



PRODUCT DISCLOSURE SHEET

Please read the **PROSPER HARTANAH**
RENT-TO-OWN (RTO) Disclosure
Sheet before you decide to **APPLY**

PROSPER
HARTANAH
RENT-TO-OWN



punbofficial



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1. WHAT IS THE PUNB PROSPER HARTANAH RENT-TO-OWN (RTO) PROGRAMME?

The PUNB PROSPER Hartanah Rent-to-Own (RTO) Programme is offered under the PUNB PROSPER Hartanah Scheme. It enables eligible Bumiputera entrepreneurs to rent commercial or industrial property in strategic locations nationwide, with the option to purchase the property during the agreed RTO tenure, subject to PUNB's assessment, approval and the terms of the RTO Agreement.

The programme supports PUNB's mandate to develop a sustainable Bumiputera entrepreneurial ecosystem.

2. WHAT ARE THE BENEFITS OF THE PUNB PROSPER RTO PROGRAMME?



Greater certainty over the purchase price

During Phase 1, the agreed purchase price remains fixed for three (3) years, providing greater certainty against fluctuations in the property market.



Time to strengthen your financial position

The rental period gives the tenant time to improve their financial position before purchasing the property.



Flexibility to purchase during the RTO tenure

The tenant may exercise the option to purchase the property at any time during the RTO tenure, subject to the terms of the RTO Agreement.

3. HOW IS THE PURCHASE PRICE OF THE PROPERTY DETERMINED?

Phase 1

The agreed purchase price will be determined based on the market value of the property as at the date the RTO Agreement is executed. The purchase price will remain fixed throughout the three-year Phase 1 tenure.

Phase 2

If an extension is approved, PUNB reserves the right to reassess the agreed purchase price. The revised purchase price will be based on the market value of the property at the time of the extension and will remain fixed throughout the approved extension period.

**Any discount on the purchase price is subject to PUNB's absolute discretion*

4. IS THE PUNB PROSPER RTO PROGRAMME SHARIAH-COMPLIANT?

Yes. The PUNB PROSPER RTO Programme is Shariah-compliant and is structured based on the Shariah contract of Al-Ijarah Maftuhah Lil Bai'. Under this arrangement, the applicant rents the property from PUNB for an agreed rental amount and period.

The applicant may acquire ownership of the property at any time during the rental tenure through a separate sale transaction at the agreed purchase price, subject to the terms of the RTO Agreement and applicable Shariah requirements.

5. HOW LONG IS THE TENURE OF THE PUNB PROSPER RTO PROGRAMME?

The maximum RTO tenure is five (5) years, comprising:



Phase 1

Three (3) years



Phase 2

An extension of up to two (2) additional years, subject to PUNB's assessment, approval and applicable terms and conditions.

6. WHAT PAYMENTS ARE REQUIRED?

Security deposit and monthly rental
(Upon entering the RTO Agreement)

- The security deposit and monthly rental will be determined in accordance with PUNB's prevailing rental policy and will be stated in the RTO Agreement.
- The rental rate will remain unchanged during Phase 1. If Phase 2 is approved, PUNB reserves the right to revise the rental rate based on the prevailing market rental rate.

Stamp duty for the RTO Agreement

Stamp duty for the RTO Agreement will be payable in accordance with the applicable law.

7. WHAT IS THE PROCESS FOR THE PUNB PROSPER RTO PROGRAMME?

A. Existing tenant of a PUNB-owned property.

1. The tenant submits an application to participate in the PUNB PROSPER RTO Programme.
2. PUNB evaluates the application.
3. If the application is approved, PUNB and the tenant will enter into an RTO Agreement stating the agreed purchase price and applicable terms and conditions.
4. The tenant must exercise the option to purchase the property within the tenure of the RTO Agreement.
5. Upon exercising the option to purchase, the tenant will enter into a Sale and Purchase Agreement with PUNB.

B. Applicant who is not an existing tenant of a PUNB-owned property.

1. The applicant must first enter into a standard rental (Ijarah) agreement with PUNB.
2. The applicant must rent the property for a minimum of twelve (12) months.
3. After the minimum rental period, PUNB will assess the applicant's eligibility to enter into the RTO Agreement.
4. Participation remains subject to PUNB's assessment and approval.

