

KEY FACTS STATEMENT (KFS) MORTGAGES

WE kindly request you to read and understand this document carefully, if you are considering applying for a Mortgage from Commercial Bank of Dubai. This document is also available in Arabic. **By signing this KFS document**, you confirm that you have read and understood the MORTGAGE features and benefits, applicable fees and interest charges and the General Terms and Conditions published in the Bank's website www.cbd.ae

The Bank's MORTGAGE loan allows you to a) Purchase a new property and move into your dream home, b) Transfer your mortgage loan in the UAE from other financial institutions to reduce your monthly payments, c) Refinance your "Ready Property" to get easy access to liquidity, d) Invest in "Under Construction" property, e) Invest/Refinance Plots/Land & Farm House (for UAE Nationals only), f) Invest/Refinance Loan Plots in Dubai with 'select developers' for Expatriates. The Bank offers competitive interest rates, flexible repayment options as well as access to high loan amounts.

This document is in the form of an acknowledgement by you and does not intend to create legal rights or obligations between the parties. In case of an inconsistency between this document and the General Terms and Conditions or product specific Terms and Conditions, the General Terms and Conditions and product specific Terms and Conditions shall prevail. In case of a change in the General Terms and Conditions or product specific Terms and Conditions, there is no obligation on the bank to amend this document.

ELIGIBILITY CRITERIA, DOCUMENTS REQUIRED AND FINANCIAL TERMS	
ELIGIBILITY CRITERIA	
Segment	Criteria
Salaried Individual (UAE Nationals and Expatriates)	Aged between 21 and 65 years (at loan maturity)
	Minimum monthly income of AED 12,000
	Minimum length of service of 6 months
Self-Employed (UAE Nationals and Expatriates)	Aged between 21 and 70 years (at loan maturity)
	Minimum monthly income of AED 20,000
	Minimum length of 3 years in business
DOCUMENTS REQUIRED	
Segment	Documents*
Salaried Individual (UAE Nationals and Expatriates)	Application form, consent letter & authorization letter for Bureau check.
	National ID or valid passport, residence visa and Emirates ID.
	Original 3 months bank statement for new customers.
	Salary certificate.
	Security Cheque (amount should not be more than 120% of the Finance amount)
Self-Employed (UAE Nationals and Expatriates)	Application form, authorization letter for lending and consent letter for Bureau check
	Copy of Trade License, Chamber of Commerce Registration, Memorandum and Articles of Association.
	Original 12 months company and personal bank statements for new customers.
	Security Cheque (amount should not be more than 120% of the Finance amount)
DISCLAIMER: * Additional documents may be applicable as per underwriting terms and eligibility criteria	
FINANCIAL TERMS	
Loan Amount	AED 20 million or Max. 8 years of Annual income for UAE Nationals (lower of the two) Single property exposure not to exceed AED 15million. AED 20 million (individual or property level) or Max. 7 years of Annual income for Expatriates (lower of the two)
Tenor of Loan	Up to 300 months
Loan to value	Up to 85% of the market value as per UAECB regulations
Age at Maturity	Maximum of 70 years for UAE Nationals and Self-Employed Expatriates Maximum of 65 years for non-residents and Salaried Expatriates
Debt Burden Ratio	Maximum of 50% (30% for Pensioners)
Interest Rate	Fixed + Variable Interest rate. The fixed interest rate will be fixed for a period mentioned in the facility offer letter from the Bank. The fixed rate period shall be applicable on the date of first disbursement by the Bank and automatically expiry after the fixed period opted by the customer. The interest rate post fixed period shall automatically begin to variable interest rate as mentioned in the facility offer letter from the Bank.
Loan repayment	The loan amount shall be reduced by the principal amount on the due date every month specified in the facility offer letter. The principal amount by which the loan shall be reduced may change due to variation in the interest rate as mentioned in the facility offer letter by the Bank.



