

**Terms & Conditions for Prepayment of Refinance
Applicable to Housing Finance Companies w.e.f. 01-07-2015**

1. The terms and conditions applicable for prepayment of refinance by the Housing Finance Companies, as applicable to refinance availed on or after 01-07-2015 are as under :
2. The refinance availed by the HFCs can be prepaid without any prepayment charge subject to the fulfilment of all of the following conditions :
 - Such refinance is availed under Rural Housing Fund, Urban Housing Fund, Special Urban Refinance Scheme for Low Income Households, or under Regular Refinance Scheme at concessional rates,
 - The HFC has also received the said amount from the ultimate borrowers under these schemes, and
 - The prepayment is made not more than once in a quarter after giving two weeks' notice.
3. The refinance availed by HFCs can also be prepaid by them without any prepayment charge subject to the following conditions :
 - The said refinance has run for at least one year (including the required period of notice), and
 - Prior notice of two months is given to NHB, and
 - Such prepayment is made not more than once in any half year (January - June or July - December).
4. In all other cases, prepayment would be accepted from the HFCs upon payment of prepayment charges as stated below and subject to the HFC giving two months' notice in writing :

Ageing (time elapsed since disbursement)	Prepayment Charges
Upto 1 year	1.0% of amount to be prepaid
More than 1 year	0.5% of amount to be prepaid

5. All other terms and conditions of refinance as applicable to Housing Finance Companies as communicated from time to time shall continue to be applicable.
6. The above terms and conditions shall be applicable for refinance disbursed on or after 01-07-2015. Refinance disbursed prior to this date shall continue to be governed by the respective prepayment conditions as communicated from time to time.

