Key Facts Statement (KFS)
Home Loan for Ready Property

This document reflects product-specific Terms and Conditions governing conventional Home Loan for Ready Property located within UAE and is in addition to Al Masraf (Bank) General Terms and Conditions for Customers.
The Key Facts Statement highlights important information about conventional Home Loan such as the interest rate, installment amount and provides you with the total amount to be paid back over the life of the Loan.

Key Product details

	Home Loan for Ready Property
Description	Owning your own home can be a dream come true. It gives you the flexibility to build those little things that every member of your family can appreciate.
Interest Rate	Standard Mortgage Loan with hybrid rate (interest rate is fixed for a short period, after which it shifts to a variable rate linked to EIBOR): Starting from 4.99% up to 6.94% per annum during the fixed rate period and 3 Month EIBOR + Margin between 2.99% and 5.95% during the variable rate period. The Bank charges interest only on the outstanding principal, and not on accrued interest. In case of early settlement, interest will be recalculated on the principal outstanding.
Fees	• Processing Fees: 1.00% of the Loan amount (max AED 20,000). • Early Settlement Fees/Partial Settlement Fees: 1% of the Outstanding amount, Max of AED 10,000. • The complete Schedule of Charges (SoC) is available at SCHEDULE OF CHARGES - Retail Banking (2023) (almasraf.ae). • This SoC is subject to change from time-to-time at Al Masraf's sole discretion. • The Customers will be notified sixty (60) calendar days in advance of any revision.

Features and Benefits	• Financing available for Ready property
	• Applicable only to UAE Nationals and expats who are residents of UAE
	• Age eligibility:
	  • UAE National – 21 years up to 70 years (at maturity)
	  • Expatriates - 21 years up to 60 years (at maturity)
	• Combination of Fixed and Variable Interest Rate
	• Repayment up to 25 years

Use of the property	During the Loan Tenor, the property shall be used and occupied as a residence and for no other purposes without the written consent of the Bank.
Down Payment	The Bank will evaluate the land/property from one of the approved listed evaluators with the Bank to determine the market value. The Loan will be based on the property market value, and you will require to pay the applicable Down Payment. You hereby undertake to provide such proof of payment prior to the transfer of the property at the relevant regulatory department. In buyout or resale cases, you must settle the difference amount between liability of the Bank/Seller and the approved Loan value.
Monthly Installment	a. You will pay Principal + Interest (as per Bank's prevailing rate) to the Bank on a monthly basis. The Monthly Installment is calculated on fixed interest rate for the initial period as determined by the bank and then EIBOR + Bank's Margin (Min Floor Rate). Based on the EIBOR revision period (3-months), the future installment may increase/decrease from time to time. b. You are required to pay the Monthly Installment on the due date to the Bank as per the repayment frequency. c. In case due to higher Interest rate, you are not able to make installment payment on due date to the Bank, you should visit the Branch or meet your Relationship Manager and explain the reason and rationale and place request for Bank's review and approval to reschedule the installment if eligible. The monthly Instalment will be calculated based on the principal outstanding amount and applicable interest. If any amount is past due, that amount will be part of the overdue bucket and will have to be repaid immediately.

Example: Interest Rate + Equal Monthly Instalment (EMI)			
Rate Type	**Fixed (Reducing Balance)**	**Floating (EIBOR + 1.99%)**	**(EIBOR = 4.20%)**
Loan Amount	AED1,000,000		
Tenor	10 Years		
Loan Period	1-3 Years	4-10 Years	
Rate Applied	3.45%	6.19%	
Tenor (months)	36	84	
EMI	AED9,865.18	AED10,808.33	
Total Amount	AED355,146	AED907,900.00	AED1,263,046
Interest Amount	AED55,146	AED207,900.00	AED263,046

Note:
- The above figures are estimates/example only. The loan amount you are eligible for, and the interest rate offered may differ from the representative example shown above. This will depend on your credit profile and affordability assessment done by the Bank.
- EIBOR Pricing: 1, 3 or 6 months EIBOR as published by Central Bank of UAE.
- During the variable rate period, the loan is re-priced based on the EIBOR reference used.
- For e.g. in case 3 months EIBOR is used, then the loan re-pricing would be every 3 months.
- The EIBOR rate used for computation is taken from the Central Bank website - www.centralbank.ae/en/services/eibor-prices

