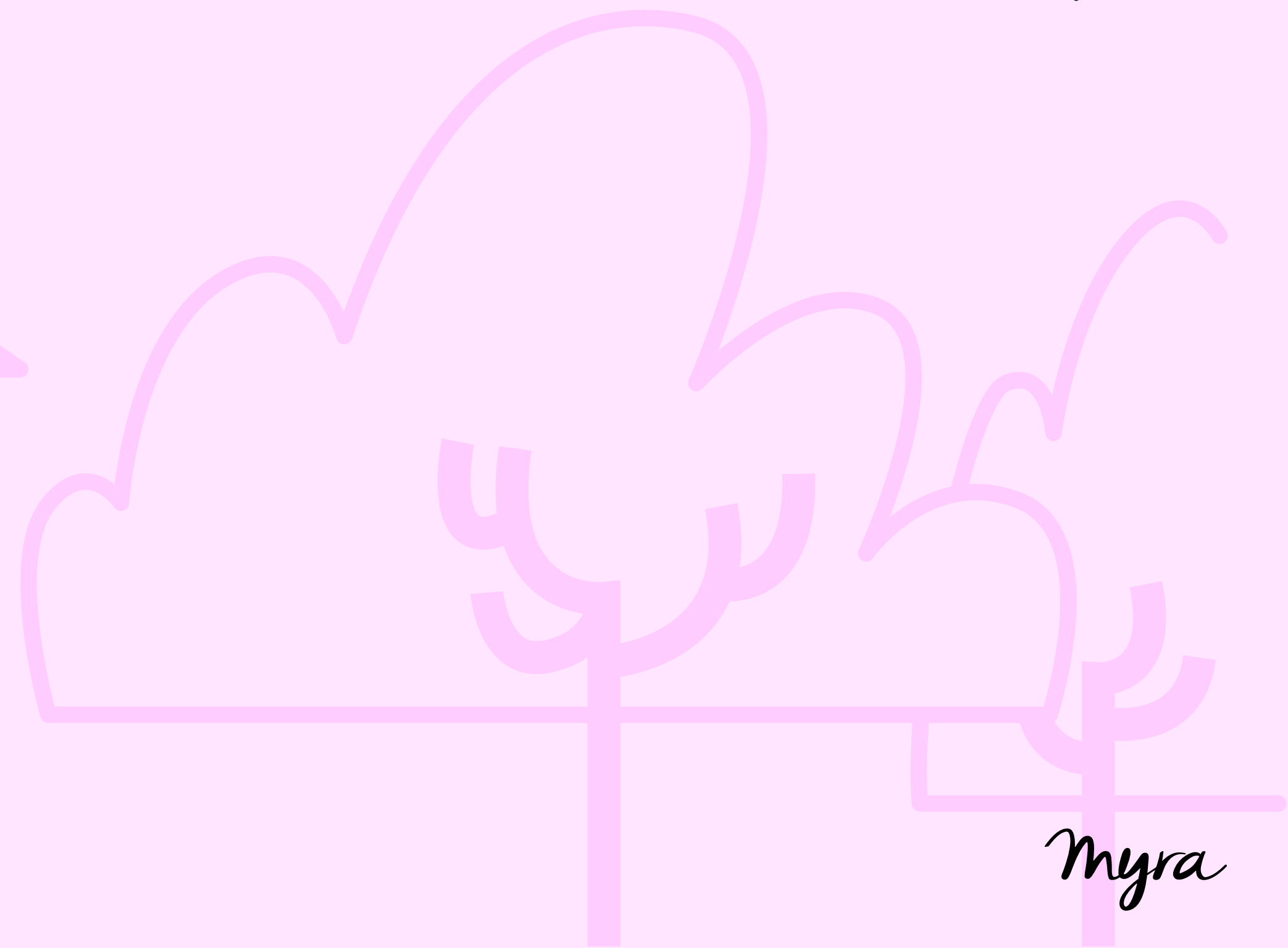



# Bring Myra Home

Your Guide to Homeownership!



*Myra*



# Here's what you'll be learning!

## 1. Find Your Dream Home

- What to consider when buying a home?
- What is Myra's Golden Rule?
- How much should I pay monthly?

## 2. Land Your Loan

- What is DSR?
- How can I improve my Credit Score?
- What options are there to finance my home?
- Do I need Home Insurance?

