# Frequently Asked Questions (FAQ): Salam Home Finance

**1. Who is eligible for Salam Home Finance?**

Eligible customers include:

- **Salaried Employees:** Government employees, employees of banks, multinational companies, reputed corporations, and educational institutions
- **Business Persons:** Must have an active business account for at least 12 months and be in the same business for a minimum of 3 years
- **Self-Employed Professionals:** Professionals like doctors, engineers, and architects with 12 months of account maintenance and 3 years in their profession
- **Landlords:** With stable and verifiable rental income

**2. What purposes are allowed under this financing?**

Financing can be used for:

- Purchasing apartments or houses
- Renovating, extending, or completing homes
- Taking over existing home loans for renovation or construction

**3. Can this financing be used for business purposes?**

No, it is strictly for residential purposes.

**4. What is the financing amount range?**

- 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. Can multiple facilities be availed?**

Yes, up to two facilities against different properties, with a combined exposure limit of BDT 20,000,000.

**6. What is the repayment tenure?**

Tenure ranges from years to 25 years, depending on the borrower's and property's age.

**7. Are there charges for early or partial settlements?**

No, there are no fees for early or partial settlements, in adherence to Shariah principles.

**8. Does Salam Home Finance offer any special profit rate benefits?**

Yes. Eligible professionals, including doctors, engineers, architects, CA, CS, CMA, dentists, veterinary doctors, teachers, IT professionals, bankers, and permanent government officials, may enjoy exclusive/preferential profit rates, subject to the Bank's eligibility criteria and credit assessment.

**9. Who must be the primary borrower?**

The property owner(s). If the financially eligible person differs from the owner, the owner must still be the primary borrower.

**10. Is a secondary borrower required?**

Yes, a secondary applicant is mandatory and must be a family member (spouse, parent, sibling, or child).

**11. What is the minimum income requirement?**

- Primary Borrower: BDT 50,000/- per month
- Secondary Borrower: BDT 20,000/- per month

**12. How many guarantors are needed?**

- Two guarantors for **salaried/self-employed** borrowers (one must be a family member)
- Three guarantors for **businessmen/landlords** (one must be a family member)

**13. Who can act as guarantors?**

- Family members: Spouse, parents, siblings, or children (preferably first blood)
- Non-family members: Salaried executives, reputed businessmen, and professionals

**14. Where must the property be located?**

Within the Branch, Booth, or ABC collection area with accessible communication. Additional collateral may be accepted in district headquarters or municipal areas selectively.

**16. Is insurance mandatory?**

Yes,

- Takaful/Insurance coverage (Fire & earthquake mandatory)
- Policy must be assigned in favor of Midland Bank PLC.

**17. Who qualifies for the takeover facility?**

Customers with at least 12 regular EMI payments and no overdue payments in the past 12 months.