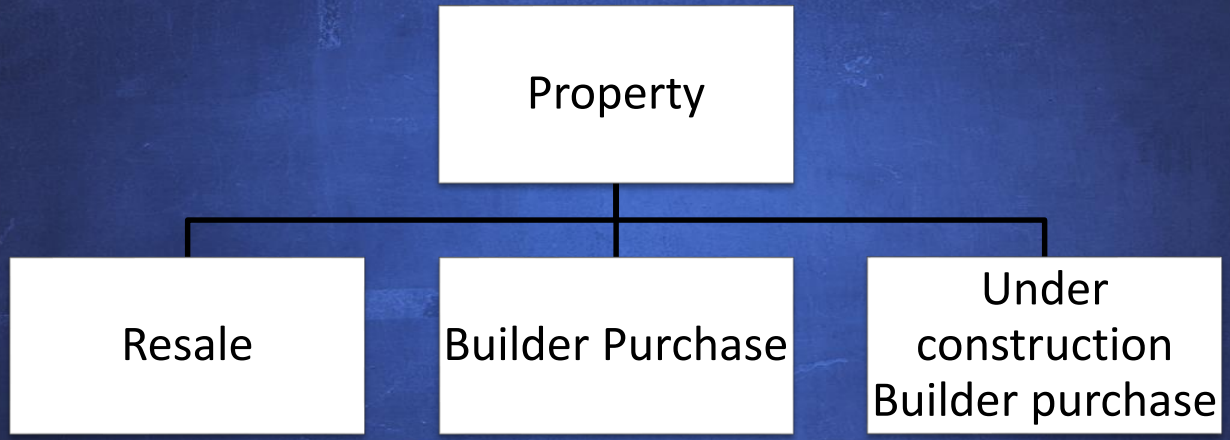
Pros

- ✓ Funding to buy a home of your own
- ✓ Capital Appreciation
- ✓ Low interest rate than LAP
- ✓ Tax Benefit: Interest paid --As per Section 24(b) of the Income Tax Act, 1961 a deduction up to Rs. 1.5 lakh towards the total interest payable

Uses

- ❖ Self occupied residential property

Types of Purchase



What do I need to submit?

DOCUMENTATION

Salaried Individual

Customer KYC	Valid Passport
	Voter ID Card
	Aadhaar Card
	Valid Driving Licence
Proof of income	Last 3 months' Salary Slips
	Last 6 months' Bank Statements, showing salary credits
	Last 2 financial years Form-16 and IT returns
Other documents	Employment Contract / Appointment Letter in case current employment is less than 1 year old
	Last 6 months' Bank Statements showing repayment of any ongoing loans
	Passport size photograph of all the applicants / co-applicants to be affixed on the Application Form and signed across
	Cheque for processing fee

Self Employed

Customer and Company KYC (Partners/Directors KYC wherever applicable)	Valid Passport Voter ID Card Aadhaar Card Valid Driving Licence
Certificate/Proof Business Existence	Gumasta, PAN , sales tax/ excise/ VAT/ service tax registration, Copy of partnership deed, Trade license, certificate of practice, registration certificate issued by RBI, SEBI
Proof of income	Income Tax Returns along with computation of income for the last 3 Assessment Years - 2 year ITR gap should be more than 6 months Last 3 years' Balance Sheet and Profit & Loss A/c Statements, with Annexures/Schedules (Points 2 & 3 should be of both the individual and the business entity and attested by a CA)

	Last 6 months' Current A/c Statements of the business entity and Savings Account Statement in case of Proprietary firm.
	Education qualification certificate
Other documents	Business Profile
	Latest Form 26 AS
	List of Directors and Shareholders with their individual shareholding certified by a CA / CS in case of the business entity being a company
	Memorandum and Articles of Association of the Company
	Partnership Deed in case of the business entity being a partnership firm
	Details of ongoing loans of the individual and the business entity including the outstanding amount, instalments, security, purpose, balance loan term, etc.
	Passport size photograph of all the applicants / co-applicants to be affixed on the Application Form and signed across
	Cheque for processing fee

