

# Home Improvement Loan / Home Improvement Loan Plus

## Frequently Asked Questions

### 1. What is Home Improvement loan?

Home Improvement Loans can be availed for the customers to complete the finishing work/ renovation works or to purchase furnishing items for the apartments, flats, or row houses awarded under the social housing unit.

### 2. What is Home Improvement Loan Plus?

Home Improvement Loan Plus can be availed to complete the finishing works and purchase other items for the purchased apartments, flats, or row houses.

### 3. What are the features of Home Improvement loan / Home Improvement Loan Plus?

- Loan repayment period up to 5 years
- Equity not required
- No security is required
- Loan can be availed singly or jointly (Loan can be availed for the multiple parties, however, the maximum loan amount for each project will be MVR150,000/- for home improvement loan and Home improvement loan plus MVR300,000/-)
- Home Improvement Loan: borrow from MVR 25,000 up to MVR 150,000
- Home Improvement Loan Plus: borrow from MVR 25,000 up to MVR 300,000

### 4. Is there any processing fee applicable on Home Improvement loan / Home Improvement Loan Plus?

For Home Improvement loan, no processing fee will be applicable. However, for Home Improvement Loan Plus – a processing fee of 1% of the loan amount will be charged after crediting the loan funds to the customer's account.

### 5. What is the maximum loan amount that can be borrowed under Home Improvement Loan?

Under Home Improvement Loan borrow from MVR 25,000 up to MVR 150,000. However, the loan amount will be fixed based on the monthly net income from all sources and it must be sufficient to cover the loan repayment.

### 6. What is the maximum amount that can be borrowed under Home Improvement Loan Plus?

Under Home Improvement loan plus borrow from MVR 25,000 up to MVR 300,000. However, the loan amount will be fixed based on the monthly net income from all sources and it must be sufficient to cover the loan repayment.

# Home Improvement Loan / Home Improvement Loan Plus

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### 7. What is the interest rate of Home Improvement loan / Home Improvement Loan Plus?

Interest rate of Home Improvement / Home Improvement Loan Plus is 12%

### 8. Is there any grace period for Home Improvement loan / Home Improvement Loan Plus?

No, grace period is not included in Home Improvement loan / Home Improvement Loan Plus

### 9. What are the eligibility criteria for Home Improvement loan / Home Improvement Loan Plus?

- Must be a Maldivian aged between 18 to 60 years
- Home Improvement Loan: Must own a flat, apartment, or a row house through a social housing project
- Home Improvement Loan Plus: Must have purchased and own a flat, apartment, or row house (including luxury apartments, villas)
- Income must be routed regularly for the past 12 months in any bank and prior to loan application, minimum 1 months' income must be routed to BML
- Ability to repay the loan

**Note:** If the property owner is not eligible, a joint loan facility can be availed for immediate family members with a verifiable income source to the bank (Immediate family members include; Mother, Father, Sibling, Spouse, Children, Grandparents, and Grandkids).

### 10. What are the other eligibility conditions?

- Applicant must be credit worthy
- Applicant must have the capacity to repay the loan
- Should not have defaulted any credit agreement made with Bank of Maldives or any other Financial Institution
- If you have any existing loan or credit card, repayments should be satisfactory for the past 12 months

### 11. If the property is jointly owned, can all joint owners apply for Home Improvement Loan / Home Improvement Loan Plus?

Yes, the loan can be availed for multiple parties jointly with the property owner but the maximum loan amount for each project unit/flat will be MVR150,000/- for home improvement loan and MVR300,000/- for Home improvement loan plus

### 12. Can Home Improvement Loan / Home Improvement Loan Plus be availed if the owner of the property is a minor or differently abled individual?

Yes, legal guardian of such individuals can avail this facility.

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13. If a customer owns a flat, apartment or raw house under social housing projects that is in an island, will the customer be eligible for Home Improvement Loan?

Yes, loan facility can be availed for social housing units in islands.

14. Can Home Improvement loan / Home Improvement Loan Plus be refinanced?

No, this facility cannot be refinanced.

15. What is the processing period for Home Improvement loan / Home Improvement Loan Plus?

Once the application is received, it will take 5 working days to process the application. Applications will be processed within the mentioned time frame if no issues have been identified.

16. Is it necessary to submit a quotation / estimate from a registered business?

No, if customer wishes he/she can submit their own quotation / estimate.

17. Is it necessary to submit the original handover letter or agreement of the flat / apartment?

No, customer can submit a copy of the handover letter or agreement. However, the original handover letter or agreement must be brought for verification.

18. Can the loan application be rejected?

The application will be verified, and the credit history of the applicant will be assessed. If there are any delays in repayment of previously availed credit facilities or if there are any criteria that are not met, the loan application will be placed for rejection.

19. How do I make the payment for Home Improvement loan / Home Improvement Loan Plus?

Repayments can be made via BML Internet banking, ATMs, BML Mobile banking app, and by visiting branch. If repayment is not made, on the 7th day of every month, auto repayments will be deducted from the applicant's account. If funds are not available in the applicant's account, action will be taken under the Home Improvement loan / Home Improvement Loan Plus agreement and Schedule of charges of the bank.

20. If Home Improvement loan / Home Improvement Loan Plus is availed, can I apply for other unsecured loans?

Yes, if the applicant wishes to apply and if the eligibility criteria is fulfilled, applicant can apply for other unsecured loans. However, it should not exceed the individual unsecured exposure.

# Home Improvement Loan / Home Improvement Loan Plus Frequently Asked Questions

## 21. How to determine the maximum unsecured exposure?

For every individual, credit facilities that can be availed without security are as follows:

- If the monthly income is below MVR 30,000 – 10 times the income received
- If the monthly income above MVR 30,000 – 15 times the income received
- For one individual customer, maximum credit amount without security is MVR 1.5 million.

## 22. How do I apply for Home Improvement Loan / Home Improvement Loan Plus?

If you are in Male', submit the Home Improvement Loan / Home Improvement Loan Plus application form along with the required documents to BML Loan Centre. If you are residing in any island, visit the nearest branch and submit the Home Improvement / Home Improvement Loan Plus application along with the required documents.

NOTE: Bank reserves the right to change Frequently Asked Questions from time to time without any prior notice.

