MORTGAGE FAQ ON TERM LOAN

<table>
<tr><th>QUESTION</th><th>ANSWER</th></tr>
<tr><td>1. What is this product about?</td><td>

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:-
<ol type="i">
Financing purchase of residential or commercial properties in Malaysia;
Finance purchase & Renovation of completed landed residential properties in Malaysia;
The Overseas Mortgage Loan (OML) is for financing purchase of residential properties in UK (London Zones 1,2,3, selected Zone 4, Cambridge & Manchester), Australia (Melbourne, Sydney, Perth, Brisbane & Adelaide), Singapore & Japan (selected locations in Tokyo & Osaka);
Refinancing of an existing mortgage loan from another financial institution (e.g. redemption sum/balance outstanding plus top up facility) in Malaysia;
Remortgage of a property free from encumbrances/debt in Malaysia;
Redraw or top up facility for existing Maybank mortgage loan customers seeking additional facility for home decoration under MyDeco, working capital, investment, education, renovation, etc.;
To bridge the difference between the purchase price & the approved loan amount for a new house in Malaysia.

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 e.g.:-
<table>
<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>
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Additional facility is available for capitalization of related expenses e.g. 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/profit rate charged may be fixed, floating or combination of fixed and floating, single or multiple interest/profit rates. Floating rate is based on the Standardised Base Rate (SBR) plus an interest/profit spread eg SBR+1.45% and the effective rate will vary in accordance to the periodical changes in the SBR.
The facility is available in conventional and Islamic version.
The repayment of a term loan/financing facility is monthly instalment calculated based on the prevailing interest rate, loan tenure and loan balance outstanding. For term loans/financing pegged to SBR, review of instalment amount on

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QUESTION	ANSWER

quarterly basis has been discontinued. The review of instalment amount will be in tandem with the change in the Overnight Policy Rate (OPR) or SBR.

- The instalment amount will commence upon full loan disbursement* as tabled below:-

Date of Full Loan Disbursement	Date of Commencement of Instalment Amount	Eg: Date of Full Loan Disbursement	Eg: Date of Commencement of Instalment Amount
1st - 10th of the month	1st of the following month	3rd April 2017	1st May 2017
11th of the month Onwards^	1st of the next following month	15th April 2017	1st June 2017

* For residential properties under construction, a loan may be considered fully released and the instalment amount 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 instalment amount (e.g. in the case of financing purchase of properties under construction from developers where the loan amount is released progressively against the progressive claim issued by developers, or in the case of sub-sale where the loan is partially released in order to redeem property title from the current mortgagee), any interest/profit charged on month end must be serviced by month end and be paid in full before the commencement of the instalment amount.

  Where the loan has been fully disbursed after 10th day of the Calendar Month, the Instalment Payment will commence on the 1st day of the next following Calendar Month. The interest charged for the current Calendar Month will not be due by end of the current Calendar Month but instead will be capitalised into the loan amount. You may opt to voluntarily make payment towards the interest charged for the current Calendar Month to avoid the interest being capitalised into the loan amount.

  The following is an illustration of how the interest/profit is charged: -

Loan Amount	RM500,000
Loan Amount Disbursed	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 month (31/30/29/28)

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	Overseas Mortgage Loan In the event the result of the any periodical valuation reveals that Open Market Value of the Property is lower than the value of the property valuation done prior to the execution of the loan documents, upon giving prior written notice of fourteen (14) days, the Bank may require you to charge, pledge, mortgage or deposit with the Bank your stocks and shares, assets, movable property and/or the issue document of title, if any, or all immovable properties vested in you of such value as the Bank may from time to time require or for such tenure as the Bank requires by way of further and additional security for the repayment of the total amount owing under the OML, failing which the Bank has the right to exercise its right under the terms and condition of the letter of offer and respective security document for the OML.
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 the Bank's panel lawyer directory?	Not recommended as the lawyer may not be well versed with the Bank's documentation requirement and hence may result in delays.
5. Will my information be disclosed to third party?	Please refer para K (Declaration) of the loan application.
6. Other Information	• The repayment amount under this facility shall be subject to monthly recalculation. The recalculation will take place on the 15th of each month, based on the outstanding loan balance, prevailing interest rate and remaining loan tenure. The revised repayment amount, if any, will be communicated accordingly and shall take effect from the next repayment cycle. The Bank reserves the right, at its sole discretion, to revise or vary the repayment amount, repayment schedule, or any other related terms under this facility. • 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.

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	• 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.