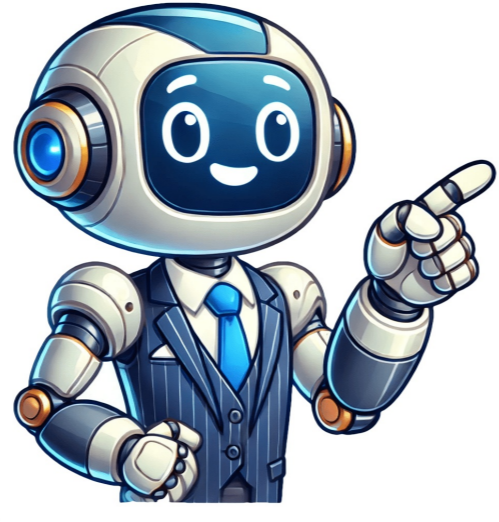


I'm not a robot































Thinking of transferring your home loan? Learn about the risks, penalties, impact on credit score, and common mistakes to avoid before making a loan balance transfer. Published Date: Feb 24, 2025 Updated Date: Feb 24, 2025 A home loan balance transfer allows borrowers to shift their existing loan to another bank or lender offering lower interest rates, better terms, or improved services. While it may seem like a smart financial move, not all home loan transfers result in savings. Many borrowers make costly mistakes, such as ignoring hidden charges, not evaluating the long-term impact, or failing to check eligibility criteria. This guide will help you understand when is a home loan transfer advisable, common mistakes to avoid in a loan balance transfer, penalties and charges associated with home loan transfers, how a loan transfer impacts your credit score, and when a Home Loan Transfer is a Good Option. Lower Interest Rates: If a new lender offers a significantly lower interest rate, it can reduce your EMI and total interest outgo. Better Loan Terms: If you can get a lower processing fee, flexible tenure, or better repayment options, the transfer may be worth considering. Unhappy with Current Lender: Poor service, hidden charges, or lack of transparency from the current lender may justify a switch. Long Loan Tenure Left: A loan transfer is ideal if you have more than 10 years remaining, as the interest savings will be substantial. When a Home Loan Transfer May Not Be Advisable: Near the End of Loan Tenure: If you have only a few years left, the savings from a lower rate may not justify the transfer cost. High Transfer Costs: If the processing fee, legal charges, and penalties outweigh the benefits, staying with the current lender might be wiser. Drop in Credit Score: If your credit score is low, you may not qualify for better interest rates, making the switch ineffective. Many borrowers focus only on the lower interest rate and ignore other charges like processing fees, legal verification fees, and stamp duty, which can reduce the actual benefit of transferring the loan. Ignoring the Loan Tenure Factor: A loan transfer makes sense when you have a long tenure left. If you are close to the end of your loan, the total interest savings may not be worth the switch. 3. Not Checking Prepayment Penalties: Some lenders charge a penalty for pre-closing a loan, especially for self-existing lender before proceeding with the transfer. 4. Failing to Compare All Loan Terms: A lower interest rate doesn't always mean a better deal. Check hidden fees and charges. New lender's reputation and service quality. Flexibility in repayment and foreclosure options. 5. Not Checking Credit Score Before Applying: Your credit score affects your loan eligibility and interest rate. If your score has dropped since taking the original loan, the new lender may not offer the best terms. The penalty for transferring a home loan depends on your current lender's policies and the loan type. Charges You May Have to Pay: Prepayment Charges: Floating Rate Loans: No prepayment penalty as per RBI guidelines. Fixed Rate Loans: Can have prepayment penalties ranging from 1% to 3% of the outstanding loan amount. Processing Fees by New Lender: Typically between 0.5% and 1% of the loan amount. Some lenders offer waivers on processing fees for balance transfers. Legal & Administrative Charges: Includes documentation, stamp duty (if applicable), and other processing costs. A home loan transfer can be beneficial if done at the right time and for the right reasons. However, borrowers must carefully evaluate the costs, check for hidden charges, and compare lenders before making a decision. By making an informed decision, you can maximize the benefits of a home loan transfer while avoiding common pitfalls. Home Retail Loans Home Loan Special Balance Transfer Scheme Optimise your finances with Axis Bank's Home Loan Balance Transfer feature. This process allows you to transfer your existing Home Loan to Axis Bank, potentially securing a lower interest rate or availing a larger loan amount. Benefit from reduced monthly instalments and enhance your savings through our streamlined process. Transfer your Home Loan to Axis Bank to benefit from lower interest rates, leading to decreased EMIs and enhanced savings. Adjust your Home Loan's tenure and terms with Axis Bank's balance transfer service, allowing for a tailored loan structure that fits your financial plan. Experience a smooth process with minimal documentation and straightforward eligibility requirements. Axis Bank provides a variety of repayment options to suit your cash flow preferences. Secure a supplementary loan at a lower interest rate than a Personal Loan along with transferring your Home Loans balance. As per RBI mandates, no prepayment penalty is charged on Home Loan Balance Transfers for floating-rate loans, ensuring transparency and fairness. Take advantage of the overdraft facility available with your balance transfer for increased financial flexibility. Retain the tax deductions on principal and interest amounts on your transferred Home Loan amount under relevant sections of the Income Tax Act. With Axis Bank, be assured of clear disclosure of all Housing Loan transfer charges, with no hidden fees. A Home Loan Balance Transfer is the process of moving your existing Home Loan to a different lender. This may result in more favourable terms, such as a reduced interest rate or an extended repayment period, potentially accompanied by an increase in the loan amount. How does Home Loan Balance Transfer work? The new lender settles your existing Home Loan Outstanding balances are cleared with your previous lender. Your Home Loan is officially transferred to the new lender. EMI payments commence with the new lender. Transferring the outstanding balance of your existing Home Loan to Axis Bank is prudent when you observe a favourable shift in interest rates, particularly if you hold a floating-rate loan where reduced rates can significantly lower your financial burden. Such a strategic transfer is worthwhile, especially if it results in a more attractive interest rate, thus diminishing the overall interest paid throughout the loan's tenure. Eligibility enhancement also warrants consideration for transferring the remaining amount of your Home Loan. This occurs when an improvement in your credit score or financial standing makes you eligible for more favourable loan terms. The resulting benefits from a Home Loan Balance Transfer process include not just a reduced interest rate but also the possibility of an extended repayment period. However, it's essential to account for associated Home Loan Balance Transfer charges that may arise. The transfer should be weighed against the potential savings from the transfer. Additionally, Axis Bank offers the option of a top-up on your transferred Home Loan, providing extra funds that can be utilised for a variety of personal financial requirements. Read More Eligibility criteria for Axis Bank Home Loan transfer Occupation: Open to salaried individuals in both the government and private sectors, and