

WHAT IS HOUZKEY

HouzKEY is a homeownership financing solution offered by Maybank Islamic to assist first and second home Malaysian buyers in owning their dream home. It is based on the Shariah contract of Ijarah Muntahiyah Bi Tamlik which is a lease contract that ends with ownership via sale.

This financing solution is available for properties offered by our partnering developers which include new launches, under-construction and completed properties. Financing on purchase of subsale residential property is unavailable until further notice.

Why choose HouzKEY?

Under HouzKEY, homebuyers get to enjoy 100% financing (no down payment is required), no payment during construction period and lowest monthly payment

PRODUCT STRUCTURE

What is the tenure under HouzKEY?

Homebuyers under HouzKEY starts off with a 5 year tenure (“Initial Tenure”) and subsequently have the flexibility to continue for up to an additional 30 years.

Thus the maximum tenure that can be offered is 35 years (or up to 70 years old, whichever earlier)

Is there any down payment required?

HouzKEY provides 100% financing and no down payment is required.

To start your homeownership journey, only pay three months of deposit upon signing the HouzKEY Agreements with the Bank and the Sale and Purchase Agreement (SPA) with the developer.

Is the three months deposit refundable?

Yes. The security deposit is refundable in the event that there is no outstanding sum due and payable to the Bank including any cost of repairs, replacements or damage to the Property. The Security Deposit will not be used as a set-off against the monthly payment at any time without prior written consent from the Bank.

What other costs do I have to pay?

This will vary from project to project as the packages offered by Developers are different for each project. If the costs are not absorbed by the developer, the cost will be due from you.

You may enquire with our representatives or with Developer sales team for your specific project in mind.

Upon Signing of SPA and financing agreement (“HouzKEY Agreements”)

Charges incurred in relation to signing of SPA

a. Legal fees and disbursement for SPA

Legal fee as per Solicitor’s Remuneration (Amendment) Order (SRAO) 2023 for West Malaysia & disbursement.

Note that for East Malaysia, it will be based on the Advocates’ Remuneration Rules 1988 (Sabah) and Advocates’ Remuneration (Amendment) Rules 2018 (Sarawak)

b. Stamp duty for SPA

Nominal stamp duty of RM 10.00 per copy, four copies to be stamped.

c. Deed of Mutual Covenant

Nominal stamp duty of RM 10.00 per copy, four copies to be stamped (if applicable).

d. Stamp Duty for MOT (if title is issued)

Ad valorem stamp duty under the Stamp Act 1949

Charges incurred in relation to signing of HouzKEY Agreements	
a. Security deposit	Three (3) months refundable security deposit to be maintained at all times with the Bank and shall be refunded to you at the termination of HouzKEY Agreements, minus any outstanding obligations.
b. Legal fees and disbursement for Home Financing Agreement	Legal fee as per Solicitor's Remuneration (Amendment) Order (SRAO) 2023 for West Malaysia & disbursement Note that for East Malaysia, it will be based on the Advocates' Remuneration Rules 1988 (Sabah) and Advocates' Remuneration (Amendment) Rules 2018 (Sarawak)
c. Stamp duty for Home Financing Agreement	As per First Schedule of item 22(1)(b) of Stamp Act for the original copy and nominal stamp duty of RM 10.00 for each duplicate copy.
d. Legal fees and disbursement for Deed of Trust	RM 300 *This may vary from state to state
e. Stamp duty for Deed of Trust	Nominal stamp duty of RM 10.00 per copy, four copies to be stamped.
f. Legal fees for Power of Attorney (PA)	RM 300 *This may vary from state to state

g. Stamp duty for Power of Attorney	Nominal stamp duty of RM 10.00 per copy, four copies to be stamped.
h. Registration fee for Power of Attorney	Registration fee for PA at High Court and Land Office. *The registration cost at Land Office varies according to respective states' requirement.
i. Legal fees for Purchase Undertaking	RM 150 *This may vary from state to state
j. Stamp duty for Purchase Undertaking	Nominal stamp duty of RM 10.00 per copy, four copies to be stamped.
k. Legal fees for Sale Undertaking	RM 150 *This may vary from state to state
l. Stamp duty for Sale Undertaking	Nominal stamp duty of RM10.00 per copy, four copies to be stamped.
m. Caveat on property	Legal fee of entry and withdrawal of private caveat: RM 350 Legal fee of entry of lien holder's caveat (if applicable): RM 400 Registration fee for lien holder's caveat (if applicable): RM 200 Registration fee for entry and withdrawal of private caveat: RM 350

	<p>Above only applicable for property with title.</p> <p>*The legal fee and registration cost at Land Office varies according to respective states' requirement.</p>
n. Other fee	There may be endorsement fee, certificate of clearance etc which shall differ based on the respective states
During Tenure	
Property maintenance costs & expenses	Utilities bills, fire takaful, payment of taxes and outgoings such as quit rent, assessment fee, maintenance fee and other payments associated to the property (where applicable) to be borne by you.
Notice of Settlement	RM 50.00

Note:

All costs stated herein are based on estimation only

What is my Financing Rate?

