

We request you to read and understand this document carefully, if you are considering applying for a Home Finance 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 Home Finance features and benefits, applicable fees / charges, profit rate and the General Terms and Conditions published in the Bank's website [www.cbdislami.ae](http://www.cbdislami.ae)

The Bank's Home Finance allows you to a) Purchase a new property and move into your dream home, b) Transfer your existing property facility 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 in Farm House (for UAE Nationals only), f) Invest/Refinance Plots in Dubai with 'select developers' for Expatriates. The Bank offers competitive finance rates, flexible payment options as well as access to high finance 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.

#### SHARI'A STRUCTURE – IJARA / FORWARD IJARA

For Home Finance, We provide you financing based on Ijara (for ready properties) or Forward Ijara (for under construction properties) for the approved finance amount from the Bank at the Finance Rate provided below.

Under the Ijara structure, the following shall be process / documentation:

- An irrevocable "promise to lease" shall be provided by you whereunder you undertake to lease the property from Us.
- The Bank will purchase the property as specified by you from a seller.
- Upon complete of purchase, Bank (as lessor) shall execute Ijarah agreement and lease the property to you (as lessee). You will be required to pay lease rentals calculated as per the terms of the Ijara agreement for the duration of the Ijara term (i.e. finance term).
- Property will be sold / transferred to you at the end of the Ijara term (i.e. finance term) upon satisfactory completion of payments under the Ijara agreement or at any time during the term based on a promise issued by the Bank.

Under the Forward Ijara structure, the following shall be process / documentation

- If You have entered into a sale and purchase agreement with the developer, you are required to assign it in favor of the bank.
- The Bank will execute (as lessor) a Forward Ijara agreement whereby a property as per the specification will be leased to you, however the lease will commence once the property is completed and handed over.
- Once the property is completed and handed over to you, you are required to commence payment of the Ijara rentals.

#### ELIGIBILITY CRITERIA, DOCUMENTS REQUIRED AND FINANCIAL TERMS

##### ELIGIBILITY CRITERIA

Segment	Criteria
<b>Salaried Individual (UAE Nationals and Expatriates)</b>	Aged between 21 and 65 years (at maturity of finance term)
	Minimum monthly income of AED 12,000
	Minimum length of service of 6 months
<b>Self-Employed (UAE Nationals and Expatriates)</b>	Aged between 21 and 70 years (at maturity of finance term)
	Minimum monthly income of AED 20,000
	Minimum length of 3 years in business

##### DOCUMENTS REQUIRED

Segment	Documents*
<b>Salaried Individual (UAE Nationals and Expatriates)</b>	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)
<b>Self-Employed (UAE Nationals and Expatriates)</b>	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)
	<b>DISCLAIMER:</b> * Additional documents may be applicable as per underwriting terms and eligibility criteria



FINANCIAL TERMS	
<b>Finance Amount</b>	Up to 85% of property value - Maximum AED 15-20m per finance
<b>Tenor of Finance</b>	Up to 300 months
<b>Age at Maturity</b>	Maximum of 70 years for UAE Nationals and Self-Employed Expatriates Maximum of 65 years for non-residents and Salaried Expatriates
<b>Income Multiples</b>	Maximum of 7 times of Annual Income (8 times for UAE Nationals)
<b>Debt Burden Ratio</b>	Maximum of 50% (30% for Pensioners)
<b>Finance Rate</b>	This is the applicable rate at which your rentals will be calculated, and this may consist of a fixed rate for promotional/introductory period followed by benchmark plus a margin. These will be communicated through the offer letter

FEES AND CHARGES		
PRE-APPROVAL AND PROCESSING FEES		
Type of Service	Segment/Parameter	Fees & Charges
<b>**Pre-Approval Fee (Part of processing fee received upfront)</b>	Salaried	AED 1,575
	Self-Employed	AED 2,100
	Non-resident	AED 2,100 (for both Salaried and Self-Employed)
	Brokers, Existing AI Dana with LOR >=1yr & Private Banking customers	Waived
<b>Processing Fee</b>	NTB	<b>1% of Approved finance amount (VAT is applicable) with Minimum of AED 5,250</b>
	Buyout	<b>Nil</b> , customer seeking additional equity i.e. Buyout & equity, <b>1%</b> processing fee applicable on the Equity release/incremental amount (VAT is applicable)
	Existing AI Dana customers	<b>0.75% of Approved finance amount (VAT is applicable) with Minimum of AED 5,250</b> to existing Dana clients maintaining AED 400K balance or salary transfer to CBD of AED 40K for last 3 months.
<b>DISCLAIMER:</b> ** Pre-Approval charges shall be adjusted towards processing fee once full case is submitted within the validity of pre-approval (60 Days).		