Self Employed Professional – Doctors, CAs and Architects

Customer KYC	Valid Passport
	Voter ID Card
	Aadhaar Card
	Valid Driving Licence
Proof of income and other documents	Last 1 year bank statement
	Brief Business Profile on the Letter Head of the firm by the applicant
	Education qualification certificate and proof of practice existence
	Last 2 years Income Tax Returns of the applicant along with computation of income duly attested by a Chartered Accountant.
	Last 2 Years Balance Sheet and Profit & Loss Account of the firm duly attested by a Chartered Accountant
	Last 6 months' Bank Statements showing repayment of any ongoing loans
	Copy of either Shop & Establishment License / VAT Registration or any other mandatory license / registration
	Copy Professional Practice Certificate

Property documents

If purchasing from Builder	Copy of latest sale agreement or Draft Agreement Copy Approved Plan Copy {If OC is not Available}; CC Copy OC Copy {in some cases you may have OC} Payment Schedule and receipts of payments from Builder Allotment letter from Builder Builder NOC in Bank Format on Letter Head {CIDCO Area NOC is required in their Format with Bank name or other applicable authority} Other as per Legal report of Bank
If Resale Property	Copy of all Previous Chain Agreement Copy of latest sale Agreement or Draft Agreement Copy Share Certificate Front & Back Side Copy {If Issued} In some banks Transfer form will be needed Copy of Stamp duty and Registration Recites of all previous Chain Agreement OC Copy; Copy of BMC Approved Plan & CC Copy{If OC is not Available} Society NOC in Bank Format on Letter Head {CIDCO Area NOC is required in their Format with Bank name or other applicable authority} Other as per Legal report of Bank

Am I eligible for the loan?

QUALIFICATION/ELIGIBILITY CRITERIA

Working as

Salaried	Self Employed Non Professional	Self Employed Professional
Private Limited	Proprietorship	Doctors
Limited	Partnership/LLP	Architects
Government companies	Private Limited	Chartered Accountants
	Limited	
	Deemed Limited	

Determination of Loan amount

- Type of property
- Age of the property
- Title of the property
- Current usage of the property
- Market value of the property

Balance Transfer

- Home loan balance transfer is an option that allows you to switch from an expensive loan that you availed some years back to a lower interest loan.
- At RB, we have helped many customers save huge amounts by helping them switch to less expensive loans.
- The balance transfer option essentially involves foreclosing the existing loan and taking a new loan for the unpaid principal amount.
- With the charges on foreclosure of floating rate loans waived borrowers can switch to a new loan without having to bear the burden of these charges. However, banks may charge pre-payment penalty.

For how many months and for what rate?

TENURE & RATE OF INTEREST

General overview

Exposure

10 Lacs to 50 Cr

Collateral

Mortgage of Loan property

Tenure

Upto 30 years

Rate of Interest

8.40% to 11.50%*

Processing Fees

0.5%* or Salaried-Rs.10000/-

How to arrive at it?

ELIGIBILITY CALCULATING METHODS

Debt servicing coverage ratio

DSCR = Net Operating Income / Total Debt Service

A DSCR greater than 1 means the entity – whether a person, company or government has sufficient income to pay its current debt obligations, a DSCR less than 1 means it doesn't have the capacity to pay off the debt

Broadly…

Income based program(Cash Profit method)
PAT
+Depreciation
+Remuneration to Directors/Partners
+Interest on paid bank loans
=Yearly Income/12
Monthly income*DBR
(-)Monthly obligation
=EMI paying capacity/Per lac
=Loan amount compared with property value(Agreement value+ Service tax+ Stamp duty)*LTV whichever is lower

Banking program
Average banking of a year (only business credits)
balances on 5th, 10th, 15th, 20th, 25th for 6 months
Average balance*DBR
=EMI paying capacity/Per lac
=Loan amount compared with property value(Agreement value+ Service tax+ Stamp duty)*LTV whichever is lower

*FOIR varies from bank to bank

Surrogate programs

Banking

BT+ top up- RTR 18 months if doesn't fit in Income eligibility - Calculator

Questions Please

THANK YOU