During the Initial Tenure, the Financing Rate is termed as the Campaign Rate.

Subsequent to the Initial Tenure, the Financing Rate is termed as the Profit Rate.

Both Profit Rate and Campaign Rate are unique to customer's assessment. Campaign Rate is used to calculate the monthly payment from Year 1 to Year 5 whereas Profit Rate is used to calculate the monthly payment based on property price and financing rate from year 6 onwards.

Both the Campaign Rate and Profit Rate (collectively defined as 'Financing Rate') will be disclosed to you at the point of your application approval and agreement signing.

The Financing Rate is subject to changes in the Bank's SBR.

Your monthly instalment amount will vary if the SBR changes.

	Current Rate	Current Rate +1%	Current Rate +2%
Profit Rate	4.35%	5.35%	6.35%
Indicative Campaign Rate ¹	3.915%	4.815%	5.715%
Monthly Instalment Amount (RM)	1,631	2,006	2,381

Profit Rate and Indicative Campaign Rate is subject to prevailing Standardised Base Rate (SBR) and Bank's assessment on the Customer. Historical SBR for the past 8 years.

How is my monthly payment calculated?

Your monthly payment will be computed based on the property price and your Financing Rate.

During the Initial Tenure, the monthly payment is a profit only payment to enable lower payments in offering you with the greatest cash flow flexibility.

Your monthly payment schedule will be shared with you at the point of signing of agreement.

In the event that there is a change in the Bank's Standardise Base Rate/Islamic Base Rate, the monthly payment amount will change accordingly and you will be duly notified by the Bank. Your monthly payment may also be adjusted from time to time to take into account the costs and expenses incurred in relation to this financing, including but not limited to the Bank's solicitors' fees, stamp duties and registration fees, if any, expended or that may hereafter be expended by the Bank. The Bank will give no less than twenty one (21) days' prior notice in writing to you of any such intention to vary the rate, manner and time of payment, and mode of computation and will specify the date such changes are to come into effect. The Bank may adjust the monthly payment by twenty one (21) days' prior written notice to you for any reasons whatsoever so long as such adjustment (other than an adjustment due to the change in the Bank's Standardise Base Rate/Islamic Base Rate) will not increase the amount of the monthly payment payable by you. Any variation will take immediate effect from the date stated by the Bank in the said notice.

When does the first payment start?

The monthly payment commencement date refers to the date on which the monthly payment shall commence which will be notified by the Bank to you. In the event of any renovation work to be done in the property after the Vacant Possession Date or the Deemed Vacant Possession Date, the monthly payment shall commence regardless. As of the Vacant Possession Date or the Deemed Vacant Possession Date, whichever is applicable, you shall accept the right to full possession of the property, on an “as is where is” basis.

What is Grace Profit period?

Grace Profit Period is the number of days from Vacant Possession Date or Deemed Vacant Possession Date until the next 21st of the month. This GPP will be charged only once in your first billing.

Who will pay for the maintenance fees, utility charges, quit rent, insurance/takaful etc of the property?

You will be required to pay the above charges.

What is the comparison between HouzKEY and Mortgage?

The table below illustrates a comparison between HouzKEY and Mortgage based on a RM 500,000 property under construction.

	HouzKEY	Mortgage
Rate ¹	Profit Rate: 4.35% Campaign Rate: 3.915%	Profit Rate: 4.35%
Security deposit/ down payment	RM 4,894 (security deposit)	RM 50,000 (down payment)
Estimated upfront cost ²	RM 22,475	RM 20,670

Estimated payment for progressive during construction	RM 0 ³	RM 25,000
Monthly payment	RM 1,631	RM 2,088 ⁴
Total payment over 5 years	RM 125,244	RM 220,953

Rate is subject to prevailing Standardised Base Rate (SBR) and Bank's assessment on the Customer. SBR is a common reference rate for all commercial banks with effect from 1 August 2022 in the pricing of new retail financing pegged to Islamic base rates, refinancing of existing retail financing, and the renewal of revolving retail financing from 1 August 2022. The SBR is pegged to the Overnight Policy Rate (OPR) (i.e SBR = OPR) and all existing Islamic Base Rate (IBR) in turn are pegged to the SBR. In other words, SBR and IBR will be adjusted in tandem with the changes in the OPR as determined by the Monetary Policy Committee (MPC) of Bank Negara Malaysia.

