

**TRIPARTITE AGREEMENT FOR LOAN ON SECOND CHARGE**

**THIS AGREEMENT** made the \_\_\_\_day of \_\_\_\_\_ Two thousand \_\_\_\_\_  
BETWEEN (1) \_\_\_\_\_ S/O,W/O,  
D/O \_\_\_\_\_ and  
\_\_\_\_\_ S/O,W/O,D/O  
\_\_\_\_\_ aged \_\_\_\_\_ years respectively both  
residing \_\_\_\_\_ at

\_\_\_\_\_(hereinafter called "BORROWER" his/her heirs, executors, administrators and legal representatives) of the **party of the FIRST PART**, (2) **Army Welfare Housing Organisation** a registered **with the Registrar of Societies, Delhi** under the Societies Registration Act XXI of 1860 having its registered office at South Hutments, Kashmir House, RajajiMarg, New Delhi-110011 (hereinafter called 'The AWHO' through its **Managing Director** or any other officer authorized by him in his behalf which expression shall unless repugnant to the subject or context or meaning thereof be deemed to include its successors or assigns) **as party** of the **SECOND PART**, and (3) \_\_\_\_\_, a Company registered under \_\_\_\_\_ having its registered office

\_\_\_\_\_ hereafter called 'The Company' which expression shall unless repugnant to the subject or contest or meaning thereof be deemed to include its successors and assigns) **as party** of the **THIRD PART**.

**WHEREAS** the Borrower desires to purchase a flat from the AWHO under the provisions of its Self-Financing Scheme (hereinafter referred to 'as the Scheme'), a copy of the letter of allocation issued to the Borrower by the AWHO along with the terms and conditions of allotment is annexed in this agreement which envisages allotment to applicants of such flats constructed under the Scheme (hereinafter referred to as the flat) and payment by the applicants towards the cost of construction and proportionate cost of land thereof to the AWHO in installments/lump sum in the manner provided under the terms of allotment.

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**AND WHEREAS** the Borrower has already deposited with the AWHO a sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) as part payment towards the purchase of a flat under the Scheme.

**AND WHEREAS** the Borrower has already been sanctioned home loan to the tune of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) by \_\_\_\_\_ having its First Charge on the said allotted flat/property vide NOC No B/03015/AWHO/NOC/OA dated \_\_\_\_\_ issued by AWHO.

**AND WHEREAS** under the provisions of the Self Finance Scheme framed by the Company, **the borrower** has now again applied to the Company for additional loan on second Charge to the tune of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) for making payment towards cost of a flat under the Scheme and the Company has agreed to sanction a loan of \_\_\_\_\_ (Rupees \_\_\_\_\_ only) to Borrower (Hereinafter referred to as the Housing Loans for making payment towards cost of a flat) subject to the usual terms and conditions applicable to the same Scheme such as mortgage of the flat/dwelling unit, rate of interest of loan, repayment term, payment of additional interest in case of default, assignment of the flat to the Company as security on Second Charge etc.

**NOW IT IS HEREBY AGREED AS FOLLOWS:-**

1. On receipt of intimation from AWHO that a flat shall be allotted to the Borrower, the Company will sanction the Housing Loan for **the** purchase of flat to the Borrower according to its rules, but the actual payment in installment/lump sum will be made by the Company directly to the AWHO within the time specified in the allotment letter and **/or** as and when required by AWHO. Before the disbursement of loan, any amount towards purchase price in excess of the Housing Loan for purchase of flat sanctioned by the Company will be paid by the Borrower directly to the AWHO from the date of demand of such amount within the time specified by the AWHO. If there is any delay on the part of the Company in payment of the installments, the Borrower shall be liable to pay to the AWHO penalty/ interest on such delayed payment, if any, according to the rules of the AWHO.

2. The AWHO shall maintain a proper account for the Borrower only when the loan installments are disbursed by the Company directly to AWHO

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under covering letters of the Company and adjust the amount advanced by the Company against the cost of the allocated flat to the Borrower.

3. On completion of the flat and after receipt of full payment and completion of requisite formalities including the submission of documents etc, the possession of the flat shall be handed over to the Borrower on Lease Hold/Free Hold basis. However, the Sub Lease/Conveyance Deed in favour of the Borrower by AWHO shall be executed within a reasonable time say within a year or so and after completion of all requisite formalities by the Borrower/Allottee **including the allottee arranging the finance for purchasing the requisite stamp duty, registration charges and such other charges as may be required to register the file of the flat in favour of the allottee and till such time** the flat shall form part of the security for housing loan for the purchase of the flat granted by the Company and as soon as Sub Lease/Conveyance/Title Deed is executed by the AWHO, the Borrower shall **handover title deed of the flat as a collateral towards the** mortgage the flat immediately to the Company for having taken the Housing loan for the purchase of flat. The Borrower shall also furnish all the necessary documents for registration of Sub Lease/Conveyance/Title Deed to the concerned registration authorities.

