

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF COMMERCE
MASTER OF BANKING AND FINANCE PROGRAMME**

**CUSTOMER PERCEPTION OF HOME LOAN IN
YOMA BANK**

**MYINT MYINT THAN
EMBF 5th BATCH**

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ABSTRACTS

This field study is to examine the factors that influence the Customer decision on demand of housing loan. Besides, the study also determines whether independent variables such as housing price, interest rate, taxation benefits and income level negatively or positively affect the customer decision on housing loan demand whether the model significantly explained the changes in housing loan demand and analyze the customer perception of home Loan in Yoma Bank. In this study, data collections were done with survey questions. Data collection was collected from 62 respondents (out of 100 respondents) who are taking home loan from Thanlyin Star City affordable housing project. Descriptive analysis summarized demographic information of respondent simplified what was the perception of respondent on how interest rate, housing price income level and taxation benefit effect demand of housing loan. The main objectives of the study are identified the products and services of home loan and examined the customer perception of home loan in Yoma Bank for housing development. The statement of the demand for home loan is very important in urban area. In accordance with this statement, people living in the urban area should have proper jobs opportunities followed by the increased income and thus would become home owners by utilizing home loan. According to this study, the annual income is the highest satisfaction level and tax benefit is the lowest. It can be suggested that the bank should pay advise and explain about tax benefit to the customers for their satisfaction.

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LIST OF ABBREVIATIONS

LTV	Loan To Value Ratio
GDB	Gross Domestic Product
OECD	Organisation for Economic Co-operation and Development
FHA	Federal Housing Administration
VA	Veteran Affairs
USDA	The United States of Agriculture
EMI	Equal Monthly Installments
ADF	Augmented Dickey Fuller
IFC	The International Finance Corporation
SME	Small and Medium Enterprise
UNDP	United Nations Development Programme
ANOVA	Analysis of Variance
KBZ	Kanbawza Bank
CB	Co-operative Bank
AYA	Ayarwaddy Bank
CHIDB	Construction and Housing Development Bank
p.a	Per Annual 1145time

CHAPTER (1)

INTRODUCTION

Home is one of the most basic human necessities. Housing has been defined as “the physical structure that man uses for shelter and environs of that structure included all necessary services, facilities, equipment and devices needed for the physical and mental health and social well-being of the family and individual” (Ghose Et. 1987). House can be said to be a store of wealth and thus can be used as an asset by its owner. Housing is not only a basic requirement for humans to lead life but also it acts as a progress indicator of the nation. A good housing is a requisite for people to realize their full potential and to lead the life the way they want to. Housing being an investment activity provides impetus to economic growth both for the owner and the nation. Housing not only comprises household facilities but also consists of number of services, facilities and utilities that connects the individual and his family to community and community to the region in which a person grows and progress (Thomas, 2014). It has been observed that a man spends around two thirds of his lifetime at his home.

A house is essential to every family. Despite regular income, some do not have enough money to buy a house and thus banks are providing loans for those people to be able to make down payment or affordable monthly mortgage instalments. Access to acceptable housing is one of the elementary human needs as well as one of the keys to peace and happiness.

A home loan or mortgage loan means a sum of money borrowed from a financial institution or bank to purchase a house. Mortgage loans consist of an adjustable or fixed interest rate and payment terms. People generally take a mortgage loan for either buying a house/flat or a plot of land for construction of a house, or renovation, extension and repairs to the existing house. The property is mortgaged to the lender as a security till the repayment of the loan. The bank or financial institution to hold the title or deed to the property till the loan has been paid back with the interest due for it. The interest rates for mortgage loans can be fixed or floating, or partly fixed and or partly floating, suiting the needs of the borrower. However, the borrower must show that he has a stable and permanent job. How long must the bower has the job varies from one financial institution to another. Usually, there is a requirement for at least six months in the current job. Then the salary incomes. The

amount of income from the main job must be sufficient to pay the agreed repayments to the bank plus enough to cover the living costs. Most borrowers demand one third of the total income of the lenders must meet to pay the instalments previously arranged.

In addition, the home buyers must pay the specified amount of money to the lenders which is termed as a deposit. The more borrower can pay the deposit, the bigger the choice of mortgages that would be available to borrower. In England, the middle class took the mortgages with low interest rates to buy properties in the 1930s. In the USA, the mortgage market occurred from 1949, in the mid-19th century, although mortgages to farmers in some regions of the United States began in early 18th century.

The mortgage market is handled differently in different countries. In the US, down payment is not required in all circumstances. In Japan, a buyer needs 10% down payment whereas 15% in India. In most Asian countries including China, demands 30% and in Vietnam, 40-45%.

In and around 1994, the Myanmar government sold farm lands around the city in Yangon and beyond to the private sector so as to make contribution to the urbanization. Hlaing Tharyar Housing and Yu Za Na housing in Yangon are popular in this instance. The estates have been sold under the long-term loans by the banks with small amount of deposit. After the banking crisis in 2003, banks restricted their lending tightly in the mortgage loans sector. However, around 2016 Yoma Bank reintroduced mortgage loan to the customers, the main target is the apartments from Star City housing and City Loft project in Thanlyin Star City and Pun Hlaing Estate project in Hlaing Tharyar.

When it comes to affordable housing projects, the assessment of borrowers ability to meet the repayments must be taken into consideration. The pre-tax income (gross income) of the household, the ratio of the expenditure and the mortgage repayments are taken into account. Lenders typically want no more than 28% of the gross monthly income to go toward the housing expenses, including mortgage payment, property taxes and insurance. If a household has to pay other debts such as credit card payments, student loans, car loans, etc. on monthly basis, then the total should not exceed 36% of the household gross income. This is called “The mortgage

rule of thumb,” or sometimes “the rule of 28/36.” If a household exceeds these limits, it is unlikely that a bank offers a mortgage loan.

Furthermore, banks require a down payment to contribute a portion of the cost of the property. The loan to value ratio (or LTV) is the size of the loan against the value of the property. Therefore, a home loan in which the purchaser has made a down payment of 20% has a loan to value ratio (LTV) of 80%. LTV is considered an important indicator of the riskiness of a home loan: the higher the LTV, the riskier the loan is. It means in case of foreclosure or repossession – the lender has to foreclose, repossess or seize the property under certain circumstances – there is no sufficient amount to cover the remaining principal of the loan.

Myanmar is still in emerging economies and the majority of the populace might not even have bank accounts. As a consequence, a large percentage of potential home loan borrowers may not qualify on the basis of this criterion. Banks may require to add close family members or relatives to form a partnership for a mortgage loan. And there is a strong correlation between economic development and the size of the mortgage market. The GDP per capita of Myanmar is US\$1326.0 in 2018 (World Bank national accounts data, and OECD National Accounts data files), the biggest size of the loans can be considered safe at $USD\ 1326 \times 5 = USD\ 6630$, MMR Kyats 9 945 000, depending on the individual household circumstances.