## 3. Sign Important Stuff

- What is an SPA?
- Are there any Hidden Costs to worry about?
- How are these Hidden Costs calculated?

## 4. Get Home

- What is Progressive Payment and Interest?
- What's Vacant Possession?
- Buyer's Portion; what are they?
- How long is my Defect Liability Period?
- I've got my home! What do I do now?



# What are **Myra's 4-Steps?**



## Find Your Dream Home

The first and most important step; **research**. Not only will it help you make good decisions but keep you from making mistakes!



## Land Your Loan

Like every other chase, you'll need to take steps to **make yourself eligible** to the banks. Time to make your credit report attractive and land that loan!



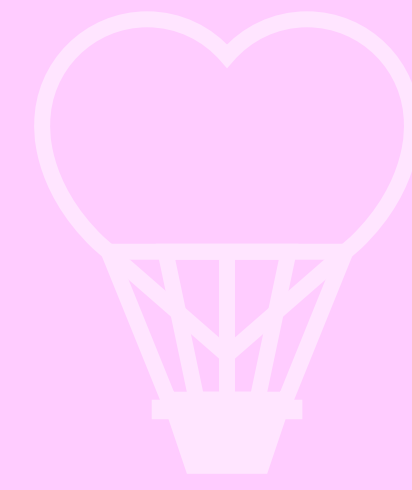
## Sign Important Stuff

It's important to **know what you're signing up and paying for** because you'll be legally bound and it's important to plan ahead!



## Get Home

You're a homeowner! It's time to **plan the next steps** like renovation or interior design. It's time to make your house a cozy home!



Step 1

# Find Your Dream Home



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Step 1.

# ***What to consider when buying a home?***

Knowing what to look for can be tough. So why not use **Myra's SCALP** to help you!

**Size:** Take into consideration how many people will be living with you!

**Community:** Consider a community that is safe and one that suits your lifestyle.

**Amenities:** Look for amenities such as schools, banks, grocers, and restaurants!

**Location:** Where do you need your house to be near at? A good location will increase the appreciation of your home!

**Price:** The biggest consideration. Find The One that you can afford!

Step 1.

# How much should I pay monthly?

Use **Myra's Golden Rule** as a guide. It's where your home loan monthly instalment should sit below 40% of your nett income!



Monthly Nett Income = RM5000

Let's say, this is how much you earn each month.

40% of Nett Income = RM2000

Monthly Home Loan Repayment  
**SHOULD NOT EXCEED RM2000!**

So this is what your monthly repayment should be!

Important Tip!

**RM2000/month** equals to a home that costs about **RM500,000**.

\*RM400/month for every RM100,000! (Based on current OPR rate of 1.75%.)

Step 2

Land Your Loan



Myra

# What is **DSR**?

The **Debt Service Ratio (DSR)** measures your commitment against your income. It is a percentage of your total commitments over your monthly income. To be eligible for a loan, your DSR must be as low as possible! (DSR should not cross 70%!)

## The Formula

$$\frac{\text{Monthly Commitment}}{\text{Monthly Nett Income}} \times 100 = \text{DSR}$$

$$\frac{\text{RM3000 Commitment}}{\text{RM5000 Nett Income}} \times 100 = \text{60\%}$$