FINANCE RATE												
<b>Finance Rate</b>	<b>2.49%</b>	<b>IMPORTANT:</b> The profit rates are starting from 2.49% per annum. Actual finance rate will be communicated to you through offer letter										
<p><b>Periodic Lease rental amount consists of the following components:</b>  <b>Fixed Rental</b> – Initially the total Approved Finance Amount shall be the total fixed rental which will be amortized over the terms of the Ijara to be paid in periodic instalments.  <b>Variable Rental</b> – amount calculated as a product of outstanding Fixed Rental amount * Finance Rate * Number of in the rental period / 365  <b>Supplementary Rental</b> – Other rental component based on certain expenses you incur as service agent of the bank.</p> <p><b>Illustratively:</b>  <b>Example of the Profit Calculation of Ijara Lease Rentals:</b></p> <table border="1"> <tbody> <tr> <td>Outstanding Fixed Rental Amount as of 1/1/2022</td> <td>1,000,000/-</td> </tr> <tr> <td>Finance Rate</td> <td>2.49%</td> </tr> <tr> <td>Next Rental Payment Date</td> <td>31/1/2022</td> </tr> <tr> <td>Number of Days in the rental period</td> <td>31 days</td> </tr> <tr> <td>Variable Rental Amount</td> <td>2,114.79</td> </tr> </tbody> </table> <p><b>Profit Calculation:</b>  Profit Calculation Formula: Outstanding Principal Amount * Profit Rate * Number of Days of due rental period / 365  Profit Amount: 1,000,000 * 2.49% * 31 / 365 = <b>AED 2,114.79/-</b></p>			Outstanding Fixed Rental Amount as of 1/1/2022	1,000,000/-	Finance Rate	2.49%	Next Rental Payment Date	31/1/2022	Number of Days in the rental period	31 days	Variable Rental Amount	2,114.79
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<b>Donation Amount (Contributed to Charity)</b>	<b>Max. AED 700</b>	<b>IMPORTANT:</b> Applicable when you do not pay the required Installment Amount Due on or before the Payment Due Date. You “the Customer” irrevocably undertakes to make the donation and such payment is calculated at the rate specified in the Schedule of Charges on the past due amount. The commitment to donate is subject to the Bank requesting the customer to settle the due payment and You delaying the payment. Bank under the supervision of the ISSC, shall make the payment to a charity designated by the Bank after deducting the actual cost incurred towards collection.
<b>EARLY SETTLEMENT / PARTIAL PAYMENT</b>		
<b>Type of Service</b>	<b>Fees &amp; Charges</b>	
<b>Early settlement from same bank or from other bank (Buyout)</b>	1% of the outstanding amount (VAT is applicable) or <b>AED 10,500</b> whichever is less	<b>IMPORTANT:</b> This Fee will be applicable when the finance facility is closed/settled in full using own source of funds or through sale proceeds.
<b>Partial Payment</b>	<ul style="list-style-type: none"> <li>Free up to 15% of the outstanding amount per year</li> <li>1% capped at maximum <b>AED 10,500</b> on the partial settlement amount exceeding 15% outstanding amount per year (VAT is applicable)</li> </ul>	<b>IMPORTANT:</b> This Fee will be applicable on the pre-paid amount from the outstanding balance.
<b>REVALIDATION</b>		
<b>Revalidation of conditional approval / Pre-approval</b>	<b>AED 525</b> across all segments	<b>IMPORTANT:</b> These are standalone charges and shall not be adjusted against processing fee.
<b>Amendments to offer letter</b>	<b>AED 1,050</b>	<b>IMPORTANT:</b> These are standalone charges and shall not be adjusted against processing fee.
<b>TAKAFUL (INSURANCE)</b>		
<b>Life Takaful (Insurance) Premium</b>	<b>0.01167% (per month)</b> under the group Insurance coverage on yearly renewable term policy (VAT is applicable)	<b>IMPORTANT:</b> The Takaful charges are stated monthly for the Takaful (life insurance) cover. You will be offered 3 options to choose from as your preferred Insurance provider.
<b>Property Takaful*</b>	<b>0.040%</b> per year subject to change as specified by the Policy provider (VAT is applicable)	<b>IMPORTANT:</b> The Takaful charges are stated on a yearly basis for the property insurance cover. This is part of Supplementary Rentals. You will be offered 3 options to choose from as your preferred Insurance provider.
<b>PROPERTY VALUATION</b>		
<b>Residential Property</b>	<b>AED 3,150</b>	<b>IMPORTANT:</b> This fee is for the valuation of a single residential property. Additional charges apply for multiple properties.
<b>LETTER ISSUANCE CHARGES</b>		
<b>Liability Letter</b>	<b>AED 89.25</b>	<b>IMPORTANT:</b> This fee is applicable only for the issuance of a liability letter.
<b>Liability letter addressed to Govt. authorities &amp; charitable organizations</b>	<b>AED 105</b>	<b>IMPORTANT:</b> This fee is applicable only for the issuance of a liability letter addressed to Govt. authorities and charitable organizations.
<b>Reissuance of Clearance Letter</b>	<b>AED 99.75</b>	<b>IMPORTANT:</b> This fee is applicable only for the reissuance of a clearance letter.
<b>Issuance of NOC to Rent Committee, RERA, Developer &amp; any other Competent Authority</b>	<b>AED 157.50</b>	<b>IMPORTANT:</b> This fee is applicable only for the issuance of a NOC to rent committee, RERA, developer and any other competent authority.
<b>Revalidation of conditional approval / Pre-approval</b>	<b>AED 525 across all segments</b>	<b>IMPORTANT:</b> This fee is applicable only for the revalidation of conditionally approved/pre-approved applications.
<b>OTHER CHARGES</b>		
<b>Copy of Ijara payment Schedule</b>	<b>AED 78.75</b>	<b>IMPORTANT:</b> This fee is applicable only for obtaining a copy of the repayment schedule.
<b>Copy of Offer Letter, mortgage Contracts and Title Deed</b>	<b>AED 105</b> per document, per instance	<b>IMPORTANT:</b> This fee is applicable only for obtaining a copy of the offer letter, mortgage contracts and title deed.



