

السنة الجامعية:

التخصص: ماستر 1 مالية وبنوك إسلامية

الشعبة: محاسبة ومالية

تاريخ الامتحان: 15/05/2024

امتحان مقياس: لغة أجنبية 2

السداسي: الثاني

العلامة

مدة الامتحان: ساعة 00:00-00:00

أستاذ المقياس: بوكروج عبد الله

الدرجة: 1

الاسم واللقب: ...Corrected type..... الفوج: رقم

Islamic Mortgage

An Islamic mortgage is one that's compliant with Sharia law. These mortgages differ from traditional home loans in that they don't involve paying interest, as that's forbidden under Sharia law. In order to qualify for a Sharia mortgage, you'll typically need a deposit of at least 20% of the property. Sharia mortgages are often referred to as Home Purchase Plans (HPP), of which there are three types: Ijara (lease), Musharaka (partnership) and Murabaha (profit).

Ijara: this is when the bank purchases the property you want to buy and leases it to you for a fixed term, at an agreed monthly cost. When the term is over, full ownership of the property will be transferred to you.

Musharaka: is a co-ownership agreement, where you and the bank own a separate share of the property. Each time you make a repayment, which is part capital and part rent, you buy more of the bank's share. Consequently, your rent reduces as your share grows and, eventually, you'll own the bank's share of the property.

Murabaha: this is when the bank buys the property on your behalf. They then sell the property to you at a higher price. The higher price is repaid by you in equal instalments over a fixed term. For example, you may be looking to buy a house valued at £150,000, but the bank may sell the property to you for £200,000.

How can I be sure that an Islamic mortgage is Sharia compliant?

Lenders that offer Islamic mortgages will usually be able to show that they've received Sharia compliance guidance from an authority in Islamic law. Islamic mortgages are available from a variety of providers and are regulated by the Financial Conduct Authority (FCA), so customers will get the same protection as they would have, they taken out an interest-charging mortgage.

Are Islamic mortgages more expensive?

Islamic mortgage products can be more expensive than other mortgages because the Sharia-compliant lender has to cover higher administration costs. It's also likely you'll need to put down a larger deposit. For example, a non-Sharia mortgage might be available with a deposit of just 5%, whereas a Sharia mortgage may require a deposit of close to 20%. However, it can vary between providers.

Read the text carefully and be ready to answer

1. Answer these questions according to the text: (4 points)

a) Why Islamic mortgage is compliant with sharia law?

... they don't involve paying interest

b) What are the types of the Islamic mortgage?

... there are three types: Ijara (lease), Musharaka (partnership) and Murabaha (profit).

c) from where should Islamic mortgages Lenders receive Sharia compliance guidance?

from an authority in Islamic law and are regulated by the Financial Conduct Authority ...

d) why Islamic mortgages is more expensive?

the Sharia-compliant lender has to cover higher administration costs and the larger deposit

2. Match the terms with their definitions or expressions: (2 points)

1. agreed monthly cost	Products for investors	3
2. based on chance	Instalments	1
3. new financial models	volatility of the markets	4
4. Presented risks	Gambling	2

3. Fill in the gaps with the following words: (3 points)

Islamic - Purchase - around - Muslims - taking - prohibited

We all know interest-bearing loans are **prohibited** under the sharia. Conventional mortgages are very much that. So how to get **around** that? Well, **Islamic** banks have come up with a product called the “Home **Purchase** Plan” or “HPP”. This allows **Muslims** to buy a house without **taking** out an interest-bearing loan.

Match the antonyms of the words in the left: (3 points)

a) qualify	Ignore	d
b) separate	Uncreated	e
c) equated	Combine	b
d) follow	Unmiserable	f
e) innovative	Disallow	a
f) quantitative	Differ	c

4. Are these statements false or true? (4 points)

- there are three types of Islamic mortgages: moudharaba (lease), Musharaka (partnership) and Murabaha (profit) **FALSE**
- In Islamic car loan the profit of the Islamic bank should be agreed in advance **TRUE**
- Most of the financial products have been developed through software and programs **TRUE**
- Financial engineers work in human resource department **FALSE**

5. Give synonyms from the text to these words: (4 points)

- costly = expensive
- greater = larger
- approximately = close to
- differ = vary