

## More information about DBS Home Loan Payment Relief

### 1. What is DBS Home Loan Payment Relief?

The relief programme helps our home loan customers ease the financial strain caused by the COVID-19 pandemic. This applies to home loan for SG residential property only. Customers who signed up for this relief programme will get to defer the payments of their home loan monthly instalments till December 2020. During this period, interest will continue to accrue on the outstanding principal amount. There is no interest charged on the accrued interest amount.

From January 2021, after the deferment period, payment of monthly instalment will resume. The amount may vary as the total accrued interest amount will be added to the outstanding principal amount to recompute your monthly instalment amount.

Here is an illustration on how it works:

Mr Tan applied for DBS Home Loan Payment Relief for his home loan on 6 Apr 2020. The terms of his loan account remain unchanged during the deferment period.

Outstanding principal amount:	\$225,000
Outstanding loan period:	22 years
Current interest rate:	2% p.a.
Current monthly instalment amount:	\$1,055
Deferment period:	May 2020 to December 2020

The monthly instalments he has to pay are:

During Deferment (From May to Dec 2020)	After Deferment (From Jan 2021)
N.A.	\$1,095

During the deferment period, the principal amount remains unchanged while interest will continue to accrue as follow:

	<u>Accrued interest</u>
May 2020	\$375
June 2020	\$375
July 2020	\$375
August 2020	\$375
September 2020	\$375
October 2020	\$375
November 2020	\$375
December 2020	\$375
Total accrued interest payable	\$3,000

After the deferment period, the monthly instalment payments will be used to pay the total accrued interest followed by principal repayment.

As there is no reduction in the principal amount during the deferment period, please note that you will be incurring higher interest amount over the loan tenure by taking up this relief.

### 2. How could I be eligible?

To be eligible for this relief, your home loan account must not be more than 90 days in arrears. You do not have to provide us with your employment, income details or demonstrate any impact from COVID-19 pandemic to apply for this relief.

**3. I do not meet your eligibility criterion but have difficulties with my home loan repayment. How could you help?**

You may email us at [loans@dbs.com](mailto:loans@dbs.com) and we will get in touch with you, to discuss and review your home loan.

**4. How would I be notified of the application status?**

We will update you on the status via SMS within 4 working days of your application, followed by a letter.

**5. Will I be paying more interest with this relief?**

Interest will continue to accrue during the deferment period. The interest amount will be higher compared to if you have been paying your monthly instalments, as your outstanding loan amount remains unchanged during the deferment period. For financial prudence, we advise our customers to opt for payment deferment only if needed.

**6. I have more than one home loan, do I have to submit multiple applications?**

You do not have to submit multiple applications. One application will apply to all your home loan accounts with us.

**7. Could I select only specific home loan account(s) for this relief?**

It will apply to all your home loan accounts with us. For further assistance, please email us at [loans@dbs.com](mailto:loans@dbs.com).

**8. I use CPF funds to pay for my monthly instalment. Will this arrangement continue?**

If you have been using your CPF funds to pay for your home loan, this arrangement remains unchanged. During the deferment period, any funds we received from your CPF account will be used to pay the accrued interest followed by principal repayment.

**9. Could I make any payment during the deferment period?**

Yes, you may make adhoc payment. Please email us at [loans@dbs.com](mailto:loans@dbs.com) and we will assist you.

**10. What if I continue to experience difficulties in payment after the deferment period?**

You may email us at [loans@dbs.com](mailto:loans@dbs.com). We will assist you to review your home loan.