

# Put your home in good hands with **AIA Fixed Rate Home Loan**



## **Fixed Rate Home Loan**

With AIA, you can now enjoy low, long-term fixed mortgage rates for the entire loan duration to ease your financial commitment and turn your dream home into a reality.

### **No Fluctuating Base Rate!**

Fixed instalments.

### **Zero Moving Cost!**

Free valuation, legal  
fees and stamp duty.

### **Competitive Tiered Fixed Rates!**

To suit your financial  
needs.

### **Flexibility to Pay More!**

No notice required.

\*Subject to terms and conditions.

**Contact us at: 1300 88 1899 / [my.loan@aia.com](mailto:my.loan@aia.com)**

for a Mortgage Health Check and find a solution to ease your financial burden.

**AIA - Simply your smarter home loan solution**



## PRODUCT BRIEF - AIA FIXED RATE HOME LOAN

(Effective 12<sup>th</sup> June 2023)

### Primary Residential Market (Completed or under construction properties)

– Purchase directly from developer

(Available for Zero Moving Cost & Non-Zero Moving Cost packages)

Grade	Tier 1 (1 <sup>st</sup> – 4 <sup>th</sup> year)	Tier 2 (5 <sup>th</sup> year onwards)
A	3.70% p.a.	5.00% p.a.
B	3.90% p.a.	5.00% p.a.
C	4.20% p.a.	5.00% p.a.
D	4.60% p.a.	5.05% p.a.

### Secondary Residential Market (Completed properties) – Purchase or Refinance

(Available for Zero Moving Cost and Non-Zero Moving Cost packages)

Grade	Tier 1 (1 <sup>st</sup> – 2 <sup>nd</sup> year)	Tier 2 (3 <sup>rd</sup> – 4 <sup>th</sup> year)	Tier 3 (5 <sup>th</sup> year onwards)
A	3.70% p.a.	4.15% p.a.	4.95% p.a.
B	3.90% p.a.	4.40% p.a.	5.00% p.a.
C	4.20% p.a.	4.65% p.a.	5.00% p.a.
D	4.60% p.a.	4.90% p.a.	5.05% p.a.

Other loan package for completed residential properties only:

Single Tier	Package Type
5.00% p.a.	Non-Zero Moving Cost

### Terms and Conditions:

- 1) The above rates offered will be determined by AIA Mortgage credit risk scoring and will be graded according to customer's financial health during application.
- 2) Minimum loan amount is RM150,000.00.
- 3) The margin of financing for purchase is up to 90% of Sale & Purchase Agreement or Open Market Value, whichever is lower.
- 4) The margin of financing for refinancing is up to 80% of Open Market Value.
- 5) The margin of financing for purchase for foreigners including permanent residents (PR) and non-residents will be according to current underwriting guidelines. This includes joint application with Malaysian citizen residents if income of foreigner / PR / non-resident is required to qualify.
- 6) Lock-In Period is 3 years for Non-Zero Moving Cost (NZMC) package and 5 years for Zero Moving Cost (ZMC) package from the date of first drawdown of all or any part of the Facility.
- 7) A prepayment fee of 0.62% per annum of the approved loan amount shall be imposed on and borne by the borrower if the borrower redeems or settles the Facility within the Lock-In Period. The prepayment fee imposed shall be calculated and chargeable based on the total number of Lock-In Period years. The prepayment fee will be waived after the expiry of the Lock-In Period. The prepayment fee will be imposed even if the housing loan is redeemed or settled via own savings, sale of property and/or Employee Provident Fund (EPF) withdrawal.
- 8) In addition to the prepayment fee, for ZMC package, customer will be required to reimburse AIA for all fees, costs and expenses whatsoever including but not limited to valuation fees, stamp duties and legal costs on a solicitor and customer basis incurred by AIA in connection with the loan if loan is redeemed / settled within the lock in period.