On the other hand, Article 52 and 54 of Financial Institutions Law (Pyidaungsu Hluttaw Law No. 20, 2016) permit private banks those financial services, inter alia, to obtain sustainable economic development of the State and to develop the financial sector or the State.

1.1 Rationale of the Study

Currently, more and more people are buying houses or home with long-term mortgages, some lasting 20 to 25 years of repayment terms. Selling houses, condominiums and apartments with this type of payment brings more opportunities for medium income earners to become home owners. Likewise for business owners, those want to invest in property market. As the business doesn't need to invest 100% of the property value and with those saving money can invest elsewhere so that the business can run smoothly.

In Myanmar, 29 percent of the population lives in urban areas. Yangon city houses 5.2 million followed by 2.1 million in Mandalay city and 400,000 in Nay Pyi Taw. The location, the weather and better transport communication of Yangon city attracts migrants from rural areas for better education, living conditions and working opportunities. Nowadays, foreigners and ex-Myanmar citizens are very keen to invest in Myanmar. Migration data indicate that approximately 100,000 affordable housing units are required in Yangon to accommodate migrant from other states and regions.

Yoma Bank tends to implement more housing projects in Yangon such as City Loft project in Star City and Pun Hlaing Estate project in Hlaing Tharyar and Yoma Central project next to Bogyoke Market.

Generally, when people want to buy a house or an apartment, there is a burden for most people as a result of higher interest rate charged by the bank. From the bank point of view, they get interest from those who takes loan from them and with that interest income the bank can invest elsewhere. That is how the banks generate their income. When someone wants to take home loan from the bank, the person needs to consider the interest rate first. Those reasons are intend to study customer perception of home loan in Yoma Bank and to find out the influencing factors of Housing Prices, Interest Rate, Tax Benefits and Income.

1.2 Objectives of the Study

The objectives of this paper are as follows:

- (i) To identify the products, services and home loan provided by Yoma Bank.
- (ii) To examine the customer perception of home loan in Yoma Bank for housing development.

1.3 Scope and Method of the Study

This study focused on customer perception of home loan in Yoma Bank. The primary is collected from responses of 62 customers who is using home loan from Yoma Bank. The sample size is 62 (62%) out of 100 customers those taking home loan for Thanlyin Star City affordable Housing Project. Survey is done through by email, answering well-organised questionnaires. Data collection time is from January 2019 to November 2019. In this questionnaire, it included the question with 5 points Likert scale. Secondary data is obtained from Department of Home Loan with Yoma Bank, internet web sites and from the library of Yangon University of Economics.

1.4 Organization of the Study

This thesis includes five chapters. Chapter 1 is introduction of the study and included rational of the study, objective of the study, scope and method of the study and organization of the study. Chapter 2 is literature review about Definition of home loan or housing loan, factors influencing on home loan, conceptual framework of the study and factors affecting demand of home loan. Chapter 3 consists of profile of Yoma Bank regarding background history of Yoma Bank, products and services provided for personal, products and services provided for business and home loan of Yoma Bank. Chapter 4 is analysis on customer perception of home loan in Yoma Bank. Chapter 5 is conclusion about findings and discussion, recommendation and need for further studies.

CHAPTER (2)

LITERATURE REVIEW

This chapter overviews literature on definition of home loan or housing loan, the types of home loan and influencing factors on home loan. The literature review provides the theoretical foundation for the research.

2.1 Definition of Home Loan or Housing Loan

Home loan or housing loan or mortgage loan is one of the services provided by mostly commercial institutions. In the current trend, banking institution is losing their market shares (Mylonakis, 2007). Due to technology advancement, information about every product and services in banking industry are transparency. Potential customers can compare the interest rates, packages and services offered by every bank. Likewise, internet banking had widely spread across the whole nation due to the convenient of places, time and cost saving (Arnold and Ewijk, 2011).

The price of a typical house was above 3 times the annual families' income of the borrowers. Although, the entire system of housing allocation and credit the supply of affordable funds was much smaller than demand. Thus, large growth in urban population and the historically low priority given to housing, supply falls very short of demand and need. Therefore, not only that the volume of saving and investments should increase but also larger volumes of capital should flow into housing. Also, accessibility and terms and condition of housing credit determine the long-term redistribution performance in housing. (Housing Credit Situation in Eighties, Lall Vinay, 1984) public investment in and promotion of homeownership and the home mortgage market often relies on three justifications to supplement shelter goals: to build household wealth and economic self-sufficiency, to generate positive social psychological states, and to develop stable neighborhoods and communities.

On the conditions under which homeownership is obtained, maintained, leveraged and in some situations exited. Given that high leverage or trigger events such as job loss and medical problems play significant roles in mortgage delinquency independent of loan terms, better origination practices cannot eliminate the need for delinquency management. In terms of analyzing this framework, it is tempting to focus on its impact on mortgage credit cost and access or on the absolute number of homes temporarily saved. (Jaco Melissa B, 2002)

2.2 Types of Home Loan or Housing Loan

There are different types of home loan available to the home buyers. They are fixed rate home loan, adjustable rate home loan, conventional loan, FHA (Federal Housing administration) loan, VA (Veteran Affairs) loan and USDA (The United States of agriculture) loan. Fixed rate home loan is a fully amortizing home loan: the interest rate on the note remains the same through the term of the home loan, as opposed to loans where the interest rate may float or adjustable. An adjustable-rate home loan is a type of loan in which the interest rate applies on the outstanding balance varies throughout the life of the loan. With an adjustable-rate loan, the initial interest rate is fixed for a period time, after that it resets periodically, often even monthly or every year. A conventional loan is a home loan that is not insured or guaranteed by any government agency. It is typically fixed in its terms and rate. An FHA (Federal Housing Administration) loan is a home loan issued by FHA-approved lender and insured by the Federal Housing Administration (FHA). As of 2019, can borrow up to 96.5% of the value of a home with an FHA loan (that is mean the borrower needs to make a down payment of only 3.5%). AVA loan is a home loan in the United States guaranteed by the United States Department of Veterans Affairs (VA). The basic intention of this loan program is to support home financing to eligible veterans and to help veterans purchase properties without down payments. A USDA home loan is no down payment for eligible rural and suburban homebuyers. USDA home loans are issued through the USDA home loan program, people known as the USDA Rural Development Guaranteed Home Loan Program, by the United States Department of Agriculture.

2.3 Influencing Factors of Home Loan

Consumers constantly make decisions regarding the choice, purchase, and use of goods and services. These decisions are of great importance not only for the consumers themselves, but also for marketers. However, understanding these decisions is difficult. Consumers are often provided with a large number of alternatives, which are constantly changing due to changes in technology, competitive pressures and a great deal of information available from many sources like media, magazines, colleagues, previous users etc. Consumer purchase decisions are the series of choices made by a consumer prior to making a purchase. The consumer makes

decision on place of purchase, quality, quantity and the occasion of purchase. The marketer attempts to influence each of these decisions through their marketing stimuli/strategies that may shape the consumer's evaluation process. Housing loans is a complex product where consumer experiences various problems while acquiring and after that. Different characteristics of the consumers get result in the different attitudes towards borrowing. There are a number of factors affecting consumers' decision to borrow in terms of the socio-economic characteristics of the consumers (Ojo and Ighalo, 2008; Deng Zheng and Ling, 2004; Chien and Devandy, 2001).

