

FAQs CANARA SITE LOAN

What are the eligibility conditions?

- Age of the applicant should not be more than 55 years.
- In case of salaried applicant, he should be confirmed in service and minimum Net Take Home Salary after considering EMI of proposed loan should be 40%.
- In case of Non-Salaried individual, he should be in the business or profession for minimum period of 3 years and should have net annual income is Rs.1 lac or more as evidenced by the latest ITR.

What is the purpose for which this loan can be sanctioned?

- Purchase of house sites from State Development/Town Planning Development Authorities or from any other body constituted by the Government for distribution of sites.
- Purchase of housing sites from statutory authorities of central/ state Governments, local authorities either exclusively or in partnership with private sector entities provided such sites / layouts are duly approved by the statutory authority of the State Government and where registrations can be effected.

What is the quantum of loan?

3 years gross salary / gross annual income with a maximum of Rs.10 lacs. In respect of housing sites situated in cities of Mumbai, Delhi, Kolkata, Chennai, Bangalore, Hyderabad and Secunderabad including urban agglomeration of these cities, the maximum quantum of loan is Rs.15 lacs.

In select cases and purely at the discretion of Bank, a higher quantum of loan upto 25% over and above Rs.10 lacs / Rs.15 lacs may be permitted.

What is the margin amount?

A minimum margin of 20% shall be stipulated / maintained on the project cost consisting of site cost as shown in the allotment letter plus development charges, if any, not exceeding 10% of the site cost supported by documentary evidence plus stamp duty and registration charges.

What is the rate of interest?

It is Base Rate of Bank +6.00% (Floating) and presently comes out to be 16.00% p.a..

What is the repayment period?

Maximum 5 years.

Is there any repayment holiday?

- No repayment holiday. Repayment to commence one month after the disbursement of the loan.
- However In case of part payment of site amount, the repayment to commence after three months from the date of first disbursement of the loan.

What is the security?

EMT (Mortgage) of the housing site proposed to be purchased.

Whether any guarantee is required?

No co-obligation / personal guarantee is required.

What are the other charges payable?

Following type of charges are levied

- Processing Charges: 0.5% of Loan Amount Min. Rs.1500/- & Max. Rs.10000/-
- Documentation Charges: Rs.100-per Lac Min.1000/-- Max. 25,000/-.
- Inspection Charges: Upto Rs. 10 Lacs-Rs. 200/- per inspection Max.Rs.600/- per year. Above Rs.10 Lacs-Rs. 300/- per inspection or actual expenses incurred whichever is higher.
- All out of pocket expenses like Outsourcing Charges, CIBIL Charges, CERSAI Charges, LSR Charges, Valuation Charges to be borne by the borrower.

Whether this loan can be converted into Housing loan at a later stage?

- In case the borrower desires to construct a house on the site allotted by availing loan under the subject scheme, Housing Loan may be considered subject to compliance of terms and conditions relating to Housing Finance Scheme. In such cases, the original project cost minus the outstanding liability under this loan can be reckoned as margin for Housing Loan and the rate of interest shall be the then prevailing rate on Housing Loans.
- Once the Housing Loan is sanctioned, amount equivalent to site loan liability will be transferred/debited to the Housing Loan account to close the site loan account.

Whether NRI's are eligible under this scheme?

Yes