

MORTGAGE FAQ ON FLEXI LOAN

QUESTION	ANSWER						
1. What is this product about?	• The product is a mortgage loan/credit facility secured against residential or commercial properties. Nonetheless, additional security such as fixed deposits, guarantors etc may be requested depending on the credit assessment. • The facility may be for the following purposes:- i. Financing purchase of residential or commercial properties in Malaysia; ii. Refinancing of an existing mortgage loan from another financial institution (eg redemption sum/balance outstanding plus top up facility) in Malaysia; iii. Remortgage of a property free from encumbrances/debt in Malaysia; iv. Redraw or top up facility for existing Maybank mortgage loan customers seeking additional facility for working capital, investment, education, renovation, etc; • The Flexiloan is a mortgage facility that gives additional payment flexibility to borrowers. It is a combination of savings, current & loan facilities under one account. With the Flexiloan, the borrower may pay more into the loan account anytime to save on interest and withdraw the excess payments anytime without incurring additional fees and charges. • Typically, the maximum financing/facility amount is slightly less than the value of the property pledged and in the case of financing new purchases, the difference between the loan amount and the purchase price (or the open market value, whichever is lower) is to be paid by the customer first before the loan amount is released eg:-<table border="1"><tr><td>Property/Purchase Price</td><td>RM200,000</td></tr><tr><td>Total Loan Amount</td><td>RM180,000 (90% of property/purchase price)</td></tr><tr><td>Customer's Portion</td><td>RM20,000 (10% of property/purchase price)</td></tr></table> Additional facility is available for capitalization of related expenses eg Mortgage Reducing Term Assurance (MRTA) premium, legal and stamp duty pertaining to the loan documentation, etc, subject to credit assessment and terms and conditions. • The interest rate charged may be a single or multiple interest rates. It is based on the Standardized Base Rate (SBR) plus an interest spread eg SBR+1.75% and the effective rate will vary in accordance to the periodical changes in the SBR. • The facility is available in conventional version only.	Property/Purchase Price	RM200,000	Total Loan Amount	RM180,000 (90% of property/purchase price)	Customer's Portion	RM20,000 (10% of property/purchase price)
Property/Purchase Price	RM200,000						
Total Loan Amount	RM180,000 (90% of property/purchase price)						
Customer's Portion	RM20,000 (10% of property/purchase price)						

MORTGAGE FAQ ON FLEXI LOAN

QUESTION	ANSWER											
	- Repayment of facility can be broken down into 2 components ie the principal loan sum and the monthly interest charges. Repayment of the principal loan sum is governed by the Drawing Limit. At any one time, the total outstanding balance must be within the Drawing Limit. Flexi Loan features the followig 3 drawing limit reduction programmes:- Full Reduction Programme where the Drawing Limit is gradually reduced on monthly basis to zero over the life of the facility. Partial Reduction Programme where the Drawing Limit is gradually reduced on monthly basis to 75% of the property value over 5 years. No Reduction Programme where the Drawing Limit is remains unchanged over the life of the facility. - The Drawing Limit reduction programme where applicable will commence upon full loan disbursement. For residential properties under construction, the facility may be considered fully released and the Drawing Limit reduction programme to commence once the progressive claim reaches 97.5% of the Sales and Purchase Agreement (SPA) price. - Pending full loan disbursement and/or commencement of the Drawing Limit reduction programme (where applicable), the interest charged on month end must be serviced. The following is an illustration of how the interest is charged:- <table border="1"> <tr> <td>Drawing Limit</td><td>RM500,000</td></tr> <tr> <td>Amount Outstanding</td><td>RM100,000</td></tr> <tr> <td>Interest Rate</td><td>SBR + 1.50% (2.75% + 1.50%) = 4.25%</td></tr> <tr> <td>Monthly Progressive Interest</td><td>RM100,000 X 4.25% X 31/365 days = RM360</td></tr> <tr> <td rowspan="2">Assumption</td><td>a) SBR = 2.75%</td></tr> <tr> <td>b) number of days in months (31/30/29/28)</td></tr> </table>	Drawing Limit	RM500,000	Amount Outstanding	RM100,000	Interest Rate	SBR + 1.50% (2.75% + 1.50%) = 4.25%	Monthly Progressive Interest	RM100,000 X 4.25% X 31/365 days = RM360	Assumption	a) SBR = 2.75%	b) number of days in months (31/30/29/28)
Drawing Limit	RM500,000											
Amount Outstanding	RM100,000											
Interest Rate	SBR + 1.50% (2.75% + 1.50%) = 4.25%											
Monthly Progressive Interest	RM100,000 X 4.25% X 31/365 days = RM360											
Assumption	a) SBR = 2.75%											
	b) number of days in months (31/30/29/28)											
2. What if my loan tenure exceeds retirement age?	If you have opted for the extended loan repayment, you will have financial commitments to manage beyond your retirement age. To make the commitment more manageable, you may want to expedite your loan repayment while employed. You may opt to pay more than the payment amount due, or partially settle the loan via either EPF withdrawal at age 50 or via yearly bonus while maintain your current instalment amount. Alternatively, you may want to utilize EPF funds to fully settle the housing loan upon retirement and thus freeing up cash flow for living expenses.											
3. Do I need any guarantor?	On case to case depending on repayment capability and other credit consideration.											
4. Can I engage my own lawyer who is not listed in	Not recommended as the lawyer may not be well versed with the Bank's documentation requirement and hence may result in delays.											

MORTGAGE FAQ ON FLEXI LOAN

QUESTION	ANSWER
the Bank's panel lawyer directory?	
5. Will my information be disclosed to third party?	Please refer para K (Declaration) of the loan application.
6. Other Information	• Paying mortgage after retirement? Agensi Kaunseling & Pengurusan Kredit (AKPK) established by Bank Negara Malaysia can provide you with free counselling services on credit and money management. • The half year or yearly statement shall only be made available through Maybank2u. Be sure to register for Maybank 2u. • Upon submission of the full set of documents for your property financing application with Maybank, we will process the application immediately and notify you of our decision within 3 working days.