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<table>
<tr><td>Terms</td><td colspan="2">Fixed interest rate of 2.99% p.a. for 3 years of the initial period.
(The Fixed interest rate is equivalent to the flat rate of 1.63% p.a.)
Post 3 years of initial period, variable interest rate will apply. If the 3-month EIBOR is 0.25% on the review date, then the revised variable interest rate will be 2.14% p.a. (0.25%+1.89% Fixed Margin) i.e., equivalent flat rate of 1.169% p.a.</td><td colspan="2">A fully variable interest rate will apply for the entire loan period. If the 3-month EIBOR is 0.5% on the next review date, then the revised variable interest rate will be 2.39% per annum (0.5%+1.89% Fixed Margin) i.e., equivalent flat rate of 1.306% p.a.</td></tr>
<tr><td rowspan="4">Repayment</td><td colspan="2">EMI of AED 3,789 for first 3 years of introductory period introductory period. EMI of AED 3,481 from 4th year.
EMI is calculated based on the assumption that 3-month EIBOR rate is 0.25% and fixed margin is 1.89%. EMI may vary based on EIBOR rate.</td><td colspan="2">EMI of AED 3,446 from the start of the loan.
EMI is calculated based on the assumption that 3-month EIBOR rate is 0.25% and fixed margin is 1.89%. EMI may vary based on EIBOR rate.</td></tr>
<tr><td>If 3-Month EIBOR is</td><td>Then EMI is</td><td>If 3-Month EIBOR is</td><td>Then EMI is</td></tr>
<tr><td>0.50%</td><td>AED 3,538</td><td>0.50%</td><td>AED 3,545</td></tr>
<tr><td>1.00%</td><td>AED 3,719</td><td>1.00%</td><td>AED 3,748</td></tr>
<tr><td>Early Settlement fee (Example)</td><td colspan="2">Outstanding principal amount
Early Settlement Fee @1.05%</td><td colspan="2">AED 500,000
AED 5,250</td></tr>
<tr><td>Extra Grace Period</td><td colspan="4">Interest will accrue during the grace period and be recovered in the first instalment(s). A longer grace period increases total interest payable and overall repayment amount.</td></tr>
<tr><td>Fixed Interest Rate</td><td colspan="4">The Fixed Interest rate is applicable for fixed tenors and during fixed tenor you will pay fixed Monthly Installment. After the expiry of fixed rate, the installment will be calculate based on the prevailing Variable Interest rate.</td></tr>
<tr><td>Variable Interest Rate</td><td colspan="4">The Variable Interest rate is indicative and subject to change in accordance with the terms and conditions of the Mortgage Loan Agreement (Agreement). The Bank's Base Rate is linked to EIBOR with the 3 months' review frequencies due to which the installments may increase or decrease based on the prevailing Interest Rate. However, the margin % remains fixed throughout the Tenor of the facility.</td></tr>
<tr><td>Installment not paid on time</td><td colspan="4">You shall pay the monthly installment on the due date and if you fail to pay the monthly installment your account will go into arrears. This may affect your credit rating, which may limit your ability to access financing in the future. Further, if you fail to pay three consecutive installments, the Agreement shall be terminated and the remaining installments shall become payable within a period of 15 days of receiving a written notice from the Bank, and the Bank shall have the right to take applicable legal action against you that includes the sale of mortgaged property, and therefore, you may lose your property.</td></tr>
<tr><td>Delay penalty</td><td colspan="4">Bank is entitled to charge delayed payment penal interest charges (as per Bank's Schedule of Fees available on almasraf.ae) on the delayed amount on monthly basis until all payments due or installments are paid.</td></tr>
<tr><td>Property Evaluation Fee</td><td colspan="4">You will be required to pay the property evaluation fee to cover the cost of appraisal of the property done by one of the approved evaluators with the Bank. The evaluation fee may vary depending upon the location/Emirate, type and numbers of the Property.</td></tr>
<tr><td>Maximum Loan Amount</td><td colspan="4">The Maximum Loan Amount you can borrow with a Home Loan depends on your income, expenses, liabilities etc. Bank will consider all your expenses and liabilities to make sure you can make repayments on the Loan without placing yourself under financial stress.</td></tr>
<tr><td>Life Insurance</td><td colspan="4">a. When applying for a Home Loan, you must select a Life Insurance provider from three options approved by the Bank. This insurance policy will be assigned to the Bank for the loan's duration.
b. You have the right to either accept or reject these selected providers. However, your loan application will not be processed by the Bank unless you choose one of the approved providers.
c. The Life Insurance should cover your Loan outstanding in the event of the death due to any reason, terminal illness and permanent total disability to mitigate the risks associated with the life of the borrower.
d. The Life Insurance premium calculated on the Loan outstanding amount i.e., Monthly Premium = Loan outstanding amount x Life Insurance rate %.
e. The Life Insurance premium may not be a fixed amount as it calculates on the Loan outstanding and paid on monthly basis to the Bank. The Bank will deduct this amount along with the Loan Monthly Installment from the Customer's account.
f. The Life Insurance premium may increase or decrease during the Loan Tenor based on the Insurance provider rate.
g. Life Insurance coverage should be in place prior to acceptance of the offer and disbursement of loan by the Bank.
h. Non-payment of Life Insurance payments shall be considered as an event of default under the facilities.</td></tr>
</table>

