

KEY FACTS STATEMENT (KFS) FOR MASHREQ HOME LOANS:

This KFS provides you with indicative information about the loan criteria, interest rates, fee and charges of this product but please refer to our final offer letter and Loan Agreement for the final terms and conditions of your home loan.

Mashreq Home Loan provides an opportunity for customers to borrow money for the purchase of residential & commercial properties in Dubai & Abu Dhabi for self-use or investment purpose.



Loan Criteria and Interest Rates

Loan Amount	Loan Amount Subject to Final Approval
Loan Tenor	Maximum 25 years For Residential Properties Maximum 15 years for Commercial Properties
Loan to Value	Up to 80% for Expats and Up to 85% for UAE Nationals Up to 60% for Non-Residents
Interest Rates	Combination of Fixed and Variable Rates with a minimum rate on reducing balance. Fixed Rates = As per Bank's pricing on Final Offer Letter Variable Rate = Interest rate linked to 3 Months EIBOR + Bank Margin (fixed) EIBOR (Emirates Interbank Offered Rate) is a daily reference rate, published by the UAE Central Bank. 3 Months EIBOR will be fixed on 1st of every Calendar quarter by the Bank. Bank Margin is fixed for Life. Minimum Rate = A minimum floor rate set by the bank - Subject to Final Approval
Repayment Frequency	Monthly
Age	Minimum Age: 21 years at the time of application Maximum Age: 65 years for Salaried and Non-Residents & 70 years for Self Employed at loan maturity
Residency Profile	Finance Available to Resident Expats, UAE Nationals and Non-Residents
Income Profile	Finance Available to Salaried and Self-Employed profiles



Warning & key obligations of the customer & consequences in case of failure to meet the same:

Responsibility	Failing Which
<ul style="list-style-type: none"> Pay the monthly installment on or before the due date 	<ul style="list-style-type: none"> Any missed/delayed loan installment payment, will constitute an 'Event of Default' see below (remedial with justifiable cause and at the Bank's sole discretion). We will record the details of your missed/delay in installment payments with Al Etihad Credit Bureau which could damage your credit score or history and may make it more difficult for you to obtain credit in future.
<ul style="list-style-type: none"> Please ensure all correspondence with the bank is always kept secure 	<ul style="list-style-type: none"> Your personal financial details, if compromised at your end, may be mis-used by fraudsters
<ul style="list-style-type: none"> Please ensure you review all statements and transaction notifications promptly as received from the bank 	<ul style="list-style-type: none"> Disputing charges long after the fact can be a long and cumbersome process, with high chances of your request being declined by the bank
<ul style="list-style-type: none"> Please keep the bank informed of any changes in your contact details or IDs (cell phone, email address, Emirates ID, passport, etc.). 	<ul style="list-style-type: none"> Expired documents or outdated details may hamper our ability to process transactions or reach out to you in time of need
<ul style="list-style-type: none"> In the Event of Default 	<ul style="list-style-type: none"> The Bank may take possession of the property and sell the property which secures the mortgage loan when the customer is in default. <p>In case of continued nonpayment, the bank will employ all available measures to recover the due amount. This may include, and not be limited to, reaching out to you on the phone, over emails, by conducting physical visits to your home or place of employment, or filing a police complaint or a court case in all relevant jurisdictions.</p>

Schedule of Charges	Charges (VAT Inclusive)	Illustration
Rate of Interest (Fixed)	Fixed Interest Rates (VAT not applicable)	<div> <div>Loan Amount AED 1,000,000</div> <div>Tenor 25 Years</div> <div>Applicable Interest Rate 2.99% (Reducing Balance)</div> </div> <p>For example if rate fixed by the bank is 2.99% for 1 year then,</p> <div>Approximate Monthly Installment AED 4,764</div> <p>till the maturity of fixed rate period</p>
Rate of Interest (Variable)	Variable Interest Rates linked to EIBOR (VAT not applicable)	<div> <div>Loan Amount AED 1,000,000</div> <div>Tenor 25 Years</div> <div>Applicable Interest Rate 3.49% (Reducing Balance)</div> </div> <p>For example if, - 3 months EIBOR = 2.00% - Bank's Margin = 1.49% 3 months EIBOR + Bank Margin = 3.49%</p> <div>Approximate Monthly Installment AED 5,001</div> <p>For the given month and will change as the EIBOR changes</p>
Processing Fee Fresh	1.05% of loan amount	<div> <div>Fee applied 1.05%</div> <div> <div>Loan amount AED 1,000,000</div> <div>x</div> </div> <div>=</div> <div>AED 10,500</div> </div>
Processing Fee Top up	1.05% of incremental loan amount	<div> <div>Fee applied 1.05%</div> <div> <div>Loan amount AED 1,000,000</div> <div>x</div> </div> <div>=</div> <div>AED 10,500</div> </div>
Property Evaluation Fee	AED 2,625	Fixed Fee paid to third party property valuation company.
Group Life Insurance Fee	0.165% p.a. of the loan outstanding amount	<div> <div>Fee applied 0.165%</div> <div> <div>Loan amount AED 1,000,000</div> <div>x</div> </div> <div>=</div> <div>AED 1,650</div> </div>
Property Insurance Fee	0.06% of the Property Value	<div>Property Value = 1,000,000</div> <div> <div>Fee applied 0.06%</div> <div> <div>Loan amount AED 1,000,000</div> <div>x</div> </div> <div>=</div> <div>AED 600</div> </div>
Late Payment Fee	NIL	No penalty applicable in case of late payment
Partial or Early settlement	1.05% or AED 10k whichever is lower	<div> <div>Loan outstanding AED 1,000,000</div> <div> <div>Early settlement fee 1.05%</div> <div>x</div> </div> <div>=</div> <div>Inclusive of VAT AED 1,050</div> </div>
Pre-approval Charges	AED 1,050	Fixed Fee

