

CANARA RENT

PURPOSE	Loans against Rent receivables to lessor of the property to meet personal/business needs
Eligibility	<p>Customers with satisfactory dealings.</p> <p>The property is one leased /rented out to PSU/Central/State/Semi Govt undertakings , Reputed corporate, Banks, FIs,Insurance companies & MNCs, property /quarters leased out to our Bank including rural /semi urban areas also (HO CIR 441/2017)</p> <p>Not to Lessor and lessee belongs to the same group</p> <p>Property leased out to non corporate – RO/CO may sanction.</p> <p>Taking into account option period also for arrival of quantum – Circle Head</p>
Loan Quantum	<p>Maximum – 75% of net receivables for the unexpired period of lease after deducting TDS, advance rent. ED upto 85%.</p> <p>How to calculate</p> <p>Gross rental only for the unexpired period</p> <p>(-) TDS</p> <p>(-) Advance Rent</p> <p>Net rental</p> <p>In that net rental 75% may be permitted</p>
Margin	25% on the net rental
Repayment	Upto 120 months or unexpired period whichever is less – respective sanctioning authority (HO CIR 441/2017)
Sanctioning authority. (HO CIR 363/2016)	<p>CM in VLB /DM –RO/CO - Rs.100.00 lakhs</p> <p>AGM ELB/RO/CO & Head of RAH – Rs.200.00 lakhs</p> <p>DGM-RO/CO/Branch - Rs.300 lakhs</p> <p>GM-CO (non metro) Rs.500 lakhs</p> <p>GM-CO (Metro) Rs.600 lakhs</p>
Security	<p>EMT of the leased property – should be atleast 100% of loan amount</p> <p>In not possible – Alternate property with 150% value of loan amount including third party Property also. (Relaxation upto 130% also by respective sanctioning authority.</p> <p>Assignment of lease rental in favour of bank.</p> <p>Registered Lease deed between lessor and lessee to be obtained along with</p> <p>Either Tripartite Agreement between lessor,lessee and bank authorizing lessee to remit rentals directly to the financing branch</p> <p>OR a power of attorney (to be stamped and notarized) executed by the lessors in favour of the Bank authorizing the Bank to receive the rents from the lessee, which should be lodged with the latter (lessee) and acknowledgement obtained.</p> <p>EMT can be waived upto Rs.2.00 lakhs</p>
ROI (HO CIR 441/2017)	In case of navratna companies/MNCs/PSU/Banks/Insurance companies ,Fortune 500 companies - MCLR + 2%

	<p>Others - MCLR + 2.30%</p> <p>Leased to our Bank - MCLR + 1.80%</p>
Proc charges	0.50% of loan with minimum of Rs.5000/- and maximum of Rs.100000./- (HO CIR 441/2017)
Documentation charges	Rs.100/- per lac with a minimum of Rs.1000/- and maximum of Rs.25000/-
Inspection charges	Upto Rs.10.00 lakhs – Rs.200/- per inspection with maximum Rs.600/- pa Above Rs.10.00 lakhs – Rs.300/- per inspection or actual which ever higher
Inspection	Pre and post must. + once in a year..
Misc	<p>No rating sheet required</p> <p>Sanction plan to be obtained.</p> <p>No deviation in the construction against the sanctioned plan.</p> <p>If plan approval obtained for residential and construction for commercial – No loan Panel valuer .</p> <p>Panel Engineer must certify that he build up property is constructed as per approved plan.</p> <p>Loan is to be treated as commercial real estate</p>
Documentation	Application – NF 964 NF 370, 371 (Guarantee if taken)
Others	<p>LSR,VR to be obtained</p> <p>LSR checklist to be prepared and approved</p> <p>Inspection report of immovable property to be prepared.</p>