Complete Guide to Home Loans in India

Most people go into a home loan application thinking the hardest part will be finding the right property, when in reality it's usually the loan itself that decides how the whole purchase unfolds. Lenders look at income stability, existing EMIs, and credit history before anything else, and this combination is what sets both the amount you're eligible for and the rate you end up paying. Two applicants earning the same salary can get very different offers simply because one has cleaner credit and lower existing debt.

Documentation tends to trip people up more than the actual eligibility check. Salary slips, IT returns, bank statements, and property documents all need to line up, and lenders are particular about consistency across these — a mismatch between declared income and bank credits is one of the most common reasons files get sent back for clarification. Getting these together and cross-checked before applying, rather than scrambling once the process has started, saves weeks in most cases.

Rates are negotiable more often than borrowers assume, especially for those with a strong repayment track record or an existing relationship with the bank. It rarely makes sense to accept the first quote without at least comparing two or three lenders, since even a difference of half a percent adds up to a substantial sum over a fifteen or twenty year tenure. On top of that, home loans come with tax deductions on both principal and interest under the current income tax provisions, and factoring these in properly can change what actually looks affordable on paper versus what it costs after tax.