Ruchi Bhatia Jayender Verma (2014) intended to identify the various factors and their extent that influence urban households to borrow home loans and to analyze the extent of various factors attributable to borrow home loans. The author pointed out various main reasons for borrowing a home loan that can be listed as family size and requirements, creation of wealth, future security, utilization of rentals as EMI, tax saving, social pressure and social status and easy availability of home loans.

Noorul Hafizah Hashim, and Mutia Sobihah Abdul Halim (2014) made the comparative Evaluation between conventional and Islamic Bank in Malaysia on determinants factor of Housing Loan/House Financing Pricing. The main objective of this research is to identify the factors in determining housing loan pricing in conventional bank and Islamic banks. The results concluded that inflation as one of the factors in determining housing prices.

2.4 Factors Affecting Demand of Home Loan

The study is focused on the demand of housing loan and how does the independent variables (housing prices, interest rates, taxation benefits and income level) affect the dependent variable.

2.4.1 Demand of Home Loan

Nowadays, borrow mortgage loan from financial institutions is the primary way for individuals who are not affordable, but wish to purchase their own house (Ismail, Bujang, Jiram, Zarin and Jaafar,2015). In Albania, the government is providing a dwelling for the citizens, but this is not the government's priority; therefore some citizens have to rely on housing loan in order to purchase a house (Shahini, 2014). The demand of housing loan also reflects the performance of the housing

market, which is the apprehension of the banking industry, real estate industry and so on.

In India, the mortgage loan market has grown at a sharp rate of over 40% from year 2011 to the year 2014. According to the report of one of the industry experts, has stated that in the future, the opportunity to drastic decline in growth rates would be very small. Hence, it is important to find out the key determinants that have been led to this rapid growth period (Kumar & Sudha, 2014). Moreover, income level has become the most significant factor in the rapid growth of demand of housing loan as compared to housing prices, thus more people are becoming affordable to purchase houses.

According to Ismail, Bujang, Jiram, Zarin and Jaafar (2015), the purchasing of houses is often completed by financing through a bank or private financial institutions. Besides, the majority of the buyers prefer to borrow housing loan because the loan obtained is able to help buyers in financial terms.

2.4.2 Housing Price

The aim of the research of Oikarinen (2008) is to find more evidence to prove that there is linkage between the housing prices and housing loan. Using the methodology Johansen Trace Test to examine whether there is a long-term relationship between the housing price and demand of housing loan. The result shows that there is a two way interaction between housing price and demand of housing loan. In other words, housing loan may be positively affect the housing prices, while housing process is also positively affect the housing loan. The housing prices are determined by the demand for housing. The availability of the housing loan also affect the demand for housing. In another way, the housing prices will influence housing loan through the wealth effect.

The objective of the research conducted by Addae-Dapaah (2014) is to determine the short run and long run relationship to ascertain the extent to which the government can implement some policy to control the housing market inflation. The result reveals the housing price is positively correlated with the housing loan in the long run using long run co-integration test. But there is no correlation between housing prices and housing loan in the short run. The researcher explained that people

tend to spend or take a bigger loan than usual when the property prices is rising, this is due to the increasing of collateral value that makes banks more willing to grant a loan.

Besides, Anundsen and Jansen (2013) used the co-integration analysis to conclude that the housing prices are depending on the real disposable income, household borrowing and the housing stock in the long-run. This analysis method is more efficient compared to recent studies that used single equation method. The researchers also explain that many recent studies failed to include supply side effects when taking housing prices into account, since the supply of housing can affect the housing prices. Anundsen and Jansen (2013) also show that the interest rate can influence the housing prices indirectly. There is an interdependent relationship between housing prices and housing loan in the long-run, since higher housing prices could trigger more loans due to the collateral effects.

2.4.3 Interest Rates of Home Loan

Ye, Deng and Li (2014) explain that a change in interest rates has significant impact on the mortgagors' choice of loan length. Micro-econometric approach was used to study examine how the spread between short-term interest rate and long-term interest rate of mortgage affects the choice. As a result, an increase of 10 basis points caused the probability of consumers choosing short-term loans by 8.4%. This indicates that when there is a variation in interest rate, consumers have a different perspective on the demand of housing loan in term of duration, amount as well as type of loans.

2.4.4 Taxation Benefits

Every year, companies, businesses and individuals are bound to file an income tax report in order to find out whether they eligible for any tx refund or owe any taxes. Income tax is the main source of funds that allows the government to carry out a different kind of policy and serve the public. Everyone is bound to file and pay taxes to the government when the time comes.

Chou and Francis (2011) investigate the impact of tax treatment on home ownership. The researcher develops a quantitative general equilibrium lifecycle model with ignore the house price fluctuations to determine whether to eliminate certain or all benefits determination affect the home ownership. Author concludes

that removing of taxation benefit will encourage people who have intention to own a home to buy a larger or more luxury home. This causes an increase in borrowing if the people plan to finance the home with a mortgage loan.

Chambers, Garriga and Schlagenhauf (2009) study how asymmetries in tax treatment and how home ownership effected by changes in income tax. A quantitative general equilibrium overlapping generation model is conducted to investigate this issue. The researcher had come out with the same conclusion with previous author where mortgage interest deduction may reduce the home ownership rate. Author suggests that the benefits provided the lesser taxation revenue collected. Therefore, the government may increase income tax rates or any other charges to cover back expenses on tax benefits given. This eliminates the incentive of home ownership and hence there is no effect or might be a negative effect on housing demand.

2.4.5 Income Level

Income level is the level of income earned by an individual given a period of time (Gallin, 2003). High income level means the individual earned an income higher than the average; while low income level means the individual earned an income lower than the average. Kim (2010) has done research about the relationship between unsold new housing stocks and demand-supply in the housing market by using augmented Dickey-Fuller (ADF) method . In the journal, the author states that income level definitely affects the demand of housing loan and the amount of loan is proportional to the income level of the borrower. The author's findings show that income level positively and significantly affects the demand of housing loans. This is because when households expect their incomes to increase, they are likely to demand for bigger loans. On the other hand, decrease in income would discourage households from taking loans or from taking bigger loans.

