

The Bank of Punjab
Product Key Fact Statement
LOW COST HOUSING FINANCE

A. Your financing need:			
Name of the product, if specified	BOP Low Cost Housing Finance		
Type of the product	Purchase of Constructed House/Apartment/Flat OR Purchase of Plot and construction thereon		
Finance amount	As per Repayment Schedule		
Term of the finance	As per Repayment Schedule		
Mark-up type	As per Repayment Schedule		
Loan to value ratio	As per Repayment Schedule		
B. Estimated cost of this loan:			
What Mark-up rate (fixed/variable)* approximately I will be Charged with?	As per Facility Offer Letter		
What all other charges shall I be required to pay?	As Per Schedule of Charges		
What shall be the amount of monthly installment?	As per Repayment Schedule. The monthly installment shall be revised after 05 Years reckoned from the date of finance disbursement. In case finance tenure exceeds 10 Years, Installment amount shall vary with change in KIBOR correspondingly and after completion of 10 year amount of installments shall be adjusted annually till facility is fully paid.		
What other Cost/Expenses will I have to pay?	As per Facility Offer Letter.		
What total amount will I be required to pay for the finance availed?	As per Repayment Schedule It shall depend upon the tenure for which finance is being advanced. However total payable amount shall differ due to change in KIBOR / change in mark up if loan rate is revised for facilities of tenure exceeding 10 years.		
When existing variable markup rate will expire according to finance agreement?	The Variable Rate shall be reviewed annually, for loans where tenure exceeds 10 years.		
When will the mark-up rate as per finance agreement be revised ?	Tier 1 (T1) (NAPHDA)	Tier 2 (T2) (NON-NAPHDA)	Tier 3 (T3) (NON-NAPHDA)
	First 5 years = 5% Next 5 years = 7%	First 5 years = 5% Next 5 years = 7%	First 5 years = 7% Next 5 years = 9%
	For loan tenures exceeding 10 years; Bank's Housing Finance markup rates will be applicable for the period exceeding 10 years.		
What additional documents will be required for renewal of finance agreement?	The House Finance is Term Finance Facility and does not require any additional document for renewal.		
C. Early payments:			
Can finance facility be repaid before its maturity?	YES, finance facility can be repaid & adjusted before maturity of the loan.		
How finance facility can be repaid before maturity?	By payment of Principal & Markup amount and LPC (Late Payment Charges), if any, in addition to other payable amount determined by the bank in your account being maintained with the bank under a written request for Early Loan Adjustment.		
Will I have to pay any additional amount for Pre-Payment (Partial or Full Adjustment) of the financing facility?	NO		
How will I pay Monthly Installment?	It will be the responsibility of customer to deposit Monthly Installment as per Repayment Schedule in in his BOP account being maintained for the purpose on or before 5 th of every month.		
D. Default/late payment information:			
What if obligations of repayment are not fulfilled?	<p>Customer shall be marked defaulter, if</p> <ol style="list-style-type: none"> Customer account will be reported & reflected as default in ECIB report and will not be able to avail finance facility either from BOP or any other financial institution. Bank (BOP) would be entitled to initiate legal proceedings under relevant laws including lodging F.I.R against the customers & guarantors under default. 		

What penalty will I be charged for not repaying on time?	Rs. 1/- per thousand per day on payable amount shall be charged as penalty, if agreed installment is not paid on time.
E. Other material information:	
What insurance avenues do I have?	Insurance coverage in accordance with bank's policy including: 1. Life Insurance of Borrower up to the Loan Amount 2. Insurance of House up to construction cost.
In case of misstatement of customer with regards to no low cost facility from other banks, BOP reserves the right to withdraw the facility immediately if such information is sufficed.	
How finance facility shall be adjusted in case of sudden death of the borrower?	The loan shall be adjusted from the proceeds of insurance policy.
What all shall be covered under insurance of Property/House Insurance?	Insurance policy will provide insurance cover up to full value in case of apartment & up to construction cost in case of house.
What are the guarantor's obligations?	Obligation of principal debtor & the guarantor would be severally and jointly.
What documents will be provided to customer?	Facility Offer Letter + Repayment Schedule + Finance Agreement
Processing Time for Application	The application processing time will be 30 days after submission/completion of all documents/formalities by the borrower.

Borrower's Signature & Thumb Impression

Authorized Banker's Signature & Stamp