Estimated upfront cost includes legal fees, disbursement and stamp duty for the sale & purchase agreement, HouzKEY Agreements, transfer agreement for a property with title. These costs may differ from project to project as it may be absorbed by developer. All costs stated herein are based on estimation only and subject to change. All costs stated herein differs based on states and may be higher and subject to change from time to time.

The progressive payment during construction is financed by the Bank and is only due as part of contract Settlement Price.

Mortgage instalment illustration based on 35 years' tenure.

HOW DO I APPLY?

Which projects can I apply for?

As the property portfolio is constantly expanding with more developers and properties added across different locations, you can browse all participating projects by developers [HERE](#) to view the available projects and collaboration with participating developers.

How do I apply for HouzKEY?

Browse our property selection [HERE](#) and select the project that you are interested in.

Click "register interest" and fill in your details.

The developers/agents will get in touch with you for the next steps.

Alternatively, you may also make a booking directly with the participating developer and apply for HouzKEY. This is to ensure the availability of your desired unit with developer when you apply with HouzKEY for financing.

How do I know if my application is successful?

Please allow us a few days to assess your application.

We shall then inform you via email on the result of your application and the next steps.

APPLICATION REQUIREMENTS

What is the eligibility criteria for HouzKEY?

You must be a Malaysian citizen, 18-70 years old and must not have more than 1 home financing (including HouzKEY facility) at the point of application.

Can I apply for HouzKEY under joint names?

No, there can only be one main applicant.

You may however apply for HouzKEY with up to three guarantors.

Pursuant to the actual purchase of the property, you may consider joint names, if required.

What is the requirement to be a guarantor?

You can apply for HouzKEY with up to three guarantors.

They should be 18-70 years of age and must be members from your immediate family such as your parents, siblings, spouse or children.

Guarantors are exempted from the criteria of having not more than 1 home financing (including HouzKEY facility) at the point of application.

What documents do I need to apply for HouzKEY?

You and your guarantor(s), if any, are required to upload the following documents in your application:

I. Identity Card (NRIC); and

II. Employed (salary earner):

- Latest 3 months consecutive salary slip
- Latest EPF statement
- Latest 3 months bank statements (if non Maybank crediting salary)
- Note: If working overseas, to provide Employment pass/working permit and Employment Letter and overseas EPF / Credit Report (EPF/CCRIS equivalent), if any.

OR

III. Self-employed (sole-prop & partnership):

- Latest 6 months bank statements
- Latest consecutive 2 years B/BE Form (with tax receipt)
- Latest 2 years financial Financial Account Statement/Management Account
- Latest SSM search

AND

IV. Any other supporting documents to strengthen your credit profile:

- Latest BE form with tax receipt
- 2 years EA form for non-contractual bonus
- Employment confirmation letter on fixed bonus
- 6-months or up to 1-year bank statement or commission/variable allowance/overtime/service points vouchers
- 3-months pension statement
- Copy of ASB book or Tabung Haji reflecting customer's name and latest balance
- Copy of Fixed Deposit certificate
- Valid tenancy agreement not less than 6 months from expiry date, or 6 months bank statement showing rental income and property ownership evidence.

Our officer may be able to guide you on the supporting documents once you have submitted the mandatory documents as stated in I and II or III above

What is the next step after my application is successful?

The Bank will inform you on the successful application and provide instructions for you to proceed in securing your HouzKEY financing and property chosen. You and your guarantor(s) (where applicable) are required to:

- Execute the SPA (and other relevant documents) with the developer and the HouzKEY Agreements with the Bank and pay the security deposit and all other miscellaneous charges (if any). Please be advised that we are not able to disclose the HouzKEY Agreements prior to signing in view of the confidentiality of the documentation however you may be assured that every critical key terms affecting the rights and obligations will be brought to your attention and clearly explained during signing. We advise you to read and consider the information and explanation given.
- You are required to open a Maybank Islamic current/savings account if you do not have an existing Maybank Islamic current/savings account for debiting payment.

