

**PRIVATE AND CONFIDENTIAL**

Our Ref: \_\_\_\_\_  
30/07/2012

Dear Sir

**BANKING FACILITIES**

1 Property: \_\_\_\_\_ (the "Property")

We are pleased to offer you the following facility/facilities ("Facility") on the terms and conditions set out in (i) this letter ("Letter of Offer"), and (ii) our Standard Terms and Conditions applicable to Banking Facilities granted by DBS Bank Ltd secured by mortgage of Residential Property and/or Commercial Property [Version December 10] ("Conditions").

**HOUSING LOAN ACCOUNT 1**

- a) Purpose : For purchase of the Property
- b) Purchase Price :
- c) Use of Property : For Owner Occupation
- d) Amount : ("Original AC1 Amount")
- e) Duration : 40 years ("AC1 Period") starting from the date of first release of Housing Loan Account 1 ("AC1 Commencement Date")
- f) Interest Rate :

<u>Period</u>	<u>Daily Rest (p.a.)</u>
First Year	0.700% above the prevailing 1 month Singapore Interbank Offered Rate ("1-Month Sibor") as at the first business day of the month preceding the month in which the AC1 Commencement Date falls and thereafter as at the first business day of the previous month for the relevant period,
Second Year	0.700% above the prevailing 1-Month Sibor as at the first business day of the previous month for the relevant period,
Third Year	0.700% above the prevailing 1-Month Sibor as at the first business day of the previous month for the relevant period,
Fourth Year	1.000% above the prevailing 1-Month Sibor as at the first business day of the previous month for the relevant period,
Fifth Year	1.000% above the prevailing 1-Month Sibor as at the first business day of the previous month for the relevant period,
Thereafter	1.000% above the prevailing 1-Month Sibor as at the first business day of the previous month for the relevant period,

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30/07/2012

Page 2 of 10

The first 1-Month Sibor is based on the 1-Month Sibor as at the first business day of the month in which the Letter of Offer is accepted. Revisions shall be made every three months, and the first 3-month period shall start from and include the AC1 Commencement Date or three (3) months from the date of the Letter of Offer, whichever is earlier. The 1-Month Sibor rate for each revision shall be based on the 1-Month Sibor as at the first business day of the month preceding the period to which the revision applies.

The First Year period is one (1) year starting from and including AC1 Commencement Date. Thereafter, Second, Third, Fourth and Fifth Year is one (1) year each starting on and including the day immediately after the First, Second, Third and Fourth Year respectively.

- g) 1-Month Sibor : 0.318% as at 2 July 2012  
(The interest rate is quoted for reference only)
- In the event that the value of the 1-Month Sibor is negative, it will be deemed to be 0% for purposes of computing the interest rates above.
- h) Monthly Instalment : The first monthly instalment is calculated based on Original AC1 Amount (excluding any undisbursed portion) over the AC1 Period. Subsequent instalments are calculated using the interest rate(s) applicable to the Housing Loan Account 1 based on the outstanding amount of Housing Loan Account 1 over the remaining AC1 Period. We shall inform you of the amount of the initial monthly instalments and all revisions thereto.
- i) Commitment Fee : 1.500% on the amount prepaid partially.  
0.750% on the amount prepaid fully
- j) Commitment Period : 2 year(s) from the AC1 Commencement Date for partial prepayment  
2 year(s) from the AC1 Commencement Date for full repayment
- k) Cancellation Fee : 0.750% on any part of the Housing Loan Account 1 cancelled or deemed cancelled after acceptance of this offer or not released within the Availability Period described in the Conditions
- l) Administrative Fee : 0.750% on Original AC1 Amount if any of the following occurs:
- a) the entire Facility is cancelled or deemed cancelled;
  - b) you fully repay the Facility within the Commitment Period

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30/07/2012

Page 3 of 10

- m) Free Revision of Interest Rate : 1 time(s) within 6 months from the date of TOP on the following terms:
- (i) You may submit 1 written request for variation of your housing loan interest rate scheme, within 6 months from the date of issue of TOP for the Property. Once submitted, the request may not be withdrawn.
  - (ii) The Bank will at its discretion, determine which prevailing housing loan interest rate scheme you may request under this clause, and you will be subject to the terms and conditions applicable to the revised scheme. Your request may be rejected if an Event of Default under the Conditions has occurred.
  - (iii) The revision will take effect one (1) month after your acceptance of the Bank's offer of the revised scheme.
  - (iv) The administrative charges in respect of your request are waived.