C. Property proposed by the applicant and currently rented by the applicant

1. The applicant proposes to PUNB a property that the applicant is currently renting for PUNB's consideration and potential purchase.
2. PUNB evaluates both the applicant and the proposed property.
3. If approved, PUNB will acquire the proposed property.
4. Upon completion of the acquisition, the applicant will enter into a standard rental (Ijarah) agreement with PUNB and must remain as PUNB's tenant for at least twelve (12) months, or for a longer period as determined by PUNB.
5. After the required rental period, PUNB will reassess the applicant's eligibility to enter into the RTO Agreement.
6. If approved, PUNB and the applicant will enter into an RTO Agreement stating the agreed purchase price and applicable terms and conditions.
7. The applicant must exercise the option to purchase the property within the tenure of the RTO Agreement.
8. Upon exercising the option to purchase, the applicant will enter into a Sale and Purchase Agreement with PUNB.

8. AM I ELIGIBLE TO PARTICIPATE IN THE PUNB PROSPER RTO PROGRAMME?

A. Existing tenant of a PUNB-owned property.

The tenant must meet the following conditions:

- Maintain a satisfactory rental payment track record.
- Have no rental payment defaults during the preceding six (6) months.
- Pass PUNB's assessment and evaluation, which may include the tenant's legal standing or status, financial capability and historical rental payment records.
- Must not have previously participated in the RTO Programme and failed to exercise the option to purchase.
- Must not be listed as a blacklisted tenant by PUNB.

B. Property proposed by the applicant and currently rented by the applicant

The applicant and the proposed property must meet the following conditions:

- The proposed property must be valued at more than RM500,000, as verified by PUNB's panel of valuers.
- The proposed property must be a commercial shop lot or a light industrial building.
- The proposed property must have a valid Certificate of Fitness (CF) or Certificate of Completion and Compliance (CCC), as applicable.
- The applicant must be the current tenant of the proposed property under a valid tenancy agreement and have a satisfactory rental payment track record with the current owner.
- After PUNB completes the property acquisition, the applicant must remain as PUNB's tenant for at least twelve (12) months, or for a longer period as determined by PUNB, before being eligible to enter into the RTO Agreement.
- The applicant's business activities must not be contrary to Shariah principles.

9. WHAT ARE MY OBLIGATIONS?

You must comply with all terms and conditions of the applicable standard rental (Ijarah) agreement and/or RTO Agreement, including all requirements relating to Shariah principles.

10. WHAT HAPPENS IF I FAIL TO FULFIL MY OBLIGATIONS?

If the tenant fails to fulfil any obligation under the applicable standard rental (Ijarah) agreement and/or RTO Agreement, PUNB shall be entitled to exercise its rights in accordance with the terms of the relevant agreement.

11. WHAT HAPPENS IF I DO NOT COMPLETE THE PURCHASE BY THE END OF THE TENURE?

At PUNB's sole discretion, the tenant may be offered one of the following options:

- The RTO Agreement may be terminated and the offer to purchase the property may be cancelled. The tenant will be required to surrender the property to PUNB, subject to the terms and conditions of the RTO Agreement; or
- The RTO Agreement may be terminated and the tenant may be permitted to continue renting the property under a standard rental (Ijarah) agreement, subject to terms and conditions determined by PUNB.

12. DO I NEED TO CONTINUE PAYING RENT AFTER SIGNING THE SALE AND PURCHASE AGREEMENT?

Yes. The tenant must continue paying the monthly rental stated in the RTO Agreement until the property is formally handed over to the tenant pursuant to the sale and purchase transaction. The RTO Agreement will then be terminated accordingly.

13. WHO CAN I CONTACT FOR MORE INFORMATION?

For further information about the PUNB PROSPER Hartanah Rent-to-Own Programme, please contact:

Strategic Property Unit / PUNB

Telephone: 019-334 3245

Email: spu@punb.com.my

You may also visit www.punb.com.my

DISCLAIMER:

This Product Disclosure Sheet provides general information on the PUNB PROSPER Hartanah Rent-to-Own Programme. The information and indicative terms contained in this document may be amended from time to time at PUNB's discretion.

The final terms and conditions applicable to an approved applicant will be set out in the Letter of Offer and the relevant agreements executed between PUNB and the applicant. These documents should be read together with this Product Disclosure Sheet and will prevail in the event of any inconsistency.

Please contact PUNB if you require clarification or do not understand any part of this document.