Finance and Risks of Products

As any other credit product, personal and home finance have advantages and disadvantages. One of the factors determining determine whether the finance is suitable for you or not are: your financial and home needs, and how wisely you manage your facility. For example, in the event of delay in repayment or not repaying your monthly installments, your credit report will be negatively impacted, which will reduce your credit grade, and a low credit grade may impact your ability to obtain future financings.

Personal Finance

The following are some important advices before obtaining a personal finance:

- Avoid or educe credit inquiries as much as possible to reduce the negative effects of the inquiries on your credit history.
- Review your current and future financial status in addition to obligations, then decide on the appropriate finance type and amount that meet your requirements with consideration to future financial distress due to changed circumstances (God Forbid).
- Request the finance amount that suites your actual needs and capabilities of repayment on a monthly basis.
- Ensure that you read and understand the terms and conditions of the finance and request an explanation of them by the Bank employee if you did not understand them clearly.

- Ensure to receive a copy of the finance contract after signing it.
- Before committing to the decision of obtaining a personal finance, it is recommended to study your credit report to know your current financial obligations. Reviewing your credit report may help you understand your needs to obtain a finance in a better way in addition to how it will affect your current and future financial situation.

Risks associated with Personal Finance products:

Shares Murabaha Finance

At The Saudi Investment Bank, we always seek to facilitate your needs and offer you best in class Sharia compliant products. But, please be aware that the share price might fluctuate in the process of financing which might impact your finance negatively (in case the share price goes down, God Forbid), in such events you hold the responsibility of such events.

Home Finance

The following are some important advices before obtaining a home finance:

- Choose the right property that suites your family needs.
- Benefit from a property consultant to know the details of the contract clauses and inquire about conditions that may be unclear.

- Benefit from the feature of early repayment and waive a portion of the profit amount.
- Choose the right mortgage finance product that meets your family actual needs as well as yours.
- Avoid or reduce credit inquiries as much as possible to reduce the negative effects of the inquiries on your credit history.
- Request the finance amount that suites your actual needs and capabilities of repayment on a monthly basis.
- Ensure that you read and understand the terms and conditions of the finance and request an explanation of them by the Bank employee if you did not understand them clearly.
- Ensure to receive a copy of the finance contract after signing it.
- Before committing to the decision of obtaining a personal finance, it is recommended to study your credit report to know your current financial obligations. Reviewing your credit report may help you understand your needs to obtain a finance in a better way in addition to how it will affect your current and future financial situation.
- In the case of REDF financing, the Bank will verify your eligibility via REDF, any miss-information is your responsibility.

Risks associated with Home Finance products:

Self-Construction Finance:

Self-Construction Finance offers you the key to build your dream home and meets your desires and specifications. However, please consider the possible risk of delays in the progress of construction and the issues that may arise with the contractor (God Forbid). Such delays are your responsibility and may cause delays in the disbursement schedule as well. Please take into consideration that any agreement between you and the contractor is your sole responsibility without any involvement of the Bank.

Unit Under Construction (Off-Plan):

With the collaboration of REDF and MOH development projects, Off-Plan Construction provides you financing to obtain your desired home under development. Please consider that, in the event of unforeseen delays by the real-estate developer (God Forbid), you are liable for the impact that arises from the delays. Please take into consideration that any warranties provided by the real-estate developer is solely between you and the real-estate developer.

Ready Home:

Obtaining your home is an important step in your life and must be taken carefully. As with any home, flaws in the construction of property may be present (God Forbid) and you need to be aware as you hold the responsibility of them in the future.