FEES AND INTEREST CHARGES		
PRE-APPROVAL AND PROCESSING FEES		
Type of Service	Segment/Parameter	Fees & Charges https://www.cbd.ae/general/fees-charges
**Pre-Approval Fee	Salaried	AED 1,575
	Self-Employed	AED 2,100
	Non-resident	AED 2,100 (for both Salaried and Self-Employed)
	Brokers, Existing CBD Elite with LOR >=1yr & Private Banking customers	Waived (under promotion)
Processing Fee	NTB	1% of Approved Loan amount (VAT is applicable) with Minimum of AED 5,250
	Buyout	Nil, customer seeking additional equity i.e. Buyout & equity, 1% processing fee applicable on the Equity release/ incremental amount (VAT is applicable)
	Existing CBD Elite customers	1% of Approved Loan amount (VAT is applicable) with Minimum of AED 5,250 to existing CBD Elite maintaining AED 400K balance or salary transfer to CBD of AED 40K for last 3 months.
DISCLAIMER: ** Pre-Approval charges shall be adjusted towards processing fee once full case is submitted within the validity of pre-approval (60 Days).		
INTEREST CHARGES		
Interest Rate	2.49%	IMPORTANT: The interest rates are starting from 2.49% per annum. The interest is computed on a fixed + variable rate basis.
	Example of the annual interest charges:	
	Outstanding Principal Amount as of 1/2/2021	1,000,000/-
	Interest Rate	2.49%
	Next Payment Date	3/10/2021
	Number of Days of Due Payment	31 days
Interest Rate Calculation: Interest Calculation Formula: Outstanding Principal Amount * Interest Rate * Number of Days ÷ 365 Example: 1,000,000 * 2.49% * 31 ÷ 365 = AED 2,114.79/-		
Penal Interest/ Penalty and Charges	2% In addition to the penal interest, AED 200 per past – due amount occurrence with maximum penal interest capped at AED 700.00	IMPORTANT: This interest is on the delayed amount for the delayed period.
EARLY SETTLEMENT / PARTIAL PAYMENT		
Type of Fees	Fees & Charges	
Early settlement from the same bank loan/Loan	1% of the outstanding amount (VAT is applicable) or AED 10,500 whichever is less	IMPORTANT: This Fee will be applicable when the loan is closed/settled in full using own source of funds or through sale proceeds.
Early settlement from other bank (Buyout)	1% of the outstanding amount (VAT is applicable) or AED 10,500 whichever is less	IMPORTANT: This Fee will be applicable when the loan is closed/settled in full through other banks/transferring loan/ Loan.
Partial Payment	• Free up to 15% of the outstanding amount once per calendar year 1% capped at maximum AED 10,500 on the partial settlement amount exceeding 15% outstanding amount (VAT is applicable)	IMPORTANT: This Fee will be applicable on the pre-paid amount from the outstanding balance.
REVALIDATION		
Revalidation of conditional approval / Pre-approval	AED 525 across all segments	IMPORTANT: These are standalone charges and shall not be adjusted against processing fee.
Amendments to offer letter	AED 1,050	IMPORTANT: These are standalone charges and shall not be adjusted against processing fee.
INSURANCE		
Life Insurance Premium	0.01167% (per month) under the group Insurance coverage on yearly renewable term policy (VAT is applicable)	IMPORTANT: The Insurance charges are stated on the entire Finance value. You will be offered 3 options to choose from as your preferred Insurance provider.



Property Insurance Premium	0.040% per year subject to change as specified by the Policy provider (VAT is applicable)	IMPORTANT: The interest charges are stated on a yearly basis for the property insurance cover. The Insurance charges are stated on the entire Finance value. You will be offered 3 options to choose from as your preferred Insurance provider.
PROPERTY VALUATION		
Residential Property	AED 3,150	IMPORTANT: This fee is for the valuation of a single residential property. Additional charges apply for multiple properties.
LETTER ISSUANCE CHARGES		
Liability Letter	AED 89.25	IMPORTANT: This fee is applicable only for the issuance of a liability letter.
Liability letter addressed to Govt. authorities & charitable organizations	AED 105	IMPORTANT: This fee is applicable only for the issuance of a liability letter addressed to Govt. authorities and charitable organizations.
Reissuance of Clearance Letter	AED 99.75	IMPORTANT: This fee is applicable only for the reissuance of a clearance letter.
Issuance of NOC to Rent Committee, RERA, Developer & any other Competent Authority	AED 157.50	IMPORTANT: This fee is applicable only for the issuance of a NOC to rent committee, RERA, developer and any other competent authority.
Revalidation of conditional approval / Pre-approval	AED 525 across all segments	IMPORTANT: This fee is applicable only for the revalidation of conditionally approved/pre-approved applications.
OTHER CHARGES		
Copy of Repayment Schedule	AED 78.75	IMPORTANT: This fee is applicable only for obtaining a copy of the repayment schedule.
Copy of Offer Letter, mortgage Contracts and Title Deed	AED 105 per document, per instance	IMPORTANT: This fee is applicable only for obtaining a copy of the offer letter, mortgage contracts and title deed.
Amendments to existing loan/ Loan structure (If requested by the borrower)	AED 3,150	IMPORTANT: This fee is applicable only for making amendments to the existing loan/Loan structure.
Property swaps administration fees	Maximum of AED 1,386 (valuation included)	IMPORTANT: This fee is applicable only for administration purposes for property swaps.
Request of any other letters	AED 94.50	IMPORTANT: This fee is applicable only for request of any other letters.
Any other certificate	AED 78.75	IMPORTANT: This fee is applicable only for request of any other certificates.
Non-standard statement production/copy of original documentation	AED 105	IMPORTANT: This fee is applicable only for request of any non-standard statement production/copy of original documentation.