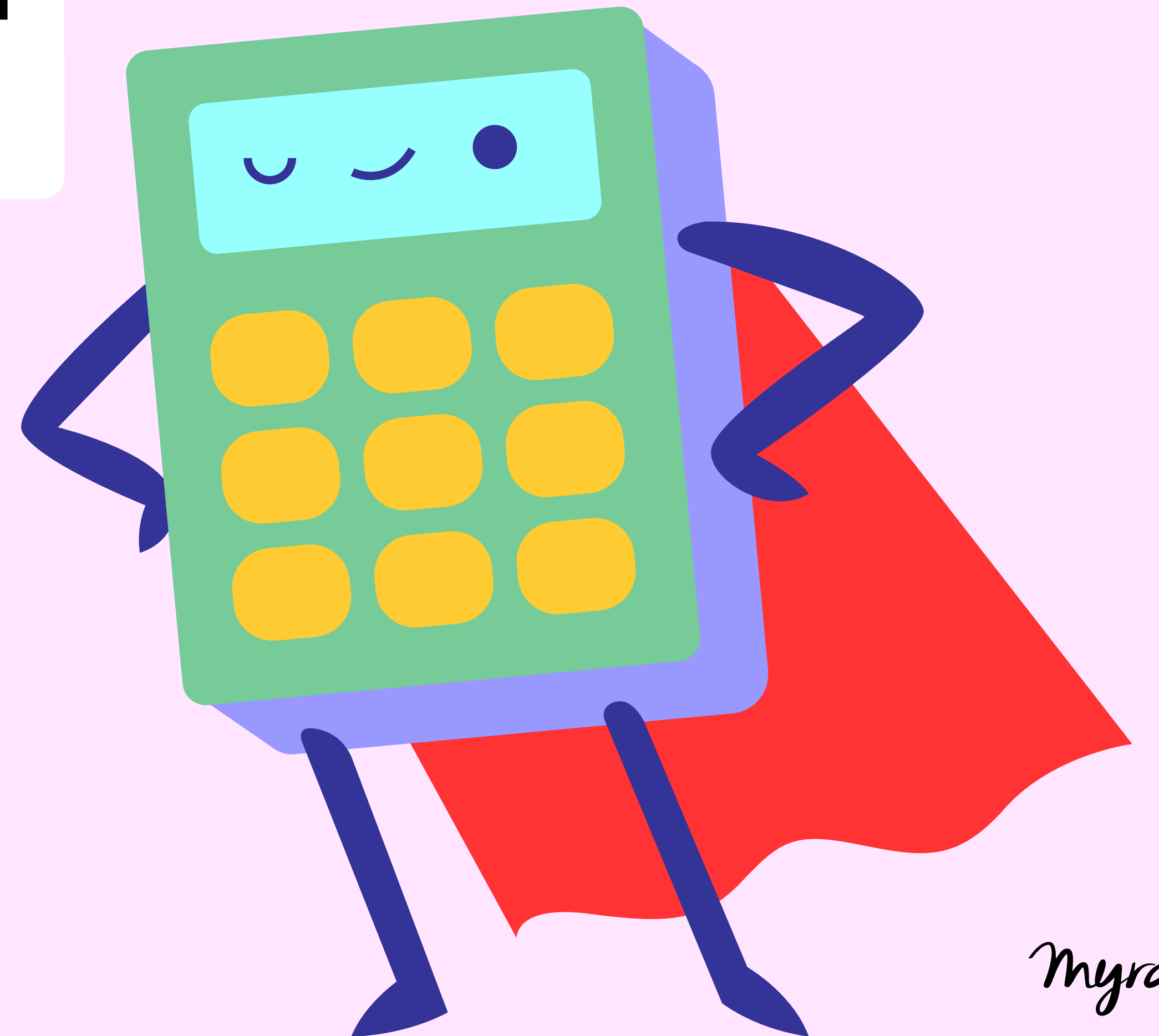
Assuming you're earning RM5K with a commitment of RM3K, your DSR will then be 60!%



Step 2.

**The lower the DSR %, the higher your chances are in getting the loan. Myra's Golden Rule suggests that you keep your commitments below 60% in general!**

Head to  
[super-calculator.myra.com.my/](https://super-calculator.myra.com.my/)  
for your quick DSR check!



*Myra*

# How can I improve my **Credit Score**?

*Credit reports are what the banks look at to make sure that if they lend you any \$\$, you're not going to run away with it. So if your credit score isn't where you want it to be, it's time to work on that!*

- . Pay your bills on the dot before the specified date to avoid late payment fees.
- . Pay off any debts with high interest (esp credit cards and personal loans!)
- . Stop applying for more loans as each application will be in your credit report.
- . Build a healthy credit history. It will take 12 months for your credit profile to be good enough to apply a loan if you have a bad history!
- ✦. Bonus Tip! Get a credit card but only spend up to 20% of your credit limit. The lower your debt utilization, the better your credit score! ✦

# What options are there to **finance my home?**

1.

## Bank Loan:

The interest rate will vary from each other as it depends on your *type of loan, loan tenure, finance margin, house, and credit score!*

2.

## Government Loan:

Especially and only for civil servants! This loan is provided by LPPSA and the allocation will depend on your income.