2 OTHER TERMS GOVERNING THE ABOVE FACILITY(IES)

- a) Security  
 The Facility and all other moneys owing by you to us from time to time in connection with the Facility shall be secured by a first legal mortgage over the property at Singapore. The Housing Loan(s) shall rank first in priority over all other claims and/or charges including CPF Board's charge.
- The Facility is offered subject to Mr \_\_\_\_\_ and Ms \_\_\_\_\_ being Mortgagor(s) of the Property.
- (i) Ms \_\_\_\_\_ shall stand as surety
- b) Purchase Price  
 The Facility offered to you on your declaration/representation that the purchase price of the Property is not less than S\$ \_\_\_\_\_ after adjustment for incentives received from vendor of the Property or any other person. "Incentives" include rebates, discounts, appliances, vouchers, payment of legal/stamp fees and all benefits of any kind which have the effect of reducing the purchase price.
- c) Valuation  
 The Facility is offered to you subject to a formal and satisfactory valuation of not less than S\$ \_\_\_\_\_ for the Property. We shall be entitled to appoint valuer(s) at any time and on such terms as we deems fit. We will pay the valuation fees payable to the valuer.

Initial(s):

30/07/2012

Page 4 of 10

d) Insurance

You are required to take up fire and home contents insurance for the Property with MSIG Insurance (Singapore) Pte Ltd, or any other insurer approved by us, with the scope and amount of coverage to be determined by us, and which is to take effect from the date of the first release of the Facility or the date of issue of the TOP, whichever is later.

The premium for the first 1 year(s) of the insurance policy, if taken with MSIG Insurance (Singapore) Pte Ltd, will be paid by us, unless the Housing Loan is fully repaid or otherwise terminated during this period, in which case the insurance coverage will be terminated unless you make arrangements directly with the insurer for the coverage to continue at your own expense. The premium for subsequent renewals of the policy shall be borne by you, and we shall be entitled to debit the insurance premium from your bank account with us until your mortgage of the Property to us is fully discharged.

However, if you have an existing housing loan facility with us that is also secured by a mortgage of the Property, your existing insurance obligations in respect of the Property shall apply.

e) Legal and Administrative Costs & Expenses

We shall grant you a subsidy ("Legal Subsidy") of a sum up to 0.400% of the aggregate amount of the housing and/or term loans granted here under Facility, subject to a maximum of S\$3,000.00. The Legal Subsidy Clawback Period shall be 3 year(s) from first release of the Facility in respect of full prepayment of the Facility, but shall not apply to partial prepayments.

f) Others

(i) In addition, if the Property is a unit under construction and the developer of the Property is not a housing developer licensed under the Housing Developers (Control and Licensing) Act, you shall let us have:

(a) a certified true copy of the Temporary Occupation Permit for the Property;

(b) (if the developer has mortgaged the development of which the Property is part), the terms of discharge of the Property from the developer's mortgage;

(c) the written consent by the developer's mortgagee to the Mortgage; and

(d) a copy of the sale and purchase agreement (the "Sale Agreement") signed by you.

The above documents must be on such terms which are acceptable to us and must be received by us prior to the release of the Facility.

(ii) In offering this Facility to you, we are relying on your representation and warranty that you do not have any outstanding credit facilities (whether in your name or jointly with any other person or entity) from the HDB or any financial institution or moneylender, granted or used for the purchase of any other residential property in Singapore except in respect of your property(ies) at \_\_\_\_\_ Singapore ("Existing Property"). You have also assured us that: (a) before the funds are first disbursed to you under the Facility, you will have taken steps to sell the Existing Property and/or discharge the said outstanding credit facilities; and (b) you will not prior to or upon first release of the Facility, take up any other credit facility for the purchase of residential property from the HDB or any other financial institution or any moneylender.

Initial(s):

30/07/2012

Page 5 of 10

You must submit to us documentary evidence relating to the Existing Property (or if more than one, each of them) in a form satisfactory to us, that, where applicable:

(for private properties)

(i) stamp duty has been paid on the signed Sale and Purchase Agreement or that the purchaser(s) has paid the applicable buyer's stamp duty

(for HDB properties)

(ii) the final approval of the HDB has been granted for the sale of the Existing Property, which is issued after the First Appointment with HDB

(for both private and HDB properties)

(iii) the Option to Purchase has been exercised, or a Sale and Purchase Agreement has been executed, in respect of the Existing Property

(where the outstanding credit facility will be discharged (by any means other than refinancing by you) without the property being sold)

(iv) a notice of redemption of the outstanding credit facilities in respect of the Existing Property has been issued

(v) your outstanding credit facilities in respect of the Existing Property have been discharged in full by the financial institution(s) that provided the facilities, or by HDB if your loan was taken from HDB

(where the property is being sold by collective sale)

(vi) the Collective Sale Agreement has been executed, or in the case of a sale by tender, that the tender has been accepted

(where the property has been gazetted for acquisition by the government)

(vii) a Notice of Land Acquisition under Section 8 of the Land Acquisition Act (Cap 512) has been issued

(viii) you have made a written declaration to us, in the form prescribed by the Monetary Authority of Singapore, that the Property is the only property being purchased to replace your acquired property.

