

Credit Evaluation – Loans and Credit Administration							
Date	:	7/12/2016			Branch	:	PPM
From	:	Credit Evaluation – Loans and Credit Administration					
To	:	Head, Credit Management & Deputy Country Head					
1.0 Borrower Information							
Borrower:	1	Mdm Cheng Sokha			Nature of business/ Employment	1	Assistant Director of Sales & Marketing
	2	Mdm Touch Hour				2	
	3						
Guarantor:	1				Borrowing R's ship since:	New	
	2						
	3						
CRR Grade	5						
2.0 Term Sheet							
New/ Additional	Facility	Existing Limit (USD)	+/-	Proposed Limit (USD)	O/S balance	Tenure	Interest rate ECOF = 5.50% p.a.
New	HL	-	+150K	150K	-	15 years	1 st year: 7.50%p.a. 2 nd year: 8%p.a.
Total			+150K	150K			
Fees	Processing fee	:	1% on approved limit				
	Prepayment fee	:	1 st – 5 th year: 3% 6 th – 15 th year: 1%				
	Renewal fee	:	NA				
	Commitment fee	:	NA				
Loan Purpose:	✓ To part finance purchase of a unit of 3 storey shophouse						
Request/ Deviation:	✓ To allow CRR Grade 5.						

3.0 Comment by Credit Evaluation:
<p>1. Borrowers are related as niece and auntie where Mdm Cheng is currently working as Assistant Director of Sales & Marketing for Torreya Assets Holding Co.,Ltd which is a related company for developer of Maha Sen Sok , Bodaiju Residence & Arata Residence. Latest monthly salary at USD3K as per bank statement furnished. Mdm Touch on the other hand is not working as she is already 70 years old while she will be joint borrower as she is one of the registered owners. The employment with the company just commenced in February 2016.</p> <p>2. The purchase property is located in Boeung Trabek, Khar Chamkarmorn and the purchase price of USD285K is below the OMV quoted by our panel valuer. The MOA will be at 52.63% while the purchase property will be occupied by the applicants and Mdm Cheng's husband who will not join in as joint</p>

borrower as he is a French National. They are also planning to operate a restaurant in the ground floor of the house.

3. Repayment based on Mdm Cheng's monthly salary of USD3K is enough to secure the loan with DSR of 2.15x. Nevertheless, if Mdm Cheng is not employed or met with unforeseen circumstances, repayment would be affected and CED recommended for a Personal Accident Insurance to be purchase but was informed that borrower is not agreeable as she earlier requested for longer loan tenor of 20 years where she compromised on a reduced loan tenor as justified by branch.

4.0

Recommendation by Credit Evaluation

1. I would concur on branch's recommendation for Management's approval

Concurred by:



Tang Siew Hon
 Senior Manager
 Date: 07/12/2016

Jointly Approved by :

Subject to:

As recommended by CEP



Yong Ching San
 Head, Credit Management
 Date: 12/12/16

Jointly Approved by :

Subject to:



Thoo Kim Seng
 Deputy Country Head
 Date: 12/12/16

RHB Indochina Bank

CONSUMER LOAN APPLICATION

Branch	Phnom Penh Main Branch	Date	25 November 2016
To	DCH & HOC	CA No.	RHBIBL/BDM/0002/2016/0041

Borrower(B) / Guarantor(G) Profile						
No.	Name	B/G	ID /Passport No.	Age	Borrowing Relationship Since (Year)	
1	Mdm. Cheng Sokha	B	010048447	34	Related / Connected Party	New
2	Mdm. Touch Hour	B	010855731	60	Borrow KYC Level	Y N
					Credit Grade	H M L
						5

Applicant's Background:

Mdm. Cheng Sokha is the niece of Mdm. Touch Hour.

Mdm. Cheng Sokha is an Assistant Director, Sales & Marketing at Torrey Asset Holding Co., Ltd since 03 Feb 2016 with the average monthly salary of USD2,400.00 and increased to 3,000 from November (Confirmation Salary Letter and Aclada Bank statement are enclosed for reference).

Mdm. Cheng Sokha is married to a French National Mr. David Gerard Delarire in March 2016, but they have yet received married certificates.

Currently she is residing with her parents at #167Eo, Group 27, Street No. 217, Phum No3, Sangkat Ou Russey 3, Khan 7 Makara, Phnom Penh city.

Mdm. Touch Hour is a widow without any children and previously living at # 129AEo, Street No. 154, Phum 6, SK Phsa Thmey 3, Khan Daun Penh, but the property has been sold and currently living temporary with Mdm. Cheng's sokha's parents.

Upon moving to the house, the applicant plans to jointly open a restaurant at the ground floor and stay at the upper floor.

