

HOME LOANS – INDIVIDUALS

SUPPORTING DOCUMENTS REQUIRED:

For Salaried People –

- Duly certified latest salary slip.
- Employment certificates.
- Latest copy of Form 16.
- Proof of additional income, if any.
- Consent letter from employer to deduct the monthly installment.

For Self- Employed/Professionals/Businessmen-

- Copy of last 3 years Tax>Returns.
- Copy of last 3 years Balance Sheet and Profit & Loss Statement duly certified by a Chartered accountant.
- Proof of Business Premises.
- Copy of Shop and Establishment License.
- Copy of certificate of Practice.

Common Documents-

- Copy of Age Proof.
- Copy of Address Proof.
- Identification Document.
- Copy of Bank Pass Book/Statement of Accounts for the last 6 months.

Property Documents-

- Allotment Letters of the Society/DDA etc.
- Complete Chain of Property since Inception
- Copy of the Approved Drawings.
- Copy of the Sale Agreement.
- Cost Estimate from Architect.
- Legal Search Report.

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Query you asked:

I have already invested in a property in Noida Expressway. I am interested in investing in another property. My investment amount will be about Rs 40 lakh. I am looking at this from investment point view and long term. Would appreciate your comments on the same. I work in Gurgaon. Vikas Mehta

Our experts from Trammell Crow Meghraj provide answers:

When it comes to investing in properties, a clear exit strategy is important. You have to be sure about how long you wish to hold a property.

Based on this there are three types of holding periods: short-term, medium-term and long-term. Short-term means an investment horizon of 2 years. Medium-term means a period between 2 to 7 years. Long-term is more than 7 years.

In the current scenario, it makes sense to go for long-term investing. Short-term investing is not advisable given the economy's inflationary pressures. Property has always given good returns in the long-term. If your budget is, say, Rs. 40 lakh, you can buy residential properties in growing suburbs with good infrastructure.

If your budget is higher, say about Rs. 1 crore, you can invest in venture capital (VC) funds. Most of the VC funds require a minimum investment of Rs. 1 crore. These funds invest in projects giving 20% to 25% returns with preferred returns of 9% per annum. But this return is not guaranteed.

It is preferable to invest in funds floated by developers. These funds get exposure to development projects in the early stages. This results in higher returns. CIG fund sponsored by Unitech and IndiaReit fund sponsored by Piramals are examples of such funds.

Please note these requirements are for Indian Citizens.

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Below are the lists of documents required for availing of home loans for various business and property categories. Please click on the categories mentioned above to view the list.

Salaried Individuals

1. Salary slip/Form 16 A.
2. A photocopy of the first and last pages of Ration card or copy of PAN/Telephone/Electricity bills.
3. A photocopy of Investments (FD Certificates, Shares, any fixed asset etc. or any other documents supporting the financial background of the borrower.
4. A photocopy of LIC policies with the latest premium payment receipts (if any).
5. Photographs (as applicable).
6. A photocopy of bank statement for the last six months.

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Self-Employed/Businessmen

1. A brief introduction of Business/Profession.
2. Balance Sheet, Profit and Loss account and statement of income with Income Tax returns for the last 3 years certified by a CA.
3. A photocopy of Advance Tax payments (if applicable).
4. A photocopy of Registration Certificate of establishment under shops and Establishments Act/Factories Act.
5. A photocopy of Registration Certificate for deduction of Profession Tax (if applicable).
6. Bank statements of Current and Saving accounts for the last 6 months.
7. A photocopy of Certificate of Practice(if applicable).
8. A photocopy of any bank loan (if applicable).
9. A photocopy of the first and last pages of the Ration card or a copy of PAN/Telephone/Electricity Bills.
10. A photocopy of LIC policy (if applicable).
11. A photocopy of investments (FD Certificates, Shares, any other fixed asset).

If a flat is purchased from the builder

1. Original copy of your agreement with the builder.
2. 7/12 extract or property register card of the land under construction.
3. Index II extract of your agreement with the builder.
4. Copy of N.A. permission for the land from the collector.
5. Search and title report (with the details of documents) for the last 30 years.
6. Development agreement between the owner of land and the builder.

7. Copy of order under the Urban land Ceiling Act.
8. Copy of building plans sanctioned by the competent authority.
9. Commencement certificate granted by Corporation / Nagar Palika.
10. Building completion certificate(if available).
11. The latest receipts of taxes paid.
12. Partnership deed or memorandum of association of the builders firm.

If the property is being purchased is in a Cooperative Society

1. Original share certificate of the Society.
2. Allotment letter from the society in your name.
3. Copy of the lease deed, if executed .
4. Certificate of the registration of the society.
5. Copy of the byelaws of the society.
6. No objection certificate from the society.
7. 7/12 extract or property register card in the society's name.
8. Copy of N.A permission for the land from the collector.
9. Search and title report(with the details of documents) for the last 30 years.
10. Copy of order under the Urban Land ceiling Act.
11. Copy of the building plans sanctioned by the competent authority.
12. Commencement certificate granted by Corporation / Nagar Palika.
13. The latest receipts of taxes paid.
14. Original Agreement to assign / Deed of assignment.

If constructing on own land

1. Original sale deed of land and extract of Index II.
2. /12 extract or property register card in your name.
3. Copy of N.A. permission for land from the collector.
4. Search and title report (with the details of documents) for the last 30 years.
5. Copy of order under Urban Land Ceiling Act.
6. Copy of the building plans sanctioned by the competent authority.
7. Building permission granted by Corporation / Nagar Palika.
8. The latest receipts of taxes paid.
9. Estimate of cost of construction certified by the architect.