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Property Insurance	a. The Property Insurance will be provided from the approved Insurance provider selected by the Bank for the property for the entire Loan Tenor and it will be assigned to Arab Bank for Investment Foreign Trade (Al Masraf). b. Property Insurance should cover the risk associated with the property i.e., fire and major maintenance including Total Loss and Partial Loss. c. The Property Insurance premium calculated on the Loan Amount i.e., Annual Premium = Loan Amount x Property Insurance rate %. d. The Property Insurance premium will be deducted on an annual basis through direct debit or your account with the Bank. e. The Property Insurance premium may increase or decrease during the Loan Tenor based on the Insurance provider's rate. f. The Property Insurance coverage should be in place prior to acceptance of the offer and disbursement of Loan by the Bank. g. Non-payment of Property Insurance premium payments shall be considered as an event of default under the facilities.
Property mortgaged to the Bank	The property will be mortgaged to the Bank until the principal, accrued Interest, fees and charges are fully paid to the Bank. The mortgage on property is a security on the Loan, which means you cannot sell the property/mortgage to third party if the repayments are not fully completed. All owners whose names are stated in the property ownership document should be an applicant for the Loan facility.
Home Loan Reschedule	Customer must inform the Bank in case your monthly income is reduced due to (Salary reduction from the employer, allowances withdraw/retire from employment/loss of employment/turning into a pensioner/Property Rent change, where the partial installment was dependent on rent or for any other reason). Al Masraf will assist you to reschedule the existing Home Loan for applicable tenor to maintain your monthly expenses vs income.
Modification of property	The Customer is not permitted to make any modifications, additions, improvements, substitutions, or alterations to the Property without the prior written approval of the Bank. If approved by the Bank, such modifications shall be at the expense of the Customer.
Schedule of Fees	This Loan is governed by the Schedule of Fees and Charges. In the event any of these fees are due to be paid, such fees should be paid by the customer. SCHEDULE OF CHARGES - Retail Banking (2023) (almasraf.ae) • Al Masraf publishes its Retail Banking Schedule of Fees & Charges in line with its commitment to a transparent Customer relationship. • Customers are strongly encouraged to write to us on info@almasraf.ae in case of need for more clarity on any fees charged to the account.
Partial Settlement	The Bank will allow partial settlement during the Loan term, and you will be required to pay the applicable fees as mentioned in the Schedule of Fees & Charges, which is published on Al Masraf website. Scan QR code for SoC. You will have the following options: • Pay same Monthly Installment and reduce the tenor OR • Decrease your Monthly Installment and maintain the same Tenor
Deferment or Postponement	Deferment is the delay or suspension of Monthly Installment. You are required to submit the request at our Branch and mention the reason for deferment and pay the applicable fee mentioned on our website SCHEDULE OF CHARGES - Retail Banking (2023) (almasraf.ae). The Bank will assess your request based on the eligibility and policy and accordingly, defer the installment as per your request. ***Warning: In the event of deferment, the Loan maturity period will be increased by the number of deferments availed by you during the Loan term.***
Guarantor/Collateral	The bank may require a guarantor or collateral in order to secure the credit facility. The Bank will inform the customer before signing the contract. The collateral will be released upon full repayment of the loan.
Home Loan Closure	You can close the facility by submitting the request by visiting any of Al Masraf Branches and submit the Early Settlement Form. The applicable Early Settlement Fee (you may visit www.almasraf.ae Schedule of Fees & Charges page) will be charged on the Loan outstanding amount.
Early Settlement Amount	The Early Settlement Amount is being calculated as follows: a) Outstanding of Principal amount b) Accrued and unpaid Variable amount c) Any amount representing the costs of insurance (including any insurance undertaken on behalf of the Customer & major Maintenance and Taxes incurred by the Bank during the relevant Tenor d) Early settlement fee as per applicable Schedule of Fees & Charges of the Bank mentioned on Almasraf.ae. **Example**: Outstanding Principal Amount: AED 5,403,334/94 Accrued and unpaid Variable amount (Principal Interest): AED 7,504/63 Property Insurance: AED – 847/90 Early Settlement Fee ("ESF"): AED 10,000 VAT on ESF: AED 500 Early Settlement Amount: AED 5,420,491/67 ***Warning: These figures are estimates/ examples only and the Accrued and unpaid Variable amount, Property Insurance refund may vary depends on the settlement date.***