2.5 Review of Relevant Theoretical Model

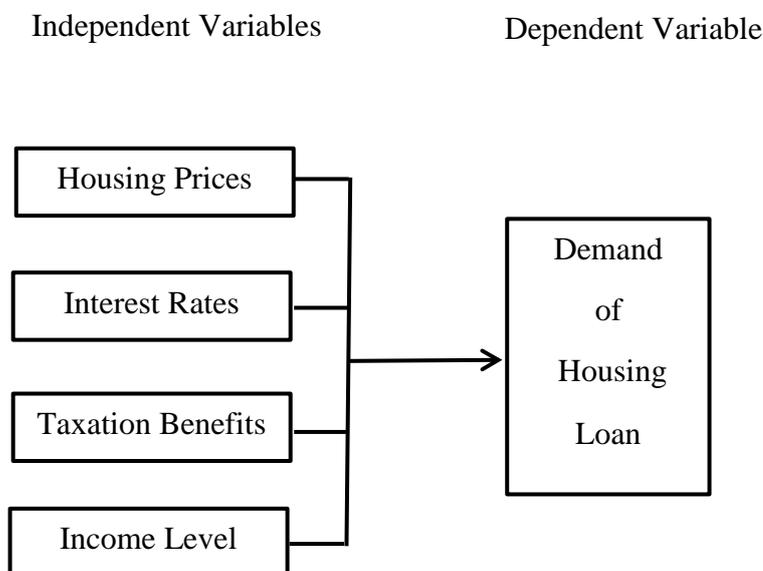
This theory of Demographic and Economic Factors on Housing Consumption Decision by previous researcher is as follows. According to Almaden (2014), the theory of demographic and economic factors on housing-consumption decisions are able to explain the relationship between the factors and housing demand decisions.

The demographic and socioeconomic trends in the market are significantly affecting the housing market activity which also directly influences the demand of housing loan. The key driver of housing demand is the growth of the population in a country and the rate of household formation. The higher the rate of household formation, the greater the housing demands as well as housing loan. Moreover, the larger the family size, the higher the education level a person has and the permanency of the job the person has greater potential to buy a house. However, housing consumption decisions not only rely on demographic factors, but also look into economic factors such as income or wealth or a combination of the two (Bujang, Zarin & Jumadi, 2010).

2.6 Conceptual Framework of the Previous Study

According to the previous researcher studied the conceptual framework as below and found that housing price, interest rate, taxation benefits and income level can be conducted to have a positive relationship with housing loan demand at the point whether the increase in housing price or income level is increased the housing loan demand.

Figure 2.1 Proposed Theoretical and Conceptual Framework on Factors Affecting Demand of Housing Loan in Malaysia

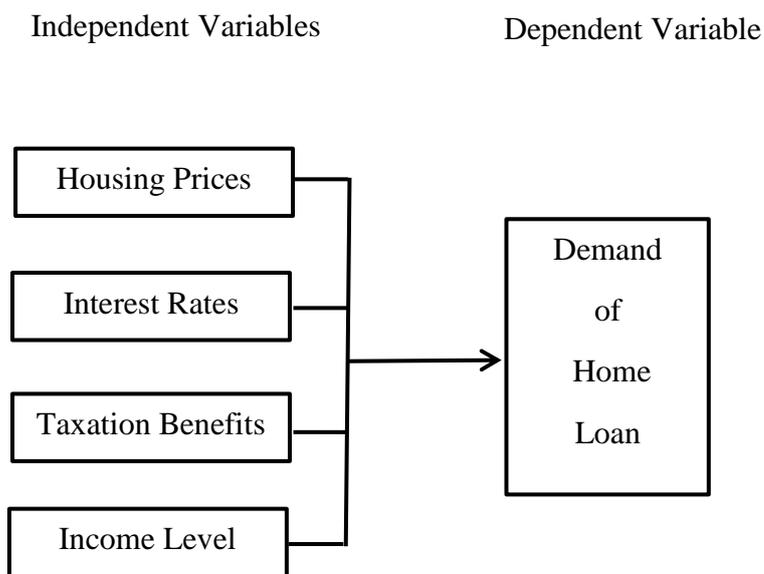


Source: Developed for the research

2.7 Conceptual Framework of the Study

After considering the literature review, the customer perception is focused on the demand of housing loan and how does the independent variables (income level, interest rate, taxation benefit and housing prices) affect the dependent variable. The study uses the following conceptual framework to analyse the relationship between dependent and independent variables.

Figure 2.2 Conceptual Framework of the Study



Source: Adopted from research project submitted from University Tunku Abdul Rahman (April2017)

CHAPTER (3)

PRODUCTS, SERVICES AND HOME LOAN PROVIDED BY YOMA BANK

This chapter includes background history of Yoma Bank, products and services provided by Yoma Bank and home loan provided by Yoma Bank.

3.1 Background History of Yoma Bank

In 1993, entrepreneur Mr. Serge Pun released the very first branch of Yoma Bank, a new kind of financial institution designed to bring Myanmar's finance industry into the modern world. Yoma Bank became one of the largest banks, within ten years in the country. It created Myanmar's most efficient remittance service, by investing in wireless banking technology and Myanmar's first computerized accounting system. By adhering to international standards of accountability and transparency, Yoma Bank forged the strong, global relationships that have made it the industry leader in international banking services. Today, with our hybrid platform and full range of local and international financial services, Yoma Bank continues to define the next generation of banking in Myanmar. Yoma Bank has made significant investments in strategic priorities- people, technology and cooperate governance over the past few years. Yoma Bank is Myanmar's fourth largest bank in assets with over 3000 employees and 82 branches across the country. Yoma Bank was the international finance corporation's (IFC) first direct investment in Myanmar in 2014 and it benefited from a comprehensive 3 year advisory package to update credit risk management, finance, treasury, product development and to procure in new core banking system (Misys Fusion Banking Essence). Yoma Bank also receives on going technical assistant from GIZ, The German development agency, to expand and improve our SME (Small & Medium Enterprise) lending. Yoma Bank formed as strategic partnership with Telenor (Myanmar's largest foreign Telco) to develop nation wide digital financial services through the formation of Wave Money, a mobile financial services company in 2015. Yoma Bank has benefited from a significant grant from UNDP administrated trust fund, LIFT, a multi-donor to expend agribusiness finance to Myanmar's underserved agriculture community-a key segment in Myanmar's development. Technical assistant for this program is provided by Rabo Bank, A Dutch Agriculture Bank. Yoma Bank is committed to financial in inclusion in Myanmar.

The Core Mission are customer focus, people development, teamwork and pride in the organization.

The Code of Conduct are act with integrity and honesty, avoid conflicts of interest, avoid related part transactions, refuse gifts, do not become involved with bribery or corruption, act responsibly and follow rules and legislation and report misconduct.

3.2 Products and Services Provided by Yoma Bank

From the transaction point of view, the bank offers the Products and Services for Personal and Business.

(1) Products and Services for Personal

A SMART Account is the gateway to Yoma Bank's SMART products and services allows customer to manage money anytime, anywhere and from any device.

Domestic Remittance provides to the person could send money to friends and family from anywhere to anywhere. With locations throughout the country. Yoma Bank has the most secure remittance and pay reliable service in Myanmar.

Guarantee secure payments to third parties with Yoma Bank payment orders. It is fast, simple, reliable and the payment orders are very perfect for paying taxes, fulfilling bids and tenders and making high value purchases.

The JZu Account, a revolutionary savings accounts, that allows the account holder to earn interest and gives an opportunity to win up to three times in the monthly prize draws.

