

Home Loan FAQ's

A home of your own is a blessing and a long-held aspiration of many. Now with MCB Home Loan, fulfilling this dream has become easier. MCB Home Loan opens doors to smart financing options to help you purchase a home, buy a plot and construct a house, or build or renovate your new/existing home. After all, your home is where your heart is.

Salient features:

- Financing Up to PKR 50 Million
- Property Insurance
- Financing tenure up to 25 years
- Options to buy a constructed house, construct on an owned plot, buy a plot and construct, or renovate your house
- Competitive markup rates
- Financing up to 80% of the value of the house / flat for salaried individuals/businessmen
- Option to club income of family members to avail higher financing
- Option to offer Home Loan to Pakistanis residing in abroad.

Frequently Asked Questions (FAQs)

Q: Who are eligible to apply?

A: All applicants must be holders of CNIC, SNIC, NICOP or a Pakistan Origin Card. Applicants may also have dual nationality.

Q: Who can apply for MCB Home Loan?

A: You can apply for MCB Home Loan if you have the income sources through any of the following:

- Salaried
- Self-Employed Businessmen
- Self-Employed Professionals
- Land Lords
- You can also jointly borrow with Spouse through income clubbing option

Q: What should be my work experience with my job or, business/profession?

A: For a salaried person at least 2 years of overall experience is required. If you are a businessman/ self-employed individual, you must possess 3 years of business experience.

Q: What are the loan amounts that can be applied for?

A: Subject to property valuation, debt burden ratio and other policy and regulatory requirements, the maximum loan amounts you can avail are as follows:

Rs. 25,000,000/- for Home Construction.

Rs. 15,000,000/- for Home Renovation.

Rs. 50,000,000/- for Plot Purchase Plus Construction.

Rs. 50,000,000/- for Home Purchase.

Rs. 20,000,000/- for Balance Transfer Facility

However, in certain conditions, amount greater than above mentioned limits can also be applied for.

Q: What are the minimum and maximum repayment tenures?

A: Minimum 2 years and Maximum 25 years.

Q: What is the minimum income requirement?

A: Minimum Income requirements are as follows:

- Salaried: Net PKR 75,000 per month.
- Self-Employed (businessman/professionals): Net PKR 100,000/month.
- Non Resident Pakistani salaried individual: Net (Equivalent) Rs. 500,000/-
- The income to be considered, Net of Tax Payable

Q: What is the debt burden requirement?

A: The total amount that you can borrow is limited by your income. The total monthly installment cannot exceed 50% of your current net monthly income. All types of income (including Rental Income) to be considered, Net of Tax Payable

Q: If my income is insufficient to fund the desired loan, can I introduce a co-borrower to increase my loan borrowing capacity?

A: Yes, you can introduce a co-borrower to enhance your ability to borrow more money. However, if you are a non-resident Pakistani, then you must have a co-borrower in Pakistan who may or may not have any income source.

Q: Is local co-borrower a mandatory requirement for Non Resident Pakistanis?

A: Yes, a local co-borrower is mandatory requirement for Non Resident Pakistanis.

Q: Who can become a co-borrower?

A: You can co-borrow the loan with any of your parents, spouse, brothers or adult children.

Q: Can we club co-borrower's income under this facility?

A: Yes, co – borrower's income will be clubbed under this facility, Thus, increasing the maximum loan amount that can be applied, depending on the income of the co-borrower.

Q: What is age requirement for the borrowers?

A: Following are the requirements:

- **Primary Borrower:**

Minimum: 25 years for Primary Borrower

Maximum: At the time of loan maturity, 65 years or retirement age (whichever is lower) for Salaried and 65 years for Self-Employed

- **Joint Borrower:**

Minimum: 22 years for Joint Borrower

Maximum: At the time of loan maturity, 65 years or retirement age (whichever is lower) for Salaried and 65 years for Self-Employed

Q: Who will be the primary borrower? Will it always be me or can it be my family member too?

A: Whoever has the higher income will be designated as a Primary borrower. Thus, if you are a Non-resident Pakistani, you will always be the Primary Borrower.

Q: Is it possible to have more than one property title-holder?

A: Yes, in case of joint-borrowers, more than one property title-holder ship is allowed subject to fulfillment of Bank's approved policy and procedural conditions.

Q: How the pricing of the Home Loan is determined?