DISCLAIMERS:

- All Fees mentioned above & on Bank's website are inclusive of Value Added Tax (VAT) unless stated separately. A VAT of 5% shall be applicable on all Fees levied by the Bank and will be billed along with the Fee and charged in the monthly Statement of Accounts (SOA).
- All fee for transfer, assignment, registration with the Developer, Land Department, Municipality and any standard governmental fees and any other tax or applicable charges are to be borne by the applicant on actual basis.
- Fees & Interest rates mentioned in the table above are applicable for all Mortgage types.
- Fees & Interest rates are effective as of the above mentioned date. Kindly visit www.cbd.ae/general/fees-charges for the list of updated charges.
- Bank reserves the right to revise the Fees & Interest Charges at any time by providing sixty (60) days prior written notice to the customer's registered contact details.

KEY RISKS

- Customer's payment history in the credit bureau on other facilities held with CBD or other banks will impact customer's ability to get a new Loan.
- A downward market revision to property prices can result in an increase to customer's Loan to Value (LTV) which may impact customer's ability to refinance the property.
- An income reduction due to retirement, change of employment or any other personal circumstances may result in an increase to customer's Debt Burden Ratio (DBR) thereby impacting customer's payment ability toward the customer Loan.



WARNING:

1. If the customer does not meet the rental payments on his/her MORTGAGE, his/her account will go into arrears. This may affect the customer's credit rating, which may limit his/her ability to access financing in the future.
2. If the customer fails to meet the rental payments on his/her MORTGAGE, it may lead to legal proceedings for collection of payments and proceedings for repossession of the property.
3. If the customer repays the MORTGAGE before the end of the loan term, Prepayment penalties will be applicable. Kindly visit <https://www.cbd.ae/general/fees-charges> for the list of updated charges.
4. Refinancing your loans/financing may take longer to pay off than your previous loan and will result in paying more in interest.
5. The customer may remain liable for the outstanding debt after consideration of any proceeds of sale of a property and including accrued interest/profit, fees, legal, selling and other related costs.
6. CBD employees are not authorized to collect cash or cheques in favor of other beneficiaries. CBD is not liable for any cash payments, cheques or wire transfers authorized by customer to third parties or CBD employees.

General Notices:

1. The Bank reserves the right to decline any customer application at its sole discretion.
2. The above product criteria is subject to CBD's approved product policy.
3. CBD terms and conditions apply <https://www.cbd.ae/general/terms-conditions>
4. The Bank reserves full-unrestricted rights to modify the terms offered on the MORTGAGE and revise the rates applied on Fees and Interest Charges at any time by giving a written notice to the customers registered contact details with prior sixty (60) days of effecting such changes wherever applicable.

COOLING PERIOD

Bank provides a 'Cooling Period' of five (5) days from the date of signing this KFS for you to decide whether to continue to avail the MORTGAGE facility you have applied for. During this 5-day period:

1. If you wish to cancel the MORTGAGE, you may contact our Customer Service Desk and place the request for cancellation. Bank shall refund all related Fees and Charges in full.
2. After the cooling period of five (5) days, WE shall consider you to have provided us your consent in accepting the MORTGAGE and abiding to the MORTGAGE's General Terms and Conditions along with the applicable Fees & Charges published on www.cbd.ae/general/fees-charges
3. The Bank will require a surveyor to evaluate the property from an approved vendor at a published fees. These third-party charges are non-refundable by the Bank.

I hereby consent that I have read this Key Facts Statement and fully understand the Features, Benefits, Fees, Interest Charges and associated General MORTGAGE Terms and Conditions made available to me via <https://www.cbd.ae/general/terms-conditions>. I agree and confirm that the MORTGAGE facility being made available to me shall be within fifty (50) percent of the 'Debt Burden Ratio' as calculated by the Bank, thereby allowing me sufficient income to consume towards my lifestyle and daily expenses.