Savings deposit account means as an individual holder or joint or a member of a shared account, the account holder receives all of the benefits of a current account plus annual interest at a rate of 8% (p.a.)

Fixed account is the most effective and secure way to grow money and plan for future. By committing to secure, longer-term deposits, account holder can enjoy the highest interest rates. The account holder can deposit at any time during the month and remain eligible for interest payments.

The Current Account is the key to full range of personal banking services, either as an individual or a member of a shared account. The joint account could be accessed and managed by two or more parties. The account owner can share authority securely over funds with the key employees and business partners.

Call account is member of a shared account or an individual account, the holders receive all the benefits of a Current Account while accruing interest.

Employee of Yoma Bank may borrow the money as a salary advance when they need for emergencies and shortages. The employee can get up to 30% of paycheck deposited directly into borrower SMART account and pay it back when they get paid.

Salary loan allow to the employee, can borrow up to one month's salary deposited directly into the SMART account is called salary loan.

With a Yoma Bank Home Loan, buying the perfect home is as easy as turning the key. The applicant can inquire at the any local branch and the financial experts give guidance on easy application process.

Whether it's a brand new car, motorcycle or commercial vehicle, next purchase can be financed with Yoma Bank hire purchase with a flexible payment schedule.

If the person has a SMART Account, the person may be eligible for SMART Credit, a line of credit up to 3,000,000 Kyats exclusive to SMART users. Application can be made online, no need to pay collateral or guarantors required and funds quickly deposited into the person's SMART account.

The following services are also available from Yoma Bank:

Now, the SMART account holders can send and receive money from anywhere in Myanmar through Wave Money, Myanmar's leading digital money transfer platform. The account can be linked with Wave Wallet, giving the holder unlimited use of Wave Money's cash in, cash out feature to send and receive money from 45,000 kyats Wave Money locations across the country.

Account holder can get the best of Myanmar's international banking services by opening a foreign currency account as an individual, joint or company at Yoma Bank.

SMART Suite is an all-inclusive banking platform that allows the holder to access a range of personal and business banking services twenty four seven, anywhere. The holder can manage money, apply for loans, and transfer funds using a single account. The features include free MPU debit card and it can be linked with the holder's Wave Money Account which has access over 40,000 Wave shops throughout the country.

Yoma Bank's beautifully designed gift cheques can be a safe and secure way to give money for weddings, birthdays, holidays and other special occasions. With Yoma Bank's Mobile Banking app, the holder of an account can check balance, make transfers, pay bills and access many other services any time without visiting a physical branch.

(2) Products and Services for Business

Yoma Bank's business current account offers full range of banking services specifically tailored to meet the business needs. Features are making and receiving payments, applying for loans, drawing cash, making transfers and much more.

Yoma Bank's Business fixed deposit account allows the business to efficiently and securely grow their capital. Long-term deposits can be made at any time of the month with attractive interest rate.

Yoma Bank's foreign currency account can be opened as an individual, company or member of a joint account. Features include foreign currencies and international payments (eg: Letter of Credit and remittance).

Loans options available for business are:

Yoma Bank's Overdraft is a short-term credit to help the business manage their immediate working capital requirements. Interest is calculated daily based on the portion of the limit used so the business only pays for what they need.

A Yoma Bank Business Loan is a general loan to finance a range of business purposes, including single asset purchases, long term business expansion plans or general working capital. It is available for limited company, sole trader or partnership business and fixed interest rates for up to 3 years.

Whether it's a new car, motorcycle or commercial vehicle, the business can finance its next purchase with Yoma Bank Hire Purchase.

SMART Credit Business is a scalable working capital loan for small business customers of Yoma Bank. With initial loans of up to 5,000,000 kyats, and renewals as high as 10,000,000 kyats, SMART credit business can help grow the business's enterprise, without requiring collateral, many extensive paperwork, or guarantors.

Under Treasury, Yoma Bank offers foreign exchange solutions, hedging solutions, money market solutions. Trade and Finance services for business are import services, export services and guarantee. More services available for business are payroll service, international remittances, mobile banking and easy SME.

3.3 Home Loan provided by Yoma Bank

Yoma Bank provides home loan to customers including apartments, mini condos, condos and estates and land. The interest rate is 13% per annum it is the same with other banks' rates. Yoma Bank allows borrowers for early repayments unless the loan period does not exceed 3 years. The loan term is maximum 25 years for condos and estate, maximum 15 years for apartments. Yoma Bank home loan charges 1.5% for lawyer fees, assessor fees, underlying document fees.

With a Yoma Bank Home Loan, buying the perfect home is as easy as turning the key. Inquire at any local Yoma Bank branch and let the financial experts guide customer through easy application process. The application process is very easy to know because the skilled home loan specialists guide for every step of the way.

The minimum down payment needs to pay only 30% down on the new home loan. The flexible loan terms up to 25 years, take as much time as the customer need to repay. But the maximum loan terms are vary depending on property type.

The home loan specialists paying guide to the borrower through the easy application process and, most importantly, help to the borrower gets the very best terms for new loan.

When someone wants to get home loan, the first step is need to contact the nearest Yoma Bank branch to begin a discussion with home loan specialists about the loan needs. Together, should determine what kind of loan is right for the borrower, including interest rate, down payment and monthly payments. It is called get pre-approval.

For the second step, the borrower got the pre-approval from the bank, what kind of loan the borrower qualifies for and acquiring a home loan proposition from Yoma Bank, start researching and exploring potential properties that fit your budget. That is called find the borrower new home.

Third step is, after determining find the new home, the bank has to contact the seller and prepare documentation. When the borrower found perfect home, need to contact the seller and begin filling out the required forms and documents.

The fourth step is to submit the application: apply the home loan by submitting the necessary documents at one of the Yoma Bank branches. The home loan specialists do proceed with the asset valuation, inspection of the property and

your income statement. The borrower can expect to hear a response from the bank within two to three weeks.

The buyer needs to submit the original National Registration Card and family registration list, the ward recommendation letter (original) as a proof of residence, confirmation of employment and most recent three-month payslips (if employed), valid business licence and DICA information (if self-employed) and the financial statements and income tax receipt (if self-employed)

The seller needs to submit the original National Registration Card and the family list, land plot map (Form 105) and land history form (Form 106), copies of grant titles, free-hold or related sales contract; the contract between the developer and the land owner (if applicable) and any other ownership-related documents.

For full document requirements, the buyer or seller can ask to the skilled home loan specialist at any local branch.

For the land and building, condo and mini-condo, the loan term is up to 25 years and down payment is 30%. But, for apartment, loan term is up to 15 years and down payment is 30%.

The interest rate is 13% per annum and interest for 50% down payment is 11% per annum. Processing expenses covering assessor and lawyer fees is 1.5% of the approval loan amount. The penalty (late fee) is 3.5% per month on past due principal and early repayment fee (if paid within first 3 years) is 3% on the outstanding principal balance.