3.

## Staff Loan:

Staff loans are loans granted to the employees of certain companies that may offer this as part of their benefit!

# What are the 3 main **Bank Loans**?

## Term Loans:

Best for those who have a stable job and a predictable income as you'll be making the **same payment amount every month!**

## Fully Flexi Loan:

This loan grants you more freedom as **you can make additional payments whenever you want!** The more you pay off your loan, the less you pay in total interest over its' duration.

## Semi-Flexi Loan:

A combination of a term and fully flexi loan. **You'll have a certain amount to pay every month but you can pay extra whenever you have the extra \$\$ provided you get approval first!**

To note!

- **Longer Loan** = Lower monthly repayments, but with a higher total interest.
- **Shorter Loan** = Lower interest in total but has a higher monthly repayment.

# How does **Islamic loan** differ from other loans?

## Islamic Loan:

Compliant to the Syariah law and works on an interest-free transaction! Islamic banks will use the concept of Murabahah, "buy" the property from you, and rent it back with extra fees.

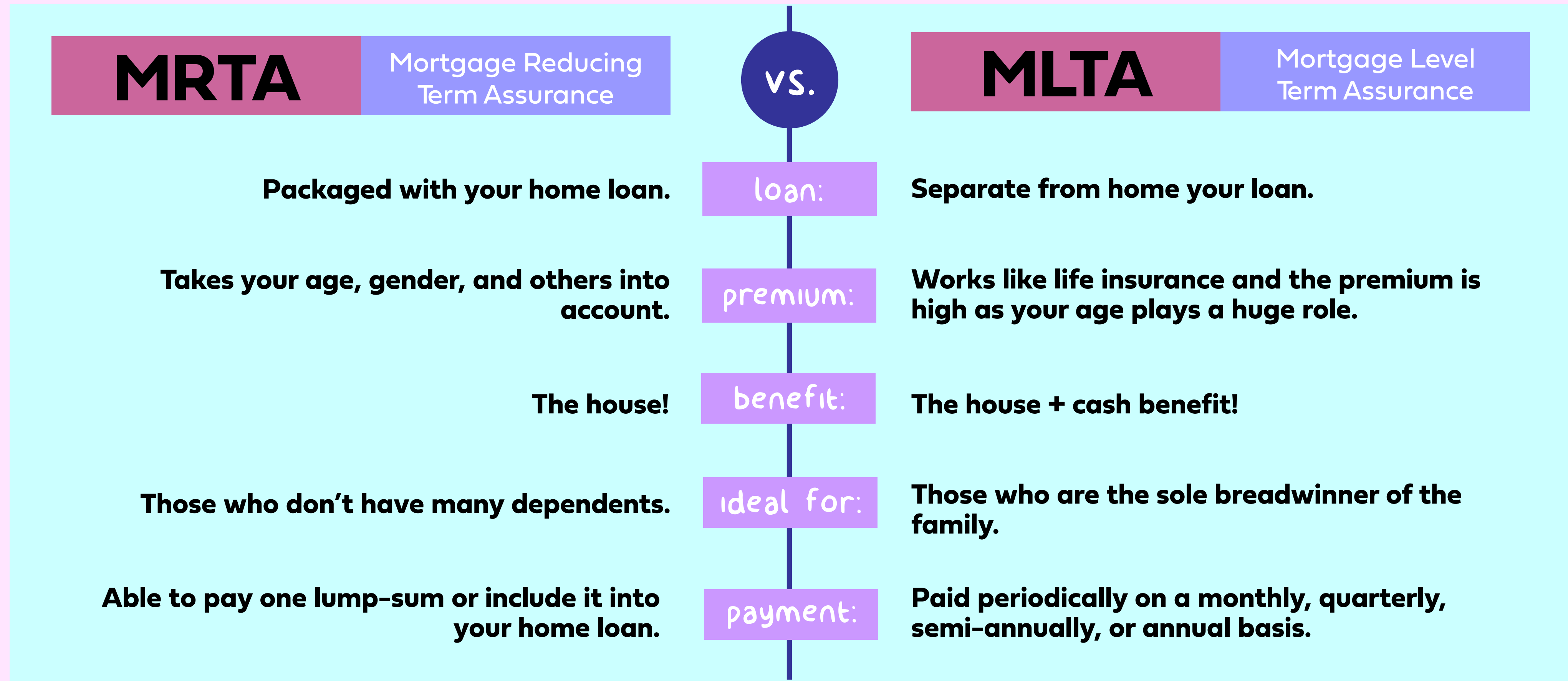
# Are there **other types of loans?**

**Yes, there's something called Second Charge!**

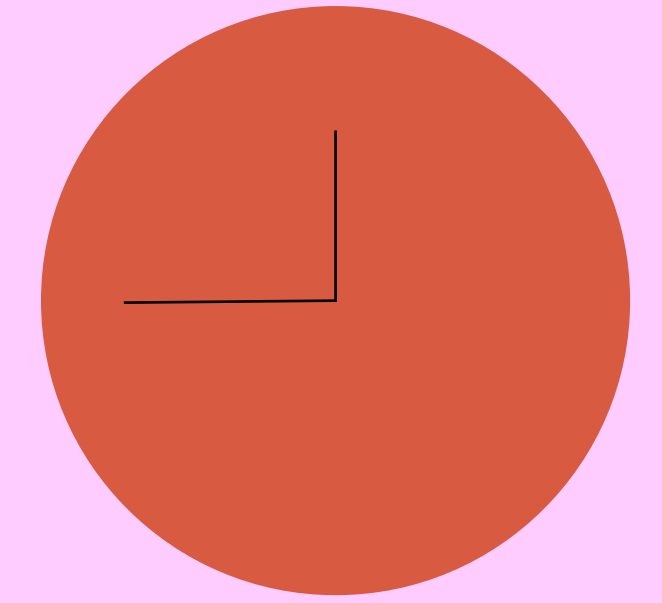
- Second charge is specifically for government servants looking to increase their loan amount.
- It is a combination of LPPSA and a Commercial House Loan.
- Civil Servants will opt for a second charge looking to make a purchase higher than their government loan entitlement.
- E.g. Your government loan entitlement is RM 750k but you're looking to buy a RM 1 mil house.
- In such cases, civil servants would take an additional loan from commercial banks on top of maximising the government loan entitlement.
- However second charge is considered risky and only certain banks are willing to take these