The developer will notify you via a Vacant Possession (“VP”) Notice once the property is in order for handover.

NOMINEE & TAKAFUL / INSURANCE

Why should I appoint a Nominee?

This is optional however we highly recommend that you assign a nominee as the assigned nominee is allowed to continue on with your HouzKEY arrangement in the unfortunate event of your passing.

Who can I appoint as my nominee?

You may appoint any person of your choosing.

However, the nominee will need to have the intent and financial ability to continue with your HouzKEY arrangement in the unfortunate event of your passing.

You should also keep your guarantor(s), if any, informed on the named nominee.

How do I appoint the nominee?

You may fill in the Nominee Form during signing of the HouzKEY Agreements with the solicitor and the nominee can be changed from time to time by notifying the bank.

Do I need takaful / insurance coverage?

There are three (3) types of Takaful coverage that are relevant for your property under HouzKEY:

- Fire Takaful

It is mandatory for you to take Fire Takaful to cover the property. The annual contribution will be charged to you as part of your monthly billing.

- Family Takaful / Life Insurance

This is optional, but we highly recommend that you take Family Takaful based on the property settlement price to ease your appointed nominee in the event of your passing.

- Takaful on Death/ Total Permanent Disability/ Retrenchment/ Dismissal from Employment

It is encouraged for you to take Takaful that covers the Monthly Payment in the event of death/ Total Permanent Disability/ retrenchment/ dismissal from employment. The annual contribution will be charged to you as part of your monthly billing.

MISSED PAYMENT

What happens if I stop paying my monthly obligation?

Once the agreement is signed, any missed payment may be considered an event of default. In the event of default during the Tenure (Initial or Continuous), you will be liable to pay the full Settlement Price and any other costs and expense due and payable from you.

In the event of late payment, you will be liable to pay Late Payment Charges (LPC) based on the following:

- Overdue payment or any other payment: 1% p.a. on the monthly payment amount in arrears or any other amount as approved by BNM, accrued from the late payment period, effective from date of moving in.
- Upon termination of Agreement: Latest prevailing daily overnight Interbank Islamic Money Market (IIMM) rate on outstanding payment due and payable or any other method approved by BNM from time to time.
- In the event that a judgement has been obtained, the Late Payment Charges (LPC) is calculated based on judgement sum and shall be payable from the judgement date to actual payment date.

- Legal action: Legal action will be taken if you fail to respond to reminder notices and letter of demand within 14 days of the date of the written notice.

(Note: LPC charged shall be accumulated, but not be further compounded).

What should I do if I have difficulties in making payments?

Please [contact us](#) immediately if you are experiencing difficulties in making payments. Our team will guide you on the next steps.

SETTLEMENT OPTION

How do I settle my HouzKEY financing?

You may refinance your property with any other banks or sell the property to settle the amount outstanding after fulfilling one year payment with HouzKEY and six (6) months prior to expiry of the Initial Tenure

a. Refinancing My Property

What are the costs involved when I refinance to other banks?

b. Settlement via cash money

Can I settle the financing via cash money?

c. Sell the property before maturity

Do I enjoy the gain when I sell the property?

You will enjoy 100% of the gain, net off the full settlement price and any other costs and outstanding payment due to the Bank.

Please note that Real Property Gain Tax (RPGT) may be applicable on the property gains enjoyed upon the sale. The applicable rates will be based on the date of the signed Sale & Purchase Agreement.

EXPIRY OF THE INITIAL TENURE AND CONTINUING WITH HOUZKEY AFTER THE INITIAL TENURE

What happens at the expiry of the Initial Tenure?

Your contract with the Bank will be expired and you will be required to immediately return vacant possession of the property to the Bank and you will be required to immediately settle all costs and such other outstanding payments due and payable to the Bank.

Alternatively, you also have the flexibility to continue for up to 30 years **subject to the bank's terms and conditions and assessment**. Notice for continuation must be served to the Bank five (5) months before expiry of the Initial Tenure.

What do I do if I want to continue staying in the property with HouzKEY after the Initial Tenure?

Please contact us if you wish to continue with HouzKEY **at least five (5) months prior to the expiry of the Initial Tenure**. You are able to exercise the Option to Continue after the lapse of 4.5 years from the Vacant Possession Date and up to five (5) months before expiry of the Initial Tenure by serving the Option to Continue notice, which shall be subject to the Bank's terms and conditions and assessment. Your guarantor (if any) shall be included as joint applicant for the Option to Continue. The profit arising from moratorium (if any) and Sale and Purchase Agreement (SPA) Legal and Disbursement Fee are to be paid prior to execution of new agreement.