- 9) Applicable to existing or new AIA policyholder(s) for AIA Life / new AIA MRTA only.
- New in force AIA life policy or MRTA must be provided upon submission of the accepted letter of offer. In the event the applicant's AIA policy is rejected for whatever reasons or they fail to take up any AIA policy, AIA shall be entitled to revise or increase the interest rate up to a maximum of 5.05% p.a.
  - Sum assured preferably be equivalent to the loan amount at best effort basis.
  - For joint borrowers, it is mandatory for at least one of the borrowers(s) to be AIA policyholder(s) (Life / new MRTA only) to be eligible.

**Notes:**

- a) Zero Moving Cost - Valuation fees, legal fees, stamp duties, disbursement relating to loan will be borne by AIA Bhd.
- b) Appointment of Zero Moving Cost (ZMC) solicitors shall solely be appointed by AIA.
- c) The solicitor for Sales and Purchase Agreement and Loan Agreement must not be the same for under construction / completed properties purchased directly from developers.
- d) All appointed loan solicitors must be approved by AIA.
- e) Properties regulated by Housing Development Act (HDA) may be deemed as residential properties.
- f) Terms and conditions apply.

**Margin of Financing (MoF)**

- MoF is based on Open Market Value (OMV) or purchase price whichever is lower for new purchase.
- OMV shall be based on the valuation report prepared by AIA panel of valuers.
- MoF is up to 90%\* for New Purchase and up to 80% for refinance cases.  
*\*For Malaysian Citizen residing in Malaysia*

**Loan Tenure:** Up to 35 years or age 70 whichever is earlier\*.

*\*For Malaysian Citizen residing in Malaysia*

**Minimum Market Value:** RM 200,000.00

**Who can apply?**

- Individual Malaysian Citizen resident
- For Self Employed - The business established for at least 3 years and operating profitably for the past 3 years.
- Foreigner (not under sanctioned countries) / Permanent resident (PR) / Non-resident:
  - Only limited to financing the purchase of properties.
  - Foreigner / PR must be residing and employed in Malaysia preferably for at least 3 years and with valid working permit.
  - If married to a Malaysian spouse, the spouse is required to be the joint applicant.

**Other Terms and Conditions**

- AIA Life policy and/or AIA Mortgage Reducing Term Assurance (MRTA) is recommended.
- Houseowner insurance is mandatory. An AIA houseowner insurance policy on the property is recommended.
- For non-landed properties, a copy of the master policy with AIA Bhd endorsed as a mortgagee/chargee must be forwarded to AIA on a yearly basis.

### **Lock-In Period**

- Lock-In period: 3 years for NZMC package and 5 years for ZMC package from the date of 1<sup>st</sup> drawdown of all or any part of the Facility.
- A prepayment fee of 0.62% per annum of the approved loan amount shall be imposed on and borne by the borrower if the borrower redeems or settles the Facility within the Lock-In Period. The prepayment fee imposed shall be calculated and chargeable based on the total number of Lock-In Period years, as illustrated in a formula below:

$$\text{[ Total Approved Loan Amount x 0.62\% x Total Number of Lock-In Period Years = Prepayment Fee ]}$$

- The prepayment fee will be waived after the expiry of the Lock-In Period.
- The prepayment fee will be imposed even if the housing loan is redeemed or settled via own savings, Employee Provident Fund (EPF) withdrawal and/or sale of property.
- For ZMC packages, the borrower will be required to reimburse AIA for all fees, costs and expenses whatsoever including but not limited to valuation fees, stamp duties and legal costs on a solicitor and customer basis incurred by AIA in connection with the loan in the event the loan is redeemed or settled within 5 years from the date of the first drawdown. This shall be in addition to all other prepayment fees chargeable by AIA. These charges will be waived upon completion of the 5 years from the first drawdown.

