

PRADHAN MANTRI AWAS YOJANA - Credit Linked Subsidy Scheme for Middle Income Group (PMAY - CLSS for MIG)

Eligibility

- Resident individual either singly or jointly, between 18 to 65 years, with independent and regular source of income.
- Individuals/ Beneficiary from Middle Income Group (MIG) Households.
- A beneficiary family will comprise husband, wife, unmarried children. An adult earning member (irrespective of marital status) can be treated as a separate household;
 - a) Provided that he/ she does not own a pucca (an all weather dwelling unit) house in his/ her name in any part of India.
 - b) Provided also that in the case of a married couple, either of the spouses or both together in joint ownership will be eligible for a single house, subject to income eligibility of the household under the Scheme.
- To be eligible to receive subsidy under CLSS for MIG
 - a) The beneficiary family should not own a pucca (an all weather dwelling unit) house either in his/ her name or in the name of any member of his/ her family in any part of India.
 - b) A beneficiary family should not have availed of central assistance under any housing scheme from Government of India
- MIG - I: households are defined as households having an annual income between ₹ 6,00,001 (Rupees Six Lakh One) up to ₹12,00,000 (Rupees Twelve Lakh).
- MIG - II: households are defined as households having an annual income between ₹ 12,00,001 (Rupees Twelve Lakh One) up to ₹18,00,000 (Rupees Eighteen Lakh).

Purpose

- For purchase/ construction of a house/ flat (including repurchase) in urban areas. Loans for Repair/ Renovation/ Extension of existing dwelling unit are not eligible for subsidy
- The carpet area of the house/flat to be constructed/purchased shall be of upto 160 sq. m. for MIG I and upto 200 sq.m. for MIG II in order to avail of credit linked subsidy. Dwelling units with larger carpet area are not eligible for subsidy.
- Individual houses financed under the scheme should have provision for basic civic services like water, toilet, sanitation, sewerage, road, electricity, etc.
- Houses constructed should conform to the norms and standards provided in extant guidelines on construction and structural safety in the country.

Property Location

- Property should be located in an urban area.
- Urban Area includes all statutory towns as per Census 2011 and towns notified subsequently, including planning area as notified with respect to statutory towns.

Loan Amount

Maximum Loan Amount - ₹ 5 crore

Note: Loan amount is based on location of property

Margin

- For loan up to ₹ 30 lakh - 10%
- For loan above ₹ 30 lakh and up to ₹ 75 lakh - 20%
- For loan above ₹ 75 lakh - 25%

Security

Mortgage of house/ flat purchased out of the Bank finance

Rate of Interest

- Rate of interest is linked to the MCLR & subject to reset every year
- Fixed rate option is not available.

Processing Charges

- For MIG - I: Loan amount up to ₹ 9 lakh : Nil
For additional loan amount beyond ₹ 9 lakh : At applicable rate + Tax
- For MIG - II: Loan amount up to ₹ 12 lakh : Nil
For additional loan amount beyond ₹ 12 lakh : At applicable rate + Tax

Note: Legal, Valuation, Insurance, CERSAI charges, etc as applicable shall be borne by the borrower

Prepayment Charges Nil

Disbursement

- Loan will be remitted along with margin money, directly to the builder/seller.
- In case of construction, loan release will be based on progress of construction.

Repayment Period

- Loan is repayable in maximum of 30 years including moratorium of max- 18 months.
- Repayment period shall not exceed retirement age for salaried class and 70 years of age for other than salaried class.
- Repayment period will depend upon the age of the applicant, age of property and type of property.

Guarantee

- Third party guarantee, wherever necessary.
- Co-obligation of the spouse of the applicant is mandatory.

Other Conditions

- Insurance of property is mandatory and premium to be borne by the borrowers.
- Life insurance of the borrower is available at the option/ cost of the borrower.

Subsidy Details

Particulars	Middle Income Group - I (MIG I)	Middle Income Group - II (MIG II)
Household Annual Income	6,00,001 - 12,00,000	12,00,001 - 18,00,000
Dwelling Unit Carpet Area	up to 160 sq. m.	up to 200 sq. m.
Interest Subsidy (% p.a.)	4.00%	3.00%
Maximum loan tenure (in years) for interest subsidy	20	20
Eligible Housing Loan Amount for Interest Subsidy (Rs.)	9,00,000	12,00,000
Discount Rate for Net Present Value (NPV) calculation of interest subsidy (%)	9.00%	9.00%
Maximum Upfront Subsidy Amount	2,35,068	2,30,156

CLSS for MIG I

Illustrative Example Loan tenure -20* years/240 months

All figures in Indian Rupees

Loan Amount	Loan Amount eligible for Subsidy	Interest Subsidy	Balance Loan	Initial EMI @10%	Reduced EMI after crediting the Subsidy	Monthly savings	Annual savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			(1-3)			(5-6)	(7) x 12
6,00,000	6,00,000	1,56,712	4,43,288	5,790	4,278	1,512	18,144
9,00,000	9,00,000	2,35,068	6,64,932	8,685	6,417	2,268	27,216
12,00,000	9,00,000	2,35,068	9,64,932	11,580	9,312	2,268	27,216

CLSS for MIG II

Illustrative Example Loan tenure -20* years/240 months

All figures in Indian Rupees

Loan Amount	Loan Amount eligible for Subsidy	Interest Subsidy	Balance Loan	Initial EMI @10%	Reduced EMI after crediting the Subsidy	Monthly savings	Annual savings
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
			(1-3)			(5-6)	(7) x 12
9,00,000	9,00,000	1,72,617	7,27,383	8,685	7,019	1,666	19,992
12,00,000	12,00,000	2,30,156	9,69,844	11,580	9,359	2,221	26,652
15,00,000	12,00,000	2,30,156	12,69,844	14,475	12,254	2,221	26,652

Above figures are indicative and may vary from case to case basis.

*With effect from 01.01.2017