

PERSONAL LOAN AGAINST IMMOVABLE PROPERTY (LAP)

Sl.	PARAMETERS	NORMS
1	LOAN PRODUCT	PERSONAL LOAN AGAINST IMMOVABLE PROPERTY (LAP)
2	ELIGIBILITY	INDIVIDUALS A.ENGAGED IN ANY BUSINESS ACTIVITY (Business units engaged in trade, manufacturing, Processing and service sector etc.) B.EMPLOYEE C.PROFESSIONALS & SELF EMPLOYED
3	AGE	Borrower should not be more than 65 years of age. (Repayment period up to 70 years of age)
4	MINIMUM CREDIT SCORE	70/100 (As per scoring sheet)
5	INCOME	a) Regular source of income can only be considered and sanctioning authority is satisfied with the proof of income. b) Income of spouse and family members can be included as a co-borrower when the property is jointly held), otherwise will stands as guarantors.
6	EMI/NMI	EMI should not be more than 50% of Net Monthly Income.
7	LOAN AMOUNT	Minimum Rs.2.00 lac Maximum Rs.15.00 lac
8	LOAN TO VALUE	Max. 60% of realizable value of the mortgaged property as per Bank's approved valuer report. Sanctioning authority should satisfy with the realizable value assessed.
9	NATURE OF IMMOVABLE PROPERTY	a) Self occupied (Rented property will not be considered) b) Any residential House property.(properly demarcated) c) Residential/ Commercial property should have proper boundary wall and demarcated.
10	SECURITY	1. Equitable Mortgage of non encumbered residential house, Flat, Commercial or Industrial property in the name and possession of the borrower(s) either self occupied or vacant. (Undertaking should be obtained from the borrowers). (Search/Title Investigation report be obtained from empanelled advocate and should certify the property as clear, unencumbered, marketable, SARFAESI compliant and to create a valid equitable mortgage in favour of the Bank. 2.Where equitable mortgage is not feasible, the borrowers should execute a Registered mortgage deed in favour of the Bank, 3. Property should not be located in a zone restricted by the city development authority or local municipal authority. Mutation is to be noted wherever required.
11	THIRD PARTY GUARANTEE	1. Loan amount upto Rs. 10.00 lac: Not required. 2.One guarantee for loan amount above Rs.10.00 lac (ONE GUARANTOR HAVING ADEQUATE WORTH) 3. The owners of the property will mandatory be made available as guarantors.
12	CIBIL	Should have satisfactory report. (Written off, settled, compromise and having other unsatisfactory repayment history will be not be considered.
13	MARGIN	40% of the value of Realisable Value of mortgaged property.
14	FACILITY	TERM LOAN (Repayble in monthly instalments)
15	REPAYMENT	-Maximum period of 180 months (15 years). -No moratorium period is allowed.



		-Entire loan should be repaid before attaining age of 70 years.
16	INTEREST	At present:13% (Rate of interest will be changed as decided by the Bank from time to time).
17	PROCESSING	0.125% of loan applied (GST extra). (Recovered upfront)
18	SERVICE CHARGE	1% of loan amount (GST extra) (To be recovered upfront)
19	SEARCH AND VALUATION CHARGE	Will be recovered upfront from the borrowers.
20	OTHER CHARGES	All expenses like, insurance premium, stamp duty, registration charges, CERSAI charges, CIBIL charges, EM charges, Inspection charge, Account maintenance charge and other charges will be recovered from the borrowers from time to time.
21	INSURANCE	1. Sum insured at full market value of the property against risk of fire, riots, earthquake, flood, lightning etc. (Bank's mortgage charge should be incorporated in the insurance policy). Insurance will be arrange by the borrowers and submit relative insurance policy to the Bank duly noting of bank's mortgage charge. 2. The Bank reserves its rights to arrange insurance to cover certain risks in respect of the stocks and immovable properties offered as collateral security by debit to loan/ deposit account.
22	PURPOSE	1.ANY GENERAL PURPOSE (An undertaking should be obtained from the borrower that the loan will not be utilized for any speculative purpose as per RBI guidelines). 2. Takeover of loan from other financial institutions having satisfactory track record can also be considered.
23	INSPECTION	PRE SANCTION: (At the time of sanction) POST SANCTION (Annual inspection by the Bank official or whenever needed by the Bank.
24	INSPECTION CHARGES	Will be charged as per Bank norms.
25	LOAN DOCUMENTS	1.Loan Application 2.Arrangement Letter 3.Loan Agreement duly stamped as per Act 4. Guarantee Agreement duly stamped as per Act. 5. Undertaking for the purpose of loan. 6.Affidavit (as per Bank's prescribed format) 7.Original Title deeds including all chain of titles of the property to be mortgaged 8. Certified copies of the last title documents be obtained. 9. Standing Instructions to recover EMI at regular intervals. 10. All KYC documents duly self attested and verified with the originals. 11. Income proof of at least last two financial years. 12. Proof of Business activity/ Service/ Profession etc. 13.Statement of account of other borrowing/ loan account.
26	OTHER DOCUMENTS	As required by the Bank.
		Loan application, Net-worth statement, appraisal and assessment form, arrangement letter, Loan agreements, and other applicable documents will be obtained as per bank's extant instructions.
27	SHARE MONEY	The borrowers will have to contribute in share money to



		the extent of 2.5% of loan amount as decided by the Bank from time to time.
28	RECOVERY PROCESS	In the event of default in repayment or any irregularity in the account, the Bank reserves the right to initiate recovery process including auction of the mortgaged properties at the cost and responsibilities of the borrowers.
29	CLASSIFICATION	The exposure under the scheme will be classified under Personal loan (Non Priority Sector).
30	OTHER TERMS & CONDITIONS AND DOCUMENTS	All other terms and conditions as applicable under Banks normal other and Personal Loan Scheme.