### **Properties Financed**

#### **Completed residential properties**

- With Permanent Certificate of Completion & Compliance (CCC).
- Location can be considered if the areas are under Municipal Perbandaran (City) status at AIA's discretion.
- For leasehold land, the unexpired land lease must be at least 30 years after deducting the loan tenure with the remaining loan lease. Except for Kuching, it must be at least 15 years and upon application land lease must be at least 21 years.
- Subject to minimum required marketability factor of 6.0 by AIA panel of valuer.

**Excluding** residential properties located at landslide / flood prone area / oxidation pond / power station, T-junction, native land and Malay Reserve Land.

**Under construction properties** - available within AIA's approved list of panel of developers and projects.

**Website:** [www.aia.com.my](http://www.aia.com.my)

**Email:** [my.loan@aia.com](mailto:my.loan@aia.com)

**Customer Care Line:** 1300 88 1899

*Note: Interest rate offered will depend on the current packages offered and will vary from time to time. AIA may from time to time impose additional terms or vary the terms at its discretion. Other terms and conditions shall apply.*

V20240903

**PRODUCT BRIEF - AIA FIXED RATE SHOP LOAN***(Effective 12<sup>th</sup> June 2023)*

Commercial Market (Completed or under construction properties) – Purchase or Refinance (Available for Zero Moving Cost & Non-Zero Moving Cost Packages)			
Grade	Tier 1 (1 <sup>st</sup> – 2 <sup>nd</sup> year)	Tier 2 (3 <sup>rd</sup> – 4 <sup>th</sup> year)	Tier 3 (5 <sup>th</sup> year onwards)
A	4.40% p.a.	5.15% p.a.	5.95% p.a.
B	4.65% p.a.	5.40% p.a.	6.00% p.a.
C	4.95% p.a.	5.65% p.a.	6.00% p.a.
D	5.35% p.a.	5.90% p.a.	6.05% p.a.

**Terms and Conditions:**

- 1) The above rates offered will be determined by AIA Mortgage credit risk scoring and will be graded according to customer's financial health during application.
- 2) Minimum loan amount is RM300,000.00.
- 3) The margin of financing for purchase is up to 80% of Sale & Purchase Agreement or Open Market Value, whichever is lower.
- 4) The margin of financing for refinancing is up to 70% of Open Market Value.
- 5) The margin of financing for purchase for foreigners including permanent residents (PR) and non-residents will be according to current underwriting guidelines. This includes joint application with Malaysian citizen residents if income of foreigner / PR / non-resident is required to qualify.
- 6) Lock-In Period is 3 years for Non-Zero Moving Cost (NZMC) package and 5 years for Zero Moving Cost (ZMC) package from the date of first drawdown of all or any part of the Facility.
- 7) A prepayment fee of 0.62% per annum of the approved loan amount shall be imposed on and borne by the borrower if the borrower redeems or settles the Facility within the Lock-In Period. The prepayment fee imposed shall be calculated and chargeable based on the total number of Lock-In Period years. The prepayment fee will be waived after the expiry of the Lock-In Period. The prepayment fee will be imposed even if the shop loan is redeemed / settled via own savings and/or sale of property.
- 8) In addition to the prepayment fee, for ZMC package, customer will be required to reimburse AIA for all fees, costs and expenses whatsoever including but not limited to valuation fees, stamp duties and legal costs on a solicitor and customer basis incurred by AIA in connection with the loan if loan is redeemed / settled within the lock in period.
- 9) Applicable to existing or new AIA policyholder(s) for AIA Life / new AIA MRTA only.
  - New in force AIA life policy or MRTA must be provided upon submission of the accepted letter of offer. In the event the applicant's AIA policy is rejected for whatever reasons or they fail to take up any AIA policy, AIA shall be entitled to revise or increase the interest rate up to a maximum of 6.05% p.a.
  - Sum assured preferably be equivalent to the loan amount at best effort basis.
  - For joint borrowers, it is mandatory for at least one of the borrowers to be AIA policyholder(s) (Life / new MRTA only) to be eligible.