professionals such as doctors, engineers and accountants Self-employment: Applicable for self-employed individuals who file Income Tax Returns Residency: Indian residents Age requirement: Age should be between 21 and 60 years for salaried individuals; 21 to 65 years for self-employed individuals Loan tenure: May retain the original tenure or adjust as per Axis Bank's policy Loan amount: Minimum of 3 lakh, with the maximum contingent on repayment capacity Premium customers: Axis Bank's Premium Banking clients should consult their relationship manager for additional benefits Read More KYC documents: Valid government-issued identification, proof of address and recent photograph Income documents: Latest salary slips, tax returns and bank statements Other documents: Property-related documents, existing Home Loan details, and repayment track record When you apply for an Axis Bank Home Loan Balance Transfer, it's like a new Home Loan application, with the process being a bit different. Step 1: Savings calculation Utilise the Axis Bank Home Loan Balance Transfer Calculator to estimate your savings by transferring your loan to Axis Bank. Step 2: Online application / In-Person assistance Visit the Axis Bank website for an online application. Alternatively, visit an Axis Bank branch or loan centre to discuss and finalise your loan terms. Step 3: Closure letter Post the loan terms agreement, you must send a closure letter to your current lender requesting a 'No Objection Certificate (NOC)'. Step 4: NOC and documentation On receipt of the NOC, present it along with other necessary documents to Axis Bank. Step 5: Loan disbursement Following document verification, Axis Bank will clear the outstanding balance with your current lender. A foreclosure certificate will be issued to you. Step 6: EMI payments Begin paying your EMIs to Axis Bank as per the terms of your new Home Loan. Read More You choose for a home loan transfer from one bank to another in order to enjoy the benefits of home loan transfer mainly the lowest interest rates for housing loan & enhancement in the housing loan tenure (subject to maximum tenure on home loan which is 30 years). In order to opt for the home loan transfer to other bank, it is important that you fulfill all the home loan transfer terms and conditions of the banks. The transfer terms and conditions may vary among the lenders i.e. Banks & NBFCs, say for instance Pvt. Banks like ICICI & NBFCs like HDFC Ltd. can transfer your home loan which is 6 months old, while the nationalized Banks like Canara need a 12 months repayment track record in order to process the home loan transfer request. Given below are some of the important aspects to be considered to transfer your home loan. 1) Timely Repayment Of Loan EMIs In home loan balance transfer requests the banks basically and mainly look for a clear track history for housing loan repayment by the borrowers. The housing loan repayments schedule / track record must be clear of any EMI bounces, EMI late payments & overdue EMIs. Timely repayment of home loan EMIs will also earn a lowest interest on home loan. A good repayment track record for 12-18 months is required in order to transfer your high interest rate home loan to a new bank with low interest rate home loan. A 6 months old home loan can also be transferred with selected banks, namely ICICI & HDFC. 2) Must Have Uninterrupted Flow Of Income You need to have a regular flow of income per month if you wish to switch home loan to another bank. Bank ascertains your repayment capacity on the basis of your income eligibility. A borrower with interrupted flow of income cannot enjoy the benefits of home loan transfer. Even if you have uninterrupted income flow, you may still maintain an account balance for the EMIs, home loan balance transfer is possible. 3) The Property Should Be Within The City Approved Corporation Limits A home loan transfer from grampanchayat property is not approved. The property has to be within the approved corporation limits of the authority and must be approved by BMC, TMC, MHADA, CIDCO, KDMC, VVMC, MMRDA, etc. for the properties in the metropolitan city of Mumbai. Grampanchayat properties are usually not transferable by the leading home loan banks and NBFCs. Additional Read: Why Is It Difficult To Get A Loan On Grampanchayat Property? 4) Possession Of The Property Has Been Received (Home Loan Transfer Under Construction Property Is Not Possible) A home loan taken on under construction property cannot be transferred unless the borrower has taken the possession of the property. In under construction home loans you pay only the interest amount to the bank or the loan is partially disbursed, therefore, unless you get the possession of the property and start paying the full EMIs for at least 6 months the home loan cannot be transferred. (CLICK to know if Pre EMI is better than full EMI). You are required to provide a copy of the possession letter along with other home loan transfer documents when opting for the home loan switch. Additional Read: What Is Advantageous? Purchasing A Resale Property Or Investing In A Builder Property Quick Guide To Difference Between Home Loan Builder Case & Resale Case 5) The Loan Is Not In The Lock-In Period Ensure that your loan is not in the lock-in period while switching the bank for lowest home loan rate. Such is the preferable circumstance for fixed interest rate home loans. In fixed interest rate home loans your rate of interest is remanifested for a fixed tenure say for 1 year, 3 years, 5 years, 10 years or 15 years according to the banking agreement. Under fixed interest rate home loans you are charged a penalty for pre-closure of your home loan which may range from 2%-5% on the outstanding loan amount depending upon the bank/NBFC. If you are looking to transfer your high interest rate home loan i.e. a fixed interest rate home loan and pay a nominal penalty, speak to experts of Loanfasttrack on 9321020476 for guaranteed solution. 6) All Co-Borrowers & Co-Owners Of Property Must Sign The Home Loan Application Forms. Allo-owners of the property have to be co-applicants on the loan. For home loan balance transfer all co-applicants must give their consent to transfer the loan. Especially when a home loan is availed in the name of two or more siblings. On the contract of 6.95% p.a. Best Home Loan Tenure: Home Loan Transfer Maximum Tenure 5 years Home Loan Transfer Maximum Tenure 30 years Processing Fees Upto 0.30% on the loan amount + applicable GST To know complete list of charges CLICK Home Loan Balance Transfer Charges RBI Guidelines As per the RBI guidelines NIL Pre-closure/Foreclosure Charges are applicable on a floating interest rate home loan. Home Loan With Lowest Interest Rates In India Minimum home loan interest rate available is 6.95% with Canara Bank (For any loan amount), ICICI Bank (For any loan amount/builder property purchase) and HDFC Bank (For loan amount below 30lacs for women borrowers). The Home Loan Transfer Rates Of Top Banks Bank Home Loan Rate Of Interest Top-Up Rate Of Interest ICICI Bank 7.10% p.a. For Salaried, 7.25% p.a. For Self-Employed. Starts from 7.10% p.a. to 9.50% p.a. Canara Bank 6.95% p.a. For Salaried & Self-Employed HDFC Ltd. 7.10% p.a. For Salaried & Self-Employed Starts from 7.10% p.a. to 9.90% p.a. Note: Interest rates are subject to change without prior notice. Additional Read: Why Home Loan Interest Rates Of NBFCs Higher Than Banks For ICICI bank home loan transfer, ICICI bank home loan balance transfer, topup, home loan transfer from ICICI Bank to HDFC, home loan transfer from HDFC to ICICI Bank, home loan transfer to HDFC Bank, home loan transfer to ICICI Bank, home loan transfer to Canara Bank visit . You can also email us on info@loanfasttrack.com or directly speak to our experts on 9321020476. Home loan transfer has now become easier with the online processing of the loan. Selected banks such as ICICI & HDFC have started home loan transfer online. All you have to do is place your request for the transfer, select the product, upload your documents along with the duly signed loan application form and submit for the online processing of home loan balance transfer. For additional details on online processing fee free to call our experts on 9321020476 or alternately email Loanfasttrack on info@loanfasttrack.com. Loanfasttrack is the best online user friendly platform to compare and evaluate the best bank for home loan in India. Loanfasttrack is a Mumbai based loan provider company since 2015 offering loans services in Mumbai on housing loan in Mumbai, mortgage loan in Mumbai, personal loan in Mumbai, business loan in Mumbai, unsecured business loans, home loan transfer, top-up loans, car loans and loan transfers. It also helps you: Additional Read: Almost everyone has bought their home with the help of a home loan, now, these loans take almost 10-20 years, or even more to clear. But, did you know that you don't have to stick to the initial bank or lender? You can get your home loan balance transferred or switch to a new bank/lender. Transferring your loan is when you find another bank or lender who will pay your loan lender in full. The new lender will then start charging you as per the new loan amount, and you will have to pay the new EMI (equated monthly installments) amount to them. You will need to pay a conversion fee to the existing lender to be able to do this. You can refinance your mortgage by taking the steps listed below: Unbeatable Price 5-Star Rated Partner! 2200+ Shades! Top Quality Paint Free Cancellation! Get a rental agreement with doorstep delivery Find the BEST deals and get unbelievable DISCOUNTS directly from builders! 5-Star rated painters, premium paints and services at the BEST PRICES! Visit the website of the relevant bank. Review all of the conditions, including the interest rate and processing charge. Submit a balance transfer application if you are happy with the plan. You must complete the necessary fields, which include your name, the type of property, the duration of the current loan, and the name of the bank, among others. After completing Step 5, you can view your loan offer. Complete the required payments and upload your paperwork. Finish the application process and wait for approval. Once this is done, you would have to take the following steps- Obtain form from your current lender all the paperwork required to transfer the rest of your mortgage. Obtain a letter of approval from the current bank and the outstanding loan balance. Give these records to the new bank to which you want to transfer the rest of your mortgage. The debt owed to your former lender will subsequently be settled by the new lender. Your old loan account will then be terminated, requiring all future loan payments to be made to the new bank. The transfer of your home loan will then be fully completed when all property paperwork is delivered to the new bank. Documents required for home loan transfer include- Identity proof Address proof Passport size photograph Documents pertaining to the existing loan Last 3 months salary slips Last 3 years balance sheet and profit and loss statements (Self-Employed) Last 6 months bank statements The following elements will affect how much money you can save: Principal balance of your unpaid mortgage Present EMI and monthly The ongoing loan's term at the moment (in months) The new lender's interest rate, to which the loan will be moved Required term of the new balance transfer mortgage in months For instance, if the principal balance is Rs. 40,00,000, the current EMI is Rs. 40,000, the current loan's term is 240 months (20 years), the interest rate for a balance transfer loan offered by the new lender is 8.85%, and the required term for the new loan is 240 months (20 years), you will save Rs. 10,55,040. Your EMI will drop from Rs. 40,000 to Rs. 35,604 per month. The whole payment will drop from Rs. 96,00,000 to Rs. 85,44,960. Even though you won't necessarily save much money by choosing a shorter term, you will be able to pay off the loan more quickly while maintaining the same monthly payment schedule. [widgei. emi. calc] Most often people decide to go for a home loan transfer because the new lender is offering them a better deal, this could be there are times when after you take your home loan, the lending rates could fall in the economy, but you still have to pay the high-interest rate that you signed up for. Your current lender would be able to change your interest rate, and you will have to pay more interest even though the rates have come down. In this case, switching would mean paying a lower interest rate and hence being able to save more in the long run. Once you agree to the tenure of your home loan, you will not be able to change it, the only way to do so is to transfer your home loan or as its called refinance your mortgage. When you transfer your loan, you can choose to increase or decrease the tenure. If you are doing better financially, you can decrease the loan period, or if you want a little more disposable income, then you can increase the loan period. Tenure of Your Loan Some home loan providers charge high penalties and foreclosure fees. The best way around this is to go to a provider that offers lower penalties and no foreclosure fees. This way, you can close your loan earlier without having to worry about fines. If you feel that your loan provider is terrible at customer service, this too could be a valid reason to transfer your home loan to another loan provider. Better Deals or Service A good rate of interest on a loan is not the only factor to consider. The price of the loan, floating interest rates mean that the EMIs would fluctuate as per the market rates. This way, you could end up paying more, or less than the current EMI. If you are paying a high EMI and see that a floating interest rate will help you save more, then it is a good idea to make the change. If you have taken a home loan for 20 lakhs, but later come to know that you need an additional 5-6 lakhs for interiors and other miscellaneous expenses, what do you do? In this case, a home loan transfer can really help. You can ask the new lender for the amount you want in addition to the loan you will be transferring. If you suddenly feel that your expenses are too high, and you need to get a little more money to spend, then you can look at ways to lower your EMI amount. This can be done by