*Please Visit [Mashreq.com/soc](https://www.mashreq.com/soc) to know more on fee and charges

Fixed Interest Rate Loans – The Interest rate on your mortgage is fixed for a specific period of time as per the interest rate pricing mentioned on the final offer letter issued by the bank and during this period you will pay fixed EMI (Equated Monthly Installment). After fixed interest rate period is completed, the interest rate on your mortgage will revert to a variable interest rate linked to 3 Months EIBOR + Bank Margin or the minimum rate (floor rate) whichever is higher. This may result in increase of your EMI (Equated Monthly Installment)

Variable Interest Rate Loans – The Interest rate on the mortgage is linked to 3 Months EIBOR + Fixed Margin or the minimum rate (floor rate) whichever is higher. Therefore the EMI (Equated Monthly Installment) may increase or decrease based on the prevailing 3 Months EIBOR rate. The variable rate 3 months EIBOR is fixed on 1st of every Calendar quarter by the bank and it may change your EMI (Equated Monthly Installment). The bank margin is fixed for life.

Annualized Percentage Rate (Indicative):

Annualized Percentage Rate (APR) is a reference rate, which includes applicable interest, fees and charges of the product expressed as an annualized rate as per the applicable terms and conditions.

		APR Calculations		
Particulars	Rate	Year 1	Year 2	Year 3
Outstanding Loan Amount (AED)		1,000,000	979,381	957,707
Payback Loan Tenure (months)		300	288	276
Annual Payable Amounts				
Interest Amount Paid – (AED) (Calculated at reducing balance)	5%	49,532	48,477	47,368
Group Life Insurance	0.165%	1,650	1,616	1,581
Property Insurance	0.06%	600	588	575
One-time Fee & Charges				
Processing Fee Amount – (AED)	1.05%	10,500	Not Applicable	Not Applicable
Valuation Fee Amount – (AED)	2,650	2,650	Not Applicable	Not Applicable
Pre-Approval Charges Amount – (AED)	1,050	1,050	Not Applicable	Not Applicable
Total Annual Payouts - (AED)		65,982	50,681	49,524
APR		6.598%	5.175%	5.171%

Changes in terms and conditions:

The bank has the right to change any or all the terms and conditions in the Key Facts Statement, the product terms & conditions, as well as the customer contract after giving 60 days written notice.

Cooling-Off Period

In line with the Consumer Protection Standards issued by the UAE Central Bank pursuant to the Consumer Protection Regulation (Circular No. 8 – 2020), you are hereby informed that you have the right to withdraw or cancel your Home Loan Application (Mortgage Loan) within 5 Business Days from date of signing thereof (“Cooling-Off Period”). On the 6th Business Day (or 1 day after the expiry of the Cooling-Off Period), you must inform the Bank of your decision to cancel or withdraw the Home Loan Application AND pay the loan amount that was credited into your account AND/OR the amount that was paid by Mashreq bank to another bank to buyout your liabilities, otherwise, the same shall continue to apply and shall be deemed confirmed by you.

The Bank will, during the Cooling-Off Period, provide you with access to your Account and other account related services, subject to satisfactory KYC and compliance checks and procedures of the Bank.

Should you choose to waive your right to the Cooling-Off Period, you must, in writing, notify and/or confirm to the Bank such intention. It must be noted that if you opt to cancel or withdraw the Home Loan Application within the Cooling-Off Period, you shall be responsible to pay all costs and charges (e.g. valuation fee) that you may have incurred in relation to your Account AND Home loan during the Cooling-Off Period and before the cancellation of your Account AND Home loan.

Warning Statement

By signing the final offer letter, your eligibility for 5 business days cooling off period which allows you to cancel the loan without any charges will no longer apply.

Note:

This Key Facts Statement is not an offer of Credit. The Lender is not obliged to provide you with the home loan described in this Key Facts Statement. You will need to apply for the loan and meet our lending criteria before we can determine whether you are eligible for this loan.

Before signing your Home Loan agreement, you should read all the terms & conditions of the loan agreement provided to you carefully to ensure that this is the best product for you and that you understand the features and pricing of this product.