Above are the needed and information about provided home loan by Yoma Bank.

CHAPTER 4
ANALYSIS ON CUSTOMER PERCEPTION OF HOME LOAN IN
YOMA BANK

In this chapter, it states the result from the Customer Perception on Home Loan in Yoma Bank. Descriptive analysis summarized demographic information of respondent simplified what was the perception of respondent on how interest rate, housing price income level and taxation benefit effect demand of housing loan.

4.1 Research Design

Research design connection to how data collection and analysis structured in order to reach the research objectives through empirical evidence economically. A survey research design is an attempt to collect data from the number of populations in order to determine the recent status of that population with respect to more than one variable. Descriptive survey research intends to produce accurate depictions of situations, events and persons and exploratory research targets at asking questions, looking for new insights into phenomena and assessment of phenomena in new light (Sekaran, 2006). Refer to Cooper and Schindler (2007) research design is the plan and structure of examination so conceived as to obtain solutions to research queries. This research studies customer perception of home loan in Yoma Bank particularly from Thanlyin Star City affordable Housing Project. Primary data collected through emails and answering well-organised questionnaires. There are 62 respondents (out of 100 customers) who taking home loan for Thanlyin Star City affordable Housing Project. To get the answers, there are two parts for the questionnaires. The respondents need to give point 1 for disagree, point 2 for agree, point 3 for neutral, point 4 for agree and point 5 for strongly agree for each of the statement. The respondents who gave the score of 4 and 5 are identified as they agree to take home loan and the score of 1 and 2 are identified as they don't agree to take home loan. The survey data are analyzed to find out solution (s) or suggestions which may be reflected to Yoma Home Loan.

4.2 Demographic Profile of Respondent

This section submits the Respondent Demographic Profile of 62 customers who are taking home loan from Yoma Bank. The Respondent Demographic Profile presents the Gender, Age, Marital Status, Education Level, Occupation and Annual Income are summarized as below.

Table (4.1) Percentage of respondents by demographic factors

Variable	Types	No of respondents	Percent
	Total	62	100
Gender	Male	31	50
	Female	31	50
Age	21 to 30	15	24.2
	31 to 40	21	33.9
	41 to 50	15	24.2
	51 to 60	5	8.0
	Above 60	6	9.7
Marital Status	Single	25	40.3
	Married	30	48.4
	Others	7	11.3
Education Level	Diploma	15	24.2
	Bachelor	38	61.3
	Master	5	8.1
	PhD	4	6.5
Occupation	Self-employed	6	9.7
	Private sector	46	74.2
	Government sector	7	11.3
	Others	3	4.8
Annual income	Less than 100 lakh	25	40.3
	Between 100 lakh-200 lakh	12	19.4
	Between 200 lakh- 400 lakh	17	27.4
	Between 400 lakh-600 lakh	7	11.3
	Above 600 lakh	1	1.6

Source: Survey Data 2019

Table (4.1) depicts, the sample of 62 respondents; 50 percent in males and 50 percent in females. The age result of the respondent shows the highest percentage between 31 and 40 years old, meaning they take the home loan in order to get the property ladder. According to marital status, 25 are single, 30 are married and the rest are others. In terms of the percentage single is 40.3%, married is 48.4% and the rest are 11.3% respectively. From educational point of view, the highest percentage to take home loan is Bachelor. According to occupation, the result shows the highest percentage in private sector employees who intend to take home loan. From annual income point of view, those who earn less than 100 lakh are the highest percentage to apply for home loan. The second highest percentage to apply for home loan is annual income between 200 and 400 lakh.

4.3 Influencing Factors on Home Loan of Yoma Bank

This section to analyse the influencing factors of housing prices, interest rate, tax benefits and income that how to impact the home loan of Yoma Bank.

4.3.1 Perception on Housing Prices

In the study of customer perception of home loan, there are factors such as location, demand and supply, interest rate and economic growth effect on housing prices. According to results of the study, the perception on housing price is presented in table 4.2

Table (4.2) Perception of Housing Prices

Sr	Statement	Mean
1	Housing prices as a significant factor when applying for home loan.	4.03
2	Housing prices depend on location-specific factors.	3.34
3	Raising or falling of housing prices closely related on the current economy situation in the country.	4.39
4	Increasing housing prices make lower and medium income group difficult in owing a house.	4.15
5	The housing price of Star City is affordable for me.	4.39
	Overall Mean	4.05

Source: Survey Data 2019

According to Table (4.2), mean scores of statement numbers 3 and 5 are 4.39 with the highest mean score among five statements; meaning, statement number 3 “Raising or falling of housing prices closely related on the current economy situation in the

country.” and statement number 5 “The housing price of Star City is affordable for me.” are the most influencing statements. Second influencing statement is statement number 4 with the mean score of 4.15. The least influencing statement is statement number 2 which has a mean score of 3.34. Overall mean score of housing prices is 4.05 which is between strongly agree and agree points. Therefore, the study can confirm that housing prices is one of the influencing factors towards customer perception of home loan.

4.3.2 Perception of Interest Rate

The customer perception of home loan is influenced by interest rate which includes the relationship between interest rate and demand for housing loan. Statements in table (4.3) shows those factors for the respondent.

Table (4.3) Perception of Interest Rate

Sr	Statement	Mean
1	Yoma Bank’s interest rate will induce the application for housing loan.	4.19
2	My decision of owning housing loan is affected by Yoma Bank’s interest rate.	4.56
3	Change on Yoma Bank’s interest rate will affect the purchasing power.	4.35
4	I applied for housing loan no matter how much the Yoma Bank’s interest rate is.	4.34
5	The interest rate of Yoma Bank is reasonable for me.	2.21
	Overall Mean	3.93

Source: Survey Data 2019

By reviewing the result from Table (4.3), statement number 2 has the mean score of 4.56. It has the highest mean score among five statements, indicating, statement number 2 “Decision of owning housing loan is affected by Yoma Bank’s interest rate.” is the most influencing statement in interest rate. For example, if the interest rate on home loan is low, more people intend to buy houses as they can afford to cover interest rate. It is closely followed by statement number 3 which is the second influencing statement with the mean score of 4.35. Statement number 3 says “Change on Yoma Bank’s interest rate will affect the purchasing power.” The least influencing statement is number 5 which has a mean score of 2.21. Overall mean score of interest rate is 3.93 which is between agree and neutral points. Therefore, the study can

confirm that interest rate is one of the influencing factors towards customer perception of home loan.

4.3.3 Perception of Tax Benefits

The customer perception of home loan is greatly influenced by tax benefits which includes factors such as government taxation policy and tax reform. Statements in Table (4.4) depicts those factors for the respondents.