transferring your loan for a lower interest rate or transferring for a longer tenure. Both these methods will help you reduce your EMI amount. EMI Amount [widgei. homeLoan. checkEligibility. form] A home loan transfer involves several additional charges in addition to the interest rate. Before transferring their house loan balance, the following are two crucial fees that borrowers must consider: Charges for foreclosure: These fees are paid to the current lender to close the loan before the term has run its course. On house loans with adjustable rates, these fees are nonexistent. These fees, however, might reach 4% of the outstanding debt for house loans with fixed interest rates. Processing fees: These costs, which can be up to 6% of the loan amount, must be paid to the new lender in order for them to process your application for a new home loan after the transfer. If you feel that you too need to get a balance transfer, to reduce EMI, or reduce tenure or for any of the above reasons, then let us help. NoBroker can provide you with plenty of loan options to choose from, as well as a dedicated Loan Manager who will help you through the process. Visit us by clicking below to know more about this service. 1. How long does the process of home loan transfer to other bank take? Post the lock-in period of your existing home loan, the process of home loan balance transfer can take about 15 days to complete. 2. Is home loan transfer a good idea? When the amount of the outstanding debt is big, it is desirable to transfer a mortgage. A home loan's EMI consists of the main amount and the interest amount, just like any other EMI. The principal balance is gradually paid off as the loan matures, lowering the total amount still owed. 3. What are the home loan balance transfer charges RBI guidelines? As per RBI guidelines, banks or other lenders are not allowed to charge home loan fees for home loan balance transfers. However, since home loan balance transfer includes foreclosing on the existing home loan, a prepayment charge of 1%-3% on fixed-rate loans may be applicable. 4. How many times can I transfer a home loan? Although it is possible to use the home loan balance transfer feature more than once, doing so only makes sense if you take your time to select the best lender for the transition and use the facility just once during the loan's term. admin 7 min 27 May 2025 Table of Content: Understanding Home Loan Balance Transfer/When to Consider It Steps to Transfer Pros and Cons Top Lenders Offering Transfers FAQs on Home Loan Balance Transfer Tables: Pros and Cons of Balance Transfer Top Lenders Comparison A home loan balance transfer enables borrowers to switch their loan account to a new lender with improved terms. The primary benefit of this process is to obtain a lower interest rate, which, in turn, reduces monthly EMIs and the overall cost of the loan. Borrowers can also opt for a shorter loan tenure or smaller EMIs. Many lenders provide pre-approval options, which allows the borrowers to save on interest or reduce the repayment period. Eligibility for a balance transfer requires a good credit score, stable income, and no default history on the current loan. Borrowers must compare interest rates, fees, and repayment terms before initiating the transfer process. The process involves obtaining a No Objection Certificate (NOC) from the existing lender, submitting documents to the new lender, and finalizing the agreement. Processing fees may apply but are often outweighed by long-term savings. Floating-rate loans typically incur no prepayment penalties, while fixed-rate loans may have charges. A balance transfer can also improve credit scores if repayments are consistent. Borrowers can even secure top-up loans at lower rates during the transfer process for additional financial flexibility. A Home Loan Balance Transfer functionally knows as refinancing loans, home loan transfer, top-up loans, car loans and loan transfers. It also helps you: Additional Read: Almost everyone has bought their home with the help of a home loan, now, these loans take almost 10-20 years, or even more to clear. But, did you know that you don't have to stick to the initial bank or lender? You can get your home loan balance transferred or switch to a new bank/lender. Transferring your loan is when you find another bank or lender who will pay your loan lender in full. The new lender will then start charging you as per the new loan amount, and you will have to pay the new EMI (equated monthly installments) amount to them. You will need to pay a conversion fee to the existing lender to be able to do this. You can refinance your mortgage by taking the steps listed below: Unbeatable Price 5-Star Rated Partner! 2200+ Shades! Top Quality Paint Free Cancellation! Get a rental agreement with doorstep delivery Find the BEST deals and get unbelievable DISCOUNTS directly from builders! 5-Star rated painters, premium paints and services at the BEST PRICES! Visit the website of the relevant bank. Review all of the conditions, including the interest rate and processing charge. Submit a balance transfer application if you are happy with the plan. You must complete the necessary fields, which include your name, the type of property, the duration of the current loan, and the name of the bank, among others. After completing Step 5, you can view your loan offer. Complete the required payments and upload your paperwork. Finish the application process and wait for approval. Once this is done, you would have to take the following steps- Obtain form from your current lender all the paperwork required to transfer the rest of your mortgage. Obtain a letter of approval from the current bank and the outstanding loan balance. Give these records to the new bank to which you want to transfer the rest of your mortgage. The debt owed to your former lender will subsequently be settled by the new lender. Your old loan account will then be terminated, requiring all future loan payments to be made to the new bank. The transfer of your home loan will then be fully completed when all property paperwork is delivered to the new bank. Documents required for home loan transfer include- Identity proof Address proof Passport size photograph Documents pertaining to the existing loan Last 3 months salary slips Last 3 years balance sheet and profit and loss statements (Self-Employed) Last 6 months bank statements The following elements will affect how much money you can save: Principal balance of your unpaid mortgage Present EMI and monthly The ongoing loan's term at the moment (in months) The new lender's interest rate, to which the loan will be moved Required term of the new balance transfer mortgage in months For instance, if the principal balance is Rs. 40,00,000, the current EMI is Rs. 40,000, the current loan's term is 240 months (20 years), the interest rate for a balance transfer loan offered by the new lender is 8.85%, and the required term for the new loan is 240 months (20 years), you will save Rs. 10,55,040. Your EMI will drop from Rs. 40,000 to Rs. 35,604 per month. The whole payment will drop from Rs. 96,00,000 to Rs. 85,44,960. Even though you won't necessarily save much money by choosing