

UK-Home Ownership Program FAQs

1. What is UK-Home Ownership Program (UK-HOP)?
UK-HOP is a program to enable you to acquire your dream home in the UK. It is a Shariah-compliant, debt-free, interest-free program where you sign a contract with WBL Property (UK) Limited (WBP), a subsidiary of Waafi Bank to rent and finally own the property.

The program is based on the diminishing musharaka and ijarah Shariah concept.

2. How to participate in the UK-HOP?
 - a. Once you have an intention or found a house in the UK to purchase, please reach out to us
 - b. Upon meeting all eligibility and affordability criteria, WBP will purchase the house on your behalf
 - c. Sign-up a Musharaka and ijarah contracts with WBP
 - d. Pay monthly rental to increase your equity
 - e. Once you acquire 100% equity, the house is yours
3. What are the eligibility criteria?
 - a. You must be a UK resident
 - b. Own a Waafi Bank account with at least six (6) months transactions history
 - c. Meet a minimum deposit of 15% of the advertised property price in your Waafi Bank account
 - d. Intend to live in the house to be purchased
 - e. Meet the affordability criteria
4. What is the affordability assessment?
Affordability assessment is an evaluation of your monthly household income vs. expenses. It is to determine whether you can meet the monthly financial commitment towards the purchase of the house.
5. Is there a processing fee?
Yes. The processing fee is £2,000.
6. What is the maximum funding amount?
The maximum funding is £350,000 or 85% of the property value, whichever is lower.

Example 1:

Cost of acquiring the house: £200,000

Maximum funding: £170,000 (85% of £200,000)

Minimum deposit: £30,000

Example 2:

Cost of acquiring the house: £600,000

Maximum funding: £350,000

Minimum deposit: £250,000

7. What is the rental/ijarah term limit?
The rental/ijarah term is for a maximum of 20 years.
8. Can a non-UK resident participate in this program?
No. The program is exclusively for UK residents.

UK-Home Ownership Program FAQs

9. Can the property be used for rental investment?

No. The property must be owner-occupied.

10. Can a self-employed participate the program?

Absolutely, and the applicant must provide proof of source of income for us to assess the affordability.

11. Can I purchase a house jointly with the third party?

Yes, provided the pay master has a bank account with Waafi Bank, and as long as the property is to be occupied by either the purchaser or the nominated third party.