



For Immediate Release
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MAYBANK ISLAMIC LAUNCHES HOUZKEY - MALAYSIA'S FIRST BANK-INITIATED RENT-TO-OWN PRODUCT

Rent Now, Own Later - Easing the path to home ownership

KUALA LUMPUR, 23 NOVEMBER 2017: KUALA LUMPUR, 23 NOVEMBER 2017: Maybank Islamic Berhad today launched HouzKEY - an innovative Rent-to-Own (RTO) product which is the first by a bank in Malaysia.

Targeted at first-time home buyers and home upgraders, HouzKEY is Maybank Islamic's response to the growing demand from Malaysians for affordable schemes that will enable them to own their own homes.

Initially to be made available to Maybank employees from today, and slated to be rolled out to the public in early 2018, HouzKEY has been designed to provide an alternative solution for home ownership through an innovative scheme which does not require any down payment while offering a locked-in purchase price for customers.

The concept of RTO is developed based on *Ijarah*, a Shariah principle of leasing that includes the option to purchase after servicing 12 months rental. Through HouzKEY, Maybank Islamic aims to address the challenges faced by many purchasers in coming up with sufficient down payments for their new houses.

HouzKEY is also the first such RTO product in the country to be fully enabled on a digital platform - with the application and submission of supporting documents in relation to this scheme are required to be made online.

To be eligible for HouzKEY, applicants should have a household income of at least RM 5,000 and commit to a minimum rental tenure of 5 years. They will, however, have the option to purchase the property after one year at a pre-agreed price.

One of the most attractive features of HouzKEY is the flat rental payment for the first 5 years. Customers may then choose to purchase the property at a locked in rate, continue the rental tenure with a 2% annual rental step up or terminate the arrangement with no further obligation.

"HouzKEY is a milestone achieved by Maybank Islamic, and we believe it will help address a growing issue of concern in Malaysia for affordable home ownership," said Maybank Islamic CEO Dato' Mohamed Rafique Merican at the launch of the product by the Second Finance Minister, Datuk Seri Johari bin Abdul Ghani in Menara Maybank today.

Also present at the event were Maybank Group President & Chief Executive Officer Datuk Farid Alias, Maybank Group Head of Global Banking Dato' Muzaffar Hisham, and Maybank Islamic Chairman Encik Zainal Abidin Jamal.

"We are grateful to the Government and Bank Negara Malaysia, specifically Jabatan Perbankan Islam & Takaful, for providing a conducive environment for Islamic financial institutions since the enactment of the Islamic Financial Services Act 2013, which has accelerated growth and innovation in the Islamic finance industry," said Dato' Mohamed Rafique.

The Bank, he said will continue to focus on creating more innovative Shariah-compliant solutions and developing products and services leveraging on Maybank Group's strength and expertise in Islamic finance.

"We are constantly looking at introducing products which offer better value proposition to our customers. HouzKEY promotes financial inclusion by offering an alternative path to home ownership. We take pride that it is the first of such product offering in the market," he added.

"This HouzKEY product, is our solution to the current challenge of home ownership and also our way of supporting Malaysia's national agenda on home ownership," he said.

He said that Maybank Islamic is expecting to close at least RM1 billion in portfolio size through this product in the first year.

"Once an applicant chooses a property on our online portal and applies to rent it under HouzKEY, we will provide a decision within 1 working day, following which the customer must make the 3-months rental deposit within 7 days," he explained.

"After the agreement is signed, the property is locked in at a fixed rental price for 5-years and the customer can choose to buy the unit or migrate to Maybank mortgage seamlessly after 1 year of renting."

The online portal will initially include properties in Kuala Lumpur and Selangor developed by a few well-known developers such as EcoWorld Bhd, SP Setia, Mah Sing Properties, Sime Darby Property and Gamuda Properties.

"We intend to progressively expand our offering to include properties in other locations throughout Malaysia as well as include more developers over the coming months to give Malaysians an even wider choice of homes to invest in," said Dato' Mohamed Rafique.

In a survey conducted by Maybank through Maybank2u.com involving 11,493 respondents, 58% do not own any property with 68% within this segment currently renting their homes.

Customers may visit Maybank2own.com and browse through the properties available before applying for HouzKEY.