a shorter term, you will be able to pay off the loan more quickly while maintaining the same monthly payment schedule. [widgei. emi. calc] Most often people decide to go for a home loan transfer because the new lender is offering them a better deal, this could be there are times when after you take your home loan, the lending rates could fall in the economy, but you still have to pay the high-interest rate that you signed up for. Your current lender would be able to change your interest rate, and you will have to pay more interest even though the rates have come down. In this case, switching would mean paying a lower interest rate and hence being able to save more in the long run. Once you agree to the tenure of your home loan, you will not be able to change it, the only way to do so is to transfer your home loan or as its called refinance your mortgage. When you transfer your loan, you can choose to increase or decrease the tenure. If you are doing better financially, you can decrease the loan period, or if you want a little more disposable income, then you can increase the loan period. Tenure of Your Loan Some home loan providers charge high penalties and foreclosure fees. The best way around this is to go to a provider that offers lower penalties and no foreclosure fees. This way, you can close your loan earlier without having to worry about fines. If you feel that your loan provider is terrible at customer service, this too could be a valid reason to transfer your home loan to another loan provider. Better Deals or Service A good rate of interest on a loan is not the only factor to consider. The price of the loan, floating interest rates mean that the EMIs would fluctuate as per the market rates. This way, you could end up paying more, or less than the current EMI. If you are paying a high EMI and see that a floating interest rate will help you save more, then it is a good idea to make the change. If you have taken a home loan for 20 lakhs, but later come to know that you need an additional 5-6 lakhs for interiors and other miscellaneous expenses, what do you do? In this case, a home loan transfer can really help. You can ask the new lender for the amount you want in addition to the loan you will be transferring. If you suddenly feel that your expenses are too high, and you need to get a little more money to spend, then you can look at ways to lower your EMI amount. This can be done by transferring your loan for a lower interest rate or transferring for a longer tenure. Both these methods will help you reduce your EMI amount. EMI Amount [widgei. homeLoan. checkEligibility. form] A home loan transfer involves several additional charges in addition to the interest rate. Before transferring their house loan balance, the following are two crucial fees that borrowers must consider: Charges for foreclosure: These fees are paid to the current lender to close the loan before the term has run its course. On house loans with adjustable rates, these fees are nonexistent. These fees, however, might reach 4% of the outstanding debt for house loans with fixed interest rates. Processing fees: These costs, which can be up to 6% of the loan amount, must be paid to the new lender in order for them to process your application for a new home loan after the transfer. If you feel that you too need to get a balance transfer, to reduce EMI, or reduce tenure or for any of the above reasons, then let us help. NoBroker can provide you with plenty of loan options to choose from, as well as a dedicated Loan Manager who will help you through the process. Visit us by clicking below to know more about this service. 1. How long does the process of home loan transfer to other bank take? Post the lock-in period of your existing home loan, the process of home loan balance transfer can take about 15 days to complete. 2. Is home loan transfer a good idea? When the amount of the outstanding debt is big, it is desirable to transfer a mortgage. A home loan's EMI consists of the main amount and the interest amount, just like any other EMI. The principal balance is gradually paid off as the loan matures, lowering the total amount still owed. 3. What are the home loan balance transfer charges RBI guidelines? As per RBI guidelines, banks or other lenders are not allowed to charge home loan fees for home loan balance transfers. However, since home loan balance transfer includes foreclosing on the existing home loan, a prepayment charge of 1%-3% on fixed-rate loans may be applicable. 4. How many times can I transfer a home loan? Although it is possible to use the home loan balance transfer feature more than once, doing so only makes sense if you take your time to select the best lender for the transition and use the facility just once during the loan's term. admin 7 min 27 May 2025 Table of Content: Understanding Home Loan Balance Transfer/When to Consider It Steps to Transfer Pros and Cons Top Lenders Offering Transfers FAQs on Home Loan Balance Transfer Tables: Pros and Cons of Balance Transfer Top Lenders Comparison A home loan balance transfer enables borrowers to switch their loan account to a new lender with improved terms. The primary benefit of this process is to obtain a lower interest rate, which, in turn, reduces monthly EMIs and the overall cost of the loan. Borrowers can also opt for a shorter loan tenure or smaller EMIs. Many lenders provide pre-approval options, which allows the borrowers to save on interest or reduce the repayment period. Eligibility for a balance transfer requires a good credit score, stable income, and no default history on the current loan. Borrowers must compare interest rates, fees, and repayment terms before initiating the transfer process. The process involves obtaining a No Objection Certificate (NOC) from the existing lender, submitting documents to the new lender, and finalizing the agreement. Processing fees may apply but are often outweighed by long-term savings. Floating-rate loans typically incur no prepayment penalties, while fixed-rate loans may have charges. A balance transfer can also improve credit scores if repayments are consistent. Borrowers can even secure top-up loans at lower rates during the transfer process for additional financial flexibility. A Home Loan Balance Transfer functionally knows as refinancing loans, home loan transfer, top-up loans, car loans and loan transfers. It also helps you: Additional Read: Almost everyone has bought their home with the help of a home loan, now, these loans take almost 10-20 years, or even more to clear. But, did you know that you don't have to stick to the initial bank or lender? You can get your home loan balance transferred or switch to a new bank/lender. Transferring your loan is when you find another bank or lender who will pay your loan lender in full. The new lender will then start charging you as per the new loan amount, and you will have to pay the new EMI (equated monthly installments) amount to them. You will need to pay a conversion fee to the existing lender to be able to do this. You can refinance your mortgage by taking the steps listed below: Unbeatable Price 5-Star Rated Partner! 