**Notes:**

- a) Zero Moving Cost - Valuation fees, legal fees, stamp duties, disbursement relating to loan will be borne by AIA Bhd.
- b) Appointment of Zero Moving Cost (ZMC) solicitors shall solely be appointed by AIA.
- c) The solicitor for Sales and Purchase Agreement and Loan Agreement must not be the same for completed / under construction properties purchased directly from developers.
- d) All appointed loan solicitors must be approved by AIA.
- e) Terms and conditions apply.

**Margin of Financing (MoF)**

- MoF is based on Open Market Value (OMV) or purchase price whichever is lower for new purchase.
- OMV shall be based on the valuation report prepared by AIA panel of valuers.
- MoF is up to 80%\* for New Purchase and up to 70% for refinance cases.

*\*For Malaysian Citizen residing in Malaysia*

**Loan Tenure:** Up to 30 years or age 65 whichever is earlier.\*

*\*For Malaysian Citizen residing in Malaysia*

**Minimum Market Value:** RM500,000.00

**Who can apply?**

- Individual Malaysian Citizen resident
- For Self Employed - The business established for at least 3 years and operating profitably for the past 3 years.
- Foreigner / Permanent resident / Non-resident:
  - Only limited to financing the purchase of properties.
  - Foreigner / PR must be residing and employed in Malaysia preferably for at least 3 years and with valid working permit.
  - If married to a Malaysian spouse, the spouse is required to be the joint applicant.

**Other Terms and Conditions**

- AIA Life policy and/or AIA Mortgage Reducing Term Assurance (MRTA) is recommended.
- Comprehensive Fire insurance on the property must be adequately protected by Commercial fire policy of AIA.

**Lock-in Period**

- Lock-In period: 3 years for NZMC package and 5 years for ZMC package from the date of 1<sup>st</sup> drawdown of all or any part of the Facility.
- A prepayment fee of 0.62% per annum of the approved loan amount shall be imposed on and borne by the borrower if the borrower redeems or settles the Facility within the Lock-In Period. The prepayment fee imposed shall be calculated and chargeable based on the total number of Lock-In Period years, as illustrated in a formula below:

$$\text{[ Total Approved Loan Amount} \times 0.62\% \times \text{Total Number of Lock-In Period Years} = \text{Prepayment Fee ]}$$

- The prepayment fee will be waived after the expiry of the Lock-In Period.
- The prepayment fee will be imposed even if the loan is redeemed or settled via own savings and/or sale of property.

- For ZMC packages, the borrower will be required to reimburse AIA for all fees, costs and expenses whatsoever including but not limited to valuation fees, stamp duties and legal costs on a solicitor and customer basis incurred by AIA in connection with the loan in the event the loan is redeemed or settled within 5 years from the date of the first drawdown. This shall be in addition to all other prepayment fees chargeable by AIA. These charges will be waived upon completion of the 5 years from the first drawdown.

### **Properties Financed**

#### **Completed commercial properties**

- With Permanent Certificate of Completion & Compliance (CCC).
- Location can be considered if the areas are under Municipal Perbandaran (City) status at AIA's discretion.
- For leasehold land, the unexpired land lease must be at least 50 years after deducting the loan tenure with the remaining loan lease.
- Subject to minimum required marketability factor of 6.5 by AIA panel of valuer.
- Factories are excluded.

**Excluding** commercial properties located at landslide / flood prone area / oxidation pond / power station, native land, Malay Reserve Land and Bumi lot status or any other negative factors that may affect the open market value.

**Under construction properties** - available within AIA's approved list of panel of developers and projects.

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**Customer Care Line: 1300 88 1899**

*Note: Interest rate offered will depend on the current packages offered and will vary from time to time. AIA may from time to time impose additional terms or vary the terms at its discretion. Other terms and conditions shall apply.*

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