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Release of Mortgage	The Bank will release mortgage over the property upon full and final settlement of Loan outstanding and related fees and charges.
VAT	For the avoidance of doubt, VAT (at the prevailing rate) is additional to all charges. Fees mentioned in the Schedule of Fees & Charges exclude VAT at the prevailing rate.
Further queries and/or clarifications	In case of queries, please send an email to info@almasraf.ae for more clarity before signing the Offer Letter and Agreements. You should provide copy of EID/Passport and Visa page (in case of expatriate customer), UAE Mobile number and Account number to facilitate a timely response.
Cooling -Off Period	Prior to making any decision in relation to our Home Loan product, we understand that you have fully read and understood the Terms and Conditions of the KFS as well as Agreement and the applicable Schedule of Fees & Charges. • The "Cooling-Off Period" is offered as part of our commitment to maintain a fair Banking relationship. • You have the option to waive the Cooling-Off Period by signing the Cooling-Off Period Waiver Form, you may sign the Cooling-Off Period Waiver Form while signing the Agreement. • In case you decide not to waive the Cooling-Off Period, the Bank will wait for Five (5) Business days for you to reconsider your Loan request and will only proceed with the issuance/disbursal of the Loan amount end of Five (5) Business days. • During this period, you have the right to revoke the facility (without incurring any undue charges or penalties) and request the Bank to cancel the Loan. • After the expiry of Cooling-Off Period, the Bank will release the applicable payments to Seller/Other Bank/any other Authorities and place mortgage on the property in favor of the Bank. Accordingly, the terms and condition of the Agreement will be applicable without any change throughout the life of Loan.

Privacy Note:

Our privacy commitments are fundamental to the way we run our business. Unless otherwise noted or governed by law, these commitments apply to everyone who has a relationship with us and those who have an intention to establish a relationship with us that includes customers, partners, and website visitors. Al Masraf is committed to providing you with the best overall experience in all our products and services. We strive to strike the right balance between using your data to ensure the quality of those experiences and protecting your privacy. We have assessed all aspects of our business and optimized the amount of data we collect to find the right balance between data sharing and service. Our Privacy Notice is available on https://almasraf.ae/privacy-notice.

Transparency Note:

As Al Masraf, we operate in full compliance with applicable laws and regulations governing data protection and privacy. Our commitment to transparency extends to ensuring that our practices align with legal requirements and industry standards. We prioritize your trust and confidence in Al Masraf and remain committed to transparency and accountability in all our interactions.

Additional Information:

- The loan amount you are eligible for, and the interest rate offered may differ from the representative example shown above. This will depend on your credit profile and affordability assessment done by the Bank.
- The Bank reserves the right to amend the Bank's General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) by notice to you as per applicable law. Visit https://almasraf.ae/terms-and-conditions.
- The Bank's General Terms and Conditions for Consumer Banking Products (including any relevant applications and documents) shall be read and implemented in line with this Key Facts Statement (KFS).
- The Bank may debit the Customer's account with any charges, expenses, or commission payable against the banking services rendered in accordance with the approved and announced banking charges and commissions, as notified to the Customer from time-to-time.
- For any inquiries or assistance, you can contact us at any of our branches, visit Al Masraf website, email us at info@almasraf.ae, or call us at 600 52 9999.
- Account Statements are sent monthly to the registered email address.
- Account transactions can be viewed using Al Masraf Online and Mobile banking.
- Transaction Alerts are provided to the registered mobile number.
- Al Masraf publishes its Retail Banking Schedule of Charges in line with its commitment to a transparent Customer relationship. (Click here to refer to Retail Banking Schedule of Charges) SCHEDULE OF CHARGES - Retail Banking (2023) (almasraf.ae).
- Customers are strongly encouraged to write to us on info@almasraf.ae in case of need for more clarity on any fees charged to the Home Loan or your account.
- In case your loan is being taken over from another institution, the processing time may extend depending on receipt of all documentation from the other institution.
- All interest charges applicable are calculated from the date of loan disbursal. This will also apply in the case of a deferred first Payment Date.
- We do not charge interest on accrued interest.
- As a consequence of the delay caused by the Licensed Financial Institution, the Consumer retains the option to cancel the contract without cost or penalty before the funds are made available.
- All copies of signed documents will be provided without any charges.