2200+ Shades! Top Quality Paint Free Cancellation! Get a rental agreement with doorstep delivery Find the BEST deals and get unbelievable DISCOUNTS directly from builders! 5-Star rated painters, premium paints and services at the BEST PRICES! Visit the website of the relevant bank. Review all of the conditions, including the interest rate and processing charge. Submit a balance transfer application if you are happy with the plan. You must complete the necessary fields, which include your name, the type of property, the duration of the current loan, and the name of the bank, among others. After completing Step 5, you can view your loan offer. Complete the required payments and upload your paperwork. Finish the application process and wait for approval. Once this is done, you would have to take the following steps- Obtain form from your current lender all the paperwork required to transfer the rest of your mortgage. Obtain a letter of approval from the current bank and the outstanding loan balance. Give these records to the new bank to which you want to transfer the rest of your mortgage. The debt owed to your former lender will subsequently be settled by the new lender. Your old loan account will then be terminated, requiring all future loan payments to be made to the new bank. The transfer of your home loan will then be fully completed when all property paperwork is delivered to the new bank. Documents required for home loan transfer include- Identity proof Address proof Passport size photograph Documents pertaining to the existing loan Last 3 months salary slips Last 3 years balance sheet and profit and loss statements (Self-Employed) Last 6 months bank statements The following elements will affect how much money you can save: Principal balance of your unpaid mortgage Present EMI and monthly The ongoing loan's term at the moment (in months) The new lender's interest rate, to which the loan will be moved Required term of the new balance transfer mortgage in months For instance, if the principal balance is Rs. 40,00,000, the current EMI is Rs. 40,000, the current loan's term is 240 months (20 years), the interest rate for a balance transfer loan offered by the new lender is 8.85%, and the required term for the new loan is 240 months (20 years), you will save Rs. 10,55,040. Your EMI will drop from Rs. 40,000 to Rs. 35,604 per month. The whole payment will drop from Rs. 96,00,000 to Rs. 85,44,960. Even though you won't necessarily save much money by choosing a shorter term, you will be able to pay off the loan more quickly while maintaining the same monthly payment schedule. [widgei. emi. calc] Most often people decide to go for a home loan transfer because the new lender is offering them a better deal, this could be there are times when after you take your home loan, the lending rates could fall in the economy, but you still have to pay the high-interest rate that you signed up for. Your current lender would be able to change your interest rate, and you will have to pay more interest even though the rates have come down. In this case, switching would mean paying a lower interest rate and hence being able to save more in the long run. Once you agree to the tenure of your home loan, you will not be able to change it, the only way to do so is to transfer your home loan or as its called refinance your mortgage. When you transfer your loan, you can choose to increase or decrease the tenure. If you are doing better financially, you can decrease the loan period, or if you want a little more disposable income, then you can increase the loan period. Tenure of Your Loan Some home loan providers charge high penalties and foreclosure fees. The best way around this is to go to a provider that offers lower penalties and no foreclosure fees. This way, you can close your loan earlier without having to worry about fines. If you feel that your loan provider is terrible at customer service, this too could be a valid reason to transfer your home loan to another loan provider. Better Deals or Service A good rate of interest on a loan is not the only factor to consider. The price of the loan, floating interest rates mean that the EMIs would fluctuate as per the market rates. This way, you could end up paying more, or less than the current EMI. If you are paying a high EMI and see that a floating interest rate will help you save more, then it is a good idea to make the change. If you have taken a home loan for 20 lakhs, but later come to know that you need an additional 5-6 lakhs for interiors and other miscellaneous expenses, what do you do? In this case, a home loan transfer can really help. You can ask the new lender for the amount you want in addition to the loan you will be transferring. If you suddenly feel that your expenses are too high, and you need to get a little more money to spend, then you can look at ways to lower your EMI amount. This can be done by transferring your loan for a lower interest rate or transferring for a longer tenure. Both these methods will help you reduce your EMI amount. EMI Amount [widgei. homeLoan. checkEligibility. form] A home loan transfer involves several additional charges in addition to the interest rate. Before transferring their house loan balance, the following are two crucial fees that borrowers must consider: Charges for foreclosure: These fees are paid to the current lender to close the loan before the term has run its course. On house loans with adjustable rates, these fees are nonexistent. These fees, however, might reach 4% of the outstanding debt for house loans with fixed interest rates. Processing fees: These costs, which can be up to 6% of the loan amount, must be paid to the new lender in order for them to process your application for a new home loan after the transfer. If you feel that you too need to get a balance transfer, to reduce EMI, or reduce tenure or for any of the above reasons, then let us help. NoBroker can provide you with plenty of loan options to choose from, as well as a dedicated Loan Manager who will help you through the process. Visit us by clicking below to know more about this service. 1. How long does the process of home loan transfer to other bank take? Post the lock-in period of your existing home loan, the process of home loan balance transfer can take about 15 days to complete. 2. Is home loan transfer a good idea? When the amount of the outstanding debt is big, it is desirable to transfer a mortgage. A home loan's EMI consists of the main amount and the interest amount, just like any other EMI. The principal balance is gradually paid off as the loan matures, lowering the total amount still owed. 3. What are the home loan balance transfer charges RBI guidelines? As per RBI guidelines, banks or other lenders are not allowed to charge home loan fees for home loan balance transfers. However, since home loan balance transfer includes foreclosing on the existing home loan, a prepayment charge of 1%-3% on fixed-rate loans may be applicable. 