

**PRIVATE AND CONFIDENTIAL**

10 October 2012

Dear Sir / Madam,

**Mortgaged Property Overview**

Mortgage of :  
(the "Property")

Use of Property : For Owner-Occupation and for residential use only

Borrower(s) :  
(the "Borrower")

Mortgagor(s) :  
(the "Mortgagor")

**Banking Facilities**

We are pleased to offer you the following banking facilities ("Facilities"):

**1. FACILITIES**

**1.1 HOME LOAN**

- (a) **Purpose** To refinance the subsisting Home Loan with OCBC.
- (b) **Loan Quantum** Home Loan - S\$330,000 or all outstanding principal and interest owing by you of the subsisting Home Loan from OCBC, whichever is lower.

Without derogation to the terms herein, this Home Loan is granted subject to CPF Board's consent of the Bank's charge ranking in priority to CPF Board's charge. In the event the Bank's charge is not granted priority to CPF Board's charge, the Bank reserves the right to review, alter or cancel the Facilities.

Any part of the Home Loan which is in excess of the amount required for this purpose shall be cancelled.

In the event the total outstanding loan amount to be refinanced to us is more than the above Home Loan quantum granted, the shortfall shall be fully covered by you in cash.

- (c) **Tenure** 30 years from the date of first drawdown.

Customer's Initial: |

Bank Officer's Initial: |

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**(d) Interest Rate**

The following rates shall commence from the Effective Date:

<u>Period</u>	<u>Monthly Rest (p.a.)</u>
1 <sup>st</sup> Year	1.15% p.a.(Fixed)
2 <sup>nd</sup> Year	1.35% p.a.(Fixed)
3 <sup>rd</sup> Year	1.45% p.a.(Fixed)
4 <sup>th</sup> & 5 <sup>th</sup> Year	1.15% p.a. below our prevailing SRFR

Thereafter, interest rate shall be at 0.50% p.a. below our SRFR prevailing from time to time or such other rate as may be determined by us from time to time.

Interest will be computed on a 365-day year.

We reserve all rights to review, vary, increase or adjust, at our absolute discretion, the interest rates chargeable from time to time and at any time. If we revise the interest rate, we will notify you of the effective date of the revised interest rate.

Our **Singapore Residential Financing Rate ("SRFR")** is currently 3.75% per annum ("p.a.").

The effective date stated herein means (i) 3 months from the date of acceptance of this Letter of Offer or (ii) the date of first drawdown of the Facilities, whichever is earlier ("Effective Date").

**(e) Availability**

The Home Loan shall be available for drawdown within 3 months from the date of acceptance of this Letter of Offer, or such other extended period as we may agree in writing at our absolute discretion, subject to completion of legal documentation satisfactory to us.

The Home Loan may be drawdown in one or more tranche during the availability period. 7 business days' prior written notice must be given to us for drawdown.

**(f) Repayment**

Based on the above Interest Rate, the monthly instalment of such amount may be determined by us from time to time based on the actual loan amount drawdown. It shall comprise principal and interest and the final instalment shall include any balance amount outstanding.

**(g) Commitment Period**

The Commitment Period in relation to the Home Loan shall expire 3 years from the date of first drawdown ("Commitment Period").

**(h) Prepayment**

You may make partial prepayment of the Home Loan upon giving at least 1 month's written notice or payment of interest in lieu thereof.

However, if such partial prepayment is made within the Commitment Period, you shall be liable to pay a prepayment fee of 1.50% on the amounts prepaid.

The minimum disbursed outstanding loan at all times must not fall below S\$100,000.

Each prepayment shall not be less than S\$5,000 and in multiple integrals of S\$1,000. Amounts prepaid will be applied towards reduction of the monthly instalments and shall not thereafter be redrawn or re-borrowed.

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- (i) **Redemption** You may redeem the Home Loan in full upon giving us 3 months' written notice or payment of interest in lieu thereof. No partial prepayment of the Home Loan is allowed during the redemption notice period.

However, if such redemption is made within the Commitment Period, you shall be liable to pay a redemption fee of 1.50% of the amount of the Home Loan redeemed.

Any request to further convert/vary the interest rate applicable to the Home Loan before or within the Commitment Period shall be treated as a request to redeem or cancel the Home Loan in full unless otherwise agreed by us.

- (j) **Cancellation Fees** A cancellation fee of 1.50% will be charged on the aborted, cancelled or undrawn portion of the Facilities, subject to a minimum of S\$1,000, if you abort/cancel any undrawn portion of the Facilities and/or we recall/cancel the Facilities upon the occurrence of an event of default or where any part or whole of the Facility is not disbursed within the said availability period.

- (k) **Processing Fee** A processing fee of S\$500 is payable upon first loan disbursement should total disbursed Loan Quantum fall below S\$100,000. This amount shall be deducted from your Loan Servicing Account and unsuccessful deduction of the full amount will result in delay in loan disbursement.