How to complain to us?

- Please visit the website and fill in the Complaint form in the Contact us page: https://www.almasraf.ae/contact-us.
- Send an email to care@Almasraf.ae.
- Call us at 600529999 and select option 6 to connect with Complaint Management Team.

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Warnings:

- If you fail to pay the monthly installment, your account will go into arrears and incur late payment fee.
- This may affect your credit rating, limiting your ability to access financing in the future.
- Further, if you fail to pay three consecutive installments, the Agreement shall be terminated and the remaining installments shall become payable within a period of 15 days of receiving a written notice from the Bank, and the Bank shall have the right to take applicable legal action against you that includes the sale of mortgaged property, and therefore, you may lose your property
- When you refinance your loan or avail installment deferments, it may take longer to pay off than your previous loan. It may also result in paying more interest.
- If you delay the monthly repayment, the bank is entitled to charge delayed payment penal interest charges (as per the Bank's Schedule of Fees available on almasraf.ae) on the delayed amount on a monthly basis until all payments due or installments are paid
- You may have to pay penalties if you pay off a loan/financing early.
- Failure to meet our Terms and Conditions before and during your relationship with us will result in consequences, including restriction, blockage, or closure of your bank account.

Declarations:

Customer hereby agrees to the above conditions and declares to the below by signing the Key Fact Statement- KFS:

- Customer acknowledges to have received and understood the Home Loan Key Facts Statement.
- Customer has been provided with the Data Privacy Statement (Click here to refer to Data Privacy Statement) https://www.almasraf.ae/privacy-notice.
- The Bank reserves the right to change the terms and conditions of the Agreement at any time at its sole discretion by providing 60 days written notice to the Customer.
- Customer acknowledges that this facility may be withdrawn or terminated by the Bank at any time upon issuing Sixty (60) days written notice.

Warning: The Bank recommends that you carefully read this application, Key Facts Statement, and the Bank's General Terms before submitting this application and contact the Bank should you have any questions.

☐	I/We agree to waive my right to a "Cooling-Off" period of 5 business days, so that my account can be immediately processed and understand that by waiving the cooling-off period the Terms and Conditions which apply to the accounts will be immediately binding on me/us.
☐	I/We acknowledge receiving the Key Facts Statement (KFS) and have also read and understood the KFS at the time of signing/accepting the application/offer document. https://almasraf.ae/key-fact-statements
☐	I/We acknowledge that the interest rate, fees and costs are subject to change which I/We will check within the Schedule of Charges and Key Facts Statement on a regular basis.
☐	I/We have read, understood, acknowledge and accept the Bank's General Terms available on its website (https://almasraf.ae/terms-and-conditions) as amended from time-to-time, which I/We expressly agree and accept to abide by, whether in Arabic or English language.

I/We acknowledge receipt and understanding of this Key Fact Statement. I/We also acknowledge that I/We understand the product/service features, pricing, benefits, risks, fees, and Consumer rights and obligations as detailed in the Key Fact Statement. I/We acknowledge and agree that the provision of any banking services shall be at Al Masraf's discretion and subject to all applicable terms and conditions of Al Masraf Banking Services General Terms and Conditions, which may be revised from time-to-time.

Customer/Borrower Name:_____

Date:_____

Customer/Borrower Signature:_____

Disclaimer

This communication has been issued by Arab Bank for Investment & Foreign Trade (Public Joint Stock Company), licensed & regulated by the Central Bank of the UAE. The information in the documents provided is intended to summarize the key features of the promoted products and services. It is crucial for customers to understand these details, including associated risks, before proceeding with their application. Please note that this communication does not constitute an offer or solicitation to deal in any promoted product, nor does it provide legal, tax, regulatory, financial, or accounting advice. Customers are strongly advised to independently analyze the information in the associated offering or legal documents. It is essential for customers to consult their own legal, tax, or financial advisors for guidance before making any decisions regarding Al Masraf products and services.

TERMS & CONDITIONS APPLY

SCHEDULE OF CHARGES

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