Dated : 23-10-2013

To All Housing Finance Companies,

Sir,

Refinance Circular No. 04/2013-14
Refinance Schemes of National Housing Bank

1. As you are aware, the National Housing Bank (NHB) extends refinance assistance to Housing Finance Companies (HFCs) in respect of their housing loans to individuals. The Bank also offers refinance in respect of construction finance given by the HFCs to developers for affordable housing projects conforming to prescribed criteria. NHB's refinance assistance can be availed for a variety of purposes (as laid down under the respective schemes), and is available at competitive rates for varying tenures, with fixed and floating interest rate options. The Bank has also recently launched a few new schemes such as the Urban Housing Fund, Refinance scheme for Women, etc. catering to the emerging requirements of the sector.

2. A brief overview of the various refinance schemes is provided in the table below for your ready reference :

No.	Scheme Name	Features
1.	Regular Refinance Scheme	• All categories of individual borrowers • No cap on amount of individual loans • Tenure upto 15 years • Interest rate concession for loans upto ₹10 lakhs • Fixed and floating interest rates • Option of converting from fixed to floating and *vice versa*
2.	Golden Jubilee Rural Housing Refinance Scheme (GJRHRS)	• All categories of individual borrowers • Rural housing loans upto ₹15 lakhs • Tenure upto 15 years • Interest rate concession • Fixed and floating interest rates • Option of converting from fixed to floating and *vice versa*
3.	Rural Housing Fund (RHF)	• Target group as provided in the scheme • Rural housing loans upto ₹15 lakhs • Tenure - 3 years to 7 years • Fixed interest rates for entire tenure without reset • Present refinance rates 8.25% to 8.75%

		(depending upon loan slab) • On-lending rates capped at 10.75% • The data required along with the claim form is to be provided as per the attached format at Appendix III (also available on NHB's website)
4.	Urban Housing Fund (UHF)	• Borrowers having household income not exceeding ₹4 lakhs per annum • Loans upto ₹10 lakhs (property cost not exceeding ₹16 lakhs OR carpet area not exceeding 60 m^2) • Tenure - 3 years to 7 years • Fixed interest rates for entire tenure without reset • Present refinance rates 8.50% to 8.75% (depending upon loan slab) • On-lending rates capped at 10.75%
5.	Special Refinance Scheme for Urban Low Income Housing (LIH)	• Borrowers having household income not exceeding ₹2 lakhs per annum • Housing loans upto ₹10 lakhs • Refinance rates 8.25% to 8.50% (depending upon loan slab) • Tenure - 5years to 15 years • Fixed interest rates for entire tenure without reset • On-lending rates capped at 275 bps over the refinance rate
6.	Refinance Scheme for Women	• Women borrowers (having title to property; either singly or jointly) • Housing loans upto ₹25 lakhs • Concessional refinance rate below NHB's PLR (current PLR is at 9.75%) • Fixed and floating interest rates • Option of converting from fixed to floating and *vice versa*
7.	Energy Efficient Housing Refinance Scheme (EEHRS)	• All categories of borrowers in urban areas • Dwelling units certified as energy efficient as per the NHB-KfW-TERI certification model (list of certified projects available on NHB's website) • Concessional refinance rates • The data required along with the claim form is to be provided as per the attached format at Appendix IV (also available on NHB's website)

8.	Refinance Scheme for Installation of Solar Water Heating and Solar Lighting Equipments in Homes	• Refinance for domestic solar equipment for heating and lighting • Loans upto ₹50,000 • Tenure - 3 years to 7 years • Concessional interest rate (8.25% for borrowers eligible under RHF scheme, 8.75% for others in rural / urban areas) • The data required along with the claim form is to be provided as per the attached format at Appendix VI (also available on NHB's website)

9.	Refinance Scheme for Construction Finance for Affordable Housing Projects	• Projects and developers as per ECB guidelines
		  • at least 60% of permissible FSI for units of carpet area upto 60 m^2; and
		  • with cost not exceeding ₹30 lakhs per unit
		• Concessional refinance rates
		• Tenure upto 5 years

3. NHB refinance offers several benefits such as faster turnaround time, nil prepayment levy, zero commitment charges and minimal documentation. For your easy reference, we are enclosing a copy of the claim form (together with the applicable appendices for various schemes). We request that henceforth this claims form should be used for making refinance drawal application(s).

4. The detailed terms and conditions of NHB refinance are available for download on NHB's website www.nhb.org.in. Should you need any clarification, please write to us at apsaxena@nhb.org.in / vvaideswaran@nhb.org.in.

Yours faithfully,

Sd/-
(A.P. Saxena)
Deputy General Manager
Refinance Operations

Encl. : Refinance claim forms