**2. SECURITY** The Facilities are secured by:

- (a) A fresh first legal limited mortgage for S\$330,000 and where separate title is not issued, a deed of assignment over the Property and such other documents as may be required by us from time to time.

**3. VALUATION** The Facilities is granted to you on the basis of the property valuation being not less than S\$600,000 by a HDB assigned valuer or CPF Board valuer or the Bank's panel of valuers or in-house valuer; otherwise we reserve the right to review the loan quantum and/or terms herein at our sole discretion.

**4. USE OF CPF FUNDS** Subject to execution of all relevant documentation pertaining to the usage of CPF savings for HDB flat transactions, the Facilities are granted based on CPF Board's confirmation that the aggregate amount of CPF savings withdrawn from the CPF accounts of yourself/the mortgagor(s) as at the date of release of the Facilities does not exceed the amount approved by the CPF Board. In the event that the CPF savings withdrawn exceeds the aforesaid amount, we reserve the right to review, alter or cancel the Facilities. CPF savings withdrawn from the CPF accounts of yourself/the mortgagor(s) can be used for repayment or servicing monthly instalments of the Home Loan only.

In addition, you/the mortgagor(s) may use the CPF funds as follows:

- (a) An amount as approved by CPF Board towards payment of legal and stamp fee  
(b) An amount not exceeding the monthly instalment for the Home Loan for purposes of servicing such monthly instalment

If the first disbursement of the Home Loan is made after the 25<sup>th</sup> day of the month, the first payment is only for interest servicing in which case CPF funds are not to be used for this payment.

The amounts owing to the Bank under the Home Loan will be generally paid first before payment to CPF Board for the withdrawals made from the CPF accounts of yourself/the mortgagor(s) for purchase of the Property in accordance with the priority arrangements set out in CPF Board's Memorandum of Mortgage.

The CPF withdrawals for the Home Loan of yourself/the mortgagor(s) shall not exceed (i) the applicable CPF Withdrawal Limit or (ii) the "Available Housing Withdrawal Limit" as computed by CPF Board, whichever is lower.

**5. INSURANCE**

At all times, you shall be required to insure the Property to the extent of its full insurable value or a sum to be determined by us with Etiqa Insurance Berhad (through us) against fire and such other risks as we may require from time to time, and which is to take effect from the date of first drawdown of the Facilities or the date of issue of the Temporary Occupation Permit (TOP), whichever is later.

Premiums for fire insurance over the Property insured with Etiqa Insurance Berhad shall be borne by you. We shall debit the insurance premiums or any administrative fees in connection to the insurance from any of your bank account with us until your mortgage of the Property to us is fully discharged. Subject to the Bank's approval, where the insurance is taken with an insurance company other than Etiqa Insurance Berhad, an annual administrative fee will be payable by you to the Bank. You hereby irrevocably authorise us to debit your bank account(s) with the Bank for such administrative fee(s).

You shall at all times ensure coverage under the Home Protection Scheme ("HPS") or any other alternative coverage as approved by CPF Board. You shall ensure that there are sufficient CPF savings in the CPF Ordinary Account(s) for the deduction of HPS premium.

**6. LEGAL COSTS & EXPENSES**

Legal costs and expenses shall be borne by you.

**7. CONDITIONS PRECEDENT**

The availability of the Facilities is conditional upon:

- (a) A Maybank SGD savings or current account must be opened and maintained for the purpose of these Facilities during the term of the Facilities and must be in the name of the Borrower(s) unless the Borrower(s) have an existing SGD savings or current account with Maybank or such an account is currently being maintained by either of the Borrower(s) with a third party subject to the Bank being in receipt of an authorisation letter from the third party and the Borrower(s) for the usage of the said account maintained for the purpose of debiting/crediting the account with the Bank/Branch for all instalments, interest, fees, other charges and expenses payable and/or any monies entitled relating to the Facilities granted.

## 8. GENERAL CONDITIONS

### (a) Interest Rates

For Home Loan/Bridging Loan

Interest is calculated on a monthly rest basis in arrears and computed on a 365-day year.

Maybank's Home Loan is pegged to a single board rate to offer full consistency in any future interest rate change. This board rate is known as **Singapore Residential Financing Rate (SRFR)** and is benchmarked against interbank rates, market conditions and the Bank's business costs.

Maybank reserves the right to revise the **SRFR** from time-to-time, by giving 30 days' notice, depending on the changes in interbank rates which **SRFR** is benchmarked and/or market conditions and/or the Bank's business costs.

### (b) Repayment

Monthly instalments shall be payable on the 15<sup>th</sup> day of each calendar month:

First Drawdown Date	First Instalment Payment Date
On or before 25 <sup>th</sup> day of the calendar month	<ul style="list-style-type: none"><li>First instalment payable on 15<sup>th</sup> day of following month.</li></ul>
After 25 <sup>th</sup> day of the calendar month	<ul style="list-style-type: none"><li>Only interest is payable on 15<sup>th</sup> day of following month.</li><li>First instalment payable on 15<sup>th</sup> day of second following month.</li></ul>

### (c) Default Interest

Default interest (subject to a minimum of S\$50) shall be payable at the rates stated below on such amounts payable and not paid when due or upon demand, as the case may be, and on any utilisation in excess of the approved limit for the following Facilities:

For Home Loan

Any amounts overdue shall bear interest at the rate of 3% p.a. above our prevailing **SRFR** or such other rate as may be determined by us from time to time.

