

Frequently Asked Questions (FAQ)

1) What is the difference between the Flat Rate Package and Variable Rate Package? Which package should I choose?

The difference between Flat Rate and Variable Rate is in its interest computation. For Flat Rate Package, interest is charged on the original loan amount. For Variable Rate Package, interest is charged on the loan outstanding amount.

To decide between a Flat Rate Package and a Variable Rate Package, customers have to compare the effective interest paid on Flat Rate Package to Variable Rate Package.

2) If my spouse were to come in as joint applicant, are we able to get more loans?

For a joint renovation loan application, the loan amount will be granted based on combined monthly income of the main and joint applicants, up to 6 times of the combined income or S\$30,000, whichever is lower.

3) What are the charges for Renovation Loan?

Processing Fee: 1% of the approved loan amount

Cancellation Fee: 1% cancellation fee on loan amount cancelled if loan is cancelled after acceptance of LOF, capped at \$200

Prepayment fee: 2% of the prepaid amount in the event of partial / full redemption during the loan tenure. The minimum prepayment sum is S\$5,000 and thereafter in multiples of S\$1,000 (For Flat Rate Renovation Loan package – partial prepayment is not allowed)

4) What are the interest rates for Furnishing Loan?

6.50% p.a. for 1st yr

7.00% p.a. for 2nd to 5th yrs

5) What is the loan quantum for Furnishing Loan?

Annual Income	Loan Quantum
\$20,000 - \$29,999	Up to 2X monthly income.
\$30,000 - \$119,999	Up to 4X monthly income.
>=\$120,000 or >=net asset of \$2m	Up to 6X monthly income or S\$120,000, whichever is lower.