# Do I need **Home Insurance**?

Home Insurance is here to make sure that if any unfortunate event happens to you, your family and house will be taken care of! There are 2 main types of home insurance, so let's break down the differences.



P.S. MRTA does not cover and will not give you the death benefit if your house is still under construction.



# Sign Important Stuff

Step 3



Myra



Step 3.

# What is an **SPA**?

*The SPA, also known as the Sales and Purchase Agreement; is a contract between both you and the developer. But remember, once you sign the SPA, the deal is done; signed, sealed and delivered. Both parties will not be able to negotiate further and must respect the terms!*



## Here's what's in it:

- Seller and Buyer Details
- Agreement of the Purchase
- Terms of Payment
- Vacant Possession
- Defect Liability Period
- House Plan and Specs

# Are there any **Hidden Costs** to worry about?

Here's the part homebuyers don't know enough about. On top of the property price, there will be other costs you'll need to prepare for!

## Stamp Duty

### **Memorandum of Transfer (MOT):**

*It is a tax by the government for the transfer of ownership of your home from the developer to you!*

### **Memorandum of Charge (MOC):**

*It is for when the title of your home has been issued. It is to change your home's title from the Master Title to Individual/Strata Title.*

### **Loan Stamp Duty:**

*Another tax by the government for your home.*

## Legal Fees

### **Sales and Purchase Agreement (SPA):**

*These legal fees are based on your home's SPA price and it is a cost for the lawyers who drew up your SPA!*

### **Loan Legal Fees:**

*These legal fees are based on your loan amount and can be included into your home loan to be paid off monthly!*

# How are these **Hidden Costs** calculated?

## MOT Stamp Duty

Formula	Rate
First RM100,000	1%
Next RM400,000	2%
Next RM500,000	3%
Thereafter	4%

## SPA Legal Fees

Formula	Rate
First RM500,000	1%
Next RM500,000	0.8%
Next RM2 million	0.7%
Next RM2 million	0.6%
Next RM2.5 million	0.5%
Subsequent Purchase Price	Negotiable (Subject to maximum 0.5%)

