

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the Maybank Islamic HouzKEY. Be sure to also read the general terms and conditions in the financing agreement. Seek clarification from your institution if you do not understand any part of this document or the general terms.

Product : HouzKEY

Date : August 2020



### 1. What is this product about?

HouzKEY is a homeownership financing solution offered by Maybank Islamic to assist first and second home Malaysian buyers in owning their dream home. This financing solution is available for properties offered by our partnering developers which include new launches, under-construction and completed properties.

### 2. What is the Shariah concept applicable?

It is based on the Shariah contract of *Ijarah Muntahiyah Bi Tamlik* which is a lease contract that ends with ownership. For property under construction, it is also based on the same Shariah contract with the application of *Ijarah mawsufah fi zimmah* which is a forward lease contract where the property to be made available at an agreed future date based on agreed specifications.

### 3. What do I get from this product?

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



#### Full 100% Financing

Get full financing with no downpayment required



#### No Payment during construction

We help to finance the cost during construction



#### Lowest Monthly Payment

Enjoy the lowest monthly payments with the best rates

#### • What is the tenure under HouzKEY?

You start 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).

#### • What is the eligibility criteria to apply for HouzKEY?

- You must be a Malaysian citizen.
- Age 18-70 years old at the point of application.
- You MUST NOT have more than one (1) home financing (including HouzKEY facility) at the point of application.
- You may apply with up to three (3) guarantors. They should be 18-70 years of age and must be from your immediate family members (i.e. spouse, parents, siblings, and children). Guarantors are exempted from the criteria of having not more than 1 home financing (including HouzKEY facility) at the point of application.

#### • How do I apply?

Visit [www.maybank2own.com](http://www.maybank2own.com) and select the property 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.



## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the Maybank Islamic HouzKEY. Be sure to also read the general terms and conditions in the financing agreement. Seek clarification from your institution if you do not understand any part of this document or the general terms.

Product : HouzKEY

Date : August 2020



Alternatively, you may also make a booking directly with the participating developer and apply for HouzKEY.

- **What is the comparison between HouzKEY & Mortgage?**

The table below illustrates a comparison between HouzKEY & Mortgage based on a RM500,000 property under construction.

	HouzKEY	Mortgage
<b>Rate</b>	Profit Rate: 3.20% Campaign Rate: 2.88%	Profit Rate: 3.20%
<b>Security deposit/downpayment</b>	RM 3,600	RM50,000
<b>Estimated upfront cost<sup>1</sup></b>	RM 17,500	RM 17,500
<b>Estimated payment for progressive during construction</b>	– <sup>2</sup>	RM 25,000
<b>Monthly instalment</b>	RM 1,200	RM 1,946 <sup>3</sup>
<b>Total payment over 5 years</b>	<b>RM 89,500</b>	<b>RM 209,266</b>

<sup>1</sup>Estimated upfront cost includes legal fees, disbursement and stamp duty for the sales & purchase agreement, financing agreement, transfer agreement.

<sup>2</sup>The progressive payment during construction is financed by the Bank and is only due as part of contract Settlement Price.

<sup>3</sup>Mortgage instalment illustration based on 30 years tenure.

#### 4. What are my obligations?

- **Is there any down payment required?**

HouzKEY provides 100% financing and no downpayment is required. You are only required to pay three (3) months security deposit upon signing the financing agreement (“Lease Agreement”) with HouzKEY.

- **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 the Campaign Rate and Profit Rate (collectively defined as ‘Financing Rate’) will be disclosed to you at the point of your application approval.
- The Financing rate is subject to changes in the Bank’s Islamic Base Rate.

- **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 Islamic Base Rate, the monthly payment amount will change accordingly and you will be duly notified by the Bank.

- **Onboarding process with HouzKEY**

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

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the Maybank Islamic HouzKEY. Be sure to also read the general terms and conditions in the financing agreement. Seek clarification from your institution if you do not understand any part of this document or the general terms.

Product : HouzKEY

Date : August 2020



- Execute the financing agreement ("lease agreement"), Deed of Guarantee (if applicable) and pay security deposit and all other miscellaneous charges (if any).
- You are required to open a Maybank/Maybank Islamic current/savings account if you do not have an existing Maybank/Maybank Islamic current/savings account for debiting payment. The bank will notify you via a Vacant Possession ("VP") Notice upon receiving confirmation from the Developer that the Property is in order for handover.