Table (4.4) Perception of Tax Benefits

Sr	Statement	Mean
1	Changes on government taxation policy induce me to own a house instead of renting a house.	3.85
2	Change on housing loan demand can be affected by deductibility on interest of home loan which will affect the taxation amount.	3.68
3	If taxation benefits are removed, home loan demand can be insignificant.	3.10
4	Favourable tax policy provide incentive for me to own a house rather than rent it.	3.87
5	The tax benefit on principle repayment of Yoma Bank is attractive for me.	3.90
	Overall Mean	3.68

Source: Survey Data 2019

By analyzing the results from Table (4.4), the statement number 5 has the highest mean scores of 3.90, meaning statement 5 is the most influencing statement among five statements. Second highest mean score is statement number 4 which has a mean score of 3.87 says “Favourable tax policy provide incentive for citizen to own a house rather than rent it.” The least mean score is statement number 3 which has the mean score of 3.10. Overall mean score of tax benefits is 3.68 which is between agree and neutral points. Therefore, the study can confirm that tax benefits is one of influencing factors towards customer perception of home loan.

4.3.4 Perception of Annual Income

Customer perception of home loan is influenced by income level which includes relationship between income level and intention to demand for housing loan, ease of applying for housing loan and tax policy. The statements in Table (4.5) shows those factors for the respondents.

Table (4.5) Perception of Annual Income

Sr	Statement	Mean
1	My income level affects the demand of home loan.	4.03
2	Intention to demand for Yoma Bank home loan reduces if my income level decreases.	4.23
3	It is easier to apply for Yoma Bank home loan if my income level is high.	4.58
4	Less likely to demand for home loan if the economy is uncertain such as currency inflation.	4.03
5	My income level is appropriate to get the home loan from Yoma Bank.	3.95
	Overall Mean	4.16

Source: Survey Data 2019

Results from Table (4.5) shows that statement number 3 has the highest mean score of 4.58 which says “It is easier to apply for Yoma Bank housing loan if income level is high” and it is the most influencing statement among five statements. For example, it is generally true that if your income level is high, you are most likely to get the home loan. It is closely followed by statement number 2 which has the second highest mean score of 4.23. The least influencing statement is number 5 with the mean score of 3.95. Overall mean score is 4.16 which lies between strongly agree and agree points. Therefore, the study can confirm that income level one of the influencing factors towards customer perception of home loan.

4.3.5 Perception of Demand on Home Loan

Finally, customer perception of home loan is influenced by demand of home loan which includes factors such as affordability, confidence and wealth of households. The statements in Table (4.6) indicates those factors for the respondents.

Table (4.6) Perception of Demand on Home Loan

Sr	Statement	Mean
1	I applied for home loan from Yoma Bank when I decided to buy a house.	4.31
2	I demanded for Yoma Bank home loan even I had the ability to settle the full payment in lump sum.	4.15
3	I applied for Yoma Bank home loan although I still have other loans not yet settle.	4.29
4	Yoma Bank Home loan is very important in urban areas.	4.37
5	I realized demand for home loan is tempting because of the flexible instalment payment in Yoma Bank	3.10
	Overall Mean	4.04

Source: Survey Data 2019

From Table (4.6), it shows that the statement number 4 has the highest mean score of 4.37 which says “Yoma Bank home loan is very important in urban areas” is the most influencing statement among other statements. For example, demand for home loan is high in urban areas. The second highest mean score is statement number 1 with the score of 4.31. The least influencing statement is number 5 which has the mean score of 3.10. The other means are 4.15 and 4.29, for statement number 2 and 3 respectively. Overall mean score is 4.04 which is between strongly agree and agree points. Therefore, the study can confirm that demand of housing loan is one of the influencing factors towards customer perception of home loan.

Overall of Influencing Factors

The following Table (4.7) indicates overall results for respondents from the survey.

Table (4.7) Overall results for respondents

No		Mean	Rank
1	Housing Prices	4.05	2
2	Interest Rate	3.93	3
3	Tax Benefits	3.68	4
4	Income Level	4.16	1

Source: Survey Data 2019

By reviewing data from Table (4.7), Income Level takes the ranking number one as its overall mean score is 4.16 lies between strongly agree and agree points. It is closely followed by ranking number two, Housing Prices, which has overall mean

score of 4.05 lies between strongly agree and agree points. The third and the fourth position is Interest Rate and Tax Benefits with overall mean scores of 3.93 and 3.68 respectively. Both figures lie between agree and neutral points.

Table (4.8) Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.653 ^a	.427	.396	.31527	1.966

a. Predictors: (Constant), IN, TB, HP, IR

b. Dependent Variable: DHL

Source: Survey Data 2019

As per Table 4.8, the Adjusted R Square value is 0.396 which indicated that 39.6% of the variation in the Housing Loan Demand Yoma Bank explained by the Housing Price, Interest Rate, Tax Benefit and Annual Income.

Moreover, Coefficients of determination R Square is 0.427. It reveals that 42.7% of the variation in the housing loan demand in Yoma Bank could be explained by the housing price, interest rate, tax benefit and income level. Therefore, Regression Model is used for this study.

ANOVA

Analysis of variance (ANOVA) is a collection of statistical models and their associated estimation procedures used to analyze the differences among group means in a sample. Table (4.9) shows the results from the respondents.

Table (4.9) ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig
Regression	2.408	4	.602	6.076	.006 ^b
Residual	5.665	57	.099		
Total	8.073	61			

a. Dependent Variable: DHL

b. Predictors: (Constant), IN, TB, HP, IR

Source: Survey Data 2019

Based on Table (4.9), P value is 0.006 and its significance level is less than 0.01. This can be concluded that the model is significant. The Table (4.10) below shows the results of coefficients from the survey.

Table (4.10) Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(constant)	2.828	.482		5.865	.000
HP	-.249 ^{***}	.099	-.358	-3.286	.002
IR	.027	.145	.026	.185	.854
TB	-.228 ^{**}	.136	-.296	-2.286	.026
IN	.051	.116	.060	.444	.659

a. Dependent Variable: DHL

Source: Survey Data 2019

Note: Statistical Significant *** at 1% and ** at 5%

According to Table (4.10), P value of HP (Housing Price) is 0.002 and it's significant at 0.01 level. Also, P value of TB (Tax Benefits) is 0.026, it's significant at 0.05 level.

When one unit of housing price increases, demand for housing loan decreases 0.249. Also, when one unit of tax benefits increases, demand for housing loan decreases 0.228. These are mean when housing prices increase, demand for housing loans decrease and when tax benefits increase, demand for housing loan decrease. But both interest rate and income level do not have an impact on demand for housing loan.

CHAPTER (5)

CONCLUSION

The purpose of this study is to determine customer perception of home loan in Yoma Bank particularly from Thanlyin Star City affordable housing project. The independent variables included in this research are housing prices, interest rate, tax benefits and income level. Also, the study has been done on the dependent variable (demand of housing loan). Additionally, questionnaire for the dependent variable and independent variables had been carefully prepared and distributed to the respondents.

5.1 Findings and Discussion

This study helps to understand customer perception of home loan, thereby answering the questionnaires. A total of 62 respondents are being questioned with well-designed questionnaires.