<b>Amendments to existing finance structure (If requested by the you)</b>	<b>AED 3,150</b>	<b>IMPORTANT:</b> This fee is applicable only for making amendments to the existing finance structure.
<b>Property swaps administration fees</b>	Maximum of <b>AED 1,386</b> (valuation included)	<b>IMPORTANT:</b> This fee is applicable only for administration purposes for property swaps.
<b>Request of any other letters</b>	<b>AED 94.50</b>	<b>IMPORTANT:</b> This fee is applicable only for request of any other letters.
<b>Any other certificate</b>	<b>AED 78.75</b>	<b>IMPORTANT:</b> This fee is applicable only for request of any other certificates.
<b>Non-standard statement production/copy of original documentation</b>	<b>AED 105</b>	<b>IMPORTANT:</b> This fee is applicable only for request of any non-standard statement production/copy of original documentation.

**IMPORTANT:** Product structure of Home Finance is approved by Internal Sharia Supervisory Committee (ISSC) and related FATWA of Sharia approval can be found <https://www.cbdislami.ae/personal/finance/others/fatwas> You may conduct your own assessment of Sharia compliance and cannot call into question the Fatwa of the ISSC of the Bank at any point of time.

#### DISCLAIMERS:

1. 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).
2. All fees 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.
3. Fees & Profit Rates mentioned in the table above are applicable for all Home Finance types.
4. Fees & Profit Rates are effective as of the above mentioned date. Kindly visit <https://www.cbdislami.ae/general/fees-charges> for the list of updated charges.
5. Bank reserves the right to revise the Fees & Charges at any time by providing sixty (60) days prior written notice to the customer's registered contact details.

#### KEY RISKS

1. 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 finance.
2. A downward market revision to property prices can result in an increase to customer's Finance to Value (FTV) which may impact customer's ability to refinance the property.
3. 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 finance.

#### WARNING:

1. If the customer does not meet the rental payments on his/her HOME FINANCE, 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 HOME FINANCE, it may lead to legal proceedings for collection of payments and proceedings for repossession of the property.
3. If the customer repay the MORTGAGE before the end of the finance term, Prepayment penalties will be applicable. Kindly visit <https://www.cbdislami.ae/general/fees-charges> for the list of updated charges.
4. Refinancing your financing may take longer to pay off than your previous finance and will result in paying more in profit.
5. The customer may remain liable for the outstanding debt after consideration of any proceeds of sale of a property and including accrued 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 Terms & Conditions <https://www.cbdislami.ae/general/terms-conditions>
4. The Bank reserves full-unrestricted rights to modify the terms offered on the HOME FINANCE and revise the rates applied on Fees & 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 HOME FINANCE facility you have applied for. During this 5-day period, if you wish to cancel the HOME FINANCE, you may contact our Customer Service Desk and place the request for cancellation. Bank shall refund all related Fees and Charges in full.

1. After the cooling period of five (5) days, WE shall consider you to have provided your consent in accepting the HOME FINANCE and abiding to the HOME FINANCE's General Terms and Conditions along with the applicable Fees & Charges published on [www.cbdislami.ae](http://www.cbdislami.ae)
2. 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 confirm that I have read this Key Facts Statement and fully understand the Features, Benefits, Fees, Profit Rate and associated General HOME FINANCE Terms and Conditions made available to me via [www.cbdislami.ae](http://www.cbdislami.ae)

I agree and confirm that the HOME FINANCE 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.