Employer Background:

The Torrey Asset Holding Co., Ltd is under Creed Group who is the developer of Bodaiju Residence and Borey Maha Sen Sok. The company will have another housing project, Arata Residence, to be commenced next year.

Founded in Japan in 1996, Creed Group (CREED) is a real estate firm which specializes in principal investment and property development.

Request			
1. New Housing Loan (HL) of USD150,000.00	Request for	Y	N
2. Acceptance CRR of 5 as remaining uncommitted balance of USD1,609 is well sufficient for applicant monthly expense and MoF is only 52.63%	Age deviation		N
	DSR deviation		N
	MOA deviation		N

RHB Indochina Bank

Loan Details							
Type	Existing Limit	Proposed Limit (USD)	Total Limit (USD)	Outstanding Balance	Pricing (Current ECOF @ 5.5%)	Repayment Period (Years)	Repayment Amount (USD)
HL	0.00	150,000.00	150,000.00	0.00	1st year: ECOF + 2.0%p.a. on monthly rest subject to minimum 7.50%p.a. 2nd year on ward: ECOF + 2.5%p.a. on monthly rest subject to minimum 8.00%p.a.	15	USD1,391.0 (first year) (Round Up)

Loan Purpose						
To part finance the purchase a 3-storey shop house for applicant's residence and business.						
Under Construction	Y	N	Completed from developer	Y	N	<div>- Applicant had signed SPA. They have deposited USD142,500.00 (on 23-October-2016 of USD5,000.00 and 28-October-2016 of USD137,500.00) to the seller already. (SPA and deposit slip is furnished).</div> <div>- The purchased property is a unit of house for the borrower's residence.</div>
Name of Developer		: N/A				
Panel		: N/A				
Unit Capping		: N/A				
Approved unit @ to date		: N/A				
%, of completion		: 100% completed				
SPA Price		: USD285,000.00				
I. Refinancing						
Bank	Approved / Operating Limit		Outstanding Balance	Pricing	Repayment Record	Remark
N/A	N/A		N/A	N/A	N/A	N/A
II. Others	N/A					
Details of Property to be Charged						
			Property 1			
Address			#02, Street No. 99 corner Street No. 466, Phum 6, SK Boeung Trabek, Khan Chamkarmorn, Phnom Penh.			
Land Area			109sqm [as per soft title deed]			
Built Up Area			240sqm (As per measuring)			
Title Details						
i. Title No /Expiry Date of LH			12011106-0219			
ii. Tenure – FH/LH (Balance of Years)			Freehold			
iii. Registered Owner			To be registered under Mdm. Cheng Sokha and Mdm. Touch Hour			
iv. Encumbrances			None			
v. Restriction in Interest/Conditions			None			
Remark (s)			The ownership of the property currently is under the process of transferring the ownership to Mdm. Cheng Sokha and Mdm. Touch Hour.			
Registered Owner's Relationship With borrower			Niece and Aunt			
Fire Insurance by			To be insured by RHBIBL's panel upon completing of the property.			
Cross Charge (Y/N)			No			
(Please furnish details if "Y")						

RHB Indochina Bank

Valuation			
i. Verbal Valuation by ARC <ul style="list-style-type: none"> - Land value - Building Value - Total OMV - Value Name - Date 		To be issued by RHBIBL's panel	
ii. Verbal/Cross Check <ul style="list-style-type: none"> - Land value - Building Value - Total OMV - Valuer Name - Date 		Verbal 1	Verbal 2
		USD251,000 (USD2,300/sqm) USD54, 00.00 (USD240/sqm) <u>USD305,000.00</u> ARC November 22, 2016	USD299,750 (USD2,750 per sqm) USD48,000 (USD200 per sqm) USD347,750.00 CARE November 23, 2016
Adopt market value		Base on the above valuation report with our panel, branch would like to take the SPA value of USD285,000.00 to calculate the MOA for conservative purchase.	
Margin of Financing (%)		52.63%	
Security Coverage (Times)		1.9 time	

Conduct of Account I) With RHBIBL (Own/Related Account)					
Name	Facility	Approved/ Operating Limit	Outstanding Balance	Pricing	Conduct
N/A	N/A	N/A	N/A	N/A	N/A
Conduct of Account II) With other financial institution as per CBC checking					
Bank	Facility	Approved/ Operating Limit	Outstanding Balance	Pricing	Conduct
N/A	N/A	N/A	N/A	N/A	N/A

CBC, AML and World Checking

Based on latest CBC and World checking on 23 November 2016, the borrowers have no loan with other banks and MFIs. In addition, there is no entry matching to World Check and AML as well.