## Loan Legal Fees

Formula	Rate
First RM500,000	1%
Next RM500,000	0.8%
Next RM2 million	0.7%
Next RM2.5million	0.6%
Subsequent Purchase Price	Negotiable (Subject to maximum 0.5%)

Step 4

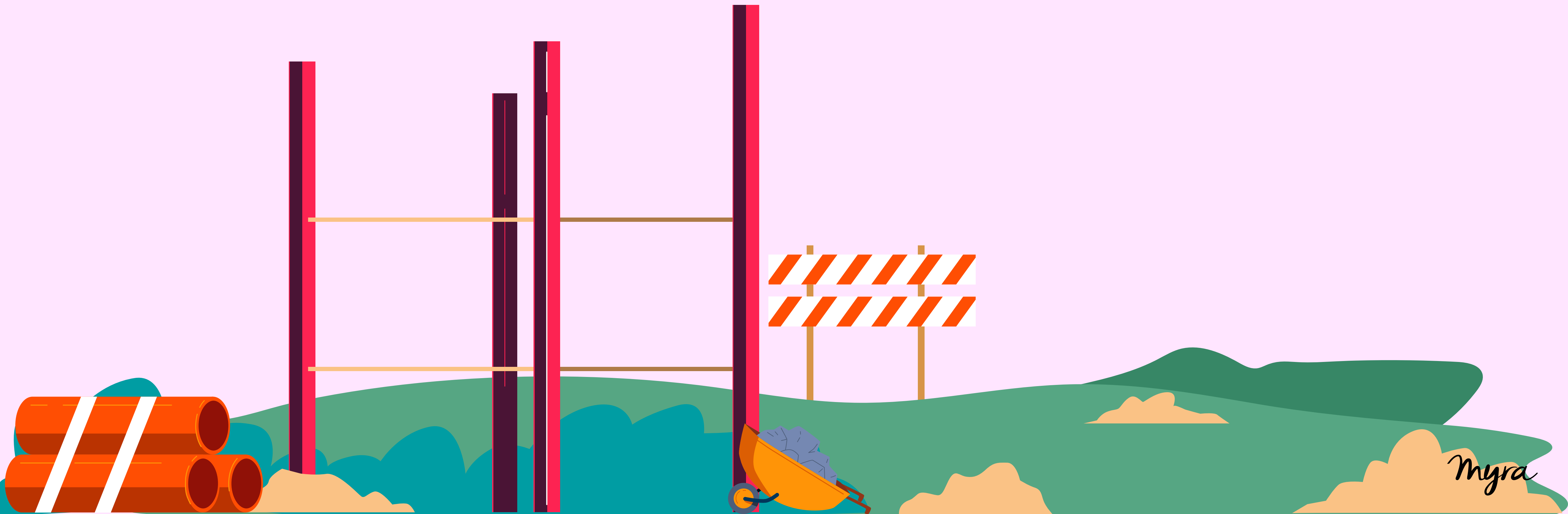
Get Home



Step 4.

# What is **Progressive Payment**?

Your home's construction will be broken down into stages and when each stage is completed, the bank will release a bit of your loan amount to the developer. These stages and amounts are set by the **Ministry of Housing and Local Government (KPKT)**.



# How is **Progressive Payment** calculated?

<b>Stage 1</b>	Immediately upon signing the SPA	10%
<b>Stage 2</b>	Within 21 working days after being provided written notice for the completion of;	
	• <i>The work below ground like piling and foundation</i>	10%
	• <i>Reinforced concrete work and floor slab</i>	15%
	• <i>Walls, doors, and window frames</i>	10%
	• <i>Roofing, ceiling, wiring, plumbing, gas piping, and other cabling</i>	10%
	• <i>Internal and external plastering</i>	10%
	• <i>Sewerage works</i>	5%
	• <i>Drains</i>	2.5%
	• <i>Roads</i>	2.5%
<b>Stage 3</b>	On the date you take VP (with water and electricity supply ready)	17.5%
<b>Stage 4</b>	Within 21 working days after being provided written confirmation of CCC.	2.5%
<b>Stage 5</b>	On the date of VP but to be held by the developer's lawyer until the point of 6 months and 18 months where it will be paid to the developer.	5%

# What is **Progressive Interest**?

Progressive Interest is the amount paid to the bank by you, as they release these stage-by-stage payments to the developer! These payments are on interest only and it's before your entire loan is released. This means that you'll get to reduce the original amount loaned and the interest that is charged on top of it earlier!