### 5. What other charges 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 legal costs of the preparation of agreements and stamping costs are not absorbed by the Developer, the cost will be due from the Customer.
- You may enquire with our representatives or with Developer sales team for your specific project in mind.
- Additionally, the Bank may agree to finance some of the costs below. This will be made known to you at the point of signing of agreement.

Upon Signing of financing agreement ("Lease Agreement")	
<b>Security Deposit</b>	Three (3) months refundable security deposit to be maintained at all times with the Bank and shall be refunded to customer at termination of financing agreement, minus any outstanding obligations.
<b>Stamp Duty for financing agreement</b>	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.
<b>Stamp Duty for Sale &amp; Purchase Agreement</b>	Nominal stamp duty of RM10.00 per copy, four copies to be stamped.
<b>Legal Fees and Disbursement for Sale &amp; Purchase Agreement and financing agreement</b>	Legal fee as per Solicitor's Remuneration (Amendment) Order (SRAO) 2017 & disbursement
<b>Deed of Mutual Covenant</b>	Nominal stamp duty of RM10.00 per copy, four copies to be stamped (if applicable).
<b>Perfection of Title and Lease</b>	Legal fee as per Solicitor's Remuneration (Amendment) Order (SRAO) 2017 & Disbursement Fees including stamp duty as per Item 32(a) of the First Schedule of the Stamp Act, searches & registration fees payable to respective authorities as well as to solicitors
During Initial Tenure	
<b>Property maintenance costs &amp; expenses</b>	Utilities bills, fire takaful, payment of taxes and outgoings such as quit rent, assessment fee, maintenance fee and other payments associated to the Property during tenancy (where applicable).
<b>Notice of Settlement</b>	RM 50.00

### 6. What if I fail to fulfil my obligation?

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.

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the Maybank Islamic HouzKEY. Be sure to also read the general terms and conditions in the financing agreement. Seek clarification from your institution if you do not understand any part of this document or the general terms.

Product : HouzKEY

Date : August 2020



- In the event of judgement is made, 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.

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

### 7. What if I settle the financing before its Initial Maturity?

#### Termination before maturity

- **What happens if I terminate within the Initial Tenure?**

In the event of termination within the Initial Tenure, you will be liable to pay the payment due under the remaining Initial Tenure and any other costs and expenses due and payable from you. Should the Bank be able to find a new customer to undertake the said property, the payment due by you for the remaining period will be waived. Otherwise you shall be liable to pay the payment for the remaining period of initial tenure.

#### Refinance the property before maturity

You may refinance your property with Maybank Islamic, or any other banks or sell the property to settle the amount outstanding at anytime after fulfilling one (1) year payment with HouzKEY and six (6) months prior to expiry of the Initial Tenure.

- **What are the costs involved when I refinance to Maybank/Maybank Islamic or other banks?**

The following is an illustration of estimated costs for a RM500,000 property

	Refinance with Maybank/Maybank Islamic or other Banks
Legal fee for SPA	RM5,000
Stamping fee for SPA	RM10
Legal fee for financing	RM4,500
Stamping fee for financing	n/a
Valuation fee	RM850
Estimated Total cost	RM10,360

\*\*the above estimation excludes disbursements, taxes and extra copies.

- **Can I withdraw my EPF account 2 for monthly payment?**

You may withdraw from your EPF account when you refinance to other banks.

- **Can I add additional names when I sign the SPA?**

Yes, you may.

#### Settlement via cash money

- **Can I settle the financing via cash money?**

Yes, you may settle the financing via cash money at the prevailing settlement price.

#### Sell the property before maturity

- **Do I enjoy the gain when I sell the property?**

You will enjoy 100% of the gain. 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 length of period you have served under HouzKEY up to effective sale date.

#### Expiry of Initial Tenure

- **What happens at the expiry of the Initial Tenure?**

Your contract with the Bank will be expired but you have the flexibility to continue for up to 30 years.

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the Maybank Islamic HouzKEY. Be sure to also read the general terms and conditions in the financing agreement. Seek clarification from your institution if you do not understand any part of this document or the general terms.

Product : HouzKEY

Date : August 2020



- **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 six (6) months prior to the expiry of the Initial Tenure.
- You will not be required to submit new income documentation for assessment when you continue with HouzKEY, unless requested to do so.
- You will not be required to pay any downpayment 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 RM500,000 property:

	<b>Continue with HouzKEY after Initial Tenure</b>
<b>Legal fee for SPA</b>	RM5,000
<b>Stamping fee for SPA</b>	RM10
<b>Legal fee &amp; disbursements for financing</b>	n/a
<b>Stamping fee for financing</b>	n/a
<b>Valuation fee</b>	RM850
<b>Estimated Total cost</b>	RM5,860

\*\*the above estimation excludes disbursements, taxes and extra copies.