Repayment Risk Analysis			
Total monthly Income*	USD3,000.00		
	Cheng Sokha: USD3,000.00		
Less Total Commitment	RHBIBL: USD1,391.00		
	Other: 0.00		USD1,391.00
Balance Uncommitted	USD1,291.00		
DSR	2.15x		
Estimated / Disclosed Net worth**	USD135,000.00		
Within Bank Lending Criteria	1/3 Income		Y
	45% Income		Y
Risks		Mitigating Factors	
N/A		N/A	

Note:

(*) Income is verified by bank statement and Confirmation letter.

(**) Net worth of the borrowers is around USD135,000.00 (equity contribution to purchase the property).

RHB Indochina Bank

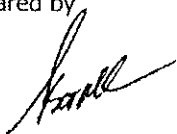
Financial Analysis

By deducting personal expense of the borrower, the sensitized DSR remains sufficient for the monthly installment.

Description (USD)	FY2016 Actual	FY2017 Projection	FY2018 Projection	FY2019 Projection
Monthly Income				
Salary of Mdm. Cheng Sokha	3,000.00	3,100.00	3,200.00	3,300.00
Total Salary	3,000.00	3,100.00	3,200.00	3,300.00
Expenditure				
Child Education	-	-	-	-
Daily Food	400.00	440.00	484.00	532.40
Transportation	100.00	100.00	100.00	100.00
Utilities' Exp.	50.00	50.00	50.00	50.00
Other Exp.	300.00	330.00	363.00	399.30
Total Expense	850.00	920.00	997.00	1,081.70
Net Income	2,150.00	2,180.00	2,203.00	2,218.30
Monthly Commitment	1,109.00	1,157.00	1,157.00	1,157.00
Sensitized DSR	1.94	1.88	1.90	1.92

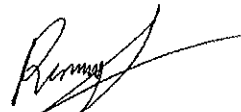
Recommendation

Prepared by



Roeurn Sarak
Executive, Mobile Credit & Mortgage
25 November 2016

Recommended by



Srean Raksme
Senior Manager, Mobile Credit & Mortgage
25 November 2016

Credit Policy : ~~In Compliance~~ / Non Compliance

D/P Check: DCH & HOC

AML/CFT Check: No name matched

DP Check (Amount in USD)		
Description	Borrower + related borrowers (RHBIBL only)	Borrower + related borrowers (RHB Banking Group)
Total Exposure	USD150,000.00	N/A
Less standalone facilities	N/A	N/A
Total exposure excluding standalone facilities	USD150,000.00	N/A
Of which	N/A	
Secured facilities	USD150,000.00	N/A
Unsecured facilities	N/A	N/A
This application is within DP of	DCH & HOC	N/A

RHB Indochina Bank

Head office use only	
Comment by Loan and Credit Administration	
Term Sheet	
Home Loan (New)	USD150,000.00 Tenure : 15 Years Installment amount : USD1,391.00 (first year) Processing fee : 1% of approved limit Prepayment : 1 st to 5 th year: 3% on prepayment amount if the facility is fully/partially settled before expiry date. 6 th to 15 th year: 1% on prepayment amount if the facility is fully/partially settled before expiry date.
Condition precedent: 1. Acceptance of Letter of Offer 2. Payment of processing fee of 1% on approval limit 3. Release of facilities subject to :- a) Compliance of Terms under Condition Precedent. b) Completion of relevant security documentation. All loan/security documents which are required herein and/or such other documents as may be required by the Bank and/or its solicitors shall have been executed by the Applicants and/or the relevant security parties, registration fee duly paid and registered at such registries as the Bank may deem necessary.	
Disbursement method: The loan amount of USD150,000.00 is to be released directly to the sellers [Mdm. Yi Po: ID card No. 010199610(01)] in amount of USD142,500.00 and disbursement in to borrower's account of USD7,500.00 up on:- i. Completion of Ownership Transfer and Hard Title is duly hypothec to RHB; ii. Purchase of Fire Insurance over the financed property; iii. Obtain valuation report from bank's panel valuer indicate property is value at least USD285,000.00. Reimbursement is allowed if subject to evidence of full/ partial payment to seller.	
Post drawdown condition: N/A	
Other terms and conditions (if any):N/A	

Appendix I

Repayment Analysis				
Item	Yes	No	NA	Remark (mandatory if "NO" is (x))
Employment Confirmation Letter (Bank Statement)	x			
Salary slip for the last 3 months	x			
Income statement (P&L)		x		Salary earner
Sale/Purchase invoices (for the last 3 months)		x		Salary earner
Balance Sheet		x		Salary earner
Income Projection		x		Salary earner
Sale-Purchase Agreement	x			SPA is attached
Current DSR	Total EBIT 2016 (USD3,000.00) ----- = 2.15 times Total commitment (USD1,391.00)			

Security Document	New / Complied
Facility agreement of USD150,000 as principal instrument	New
Hypothec Agreement as subsidiary instrument on Property <u>1</u>	New