4. How many times can I transfer a home loan? Although it is possible to use the home loan balance transfer feature more than once, doing so only makes sense if you take your time to select the best lender for the transition and use the facility just once during the loan's term. admin 7 min 27 May 2025 Table of Content: Understanding Home Loan Balance Transfer/When to Consider It Steps to Transfer Pros and Cons Top Lenders Offering Transfers FAQs on Home Loan Balance Transfer Tables: Pros and Cons of Balance Transfer Top Lenders Comparison A home loan balance transfer enables borrowers to switch their loan account to a new lender with improved terms. The primary benefit of this process is to obtain a lower interest rate, which, in turn, reduces monthly EMIs and the overall cost of the loan. Borrowers can also opt for a shorter loan tenure or smaller EMIs. Many lenders provide pre-approval options, which allows the borrowers to save on interest or reduce the repayment period. Eligibility for a balance transfer requires a good credit score, stable income, and no default history on the current loan. Borrowers must compare interest rates, fees, and repayment terms before initiating the transfer process. The process involves obtaining a No Objection Certificate (NOC) from the existing lender, submitting documents to the new lender, and finalizing the agreement. Processing fees may apply but are often outweighed by long-term savings. Floating-rate loans typically incur no prepayment penalties, while fixed-rate loans may have charges. A balance transfer can also improve credit scores if repayments are consistent. Borrowers can even secure top-up loans at lower rates during the transfer process for additional financial flexibility. A Home Loan Balance Transfer functionally knows as refinancing loans, home loan transfer, top-up loans, car loans and loan transfers. It also helps you: Additional Read: Almost everyone has bought their home with the help of a home loan, now, these loans take almost 10-20 years, or even more to clear. But, did you know that you don't have to stick to the initial bank or lender? You can get your home loan balance transferred or switch to a new bank/lender. Transferring your loan is when you find another bank or lender who will pay your loan lender in full. The new lender will then start charging you as per the new loan amount, and you will have to pay the new EMI (equated monthly installments) amount to them. You will need to pay a conversion fee to the existing lender to be able to do this. You can refinance your mortgage by taking the steps listed below: Unbeatable Price 5-Star Rated Partner! 2200+ Shades! Top Quality Paint Free Cancellation! Get a rental agreement with doorstep delivery Find the BEST deals and get unbelievable DISCOUNTS directly from builders! 5-Star rated painters, premium paints and services at the BEST PRICES! Visit the website of the relevant bank. Review all of the conditions, including the interest rate and processing charge. Submit a balance transfer application if you are happy with the plan. You must complete the necessary fields, which include your name, the type of property, the duration of the current loan, and the name of the bank, among others. After completing Step 5, you can view your loan offer. Complete the required payments and upload your paperwork. Finish the application process and wait for approval. Once this is done, you would have to take the following steps- Obtain form from your current lender all the paperwork required to transfer the rest of your mortgage. Obtain a letter of approval from the current bank and the outstanding loan balance. Give these records to the new bank to which you want to transfer the rest of your mortgage. The debt owed to your former lender will subsequently be settled by the new lender. Your old loan account will then be terminated, requiring all future loan payments to be made to the new bank. The transfer of your home loan will then be fully completed when all property paperwork is delivered to the new bank. Documents required for home loan transfer include- Identity proof Address proof Passport size photograph Documents pertaining to the existing loan Last 3 months salary slips Last 3 years balance sheet and profit and loss statements (Self-Employed) Last 6 months bank statements The following elements will affect how much money you can save: Principal balance of your unpaid mortgage Present EMI and monthly The ongoing loan's term at the moment (in months) The new lender's interest rate, to which the loan will be moved Required term of the new balance transfer mortgage in months For instance, if the principal balance is Rs. 40,00,000, the current EMI is Rs. 40,000, the current loan's term is 240 months (20 years), the interest rate for a balance transfer loan offered by the new lender is 8.85%, and the required term for the new loan is 240 months (20 years), you will save Rs. 10,55,040. Your EMI will drop from Rs. 40,000 to Rs. 35,604 per month. The whole payment will drop from Rs. 96,00,000 to Rs. 85,44,960. Even though you won't necessarily save much money by choosing a shorter term, you will be able to pay off the loan more quickly while maintaining the same monthly payment schedule. [widgei. emi. calc] Most often people decide to go for a home loan transfer because the new lender is offering them a better deal, this could be there are times when after you take your home loan, the lending rates could fall in the economy, but you still have to pay the high-interest rate that you signed up for. Your current lender would be able to change your interest rate, and you will have to pay more interest even though the rates have come down. In this case, switching would mean paying a lower interest rate and hence being able to save more in the long run. Once you agree to the tenure of your home loan, you will not be able to change it, the only way to do so is to transfer your home loan or as its called refinance your mortgage. When you transfer your loan, you can choose to increase or decrease the tenure. If you are doing better financially, you can decrease the loan period, or if you want a little more disposable income, then you can increase the loan period. Tenure of Your Loan Some home loan providers charge high penalties and foreclosure fees. The best way around this is to go to a provider that offers lower penalties and no foreclosure fees. This way, you can close your loan earlier without having to worry about fines. If you feel that your loan provider is terrible at customer service, this too could be a valid reason to transfer your home loan to another loan provider. Better Deals or Service A good rate of interest on a loan is not the only factor to consider. The price of the loan, floating interest rates mean that the EMIs would fluctuate as per the market rates. This way, you could end up paying more, or less than the current EMI. If you are paying a high EMI and see that a floating interest rate will help you save more, then it is a good idea to make the change. If you have taken a home loan for 20 lakhs, but later come to know that you need an additional 5-6 lakhs for interiors and other miscellaneous expenses, what do you do? In this case, a home loan transfer can really help. You can ask the new lender for the amount you want in addition to the loan you will be transferring. If you suddenly feel that your expenses are too high, and you need to get a little more money to spend, then you