
NEWS RELEASE

United Overseas Bank Offers New Home Loan Product That Pays Interest

New floating-rate home loan offers competitive interest rates

04 November 2004, Singapore - United Overseas Bank Limited ("UOB") is pleased to announce the launch of **UOB HomePlus**, a new home loan product applicable for new purchase and refinancing of private residential properties, on **5 November 2004**.

UOB HomePlus gives customers a total value package that maximises their savings with the following features:

- It offers competitive home loan interest rate
- It allows customers to earn the same rates on their deposits of up to 75% of the outstanding loan amount
- It provides cash rebate of 0.3% of the approved loan amount

Customers need only maintain a deposit balance in UOB i-Account, an interest-earning chequeing account, to enjoy the competitive interest rates.

Said Ms Sim Puay Suang, Executive Vice President, "The launch of UOB HomePlus is in line with our commitment to provide our customers with the best value for all their financial needs which will, in turn, help them to grow their savings and wealth. UOB HomePlus offers customers the flexibility to manage their cashflow and the opportunity to earn competitive interest rates on their deposits placed in their UOB i-Account. With UOB HomePlus, we hope to reach out to customers who are looking to maximise their savings while maintaining a comfortable level of liquidity."

The details of the new home loan product are set out in the table below:

UOB HomePlus	
Interest Rates (p.a.)	
1 st Year	1.25% (BR – 4.75%)
2 nd Year	2.25% (BR – 3.75%)
3 rd Year	2.80% (BR – 3.20%)
Thereafter	3.00% (BR – 3.00%)
Applicable Board Rate	UOB HomePlus Board Rate (BR) at 6.00%p.a.
Features	
Property Type	Private residential property
Minimum Loan Amount	S\$500,000
Legal Subsidy	0.4% of loan amount (capped at S\$3,000)
Cash Rebate	0.3% of approved loan amount
Applicable Rates On Deposits Placed in UOB i-Account*	Deposit amount \leq 75% of outstanding loan amount: UOB HomePlus rates. Deposit amount >75% of outstanding loan amount: Normal UOB i-Account rates.
* Service charge on UOB i-Account will be waived. Minimum balance fee applies if the average daily balance for the month falls below S\$1,000.	

Significant Savings With UOB HomePlus

Assume that a customer has:

- a home loan of S\$500,000; and

- a deposit amount of S\$375,000 placed in an interest-earning chequing account such as UOB i-Account that are maintained over 25 years.

The benefits of UOB HomePlus are illustrated as follows:

	UOB HomePlus
Total Interest Payable	S\$192,921
Total Deposit Interest Earned	S\$159,235
Net interest Paid on Home Loan	S\$33,686

With more savings earned on the UOB i-Account, customers can choose to offset their loan interest to own their dream homes faster or use these savings to enhance their homes. Customers will also have the flexibility to keep their funds in the UOB i-Account to maximize their savings and access them whenever they need.

Exclusive Benefits For A Total Home Solution

Apart from the competitive interest rates, customers also enjoy the following additional benefits:

- Free home fire insurance for the first year
- Free processing
- Free valuation
- Preferential rates for UOB Bridging Loans and UOB Renovation Loans
- UOB 1.2.1 Banking privileges including annual fee waiver for the UOB Gold Credit Card and priority queues at UOB Group branches
- Under UOB Rewards Plus, the Bank's customer loyalty programme, UOB Home Loan customers will earn UNI\$1 for every S\$10,000 outstanding on their home loans. Customers will be able to accumulate and redeem their UNI\$ for a wide range of exclusive rewards, including shopping and dining for free

For more information, customers can call 1800 22 22 121 (24-hour), visit www.uobgroup.com or drop by any UOB Group branch to speak to our Personal Bankers.

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