- **Can I reduce my outstanding principal when I continue with HouzKEY?**

Yes, you may. You may also withdraw from your EPF account when you continue the remaining years with HouzKEY (after the Initial Tenure). However kindly be reminded this is subject to EPF latest withdrawal policies.

- **Can I add additional names when I sign the SPA?**

Yes, you may.

## 8. Do I need takaful coverage?

There are two (2) types of Takaful coverage that are relevant for your property under HouzKEY:-

- **Fire Takaful**

It is encouraged 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.

In addition, we also 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 the 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 a nominee?**

You may indicate to the Maybank officer during signing of the financing agreement with the Bank and can be change from time to time.

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the Maybank Islamic HouzKEY. Be sure to also read the general terms and conditions in the financing agreement. Seek clarification from your institution if you do not understand any part of this document or the general terms.

Product : HouzKEY

Date : August 2020



### 9. 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
1. Legal action on non-payment	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.
2. In the event of your unfortunate demise, Property is still legally under the Bank's name and not under your lawful asset	You can secure the property asset from this agreement by appointing a nominee at inception or any point within the tenure.  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).
3. Any unforeseen events occurs to the Property e.g. earthquakes, flood, etc.	It is advisable for you to take additional takaful to cover any costs related to damages to the Property within the financing tenure.
4. Settlement price may be higher than market value at any point of tenure	You may choose to refinance or sell the property when the Property market value is higher than property price in the schedule.
5. Title not being able to be transferred under the Customer's name	It will be agreed upfront that should this unforeseen circumstance arise, the property will 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.

#### Action item by the Applicant before agreeing to undertake HouzKEY:

You are required to assess the risks that you will undertake for a HouzKEY facility and are advised to protect your interest via the recommended mitigations above or any other alternative options available to you.

### 10. What do I need to do if there are changes to my contact details?

It is important that you inform us of the change in your contact details to ensure all correspondences will reach you in a timely manner. Please reach out to us through the below channels for further assistance.

### 11. Where can I get assistance and redress?

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

#### Counter 45 & 46, Maybank Kuala Lumpur Main Branch

1<sup>st</sup> Floor Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.

Email: [m2own@maybank.com](mailto:m2own@maybank.com)

Webchat via [www.maybank2own.com](http://www.maybank2own.com)

Tel: 03 – 2070 8833 ext 11612

Monday to Thursday from 8.45 am to 5.45 pm

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the Maybank Islamic HouzKEY. Be sure to also read the general terms and conditions in the financing agreement. Seek clarification from your institution if you do not understand any part of this document or the general terms.

Product : HouzKEY

Date : August 2020



Friday from 8.45 am to 4.45 pm

### Maybank Customer Care

Hotline : 1-300 88 6688 or 603-78443696 (overseas)

Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling and debt/financing restructuring for individuals. You can contact AKPK at:

Tingkat 8, Maju Junction Mail, 1001, Jalan Sultan Ismail, 50250 Kuala Lumpur

Tel: 1-800-22-2575

Email: [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)

If you wish to complaint on the products or services provided by us, you may contact us at:

Customer Feedback Management

Level 28, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur

Hunting Line: 03-20748075

Email: [cfm@maybank.com.my](mailto:cfm@maybank.com.my)

If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:

Block D, Bank Negara Malaysia, Jalan Dato'Onn, 50480 Kuala Lumpur

Tel: 1-300-88-5465

Fax: 03-21741515

Email: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

### 12. Where can I get further information?

For further information on HouzKEY, please visit [www.maybank2own.com](http://www.maybank2own.com).

### 13. Other Information & Disclaimer

The terms and conditions indicated in this Product Disclosure Sheet are tentative/indicative and not binding on the Bank. The final terms and conditions are as stipulated in the binding legal agreement between the applicant and the Bank for your HouzKEY facility.

### IMPORTANT NOTE:

**THE BANK HAS THE RIGHT TO PROCEED WITH LEGAL ACTION AGAINST YOU SHOULD YOU FAIL TO PAY YOUR MONTHLY PAYMENTS & OTHER OBLIGATIONS**

The information provided in this disclosure sheet is valid as at August 2020