



HUDCO NIWAS

Individual Housing Loan Scheme



HOUSING AND URBAN DEVELOPMENT CORPORATION LTD.

(A Government of India Enterprise)

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HUDCO offers financial assistance to individuals to enable them to acquire a home of their own through its “HUDCO NIWAS” Individual Housing Loan Scheme.

“HUDCO NIWAS” offers Home loan for:-

- Construction of a house;
- Purchase of House or Flat;
- Purchase of a plot from Public (Government) Agencies, Co-operative Housing Societies of Government employees or Reputed Developers;
- Extend or improve the existing House or Flat;
- Refinancing of existing housing loans from other financing Institutions/Banks/Employers.

ELIGIBILITY FOR LOAN

- Loan applications will be accepted from all individuals, with verifiable income (upto Rs.8.00 Lakh) and to Salaried Individuals with employment verification (upto Rs.50/40 Lakh – Loan upto Rs.50 Lakh in Mumbai, Delhi, Chennai, Kolkata, Bengaluru & Hyderabad and Rs.40 Lakh in other areas). Further, loan above Rs.50/40 Lakh and upto Rs.1.00 Crore is available to only Govt./PSU employees with repayment through Deduction at Source (DAS). HUDCO Niwas loans are available in clearly identified Municipal Areas only.
- The loan amount will be up to 80% of the cost of the housing unit excluding incidental costs like stamp duty, registration and other documentation charges.
- The actual loan amount will be determined on the basis of repayment capacity, which is based on factors such as income, age, spouse’s income, assets, liabilities, stability and continuity of occupation and savings history determined from details of bank accounts.
- The loan will be available as per the slab-structure given at the respective rates of interest.

LOAN APPLICATION

An application for loan shall be submitted in any “HUDCO NIWAS” Office in the prescribed form along with supporting documents. This form with a list of required documents is available at all “HUDCO NIWAS” Offices i.e. all HUDCO Regional Offices and can also be downloaded from our website www.hudco.org.

LOAN REPAYMENT PERIOD

It is normally up to 25 years, but the period will not extend beyond the age of 65 years (relaxable by another 5 years on the merits of case i.e. upto 70 years) of the applicant. However, “HUDCO NIWAS” will endeavour to determine the repayment period to suit the convenience of the applicant.

ADMINISTRATIVE CHARGES

The administrative charges shall be 0.25% of the loan amount sanctioned and is to be paid after sanction of the loan.

RATE OF INTEREST

Interest Rates* for Individuals and Group of Individuals under **HUDCO Niwas** are as under:

	Category	Loan Amount	Floating Rate	Fixed Rate
i)	All individuals with verifiable income including beneficiaries eligible under CLSS or such other scheme of Govt. of India.	Upto Rs.8.00 Lakh	9.75%@	11.75%
ii)	Only Salaried individuals, with employment verification from employer, in case of Govt./ PSU employees and by HUDCO Niwas officials through personal visit in private salaried cases.	More than Rs.8.00 Lakh but upto Rs.40/50 Lakh	9.75%	11.75%
iii)	Only for Govt./ PSU employees with repayment through Deduction at Source (DAS)	More than Rs.40/50 Lakh and upto Rs. 1.00 Crore	9.80%	11.80%

@ EWS/ LIG beneficiaries qualifying under Credit Linked Subsidy Scheme (CLSS) guidelines of MoHUPA can also avail interest subsidy of 6.50% on loan upto Rs.6.00 lakh.

* Interest rates are subject to revision from time to time.

SECURITY FOR THE LOAN

- First mortgage of the housing unit to be financed.
- Guarantee of one individual acceptable to “**HUDCO NIWAS**”
- Second mortgage of housing unit subject to (a) Central and State Govt. employees- assignment of benefits under Central/State Govt. Group Insurance Scheme or else the repayment of the loan is completed before superannuation, (b) Public Sector Undertaking Employees-loan is repaid by employee through salary deduction/Post Dated Cheques (PDCs)/ECS and repayment of loan is completed before superannuation of the employee.

LOAN REPAYMENT

Loan will be repayable in Equated Monthly Installments (EMI) comprising principal and interest calculated on monthly reducing balance method as per following sample table:-

EMI FOR LOAN Rs.1,00,000/- (on monthly reducing balance method)

Term of Loan (Years)	Installment Amount (Rs.)	
	(Interest Rate 9.75% Floating)	(Interest Rate 9.80% Floating)
5	2113	2115
10	1308	1311
15	1060	1063
20	949	952
25	892	895

DISBURSEMENT OF THE LOAN

Loan will be disbursed after Technical Appraisal, Completion of Legal Documentation and Submission of Fire & Natural Calamity Insurance Policy assigned in favour of “**HUDCO Ltd.**” by the borrower and after proportionate investment of the applicant’s own contribution.

The loan will be disbursed in full or in suitable installments taking into account the requirements of funds and progress of construction.

Repayment normally commences from the month following the month in which the last installment of the loan is disbursed by “**HUDCO NIWAS**”. Until the loan is fully disbursed, pre-EMI interest is payable only on the portion of the loan availed, as on the last day of every month.

OTHER ATTRACTIVE FEATURES/VALUE ADDED BENEFITS

- a) Most competitive interest rate.
- b) No processing Fee.
- c) No charge on account of Prepayment of loan.
- d) Interest subsidy @6.50% is available under Credit Linked Subsidy Scheme (CLSS) to eligible beneficiaries, as per Govt. of India guidelines.
- e) Facility of resetting of existing loan from Fixed to Floating & vice-versa on nominal charges.
- f) Waiver of last 2 installments (only for fixed rate).
- g) Free Personal Accident Insurance cover to borrowers.
- h) Transparency & No hidden cost.

MODE OF PAYMENT

Applicant can make payment of fees, charges and loan repayment (EMI & Pre EMI) by at par Cheque/Demand Draft/ECS favouring “**HUDCO Ltd.**”, drawn on a bank in a city where HUDCO has an office.

TAX BENEFITS

Tax benefits on principal repayment (u/s 80-C) up to Rs.1,50,000/- and interest (u/s 24 (b) up to Rs.2,00,000/- in case of self occupied and actual interest (for rented properties) are available under the Income Tax Act, 1961. All these benefits may change as per Govt. notifications.

DOCUMENTS REQUIRED

1. Latest Salary slip (s)/Certificate (s) showing all the allowances, deductions and details of outstanding loan (if any), in respect of the applicant/co-applicant(s).
2. A statement showing computation of individual taxable income and tax returns for the last three years.
3. Copy of the Pension Certificate in case of retired applicants.
4. A copy of the rent/lease agreement with supporting bank statements and /or Income Tax return, if any additional income is accruing.
5. A letter from employer confirming that they will deduct the monthly installment payable to HUDCO from the salary and remit the same to HUDCO every month.
6. Copy of the Registered Sale Deed/Lease Deed/Allotment Letter/Share Certificate of the Co-operative Society, Agreement for sale as executed on applicable stamp paper.
7. Copy of the House plan, approved by the Local Competent Authority (only in construction cases).
8. Detailed cost estimate for proposed construction prepared by a Civil Engineer / Registered Architect (In case of Construction / Extension / Improvement) or a letter from the society, in case the house is of a co-operative society.
9. Copy of the House Building Advance (HBA) sanction letter (if HBA has been taken from the employer) indicating the loan amount and the repayment terms.
10. Bank account statement indicating transactions for the last six months or a photocopy of the bank passbook (duly updated).
11. Particulars of one Guarantor of comparable age and income.
12. Age proof and Proof of residence (for applicant and co-applicant).