

Letter to your lender: ask for a lower home loan rate

Fill the brackets, delete what does not apply, and send it by email and at the branch. Keep a copy with the date.

To,
The Branch Manager
[Lender name]
[Branch / address]

Date: [Date]

Subject: Request to review the interest rate on home loan account [Loan account number]

Dear Sir/Madam,

I am a borrower under the above home loan. My current details are:

- Outstanding principal: [Rs. amount outstanding]
- Interest rate: [current rate]% ([floating / fixed])
- Monthly EMI: [Rs. EMI]
- Remaining tenure: [years and months]

I request you to:

1. Review my rate and reduce it to [rate you want]%, or to the lowest rate you currently offer to a new borrower with a similar profile.
2. Tell me in writing the fee, if any, for this change, and any other charge that applies.
3. Confirm in writing whether my EMI or my tenure will change if the rate is reduced, and from which date.
4. [Keep ONE of these two lines and delete the other]

(Floating-rate loan) Confirm in writing that no prepayment or part-payment charge applies to my loan, since it is a floating-rate loan.

(Fixed-rate loan) Tell me in writing the prepayment, part-payment and foreclosure charges that apply to my fixed-rate loan.

Please reply in writing. If a reduction is not possible, please tell me the reason and the rate at which my loan can be moved.

Yours sincerely,
[Your name]
Loan account: [Loan account number]
Phone: [Your phone] Email: [Your email]

Before you send

- ☐ Find your current rate, EMI, outstanding principal and remaining tenure on your latest statement or in your lender's app
- ☐ Check what the same lender offers a new customer today. The free rate check at loancheckup.in compares your rate with what lenders list
- ☐ Pick the rate you will ask for. Ask for the new-customer rate or slightly below it
- ☐ Keep the line for your loan type (floating or fixed) and delete the other

When you send it

- ☐ Email it and also hand a printed copy at the branch. Ask for a stamped acknowledgement with the date
- ☐ Write down the date and the name of the person you spoke to
- ☐ If you get no written reply in two weeks, write again and ask for the reason and the rate at which your loan can be moved

On the phone

1. "I have a home loan, account [number]. I want to ask for a rate review."
2. "What rate do you give a new borrower with my profile today?"
3. "What is the fee, if any, to move my loan to that rate?"
4. "Please confirm all of this in writing."

If your lender will not move, run the Switch or stay? check at loancheckup.in to see whether moving to another lender pays after fees.