For Bridging Loan

At the rate of 5.00% p.a. above our **Prime Rate** or such other rate as may be determined by us from time to time.

For all cases

Default interest, compounded on such basis as may be determined by us, is subject to our review and may be amended from time to time.

### (d) For applications with Bridging Loan

With respect to the CPF refund, the relevant owner(s) of the Property shall undertake to inform HDB on the first appointment date for the purchase of the Property that the CPF refund shall be deducted from the CPF Ordinary Account towards the purchase of the Property. In the event that the CPF refund is not available for deduction by the HDB on the first appointment date of the Property for any reason whatsoever, the owner(s) of the Property undertake to request HDB for a change of the first appointment date.

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(e) Disbursement rules

The sums available for drawdown under the Bridging Loan(s) and/or Home Loan shall be disbursed directly to HDB/vendors and/or refinancing bank of the Property towards payment of the net purchase price and/or redemption sum. The sequence of drawdown of the Facilities shall (where applicable) be firstly the Bridging Loan(s), followed by the Home Loan.

(f) Fees

Any future request to vary the terms (which includes the conversion/variation of the interest rate) of the loan within the loan tenure after your acceptance of this Letter of Offer shall be subject to the Bank's administrative charges or such other fees as the Bank may specify from time to time at its sole discretion.

An administrative fee of S\$500 (prevailing GST will be levied) per annum is payable to us for every title deed that the Bank is safe-keeping for fully repaid facilities. The administrative fee will be deducted from your bank account(s) on an annual basis and/or payable by you upon collection of the title deed(s) from the Bank for discharging of the charge.

We shall be entitled to debit your account for all payments hereunder including monthly instalments and interest. All fees &/or charges stated in this Letter of Offer are subject to change from time to time at our discretion. You may view the fees &/or charges at our website [www.maybank2u.com.sg](http://www.maybank2u.com.sg) or obtain from any of our branches

(g) Others

You and/or the owner(s) of the Property shall occupy the Property and at all times comply with HDB's subletting rules and conditions. In the event HDB's written consent is required under HDB's subletting rules prior to the Property being sublet (in whole or in part) by you and/or the owner(s) of the Property, you shall furnish us a copy of the tenancy agreement within 14 days of execution accompanied by HDB's written consent.

A person who is not a party to this letter may not enforce its terms pursuant to the Contracts (Rights of Third Parties) Act of Singapore.

The Terms and Conditions for Banking Facilities (Form No. 113-0708) annexed hereto shall also apply. In the event of any inconsistency between the terms herein and those set out in the Terms and Conditions for Banking Facilities, the terms herein shall prevail.

Please confirm your acceptance of the above arrangement by signing and returning to us the duplicate copy of this letter within **7 days** from the date hereof, after which date, this offer shall lapse unless an extension has been requested for and agreed to by us.

Yours faithfully,  
for **MALAYAN BANKING BERHAD**

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Maybank@HollandV

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Maybank@HollandV

ACCEPTANCE

To: Malayan Banking Berhad

\*I/We refer to your Letter of Offer dated 10 October 2012.

\*I/We hereby:

- (1) Accept your offer of banking facilities on the terms and conditions above stated.
- (2) Request and authorise you to open an account with Maybank in \*my/our name(s) as below, unless such an account is already available. \*I/We further authorise you to debit/credit this account ("Repayment Account") stated for all instalments, interest, fees, other charges and expenses payable and/or any monies entitled to us relating to the banking facilities granted herein which \*I/we have or may have with you.

Repayment Account:

Name(s) reflecting in \*account to be opened/ existing account :

(i) \_\_\_\_\_ (ii) \_\_\_\_\_

Account No. : \_\_\_\_\_ Branch : Maybank@ \_\_\_\_\_

- (3) Authorise you to revise \*my/our Mailing Address for all future correspondences within one month after first drawdown of the banking facilities granted herein. The revised address shall be as follows :

\_\_\_\_\_

The above Mailing Address shall be applicable to (including the above-mentioned Repayment Account):

- All \*my/our existing account(s) with Maybank
- Only \*my/our account(s) pertaining to the banking facilities in this Letter of Offer

*(Please remember to notify the Bank if there is any future changes in your Mailing Address)*

\*My/Our Contact No. : \_\_\_\_\_

\*My/Our solicitors  
Name of Law Firm : \_\_\_\_\_

Name of Lawyer : \_\_\_\_\_

Contact No. : \_\_\_\_\_

Name: \_\_\_\_\_

NRIC No. : \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

NRIC No. : \_\_\_\_\_

\*Delete accordingly