## The Formula

Let's assume your interest rate is 4% and the bank released RM100K out of the total of RM400K you've borrowed for your new home. This will be divided by 365 days and then multiplied by the number of days in that month to get RM271 as your progressive interest!

$$\frac{[\text{Total Funds Released}] \times [\text{Interest Rate}]}{365 \text{ Days}} \times [\text{Days of the Given Month}]$$

## Calculation Example:

$$\frac{\text{RM}100,000 \times 4\% \text{ Interest Rate}}{365 \text{ Days}} \times 31 \text{ Days in Jan} = \text{RM}271$$

Interest Payable for Jan

Step 4.

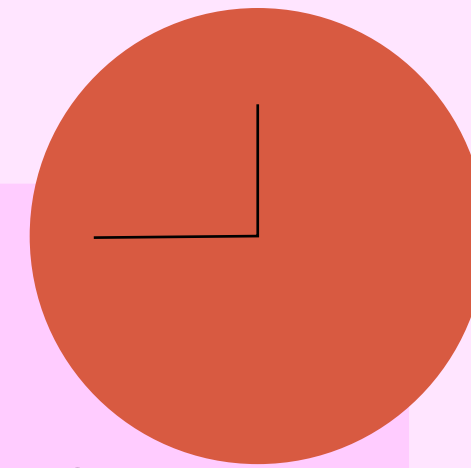
# What's **Vacant Possession**?

*It's a little process that talks all about the delivery of your home and when it's time for you to get your house! Before you get your VP, your home will stand for an exam test called Certificate of Completion and Compliance (CCC) by the industry officials. This certificate is here to ensure that your house is safe to be occupied by you!*



**When you first get your SPA, the details of your home's delivery is stated in that doc. Don't forget to double confirm this with your developer!**

- .Landed House : 24 Months**
- .High-Rise/Strata : 36 Months**





# **Buyer's Portion; what are they?**

They are little payments that you as a homebuyer are responsible for! Buyer's Portion are split into 2 categories;

1.

**Differential Sum**

+

2.  
**MISC Charges**

• It is the amount difference between your loan approval and property price.

- *Electrical Deposit & Stamp Duty*
- *Water Deposit & Stamp Duty*
- *Water Connection & Processing Fees*
- *Maintenance (depending on your facilities)*
- *Fire Insurance (usually for Strata title homes)*
- *Quit Rent & Assessment (A tax from the government for the land)*

(Note! These MISC charges will differ depending on your land title.)



Step 4.

# How long is my **Defect Liability Period?**

As your home is completed and handed over to you, it's important to know about the warranty of your house—the DLP! DLP is a period of time where the developer is responsible to fix any defects in your home for free!

Individual + Strata Title

DLP is applicable only to homeowners who have purchased the house before CCC!

Your DLP becomes void if you do any major renovations to your home.

**24  
MONTHS**

# What tools do I need to **inspect my home?**

<b>Camera</b>	For pics as it'll help the defect team in locating your unit's defects.
<b>Stickers</b>	To stick at the defect areas. Do label it with a number!
<b>Notebook</b>	To list the defects and its number in your notebook.
<b>Electrical Test Pen</b>	To check the presence or absence of an electric voltage.
<b>Spirit Level Ruler</b>	To check if your windows, walls, and doors are straight and horizontal.
<b>Gloves</b>	To protect your hands!
<b>Ladder</b>	For you to look at high places.
<b>Torchlight</b>	To shine it at dark corners, ceilings, and drainage holes.

Step 4.

# **What do I need to prepare for my new home?**

*Besides packing all of your clothes and belongings into 500 boxes, these other things are just as important!*

## **Inspect Your House**

*Check your new home for defects and have them rectified within your DLP Period to prevent any repercussions in the long run.*

## **Set Up The House**

*Security is important and so are you! Remember to set up your alarm system and change your locks after the defect work is completed.*

## **Clean The House**

*After the defect work or renovation is done, it's time to get your house sparkling clean. Make a checklist of different types of cleaners and a supply of rubber gloves!*

# What do I need to **prepare for my new home?**

Besides packing all of your clothes and belongings into 500 boxes, these other things are just as important!

