

Frequently Asked Questions

What does the Land Loan product provide?

- This Land Loan product is provided to customers who desire to buy a residential vacant land with intention to build.
- This Land Loan allows you to purchase the land now while you continue to plan and prepare to build your new home or investment property.

What are the general requirements for applying for a Land Loan from Merchant Finance?

1. Fiji Citizen and be at least 18 years of age.
2. Executed Sale & Purchase agreement.
3. 2 Valid Photo ID.
4. Birth Certificate & Marriage Certificate (if applicable).
5. TIN letter or Joint FNPf/FRCS Card.
6. Pay slip for the last 3 months.
7. Proof of employment from Employer.
8. Financial report for self-employed/ annual tax return.
9. FNPf Statement on Housing Withdrawal Eligibility.
10. Bank and Credit statements for the last 6 months. To be provided for all existing bank accounts.
11. Copy of the Land Title or Agreement for Lease (Freehold, native, crown and housing authority lease).
12. Copy of Sale & Purchase agreement or Lease Offer from TLTB.
13. Copy of recent Valuation Report from one of the MFL approved panel of valuers.
14. Any other documents that may be required by Merchant Finance.

What are the general requirements for applying for a Land Loan from Merchant Finance?

- A deposit of 10% of the purchased price is required.

Who can apply?

- Individuals in paid employment
- Professionals
- Partners in Firms
- Sole Traders
- Directors in legally registered companies
- Self-employed individuals

How much can I borrow for first Land Loan?

- You can borrow up to a maximum amount of \$500,000.

What is the maximum term for a Land Loan?

- The maximum loan term is 10 years, depending on the borrower's retirement age.

What is Merchant Finance's interest rate & fees for Land Loan?

- The interest rate is 10% on reducing balance.
- An establishment fee of 1% is charged on the requested loan amount for all Land Loan and is collected prior to settlement.

Which type of land are eligible for Land Loan?

- Additionally, we offer financing for land under Agreement for Leases (land only), provided the leases are for residential purposes.
- Various characteristics and classifications of land may not qualify for Land Loan due to factors including, but not limited to, geographical location, dimensions, property boundaries, and zoning regulations.
- Other types of land leases such as commercial and agriculture are excluded.

What is the maximum land size for a Land Loan?

- The maximum land size is 1 acre.

Tell us how Land Loan approval process works if I want to buy a land?

- Get an eligibility assessment done from one of our Lending Officers to find out the total loan amount that you are eligible for.

- Identify a residential land that you want to buy.
- Secure the land through a signed sale and purchase agreement with the owner/seller.
- Provide all required documentations to Merchant Finance.
- Merchant Finance will assess your application and determine whether to approve or decline it based on your ability to meet our Land Loan requirements.
- If approved, you will need to meet all approval conditions, including signing an offer letter and the loan agreement, and the registration of security documents.
- Once all approval conditions are met, Merchant Finance will proceed with the settlement of the loan and purchase of the land.

How much of my salary can be used for loan repayments?

- The maximum amount of salary used for your loan repayment is 50%. This includes existing and new credit commitments as well as credit cards and hire purchase.

How long does Land Loan approval take?

- If all documentations are in order, it will take a minimum of 10 working days to get a Land Loan approved.
- After a loan is approved and all approval conditions are met, it will then take at least 30 working days to settle a loan if provided all necessary consent are in place.

Can you refinance to other banks after you secure your Land Loan with Merchant Finance?

- Yes, you can refinance. There is no fee charged if you do this.

Why should I choose Merchant Finance?

1. Affordable financing option for land purchase.
2. Competitive interest rate on reducing balance.
3. Agreement for lease is also accepted. Merchant Finance is also able to finance the survey cost and premium to allow the lease owner to get a registered lease title.

What happens to my Land Loan when I am ready to build?

Visit any of our MFL branches and talk to our Lending Officers, who would be able to provide you options and assist you with your Home Construction Loan application when you are ready to start building.