(in all cases)

(ix) any other documents that we may reasonably require.

These documents must be submitted to us at least two (2) weeks prior to first release of the Housing Loan.

If you have taken up a Bridging Loan, the documents must be submitted to us at least two (2) weeks prior to first release of the Bridging Loan. If the Property is a HDB property, the HDB first appointment letter may be submitted instead of the HDB approval letter described above, provided that the HDB approval letter is then submitted at least (2) weeks from the date of first appointment with the HDB, or (2) weeks prior to first release of the Housing Loan, whichever comes first.

If any of the relevant documents are not submitted on time, the Bank has the right to revise the terms of the Facility at its discretion, and to suspend or cancel the whole or any part of the Facility. If the Facility is revised, reduced or cancelled, (a) the Bank will not be liable to you at all for any losses or expenses incurred by you as a result thereof, and (b) you will have to pay the Cancellation Fee based on the amount by which the Facility is reduced or on the entire loan amount, as the case may be. Kindly note that if you are using your CPF funds, the maximum amount that may be used for lump sum payment to the vendor/developer, and for loan instalment payments, may also be subject to revision.

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30/07/2012

Page 6 of 10

3 We are agreeable to the use of your CPF Savings up to the following sums subject to the CPF Board's approval :-

- (i) S\$512,700.00 as lump sum payment to the vendor/ developer for purchase of the Property;
- (ii) monthly withdrawal not exceeding the Monthly Instalment of the Housing Loan.
- (iii) S\$102,540.00 to meet related legal expenses and stamp fees.

CPF Board's approval must be on terms acceptable to us and must be received by us prior to the release of the Facility.

4 The Facility is granted in reliance upon your representations as declared in this Letter of Offer, your loan application and other correspondence between us in relation thereto. If what you have told us is incomplete or inaccurate in any way, we reserve the right to reduce or cancel the Facility. The Cancellation Fee and Administrative Fee will be payable on the amount by which the Facility is reduced, or on the entire loan amount if the Facility is cancelled, and the Bank will not be liable to you at all for any losses or expenses incurred by you as a result thereof. This is without prejudice to any other rights we may have for breach of representation. Please note that if you are using your CPF funds, the maximum amount that may be used for lump sum payment to the vendor/developer and for loan instalment payments, may also be revised if the Facility is reduced.

5 The Conditions attached shall form an integral part of this Letter of Offer and shall apply in all respects. If there is any inconsistency between this Letter of Offer and the Conditions, the terms under this Letter of Offer shall prevail.

We trust that the above terms and conditions are acceptable to you. Kindly forward to us your acceptance by signing and returning the duplicate copy of this Letter of Offer within the validity period of this offer, which is seven (7) days from the date of this Letter of Offer.

6 If you require any clarification on the above, please contact our Relationship Officers at telephone 6333 0033.

**DBS Home Loans: Fees and Charges Guide**

The table below lists some of the bank's standard fees and charges for DBS Home Loans customers.

Items	Charges
Change in loan tenure	S\$250
Change of approved insurer for fire insurance	S\$250
Request for Statements (per statement)	
For current year	S\$20
For previous 2 years	S\$30
For more than 3 years ago	S\$50
Safe-keeping of title deed for facility that has been fully repaid (or part thereof) shall be imposed for the safekeeping of title deeds upon expiry of 2 months grace period from date of discharge of mortgage letter.	S\$300 per year

The above list is non-exhaustive and DBS Bank reserves the right to vary the fees from time to time without notice.

Initial(s):

30/07/2012

Page 7 of 10

For the latest information on fees and charges, please visit  
<http://www.dbs.com/sg/personal/homeloans/resource/rates-and-fees/default.aspx>

The Bank will be appointing the following party to act

Law Firm: \_\_\_\_\_

Lawyer: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Number: \_\_\_\_\_

Yours faithfully

/nur/esm

Initial(s):

30/07/2012

Page 8 of 10

ACCEPTANCE

I/We (jointly and severally) confirm that we have read and understood and accept this Letter of Offer and the Conditions; and

a) Irrevocably authorise you to debit the following account (please select accordingly):

my/our DBS / POSB Account No.\*: \_\_\_\_\_  
 \*POSB Current Accounts are not acceptable.

the DBS eSavingsPlus account to be opened pursuant to my/our request in the application form for the Facility

