

Frequently Asked Questions (FAQ): MDB Salam Remittance Home Finance

1. What is MDB Salam Remittance Home Finance?

MDB Salam Remittance Home Finance is a Shariah-compliant housing finance facility offered by Midland Bank PLC., specially designed for Non-Resident Bangladeshis (NRBs) who send foreign remittance through legitimate channels and wish to finance residential property in Bangladesh.

2. Who are eligible to apply for this loan?

Non-Resident Bangladeshis (NRBs) who:

- Are working abroad
- Send foreign remittance through legitimate channels
- Own residential property in Bangladesh (solely or jointly)

3. What are the permissible purposes of this financing?

The facility can be availed for:

- House construction
- House/apartment renovation
- Extension or completion of existing houses/apartments

Note: Loan takeover from other banks is not allowed.

4. What is the minimum and maximum loan amount?

- Minimum loan amount: BDT 5,00,000 (Five Lac)
- Maximum loan amount: As per Bangladesh Bank Regulation 23, based on the bank's classified loan ratio in housing finance.

The banks will sanction housing finance as per the following limits set against their respective classified loans:

% of Classified Loan in Housing Finance to Total Outstanding in Housing Finance	Maximum per party limit of Housing Finance
Less than or equal to 5%	BDT 40 million (4.00 crore)
Greater than 5% but less than or equal to 10%	BDT 30 million (3.00 crore)
Greater than 10%	BDT 20 million (2.00 crore)

5. What is the maximum loan tenure?

- **Minimum tenure:** 3 years (36 months)
- **Maximum tenure:** 25 years (300 months)

*Tenure is subject to the borrower's age and regulatory guidelines.

6. What is the age limit for applying for MDB Salam Remittance Home Finance?

Age Limit for Applying MDB Remittance Home Loan-

- Minimum age: **21 years** at the time of application
- Maximum age: **65 years** at the end of the loan tenure
- For **100% cash-backed** cases, age may be allowed up to **75 years**, subject to approval.

7. What is the Loan to Value (LTV) ratio?

- Maximum **75% of the present market value** of the property

8. Can the loan be fully cash-backed?

Yes. NRBs can avail the loan against **100% cash-backed securities**, such as:

- Fixed Deposits
- Savings Schemes
- Islamic Term Deposits
- Wage Earners Development Bond (WEDB)
- US Dollar Bond issued by MDB

9. What income is considered for eligibility?

- Minimum monthly income: **BDT 75,000 (or equivalent FCY)**
- Last **12 months' average remittance** will be considered as monthly income

10. Who can be a co-applicant?

Eligible co-applicants include:

- Spouse
- Parents
- Siblings
- Children
- Joint property owners

Maximum **4 co-borrowers** are allowed.

11. Is a guarantor required?

Yes, a **local resident guarantor in Bangladesh** is mandatory

- Guarantor must be an immediate family member

12. What documents are required?

Key documents include:

- Passport, NID, Visa/Work Permit
- Remittance statements (last 12 months)
- Property ownership and approval documents
- Legal vetting, valuation, and title search reports
- Income and employment/business documents

13. What is the validity of loan approval?

- **90 days** from sanction date
- May be extended up to **120 days** subject to conditions and clean CIB report

14. In which currency is the loan disbursed?

- Bangladeshi Taka (BDT) only

15. Is CIB report required?

Yes, Clean and updated CIB report from Bangladesh Bank is mandatory

15. Is Insurance/Takaful mandatory?

Yes,

- **Fire and earthquake Insurance/Takaful** is mandatory
- Policy must be assigned in favor of **Midland Bank PLC**.

18. Are partial settlement or early settlement allowed?

Yes.

- Partial settlement is allowed once a year
- Early settlement is permitted
- Applicable charges will be applied as per Bank policy and Shariah approval

21. What is the validity of the sanction?

- Sanction validity is **90 days**
- May be extended up to **120 days**, subject to conditions and clean CIB