4. If the Borrower desires to withdraw from the scheme or if he/she fails to pay the balance amount **to AWHO**, after the Company has paid full or part of the loan, the entire amount advanced by the Company will be refunded by AWHO to the Company. The AWHO will be responsible to refund the loan amount to company to the extent of the loan amount disbursed **and/or as demanded by the Company** under intimation to borrower in accordance with Clauses 1 and 2 above. The AWHO will **thereafter** refund to the Borrower the initial deposit paid by the Borrower after deducting there from such amount as may be recoverable from the Borrower in accordance with provisions **and rules of allotment of AWHO as may be** applicable to the Scheme.

5. In the event of cancellation of allotment of flat/dwelling unit by the AWHO, AWHO shall refund to the Company the entire amount received from it **and/or as demanded by the Company in** accordance with Clauses 1 and 2 above.

6. The AWHO **hereby** consents that the Company shall have a lien on the flat in terms of mortgage permission granted by the Principle **Lessor**/Land Allotting Authority, or as the case may be and that the Borrower may furnish the flat as security for the loan to be obtained from the Company and create mortgage in favour of the Company.

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7. It is agreed that in case of cancellation of the allotment of the flat by AWHO in terms of its rules of allotment, AWHO reserves its right of re-entry and re-possession of the flat. Such right shall not be enforced by AWHO unless a Notice in writing of not less than 06 (Six) months served on the Company setting out the precise breach for which the right is purported to be exercised, and an opportunity is given to the Company to rectify or to get rectified the breach. No right of re-entry shall be exercised if within the aforesaid period of 06 (Six) months the Company or the Borrower has rectified the breach to the satisfaction of the AWHO. Right to enforce re-entry and re-entry shall continue to be available to AWHO even after the expiry of 06 (Six) months. Subject to the provisions as contained in Clauses 8 & 9 below the Company shall be entitled to enforce forthwith its lien to the flat/dwelling unit and recover its dues out of the sale proceeds thereof and thereafter AWHO shall be entitled to deal with the balance of the sale proceeds in accordance with the provisions of the Scheme.

8. It is agreed and understood in an eventuality of the allottee/loanee causing any breach of the provisions of allotment of AWHO and/or terms of re-payment of the housing loan, even after taking over physical possession/registration of the flat, the Company may initiate any legal action in accordance with the existing laws of the land to recover the outstanding amounts/dues including the principle loan amount, interest, any other administrative and legal expenses from the allottee/loanee, including by way of sale of the mortgaged flat. However, in such eventuality, the Company shall without fail, offer to AWHO the first right to take over the mortgaged flat after clearing outstanding dues. Only after refusal of AWHO in writing to take over the said mortgaged flat, shall the Company be entitled to take further course of action as permissible in law, however keeping AWHO informed in writing well in advance and also make available all such Legal/Public Notices/Notifications served to the allottee/loanee or published in News Papers/Public Forums from time to time. Further, the Company while taking legal course to dispose off the flat by way of public auction, shall ensure that the auction purchaser strictly comply with the eligibility conditions as well as disposal conditions of Property as laid down in Rules 12 and 80 of AWHO Master Brochure July '87 (As Amended upto 01<sup>ST</sup> Mar 2016) or any subsequent amendments which may be deemed necessary and come into force from time to time shall also be binding on the Company. In no circumstances, shall the Company shall deviate from the above laid down rules of the AWHO for the sale of the mortgaged property to recover the unpaid loan amount from the allottee/loanee.

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9. It is also agreed that the Company shall be responsible to ensure that the higher bidder emerged in accordance with Clause 8 above, shall execute/submit all legal documents and pay Transfer/Applications fees as applicable to AWHO for allocation of an unique Registration Number.

**IN WITNESS WHEREOF** the parties above named have hereunto set their hands on the dates specified hereinafter in each case.

(Signature of the Borrower/Allottee)

WITNESSES

1. Name, address & occupation
2. Name, Address & Occupation

(Signature on behalf of the AWHO)

WITNESSES

1. Name, Address & Occupation
2. Name, Address & Occupation

(Signature on behalf of Housing Loan Agency)

WITNESSES

1. Name, Address & Occupation
2. Name, Address & Occupation

**SCHEDULE OF PROPERTY**

Flat No \_\_\_\_\_ Category \_\_\_\_\_ Name of Colony & Block \_\_\_\_\_  
AWHO  
allotment letter No \_\_\_\_\_ dated \_\_\_\_\_  
loan sanctioned \_\_\_\_\_ Period of loan \_\_\_\_\_.

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