

Contoso Bank Home loan FAQs

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.

When does my home loan EMIs start?

EMI's begins from the month subsequent to the month in which disbursement of the loan is done. For loans for under-construction properties EMI usually begins after the complete home loan is disbursed but customers can choose to begin their emi's as soon as they avail their first disbursement and their EMI's will increase proportionately with every subsequent disbursement. For resale cases, since the whole loan amount is disbursed in one go, EMI on the whole loan amount start from the subsequent to the month of disbursement

What are the benefits of using an EMI Calculator for a home loan?

Following are the benefits of an EMI calculator for a home loan-

Helps in planning your finances in advance

An EMI calculator is useful in planning your cash flows much in advance, so that you make your home loan payments with ease whenever you avail a home loan. In other words, an EMI calculator is a useful tool for your financial planning and loan servicing needs.

Easy to use

EMI calculators are very simple and easy to use. You need to provide only three input values namely:

- a. Loan Amount
- b. Interest Rate
- c. Tenure

Basis these three input values, the EMI calculator will compute the instalment you need to pay to the home loan provider each month. Some EMI calculators for home loan also provide a detailed breakup of the interest and principal amount you will be paying over the entire loan tenure.

Helps brings focus on property search

The EMI calculator helps you arrive at the right home loan amount that best fits your monthly budget, by

helping you decide the loan EMI and tenure most suitable to your financial position. This helps bring more focus on your property search.

Easily accessible

An online EMI calculator is easily accessible online from anywhere. You can try various combinations of the input variable as many times as required to arrive at the right home loan amount, EMIs, and tenure best suited to your needs.

You can avail home loan and buy your dream house in cities like Mumbai, Delhi, Bangalore, Chennai, Hyderabad, Pune, Jaipur and more.

What is a pre-EMI interest on a home loan?

Pre-EMI is the monthly payment of interest on your home loan. This amount is paid during the period till the full disbursement of the loan. Your actual loan tenure — and EMI (comprising of both principal and interest) payments — begins once the Pre-EMI phase is over i.e. post the loan has been fully disbursed.

Can I change my home loan EMI date? If yes, how can I do that?

Yes. You can do so by visiting your nearest Contoso Bank branch.

How does your home loan repayment work?

A home loan is usually repaid through Equated Monthly Instalments (EMI). 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.

How do I repay a home loan?

For your convenience, Contoso Bank offers various modes for repayment of the home loan. You may either issue post-dated cheques or standing instructions to your banker to pay the installments through ECS (Electronic Clearing System) from your Non-Resident (External) Account / Non-Resident (Ordinary) Account in India. Cash payments will not be accepted.

For details on penalty for delayed payments and cheque bounce charges, please refer to the information on our specific product pages

What is a Home loan and how does it work?

Home loans are availed either for purchase of an under-construction or a ready property from a developer, purchase of a resale property, to construct a housing unit on a plot of land, to make improvements and extensions to an already existing house and to transfer your existing home loan from a financial institution to Contoso Bank. Click here to know [what is a home loan](#)

A Contoso Bank Home Loan provides numerous benefits such as facility to apply online, quick [loan processing](#), attractive interest rates, customized repayment options and simple & hassle-free documentation.

What is the maximum home loan that I can obtain?

You are required to pay 10-25% of the total property cost as 'own contribution depending upon the loan amount. 75 to 90% of the property cost is what can be availed as a housing loan. In case of construction, home improvement and home extension loans, 75 to 90% of the construction/improvement/extension estimate can be funded.

How do I apply for a home loan?

You can avail a Contoso Bank home loan online in 4 quick and easy steps:

1. Sign Up / Register
2. Fill in the home loan application form
3. Upload Documents
4. Pay Processing Fee
5. Get Loan Approval

You can also apply for a home loan online. Visit <https://portal.contoso.com/> to apply now!.

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

Contoso 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.

Can I get an approval for a home loan while I decide which property, I should purchase?

You can apply for a pre approved home loan which is an in-principal approval for a loan given on the basis of your income, creditworthiness and financial position. Generally, pre-approved loans are taken prior to property selection and are valid for a period of 6 months from the date of [sanction of the loan](#).

What is part/subsequent disbursement of a home loan?

Contoso Bank disburses loans for under construction properties in installments based on the progress of construction. Every installment disbursed is known as a 'part' or a 'subsequent' disbursement.

I have home loan with another bank. If I convert to your bank , can conversion fee be waved off?

Yes. Please call customer care for more information.

Do's

- Check your housing loan eligibility before starting your home loan application.
- Go through the list of documents required and keep them ready before starting your online application process
- Be clear about the type of loan you need (home loan, house renovation loan, plot loan, etc.)
- Read the FAQs before starting your loan application process
- You could use the online chat facility if you have any queries.

- Make sure you provide all the details that the home loan provider will need to process your application.

Dont's

- Avoid making an application for an adhoc loan amount without checking your eligibility
- Don't leave out submitting important documents.
- Don't ignore your CIBIL score while making your loan application (your score has an impact on your loan application)