

Secured IBF – FAQs

1. What is a Secured Small Business Finance?

A secured Islamic Business Finance (IBF) is an installment Finance for business entities to meet their working capital requirements and other business needs against collateral as security.

2. What is the Eligibility criterion to get an Islamic Business Finance?

To be eligible for the Finance, you need to be in business for at least 2 years.

3. What type of business entities are eligible to apply for an IBL?

Following entities are eligible to apply for an IBL:

- a) Limited Liability Company (LLC)
- b) Sole Proprietor
- c) Partnership
- d) Free Zone Companies
- e) Branches/Subsidiaries of Offshore Entities

(Not belonging to a Prohibited / Restricted sector applicable as per Bank's policy)

4. What are the documents I need to provide to avail Secured Islamic Business Finance?

To avail a secured IBL, you must initially submit the following documents for the purpose of evaluation:

- A. Application Form & Secured IBF Application Form
- B. Copy of valid Trade License
- C. Last 6 months Bank Statement (Business)
- D. Copy of Passport with valid Residence Visa
- E. Incorporation Documents
- F. Copy of title deed

Once the above documents have been submitted to Mashreq Al Islami, your application will be evaluated.

5. What are the profit rates Mashreq Al Islami can offer?

Our profit rates are very competitive in the market.

6. What are the charges to get a Secured IBF from Mashreq Al Islami?

- i. Processing fee – 1.35% of the Finance amount
- ii. Property valuation fee - AED 2,500/- per property
- iii. Credit Life Takaful Fee – 0.65% p.a. of the Finance amount
- iv. Property Takaful charges – 0.06% p.a. of the property value
- v. Applicable Profit Rates to apply

7. What is the minimum and maximum Finance Mashreq Al Islami can offer?

The minimum Finance amount is AED 500,000/- and maximum is AED 5 Million.

8. How much Finance amount will I be eligible for?

For properties in Dubai and Abu Dhabi, you can get maximum of 120% of evaluated price subject to meeting our credit terms and conditions.

For properties in Sharjah & Other Emirates, you can get maximum of 75% of evaluated price subject to meeting our credit terms and conditions.

9. What is the minimum and maximum tenor I can apply for?

The minimum tenor is 6 months and the maximum tenor is up to 72 months

10. What are the repayment modes available?

The repayment mode is through a standing instruction from a Mashreq / Mashreq Al Islami account.

11. Can I go for an additional finance facility in the future?

Yes. Once you have completed 12 months of payments on the Finance, you may apply for an additional finance facility.

12. Can I go for an early settlement of my Finance?

Yes. You may go for an early settlement of your Finance. This would be subject to pre-closure charges, as applicable.

13. Do I need to submit all the property documents in original?

Yes, we will be the custodians of original property documents. Upon maturity of the Finance or after the Finance settlement in full, all relevant documents will be released.

14. Is the Secured IBF available on all types of properties Freehold (Residential/Commercial) across UAE in the name of:

- a) Business Entity
- b) Applicant / Authorized Signatory
- c) Non-Applicant (Business Entity / Individual)

15. Which properties cannot be used as collateral?

Finance against the following property types is not allowed:

- a) Gifted Property not accepted as evident by Title Deed or Related Documents
- b) Property in the name of UAE Nationals
- c) Land

16. If I have a mortgage with another bank, will I be eligible for this Finance?

We do offer property buy out/take over. Your outstanding mortgage Loan / Finance with your bank will be settled and remaining balance amount will be credited to your Business Account with Mashreq / Mashreq Al Islami subject to meeting the terms and conditions.