Data were analyzed from demographic characteristics first. From the primary, it was found that both male and female are equally participating in this research. According to the data, the largest number of respondents are aged between 31 to 40 assuming this age group bought home loan. In education level, Bachelors were more involving in purchasing home loan. It was also found that the largest number of respondents were private sector in occupation level. This study helped to find out which demographic characteristics of the respondents are important and should be targeted by home loan to influence their purchasing power.

Among the four factors of consumer characteristics, it was found that the most influencing factor on taking home loan is income level. It is fair to say when the income level is high, people are most likely to take home loan to have your own property. In addition, Yoma Bank good reputation attracts more customers to influence their purchasing power.

Second influencing factor is housing prices. It is suggested that people consider housing prices as a significant factor when applying for home loan. When housing prices fall, more people intend to take home loan. Moreover, affordable housing project from some providers attract more people so that they can get to their property ladder.

Third influencing factor is interest rate. It can be concluded that lower interest rate will induce the customer to apply for home loan. In addition, some customers suggested that the decision of owning housing loan is affected by interest rate.

Fourth influencing factor is tax benefits. It is fair to say that government taxation policy will induce the customer to own a house instead of renting. Likewise, favorable tax policy provide incentive for citizen to own a house rather than renting.

This study helped to find out the importance of housing prices, interest rate, tax benefits, income level in influencing customer perception of home loan in Yoma Bank particularly from Thanlyin Star City affordable housing project.

5.2 Recommendation

After analysis of collected data and review of the findings, it was found that the study met its needs by achieving the objectives. Also, the findings provided insight into discovering the factors which influence customer perception of home loan in Yoma Bank.

Based on the study, most of the respondents are aware of home loan but there were few percentages of respondents who are not aware of home loan. So, Yoma Bank should pay advise to the customers more awareness of their products and services, the benefits of taking home loan and using advanced technology to advertise their products and services through website, social media platform, newspaper and in their local branches.

The income level is also important to get home loan. If the income level is high, people could easily to apply home loan from the bank. Therefore, people would have proper job opportunities followed by the increased income and thus will become home owners by utilizing home loans.

Additionally, the interest rate is one important factor that loan seekers is taken into account and thus the lower the interest rates, the chances of attracting the borrowers will greater and it is the best interests of the bank to provide low interests to the customers.

Furthermore, a few percentages of people in our country have the knowledge of income tax benefits corresponding to the home loan interests payable to the banks. If this benefit can be made known to a wider public, there will be an increase in the borrowers of home loan.

In addition to above factors, Yoma Bank and its parent company should try to increase housing projects in urban areas as well as rural areas. As Myanmar opens door to international businesses, those businesses need affordable housing for their staff members as well as for their businesses. There is also connection between income level and home loan. When income level increases, the chances are highly likely to take home loan.

To conclude, home is the essential part in person's life, the more affordable projects available, the better for everyone. It is a win win situation for both the provider and the applicant.

5.3 Need for Further Studies

This study has some limitations that can be overcome and improve. Further studies should be taken into account more variables such as pattern of spending, geographical factor in an effort to have a better explanation. Likewise, the size of the population. Additionally, credit rating is not very popular in Myanmar compare to other countries. It would be beneficial for this study if more information regarding credit rating is available. Moreover, information regarding home loan from other retail banking sectors such as KBZ, CB and AYA and CHIDB should consider when collecting data for the survey.

Questionnaire for survey on Customer Perception of Home Loan in Yoma Bank

This questionnaire is purely for my MBF thesis about Customer Perception of Home Loan in Yoma Bank. Please kindly and correctly answer the following questions. Thank you for your valuable time.

Part I. Demographic Profile of Respondents

1. Gender

Male

Female

2. Age

21 to 30 years old

31 to 40 years old

41 to 50 years old

51 to 60 years old

61 years old and above

3. Marital Status

Single

Married

Others

4. Education Level

Diploma

Bachelor

Master

PhD

5. Occupation

Self-employed

Private sector

Government sector

Others

6. Annual Income

Less than 100 lakh

Between 100 lakh-200 lakh

Between 200 lakh-400 lakh

Between 400 lakh-600 lakh

Above 600 lakh

Part II. Determinants that affect customers perception of home loan

Share your views by putting tick mark or write the number in the boxes against each question.

1-Strongly Disagree

2-Disagree

3-Neutral

4-Agree

5-Strongly agree

Housing Prices

No	Statement	1	2	3	4	5
1	Housing prices as a significant factor when applying for home loan.					
2	Housing prices depend on location-specific factors.					
3	Raising or falling of housing prices closely related on the current economy situation in the country.					
4	Increasing housing prices make lower and medium income group difficult in owing a house.					
5	The housing price of Star City is affordable for me.					

Interest Rate

No	Statement	1	2	3	4	5
1	Yoma Bank's interest rate will induce the application for housing loan.					
2	My decision of owning housing loan is affected by Yoma Bank's interest rate.					
3	Change on Yoma Bank's interest rate will affect the purchasing power.					
4	I applied for housing loan no matter how much the Yoma Bank's interest rate is.					
5	The interest rate of Yoma Bank is reasonable for me.					

Tax Benefits

No	Statement	1	2	3	4	5
1	Changes on government taxation policy induce me to own a house instead of renting a house.					
2	Change on housing loan demand can be affected by deductibility on interest of home loan which will affect the taxation amount.					
3	If taxation benefits are removed, home loan demand can be insignificant.					
4	Favourable tax policy provide incentive for me to own a house rather than rent it.					
5	The tax benefit on principle repayment of Yoma Bank is attractive for me.					

Income Level

No	Statement	1	2	3	4	5
1	My income level affects the demand of home loan.					
2	Intention to demand for Yoma Bank home loan reduces if my income level decreases.					
3	It is easier to apply for Yoma Bank home loan if my income level is high.					
4	Less likely to demand for home loan if the economy is uncertain such as currency inflation.					
5	My income level is appropriate to get the home loan from Yoma Bank.					

Demand of Home Loan

No	Statement	1	2	3	4	5
1	I applied for home loan from Yoma Bank when I decided to buy a house.					
2	I demanded for Yoma Bank home loan even I had the ability to settle the full payment in lump sum.					
3	I applied for Yoma Bank home loan although I still have other loans not yet settle.					
4	Yoma Bank Home loan is very important in urban areas.					
5	I realized demand for home loan is tempting because of the flexible instalment payment in Yoma Bank					

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LIST OF ABBREVIATIONS

LTV	Loan To Value Ratio
GDB	Gross Domestic Product
OECD	Organisation for Economic Co-operation and Development
FHA	Federal Housing Administration
VA	Veteran Affairs
USDA	The United States of Agriculture
EMI	Equal Monthly Installments
ADF	Augmented Dickey Fuller
IFC	The International Finance Corporation
SME	Small and Medium Enterprise
UNDP	United Nations Development Programme
ANOVA	Analysis of Variance
KBZ	Kanbawza Bank
CB	Co-operative Bank
AYA	Ayarwaddy Bank
CHIDB	Construction and Housing Development Bank
p.a	Per Annual 1145time