

Property Loan/Financing FAQ

Settlement process

- 1. Question** I would like to pay for my loan/financing in full, how should I go about this?

Answer You are required to submit a redemption request letter to the Bank on the settlement amount of your housing loan.
- 2. Question** What would be the actual date that the loan/financing will be settled?

Answer The actual date for the loan/financing to be settled is the date that you make full payment of the outstanding amount in accordance with the redemption letter issued by the Bank. You are advised to pay the exact amount to avoid any outstanding amounts due to legal fees and or other miscellaneous fees stated in the redemption letter. The Bank discourages you from settling the loan/financing without receiving the redemption letter.

Prepayment

- 3. Question** What is the difference between "advance payment" and "principal reduction"?

Answer **Principal reduction:** After the loan/financing has been disbursed, you may perform prepayment with request/instruction of principal reduction via CIMB Bank/CIMB Islamic Bank branches nationwide or contact us at +603 6204 7788 in order to enjoy interest/ profit saving. Withdrawal of extra payment can be performed after the account has been credited.
Advance payment: You may prepay for advance monthly instalment, however amount available in advance payment will be utilized for monthly instalment and cannot be withdrawn.
- 4. Question** I paid extra in my last instalment, will it reduce my outstanding principal amount?

Answer For any excess payment made via cash deposit machine/cheque deposit machine/online transfer from other financial institutions, please notify the Bank if you wish to reduce your outstanding principal amount by walking in to any of CIMB Bank/CIMB Islamic branches or contact us at +603 6204 7788.

Redemption process

- 5. Question** How do I make full payment for my property loan/financing?

Answer You may walk in to any CIMB branches to inform the bank officer that you wish to fully settle and close the loan/ financing account or your solicitor may request for loan/financing redemption letter from the Bank. You are required to follow the settlement and/or full payment instructions indicated in the redemption letter. You are advised to bring the redemption letter to the Bank for reference purposes.

Houseowner & Householder Insurance/ Takaful

- 6. Question** What is the process for fire insurance/takaful renewal for both "Landed" and "Non Landed" property?

Answer You are required to submit the policy/certificate on the property to the Bank via email at csa.insurance@cimb.com on a yearly basis. Ensure the policy certificate is endorsed in favour of the Bank as the chargee or loss payee. If you fail to submit a copy of the policy certificate to the Bank after adequate notice has been given, the Bank will purchase the policy certificate from the Bank's approved insurance company on your behalf and all premium/contributions will be debited to your account maintained with us.
- 7. Question** Can I purchase Houseowner & Householder insurance/takaful from non-panel?

Answer Yes, you can.

 1. You are required to obtain a valuation report (VR) from our panel valuer to ensure the property is insured/covered for full insurable value.

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2. In the absence of valuation report, minimum 70% of the property price may be applied to adequately insure/cover the property. Should there be a dispute, valuation report to be obtained.
3. Ensure the policy/certificate is endorsed in favour of the Bank as the chargee or loss payee.
4. Submit policy/certificate to bank at csa.insurance@cimb.com for record on yearly basis as a proof that coverage has been taken up for the property as a security.

EPF withdrawal

8. Question
Answer

What is the process for EPF withdrawal for payment of loan/financing instalment?

Please refer to (E-Pengeluaran) at www.kwsp.gov.my for guidance. For first time withdrawal, please visit any CIMB Bank/CIMB Islamic Bank branches to submit the request. The branch will submit on behalf of you and the turn around time will be within 14 days.

Late penalty interest charges due to delay in disbursement

9. Question
Answer

If the Bank delays in disbursement, will I need to pay penalty (Late Payment Interest)?

You are required to submit the invoice from the developer on the Late Payment Interest charges. The Bank will review the request upon submission of documents with a turnaround time of 45 days. The request is subject to approval.

BLR/BFR/BR Change

10. Question

I would like to know the reason to the sudden increase/decrease in my monthly instalment. Is there any change to my interest/profit rate? If yes, why is my interest/profit rate changed and why did I not receive any notification?

Answer

If there are changes in BLR/BFR/BR, your monthly instalment will be increased or decreased. You will be notified on the changes via CIMB website, branch bulletin, email and letter. If you do not receive any notification, you may call our Call Centre at +603 6204 7788 for further escalation.