Letter of Offer will be issued by the Bank further to assessment and approval. **You will be required to submit new income documentation for assessment if you exercise Option to Continue with HouzKEY.**

You will not be required to pay any down payment when you continue with HouzKEY.

What are the costs involved when I want to continue with HouzKEY?

The following is an illustration of estimated costs for a RM 500,000 property:

	Continue with HouzKEY after Initial Tenure
Legal fee for SPA	RM 5,000
Stamping fee for SPA	RM 10 per copy (four copies to be stamped)

Legal fee & disbursements for financing	n/a
Stamping fee for financing	n/a
Valuation fee*	RM 850
Legal fee for revocation of Deed of Trust & Power of Attorney	RM 1,300
Estimated Total cost**	RM 7,190

The above estimation excludes disbursements, taxes and extra copies. You are advised to request for the legal fee quotation directly from our panel solicitor for your respective property.

The above estimation excludes disbursements, taxes and extra copies.

What is the expected timeframe to complete the Sale and Purchase transaction for Option to Continue?

This matter is dealt with by the solicitor as per normal conveyancing process. Once the SPA is signed and stamped, we proceed to update the new payment schedule for your account and refund your Security Deposit after netting off remaining outstanding payment due to the Bank. Until such time where the steps are concluded, please be reminded you remain obliged to continue your monthly payment.

MAJOR RISKS

What are the major risks?

You may be exposed to risks during your tenure which is outlined in the table below with recommended mitigation steps:

Risk	Mitigation
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<p>1. Legal action on non-payment</p>	<p>You are to make prompt payment and immediately contact the Bank should you find any difficulties on making payment. Legal action will be taken if you fail to respond to reminder notices and letter of demand.</p>	
<p>2. In the event of your unfortunate demise, the trust property will not fall under your lawful asset</p>	<p>You can secure the property asset from this agreement by appointing a nominee at inception or any point within the tenure.</p> <p>You can opt to take term takaful to cover the property's settlement price and the property will be given to your estate or nominee (if applicable).</p>	
<p>3. Any unforeseen events occurs to the property e.g. earthquakes, flood, etc.</p>	<p>It is advisable for you to take additional takaful to cover any costs related to damages to the property within the financing tenure.</p>	
<p>4. Settlement price may be higher than market value at any point of tenure</p>	<p>You may choose to continue your HouzKEY facility and only refinance or sell the property when the property market value is higher than or equal to the settlement price in the latest schedule.</p>	
<p>5. Title not being able to be transferred under your name</p>	<p>Should this unforeseen circumstance arise, the Sale & Purchase Agreement and HouzKEY Agreement will be terminated. Alternatively, the property may be sold to a third party, at your request to the Bank and at your agreed price, and proceeds from the sale (after deducting any outstanding) will be returned to you or should there be a shortfall on the agreed price against settlement sum, the differential amount will be due from you.</p>	

Action item by the Applicant before agreeing to undertake HouzKEY:

You are required to assess the risks that you will be exposed to when you undertake to own the home of your selection via HouzKEY facility. You are also advised to protect your interest via the recommended mitigations above or any other alternative options available to you.

The Bank does not undertake any obligation to secure you any other banking facility or buyer. This is solely your responsibility when you have decided to early settle.

RENOVATION

Can I perform renovation for property financed under HouzKEY?

Interior renovation without any structural change would be allowable without any consent required. For any structural changes of the property, written approval, license, permit or consent from the competent authority or authorities, joint management body or management corporation must first have been obtained.

Where any alterations or additions are made to the Property, you shall ensure and procure that such alterations, renovations or additions to the Property are carried out or executed by the appropriate person(s) who are licensed (if applicable) to carry out or do such works, in a good and workmanlike manner.

SUBLEASE

Can I sublease? Will there be inspection on the property?

You are not able to lease, let out, or grant any licence or otherwise howsoever part with the possession or make or accept the surrender of any lease whatsoever of or in respect of the Property or any fixture, structure or part thereof, to any person firm or company without the consent in writing of the Bank first had and obtained and which consent may be given or refused without assigning any reason therefore either absolutely or on such terms and conditions as the Bank deems fit and the decision of the Bank shall be final and conclusive.