

### Factors affecting Loan Interest Rate and Related Loan Products:

1. **Type of Interest Rate:** Aptus offers fixed rate and floating rate to its customers. Floating interest rates change based on changes by the Aptus Prime Lending Rate. With a fixed interest rate, you get the same rate of interest throughout the tenure of your loan.
2. **Income proof** - Proof of income by Income tax returns, GST returns, salary slip , salary credited into bank statement , is very important parameter for fixing the interest rates
3. **Bank statement** – The inflows, outflows, average balances in bank statement, bounces in bank statement, minimum balances etc., plays an important factor in interest rates
4. **Loan to Value Ratio (LTV):** LTV refers to the percentage of the property value that can be financed through the loan. A larger quantum of loan to value attracts a higher rate of interest because it is a higher credit risk.
5. **Property's Location and Condition:** The location of property, its current location, age of property and amenities available determine its resale value. A higher resale value of property means financial institution incentivizing them to offer lower interest rates to borrower and vice- versa.
6. **Customer Profile:** Customer profile includes various factors to determine interest rate such as Income source. Income source can be categorized as Salaried and Self-employed. Whichever category the applicant falls into, a steady and regular source of income is must.
7. **Applicant's Financial Profile:** Credit report is a statement of repayment history, financial discipline or habits, and creditworthiness. A lower credit score or a no score shows portrays a high credit risk, which would cause lenders to charge a higher rate of interest in order to cover their risks and vice-versa.
8. **Nature of Business:** The nature of business is defined by activities that individual engages in. It is a crucial factor in determining term loan interest rates as it helps the lender in examining whether business is profitable or not.
9. **Business Vintage:** Established businesses have a proven track record of handling credit. Unlike new businesses, they provide the lender with a sense of security, which translates into lower interest rates.
10. **Credit History:** Credit score has emerged as a critical factor in securing loans at reasonable interest rates. Credit score is a statement of repayment history, financial discipline or habits, and creditworthiness. A lower credit score shows portrays a high credit risk, which would cause lenders to charge a higher rate of interest in order to cover their risks and vice-versa.

### Factors affecting MSME Business Loan and Related Loan Products:

1. **End use of funds:** Use of money for productive or non-productive purpose. End use of funds for business purpose or Personal purpose like marriage, education, Vacation, etc.
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