("Account") with your Branch for all monies due and payable under the Facility offered by this Letter of Offer, including principal, interest, the monthly instalment repayment, fees, charges and all insurance premiums payable on the due dates; and undertake to ensure or procure that the Account shall have sufficient funds at all times before the due date to meet any such deductions or payments; and

am/are aware that a reward may be paid to the person who introduced me/us as a customer, and for the purposes thereof, I/We consent to you disclosing to such person that my application for the Facility was successful and any other information relating to the Facility as you deem fit; and

b) declare that the difference in the purchase price of the Property as stated in the Letter of Offer and the amount of the Housing Loan is paid by me/us out of funds not obtained through any credit facility granted by HDB, any financial institution or moneylender or by the vendor of the Property; and

c) consent to the disclosure of information:  
 (i) in accordance with the provisions entitled "Right of Disclosure" in Conditions relating to the above Facility; and  
 (ii) of or in relation to amounts due under the Facility, to the holders of the Account or any of them; and

d) declare that:  
 (i) except as already disclosed to the Bank and already accounted for in the purchase price of the Property as stated in the Letter of Offer, I/we have not received any other discount, rebate or any other benefit from the vendor of the Property or any other party (including the payment of legal or stamp fees for the purchase of the Property) which has the effect of reducing the said purchase price; and

(ii) I/we are not party to any arrangement whereby any interest in respect of any credit facility relating to the purchase of the Property is paid or payable by the vendor of the Property, its agent, nominee or any other person by arrangement with the vendor; and

(iii) the Facility is for my/our own use and not for the benefit of any other party; and

(iv) where the Facility includes a Term Loan, I/we will not use the funds obtained through the Term Loan or any part thereof for the purchase of residential property in Singapore; and

except as already disclosed to the Bank:

Initial(s):



30/07/2012

(v) I/we have not been granted any credit facility by any other financial institution or HDB or any moneylender or the vendor of the Property for the purchase of or otherwise secured by the Property; and

(vi) I/we do not have an outstanding credit facility granted by any financial institution or HDB or any moneylender for the purchase of any other residential property in Singapore ; and

(vii) I/we undertake not to obtain a credit facility from any financial institution or HDB or any moneylender for the purchase of residential property in Singapore, prior to first release of the Facility; and

- e) acknowledge and agree that any request which I/we may have to vary any terms stated in this Letter of Offer shall be subject to:
  - (i). the Bank's approval at its discretion; and
  - (ii). an administrative fee, determined by the Bank, which shall be deducted from the Account stated in (a).

Note: The Association of Banks in Singapore (ABS) has published a consumer guide on home loans, and you are encouraged to read this before committing to any housing loan. The guide is available on MAS' and ABS' websites (<http://www.mas.gov.sg> and <http://www.abs.org.sg> respectively) in four official languages. Copies of this consumer guide are also available at any of our branches. To assist you in your planning, we are pleased to provide, upon request, a loan repayment schedule in respect of our home loan packages. You may also make use of the home loan calculator on our website ([www.dbs.com](http://www.dbs.com)).

I wish to appoint the following party to act for me in the Purchase &/or Facility.

Law Firm: \_\_\_\_\_

Lawyer: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Number: \_\_\_\_\_

-----  
 Name : \_\_\_\_\_  
 IC No : \_\_\_\_\_  
 Date of Acceptance : \_\_\_\_\_

Initial(s):

30/07/2012

Page 10 of 10

I/We hereby (jointly and severally) agree to stand as surety(ies) in accordance with the terms and conditions in this Letter of Offer.

I/We authorise you to debit account (no: \_\_\_\_\_) held in the name(s) of \_\_\_\_\_ ("Account")

with your Branch for all monies due and payable under the Facility offered by this Letter of Offer, including principal, interest, the monthly instalment repayment, fees, charges and all insurance premiums payable on the due dates; and undertake to ensure or procure that the Account shall have sufficient funds at all times before the due date to meet any such deductions or payments.

I/We consent to the disclosure of information (i) in accordance with the provisions entitled "Right of Disclosure" in the Conditions relating to the above Facility; and (ii) relating to the Account, including without limitation its status, operation, balance or otherwise, to the Borrowers and the mortgagors under the Facility or any of them at any time.

Note: The Association of Banks in Singapore (ABS) has published a "Guide on Home Loans", and you are encouraged to read this before committing to any housing loan. The guide is available on MAS' and ABS' websites. [http://www.mas.gov.sg and http://www.abs.org.sg respectively] in four official languages. Copies of the "Guide on Home Loans" are also available at any of our branches. To assist you in your planning, we are pleased to provide upon request from any of our branches, a loan repayment schedule in respect of our home loan packages. You may also make use of our home loan calculator on our website [www.dbs.com].

Name : \_\_\_\_\_  
IC No : \_\_\_\_\_  
Date of Acceptance : \_\_\_\_\_

Initial(s):  
\_\_\_\_\_