

# LOAN AGAINST PROPERTY (LAP)

***Unlock Your Property Value for Any Purpose - Business or Personal***

## PRODUCT OVERVIEW

Loan Against Property (LAP) allows you to leverage your residential or commercial property to meet any financial requirement - business expansion, working capital, education, medical emergency, or debt consolidation. Property remains in your possession while you get substantial funds at attractive interest rates.

Feature	Residential Property	Commercial Property
Loan Amount	Rs. 5 lakhs to Rs. 10 crores	Rs. 10 lakhs to Rs. 25 crores
LTV (Loan to Value)	Up to 60% of market value	Up to 55% of market value
Interest Rate	9.00% - 12.00% p.a.	10.00% - 14.00% p.a.
Tenure	Up to 20 years	Up to 15 years
Processing Fee	1% - 2% of loan amount + GST	1.5% - 2.5% + GST
Prepayment Charges	Nil after 12 months 4% + GST within 12 months	Nil after 18 months 5% + GST within 18 months
Usage	Any personal or business purpose	Business purpose primarily

## TYPES OF PROPERTIES ACCEPTED

**Residential:** Self-occupied or rented - apartments, independent houses, villas, bungalows (must have clear title)

**Commercial:** Offices, shops, showrooms, warehouses, industrial sheds (rented or self-used)

**Plot/Land:** Residential or commercial plots with approved plans (in some cases)

**Note:** Property must be in borrower's name or co-applicant's name. Agricultural land NOT accepted.

## ELIGIBILITY CRITERIA

Criteria	Salaried	Self-Employed/Business
Age	21 - 65 years	25 - 70 years
Income	Minimum Rs. 50,000 per month	Minimum Rs. 6 lakhs per annum (ITR)
Work Experience	Min 2 years total	Min 3 years in business
Credit Score	Minimum 700 (750+ for best rates)	Minimum 700 (750+ for best rates)
Property Age	Up to 30 years at loan maturity	Up to 25 years at loan maturity

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## Loan Against Property Guide

Ownership	Self-owned or co-applicant owned	Self/company/partnership owned
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### DOCUMENTS REQUIRED

#### Personal Documents:

- KYC: Aadhaar Card, PAN Card (mandatory)
- Income Proof: Last 6 months salary slips / Last 2 years ITR with computation
- Bank Statements: Last 12 months for all operative accounts
- Employment Proof: Employment letter, business registration certificate

#### Property Documents:

- Sale Deed/Title Deed - Registered copy showing clear ownership
- Chain of Title - Previous sale deeds (last 13-30 years as per state)
- Encumbrance Certificate (EC) - Last 13-30 years showing no pending dues
- Property Tax Receipts - Latest paid receipts
- Building Approval Plan - Municipal corporation approved plan
- Occupancy Certificate / Completion Certificate
- NOC from Builder/Society (if applicable)
- Property Valuation Report - Bank empaneled valuer will inspect
- If Mortgaged: NOC from existing lender or loan closure certificate

### LOAN PROCESSING STAGES

- Stage 1 - Application:** Submit application with KYC and income documents
- Stage 2 - Property Valuation:** Bank empaneled engineer inspects property (3-5 days)
- Stage 3 - Legal Verification:** Bank lawyer verifies all property documents (7-10 days)
- Stage 4 - Technical Verification:** Technical team verifies building quality, age, compliance
- Stage 5 - Credit Assessment:** Income, CIBIL, repayment capacity evaluated
- Stage 6 - Sanction:** Loan sanctioned with amount, rate, tenure details
- Stage 7 - Documentation:** Loan agreement, mortgage deed executed and registered
- Stage 8 - Disbursal:** Amount credited to bank account post all documentation

### FEES & CHARGES

Charge Type	Amount
Processing Fee	1% - 2.5% of loan amount + GST
Property Valuation	Rs. 3,000 - Rs. 10,000 (based on property value)
Legal Charges	Rs. 5,000 - Rs. 15,000 + stamp duty on mortgage deed
Prepayment Charges	Nil after 12-18 months 4-5% + GST if within 12-18 months

Late Payment Fee	2% per month on overdue or Rs. 500 (whichever higher)
NACH Bounce	Rs. 500 per bounce
Part-payment Charges	Nil - Make lump sum payments anytime
Duplicate Documents	Rs. 500 per document set

## FREQUENTLY ASKED QUESTIONS

### Q1: Can I use the money for any purpose?

Yes, LAP is multipurpose loan. Use for business, education, medical, marriage, or any other legitimate purpose. No restrictions.

### Q2: Will I have to vacate the property?

No, property remains in your possession. Bank only holds mortgage rights until loan is repaid. You can stay/use/rent it.

### Q3: How is property value determined?

Bank empaneled valuer inspects property and provides valuation report based on location, size, age, market rates, and condition.

### Q4: Can I mortgage property in someone else's name?

Property must be in your name or co-applicant's name. Co-owner must be co-applicant in loan.

### Q5: What if I already have home loan on property?

Property with existing loan NOT accepted. You must close existing loan first or do balance transfer + top-up to our bank.

### Q6: Is property insurance mandatory?

Yes, property must be insured against fire, earthquake, and other natural calamities with bank as co-beneficiary.

## IMPORTANT TERMS

- Property must have clear and marketable title - free from all encumbrances
- Loan tenure + property age should not exceed 50 years
- Property insurance with bank as co-beneficiary is mandatory
- Mortgage deed must be registered at sub-registrar office (customer bears stamp duty)
- Default for 3 consecutive months gives bank right to invoke SARFAESI Act
- Under SARFAESI, bank can take possession and sell property without court order (after 60 days notice)
- Property cannot be sold or transferred until loan is fully repaid and mortgage is released
- Interest rate is fixed for entire tenure - no floating rate option

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## Loan Against Property Guide

### **FOR LOAN AGAINST PROPERTY**

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