

NATIONAL INSURANCE BOARD
MORTGAGE LOAN
TERMS AND CONDITIONS

All applications for Mortgage loans are subject to the following terms and conditions:

1. APPLICANTS

- (a) Applicants must be at least twenty-one (21) years to be eligible.
- (b) Applicants must be resident citizens of Grenada. In the case of joint applications, at least one of the applicants must so qualify.
- (c) A joint application may be submitted by applicants who would be required to fulfill the terms and conditions for mortgage financing.

2. PURPOSE

- (a) Mortgages will be granted for construction, repair/remodel, refinance and purchase of property to include land only and consolidation.

3. TERMS

- (a) Interest rates would range between 6% and 7% per annum based on the risk profile of the applicant.
- (b) There shall be a minimum loan limit of \$10,000.00.
- (c) Loans for construction, repair/remodel, refinance and purchase of property to include land only and consolidation would be granted for a maximum of 30 years. Loans for land will be granted for a maximum period of fifteen (15) years
- (e) A land loan debt service ratio should not exceed 30% of the applicant gross monthly income and in the case of housing loans 40%.

4. ADMINISTRATIVE FEE

An administrative fee of \$500.00 shall be charged and payable by the applicant on all approved loans.

5. DOCUMENTATION REQUIRED

Applicants for mortgages must submit the following:

- (a) Evidence of a purchase agreement for the property which he/she intends to purchase with the proceeds of the loan together with a copy of the vendor's title deed; or
- (b) Evidence of ownership of, or title to land on which he/she intends to build a house or carry out home improvement with the proceeds of the loan.
- (c) A plan approved by the Land Control Development Authority.
- (e) Proof of income (Pay Slip & Job Letter)
- (f) Tax Receipt
- (g) Statement of Savings
- (h) Valuation of the property and estimated cost of construction or repairs, which must be done by one of the following valuers approved by the NIB:

Valuators	Tel. No.	Valuators	Tel. No.
Joseph John & Associates	440-4015/2966	Sinclair & Assoc	440-1276
Gleans Construction Engineering	440-8686	Earl Stanislaus	443-6754/6926
Anslem La Touche	444-5217	Kenrick Gabriel & Assoc	443-3262
Fanuel Antoine	440-2271/7448	Architects Design Collaboration	443-6649
Francis A. Jeremiah & Assoc	444-3295	Lauriston Hosten	444-8417
Trade Realtors	444-5105/440-2111	Collaborative Designs & Consultancy Grouping	443-2835
Raphael Stephen	440-1159/435-1906 (w)	Otis Gay	443-8078 420-1199
J.R.A. Fletcher (JCN Construction Ltd)	442-8151	Terence Smith	443-2323
Rufus Bethel	440-9828/7453	Phillip Reginald Alexander	438-3894
Peter Morris	403-9821 416-4130	Leslie Barry	405-2888
Boris Michael Horsford	409-1641	Samuel La Touche	458-1895 444-7308

6. SECURITY REQUIREMENTS

(a) A first mortgage on the property to the Board will be required and any other form of security, such as a bill of sale, which may be deemed appropriate for the loan granted.

(b) **ALL RISKS** (comprehensive) coverage on the mortgaged property. The property should also be insured during the construction period. A revaluation of the property will have to be done every **five (5)** years to ensure that the sum insured of the building is up to the replacement value.

(c) All applicants would be insured under the NIS Group Creditors' Life Insurance. However if the applicant is not accepted in the group plan he/she would be required to provide alternative life insurance coverage to the satisfaction of the Board.

7. REPAYMENT

(a) Repayment of loans for construction shall commence no later than **six (6)** months after the first disbursement or **one (1)** month after the last disbursement whichever is sooner. Apartments' repayment shall commence three (3) months after the first disbursement or one month after the last disbursement whichever is sooner.

(b) Interest will be due and payable each month during the period of disbursement.

(c) Repayment on other loans shall commence at the end of the month in which the first disbursement is made.

11. OTHER CONDITIONS

(a) All estimates shall include a 10% contingency sum. The Contractor undertaking the project must be approved by the NIB.

(b) In the event that a loan is approved and not taken up within **six (6)** months, a new application would have to be submitted.

(c) All applicants are required to make an equity contribution of at least **10%** of the sum applied for.

(d) Applicants shall be responsible for the payment of all legal fees prior to disbursement of funds.