can look at ways to lower your EMI amount. This can be done by transferring your loan for a lower interest rate or transferring for a longer tenure. Both these methods will help you reduce your EMI amount. EMI Amount [widgei. homeLoan. checkEligibility. form] A home loan transfer involves several additional charges in addition to the interest rate. Before transferring their house loan balance, the following are two crucial fees that borrowers must consider: Charges for foreclosure: These fees are paid to the current lender to close the loan before the term has run its course. On house loans with adjustable rates, these fees are nonexistent. These fees, however, might reach 4% of the outstanding debt for house loans with fixed interest rates. Processing fees: These costs, which can be up to 6% of the loan amount, must be paid to the new lender in order for them to process your application for a new home loan after the transfer. If you feel that you too need to get a balance transfer, to reduce EMI, or reduce tenure or for any of the above reasons, then let us help. NoBroker can provide you with plenty of loan options to choose from, as well as a dedicated Loan Manager who will help you through the process. Visit us by clicking below to know more about this service. 1. How long does the process of home loan transfer to other bank take? Post the lock-in period of your existing home loan, the process of home loan balance transfer can take about 15 days to complete. 2. Is home loan transfer a good idea? When the amount of the outstanding debt is big, it is desirable to transfer a mortgage. A home loan's EMI consists of the main amount and the interest amount, just like any other EMI. The principal balance is gradually paid off as the loan matures, lowering the total amount still owed. 3. What are the home loan balance transfer charges RBI guidelines? As per RBI guidelines, banks or other lenders are not allowed to charge home loan fees for home loan balance transfers. However, since home loan balance transfer includes foreclosing on the existing home loan, a prepayment charge of 1%-3% on fixed-rate loans may be applicable. 4. How many times can I transfer a home loan? Although it is possible to use the home loan balance transfer feature more than once, doing so only makes sense if you take your time to select the best lender for the transition and use the facility just once during the loan's term. admin 7 min 27 May 2025 Table of Content: Understanding Home Loan Balance Transfer/When to Consider It Steps to Transfer Pros and Cons Top Lenders Offering Transfers FAQs on Home Loan Balance Transfer Tables: Pros and Cons of Balance Transfer Top Lenders Comparison A home loan balance transfer enables borrowers to switch their loan account to a new lender with improved terms. The primary benefit of this process is to obtain a lower interest rate, which, in turn, reduces monthly EMIs and the overall cost of the loan. Borrowers can also opt for a shorter loan tenure or smaller EMIs. Many lenders provide pre-approval options, which allows the borrowers to save on interest or reduce the repayment period. Eligibility for a balance transfer requires a good credit score, stable income, and no default history on the current loan. Borrowers must compare interest rates, fees, and repayment terms before initiating the transfer process. The process involves obtaining a No Objection Certificate (NOC) from the existing lender, submitting documents to the new lender, and finalizing the agreement. Processing fees may apply but are often outweighed by long-term savings. Floating-rate loans typically incur no prepayment penalties, while fixed-rate loans may have charges. A balance transfer can also improve credit scores if repayments are consistent. Borrowers can even secure top-up loans at lower rates during the transfer process for additional financial flexibility. A Home Loan Balance Transfer functionally knows as refinancing loans, home loan transfer, top-up loans, car loans and loan transfers. It also helps you: Additional Read: Almost everyone has bought their home with the help of a home loan, now, these loans take almost 10-20 years, or even more to clear. But, did you know that you don't have to stick to the initial bank or lender? You can get your home loan balance transferred or switch to a new bank/lender. Transferring your loan is when you find another bank or lender who will pay your loan lender in full. The new lender will then start charging you as per the new loan amount, and you will have to pay the new EMI (equated monthly installments) amount to them. You will need to pay a conversion fee to the existing lender to be able to do this. You can refinance your mortgage by taking the steps listed below: Unbeatable Price 5-Star Rated Partner! 2200+ Shades! Top Quality Paint Free Cancellation! Get a rental agreement with doorstep delivery Find the BEST deals and get unbelievable DISCOUNTS directly from builders! 5-Star rated painters, premium paints and services at the BEST PRICES! Visit the website of the relevant bank. Review all of the conditions, including the interest rate and processing charge. Submit a balance transfer application if you are happy with the plan. You must complete the necessary fields, which include your name, the type of property, the duration of the current loan, and the name of the bank, among others. After completing Step 5, you can view your loan offer. Complete the required payments and upload your paperwork. Finish the application process and wait for approval. Once this is done, you would have to take the following steps- Obtain form from your current lender all the paperwork required to transfer the rest of your mortgage. Obtain a letter of approval from the current bank and the outstanding loan balance. Give these records to the new bank to which you want to transfer the rest of your mortgage. The debt owed to your former lender will subsequently be settled by the new lender. Your old loan account will then be terminated, requiring all future loan payments to be made to the new bank. The transfer of your home loan will then be fully completed when all property paperwork is delivered to the new bank. Documents required for home loan transfer include- Identity proof Address proof Passport size photograph Documents pertaining to the existing loan Last 3 months salary slips Last 3 years balance sheet and profit and loss statements (Self-Employed) Last 6 months bank statements The following elements will affect how much money you can save: Principal balance of your unpaid mortgage Present EMI and monthly The ongoing loan's term at the moment (in months) The new lender's interest rate, to which the loan will be moved Required term of the new balance transfer mortgage in months For instance, if the principal balance is Rs. 40,00,000, the current EMI is Rs. 40,000, the current loan's term is 240 months (20 years), the interest rate for a balance transfer loan offered by the new lender is 8.85%, and the required term for the new loan is 240 months (20 years), you will save Rs. 10,55,040. Your EMI will drop from Rs. 40,000 to Rs. 35,604 per month. The whole payment will drop from Rs. 96,00,000 to Rs. 85,44,