

Mortgage KYC video script

Congratulations on deciding to buy a new property. We understand this is a significant decision in your life's journey...

While you would have had a discussion with our Relationship Manager about our Home Loan/Loan Against Property and may have also received certain documents like most important terms and conditions explaining the terms that govern them, we would like to draw your attention to some key things that you should know about availing the mortgage facility from HSBC.

Home Loans and Loan Against Property are offered at a floating rate of interest linked to our Repo Linked Lending Rate, also known as RLLR.

HSBC's RLLR is linked to RBI's published Repo Rate rounded off to the nearest 5 bps and undergoes a change in the month following RBI's announcement of change in Repo Rate.

Subsequently, the floating rate of interest on all loans benchmarked to RLLR will undergo a change.

As you may know, any change in the RLLR will impact either your Equated Monthly Instalment (EMI) or your loan tenure.

Repayment of your loan will be through a standing instruction or a letter of authority to debit your HSBC account.

If you have availed a Smart Home Loan or Smart Loan Against Property, the account acts as a current account as well.

The EMI on the Smart Loan is calculated assuming 31 days in every month (372 days in a year).

However, interest is computed on the outstanding ledger balance only, based on the actual number of days.

Difference between the EMI and the interest accrued will be adjusted against the principal.

The interest calculation on a ready property loan will start from the date of disbursement and not from the date of handing over the cashier order. Loan for under-construction properties will be disbursed in tranches and interest will be levied on the amount disbursed and not the sanctioned amount.

Pending the final disbursement of the loan, only pre-EMI is payable.

The EMI of the loan starts only when the loan is fully disbursed.

Non-payment/Delayed payments of EMI will impact your credit rating reported to the credit bureaus.

Non-payment of EMIs can also lead us to initiate collections procedure followed by legal action if required to recover the dues.

If the non-payment continues, we may have to recall the loan or attach the property mortgaged, as a last resort.

You will have to bear the legal kit stamping or franking charges as applicable.

It is mandatory for you to insure your property against loss due to fire, flood, earthquake, sand other damages with any insurance company.

You are requested to seek independent professional tax advice with respect to any tax aspect of your loan.

We request you to read the loan agreement carefully and ensure the key terms such as interest rate, loan amount, loan tenure, EMI, processing fees, pre-payment charges (if applicable) are clearly stated before you sign the agreement.

In case of any queries, you may reach out to your Relationship Manager or call HSBC PhoneBanking or visit any of our branches in India.

We thank you once again for your interest in HSBC.

Other important terms

- For loans disbursed between 1st and 15th of a month, the EMI date would be 1st of the subsequent month. For loans disbursed between 16th and 30th/31st, the EMI date would be 15th of the subsequent month
- If you have selected Smart Loan with Commitment Fee variant, you will be charged 1% p.a. on a monthly basis if the utilisation is less than 25% of the disbursed loan amount
- There will be checks conducted during the loan approval process like tele-verifications, CIBIL, legal and valuation checks
- If you are a non-resident customer, please note EMIs need to be paid in INR
- Interest on your loan accrues on a daily basis on the total outstanding balance as on that day, and is compounded and will be payable monthly