## Start Packing

Create a moving inventory.  
Mark your boxes and the belongings according to the rooms and get in touch with a couple of movers for a quote as the cost will vary based on your location.

## Change Your Address

Besides letting your close family and friends know where your new house is, remember to let these 8 others need to know as well!  
You don't want the new tenant to throw out your important letters!

### The 8 People:

- The Government
- Your Banks
- Credit Card Companies
- Your Insurance Provider
- Phone & Internet Provider
- Subscriptions
- Online Shops
- Post Office

# How much does **interior design** cost?

Getting an interior designer means that you won't have the hassle of searching up good contractors or waiting in line for hours to get the best deal on a feature light. They'll do everything for you but it comes with a high cost. So here are some estimated figures for you to refer to!

## Case Study: A 732 sqft apartment

Just For A Design:

est. **RM5000**

Renovation + Design:

est. **RM190-300  
per sqft**

These figures will differ and depend on the size of your home + the type of design you 're looking for! Loose furniture and appliances are also not usually included.

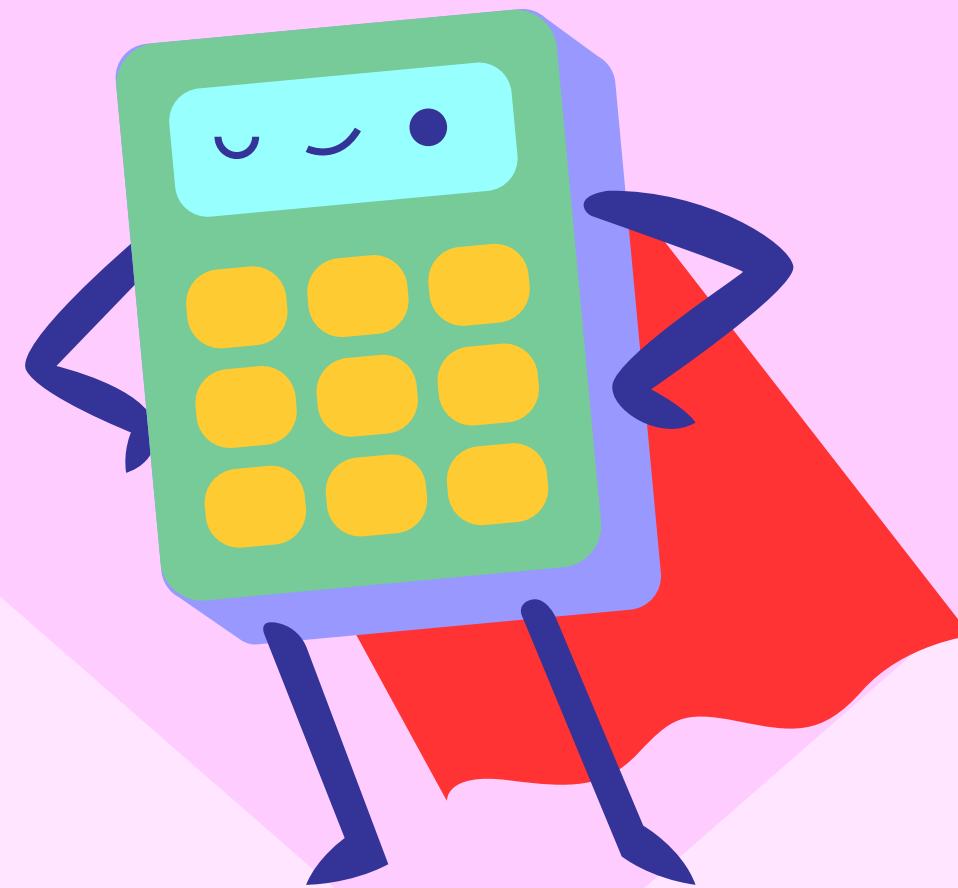
### What It Includes:

- Carpentry Work (Built-In Cabinets)
- Wiring Work
- Painting
- General Lighting
- Ceiling Modification (Plaster Ceiling)
- Curtains
- Full Design Consultation

# Bring Myra Home



Myra 's 4-Step



Myra 's Super Calculator



Myra 's Library