A: Pricing of Home Loan is floating in nature and linked with 6 Month KIBOR basis. The markup rate is composed of 6 Month KIBOR and a pre-defined spread rate.

Q: Will the house/plot price be paid to me?

A: Payment will be made to the seller in the case of plot purchase and home purchase. In case of renovation and construction the payment will be made in the name of the applicant.

Q: Will I require a property insurance cover?

A: Yes, since it is a regulatory requirement.

Q: What is the Due Date of the monthly installments and what will be included in the installment?

A: Monthly installments will be due on the 1st working day of each month and the total monthly Installment (TMI) will include principal, mark-up and property insurance amount.

Q: What if I pay my monthly installments late?

A: Upto Rs. 1,500/- will be charged for every missed payment plus applicable FED. The charges will be applied on monthly basis on missing the due date / payment and the overdue payments shall be reflected in your E-CIB.

Q: What are the modes of monthly repayment?

A: You will submit your dues in your designated Re-payment account opened with MCB bank, either directly or through your PLS/Current account on which an auto-debit-authority (ADA) has been provided to the bank. You can make your monthly repayments through following modes:

- IBFT
- Cash/Cheque Deposit
- Transfer into Direct A/c
- Direct debit instructions. Or any other option (if applicable)

Q: Can I early settle/pre-pay the facility/finance before the maturity?

A: Yes, you can early settle/terminate the facility before the maturity of facility after paying pre-payment charges.

Q: What are the pre-payment charges?

A: If you make full pre-payment, you will have to pay Charges as per following:

During 1st Year: up to 5% of the remaining principal Amount.

During 2nd Year: up to 4% of the remaining principal Amount.

3rd year and subsequent years of financing: up to 3% of the remaining principal amount.

Calculation of prepayment fees for 2nd & onward years will be based on completion of each calendar year from the date of disbursement.

Q: What if I want to make a partial pre-payment?

A: If you make partial pre-payment, you will have to pay charges as per following:

During 1st Year: up to 5% of the partial paid amount

During 2nd Year: *up to 4% of the partial paid amount

During 3rd Year and subsequent years of financing: *up to 3% of the partial paid amount

Calculation of prepayment fees for 2nd & onward years will be based on completion of each calendar year from the date of disbursement.

*Partial prepayment may be made only twice in a twelve (12) months period with a minimum sum of 5% and a maximum combined sum of 20% on zero prepayment charge and any subsequent partial prepayment, irrespective of the amount will attract prepayment penalty as mentioned above.

Q: How and where to apply for the NOC?

A: Customer will visit customer Services/branch and request in writing for NOC along with his/her CNIC. They will further send request to asset ops department, they will generate NOC and send it back to customer Service.

Q: In case of any queries related to Home Loan Product, whom should the customer contact?

A: For any queries please contact MCB Bank 24/7 Helpline 111-000-622 or visit our nearest branch. For further information, please contact your nearest MCB Bank branch or any of our Customer Services Centres:

Lahore

Ground Floor, 58 – Main Boulevard, Gulberg, Lahore. Ph: 042-35987979.

Karachi

MCB 52, Block 7/8 Darul Amman Housing Society, Main Shara-e-Faisal, Karachi. Ph: 021-34308373

Multan

Ground Floor, MCB Building, 59-A Abdali Road, Multan. Ph: 061-4508118

Islamabad

3rd Floor Land Mark Building, 28-Jinnah Avenue, Blue Area, Islamabad. Ph: 051-8444351

Rawalpindi

1st Floor, Al-Gilan building, satellite town branch, Murree Road, Rawalpindi. Ph: 051-8315033

Gujranwala

MCB Circle Office, Mezzanine Floor MCB Tower, G.T Road Gujranwala. Ph:055-4556611

Faisalabad

MCB Mansoorabad 1st Floor, New Building Jhumra Road near Atta Park, Faisalabad. Ph: 041-2609522

Sargodha

1st Floor, MCB Liaqat Market Main Branch, Sargodha. Ph: 048-3740949

Hyderabad

2nd Floor, Star Branch, Risala Road, Hyderabad. Ph: 022-2731245

Sukkur

MCB Bank Circle Office Bunder Road, Sukkur. Ph: 071-5621304

Peshawar

3rd Floor, Land Mark Building, Phase-V, Hayatabad Peshawar. Ph: 091-5815356

For any complaints, you can register the same with our Contact Centre: 042 – 111-000-622