

# Meezan - Roshan Apna Ghar FAQs

## 1. How is Roshan Apna Ghar Shariah-compliant?

Meezan Bank's Roshan Apna Ghar is based on the Shariah-compliant concept of Diminishing Musharakah. Under this mechanism:

- Bank and customer become joint owners in the property
- Bank leases its share of property to customer against periodic rentals
- Customer undertakes to purchase bank's share in property over the tenure
- Upon completely purchasing bank's share, customer ultimately becomes the sole owner of property

## 2. Who can apply for Meezan Roshan Apna Ghar Finance?

Meezan Roshan Apna Ghar is a special product for Meezan Bank's RDA customers only.

## 3. Under which segments the customer can apply?

RDA customer can apply based on:

- Lien based
- Non lien based
- Mera Pakistan Mera Ghar (Government Profit Subsidy Scheme)

## 4. Which facilities can be applied under Meezan Roshan Apna Ghar?

Customer can apply for following facilities in Lien and Non Lien based offerings:

- Home Purchase
- Plot + Construction
- Construction Finance
- Home Renovation

Customer can apply for following facilities in Mera Pakistan Mera Ghar (Government Profit Subsidy scheme):

- Home Purchase
- Plot + Construction
- Construction Finance

## 5. What are the financing tenure options offered by Meezan Roshan Apna Ghar?

Tenure of the facility is between 3 to 25 years in lien and non-lien based product.

Tenure of the facility is between 5 to 20 years in Mera Pakistan Mera Ghar (Government Profit Subsidy scheme) product.

## 6. What is the minimum financing amount offered under Meezan Roshan Apna Ghar?

The minimum financing amount is PKR 500,000/- in lien and non-lien based product

## 7. What are the rate options offered by Meezan Roshan Apna Ghar?

The customer can apply both on Fixed and variable rate in lien and non-lien based product.

## 8. What pricing does Meezan Roshan Apna Ghar offer?

Following would be the pricing:

a. Lien based:

Variable Rate: 1-year KIBOR only

Fixed rate (5-Years): 5-year PKRV only

b. Lien based:

Variable Rate: 1-year KIBOR + 1.5%

Fixed rate (5-Years): 5-year PKRV + 1.5%

c. Mera Pakistan Mera Ghar (Government Profit Subsidy Scheme) - Tier based pricing

## 9. What is KIBOR?

KIBOR is the Karachi Interbank Offered Rate used as a benchmark for price setting. For the stated scheme, KIBOR shall mean 12 month Karachi Interbank Offer Rate announced on 1<sup>st</sup> working day of each calendar month. For repricing, KIBOR shall mean 12 month Karachi Interbank Offer Rate announced on 1<sup>st</sup> working day of each calendar month immediately preceding the end of repricing date.

## 10. What is the difference between Fixed and Variable rate?

Under variable rate, rental component of installments will be based on benchmark to be revised annually, whereas under fixed rate, rental component of installment will be based on fixed rate for 5 years and will be revised after 5 years.

## 11. What are the other charges applicable?

Please refer to the Bank's Schedule of Charges.

## 12. Can I terminate the facility before the maturity date?

Yes, you can settle your facility before the maturity date.

For first year, bank may deduct 1% Early Termination Profit; afterwards NO early termination profit will be levied (in lien and non-lien based product).

Zero early termination profit in Mera Pakistan Mera Ghar (Government Profit subsidy scheme).

## 13. What is the maximum bank investment ratio?

For Lien and Non-lien Based product

Home Purchase/Plot+ Construction/Construction Finance – Maximum up to 85% of property value

Home Renovation – Maximum up to 30% of property value.