

LOAN APPLICATION REQUIREMENTS

EMPLOYED PERSONS

FOR PURCHASE OF EXISTING/NEW HOUSE:

- Originals or Certified copies (by employer) of the Pay slips for the last three months
- Originals or Certified copies (by bank) of the bank statements for the last six months
- Copy of the PIN Certificate
- Copies of Identification documents
- Letter from employer stating your income, retirement age, length of service, employment terms (contract or permanent), eligible house allowance/owner occupier allowance.

SELF- EMPLOYED PERSONS

FOR PURCHASE OF EXISTING/NEW HOUSE:

- Audited accounts for last three years
- Originals or certified copies (by bank) of bank statements for the last 1 year
- Business registration certificate
- Cash Flow projections for three years
- Projected Balance Sheet & Profit & Loss Statement for three years
- Copy of latest annual returns
- A note giving brief history of business and nature of business

Where the company is taking the loan the following additional details should be provided:

- Certified Copy of the Memorandum and Articles of Association. The power to borrow must be clearly specified.
- Board/Director's resolution authorizing the borrowing
- Certified copy of certificate of incorporation
- Certified copy of the latest change of directors
- The Company will require the director's personal guarantees

FOR CONSTRUCTION LOANS:

- Provide building plans approved by the relevant local authority. Approvals over 2 years old must be renewed.
- Bill of quantities from a registered quantity surveyor
- Copy of building contract agreement appointing the Architect, Quantity Surveyor and other service engineers specifying duration of construction.
- Copy of contractor appointment specifying the duration of construction, performance bond arrangements etc.
- Evidence of the project equity contribution
- For incomplete and stalled projects, a brief write-up of the project's history stating the time taken previous source of finance, original estimated costs and causes of the delay.

Note:

- *Maximum loan is 90% of the mortgage valuation for construction of owner occupied properties.*

GENERAL DOCUMENTS FOR ALL ABOVE APPLICATIONS

- Sale agreement/draft sale agreement/offer letter
- Copy of title. For leasehold properties un-expired term on lease should be at least 30 years to redemption date

- Open a Lengo savings account (Minimum balance is Kshs 5,000.00. You will require filling account-opening forms with copies of identification documents and 2 passport size photographs)
- Fill our application form
- Pay Valuation fees based on the selling price and provide Instructions/consent for valuer to visit premises
- If the account is joint, a marriage certificate

Note:

- Maximum period is 20yrs subject to age 65 or retirement age whichever comes earlier.
- For company borrowing maximum term is 10 years
- Where borrower will occupy the property, maximum loan is 90% of the market value or cost, whichever is lower.
- Where borrower will rent the property, maximum loan is 80% of the market value or cost, whichever is lower.

ON ACCEPTANCE OF OUR OFFER LETTER

- One months installment payable in advance Annual fire insurance premium, life insurance premium and ledger fees
- Irrevocable letter from employer for loan repayment or standing order instructions
- Legal fees and disbursements, payable to the Advocates directly
- Stamp duty of 4% of selling price payable to the Government
- Commitment fee – 1% of loan approved

Interest rate is subject to the term of the loan

A ½% pa discount is applied on all mortgages that are repaid regularly for 6 consecutive months

Illustration on a 1M to 5M loan:-

LOAN AMOUNT	PERIOD 3 years	5 years	7 years	10 years	12 years	15 years	20 years
500,000	17,333	11,895	9,790	8,221	7,666	7,257	6,863
1,000,000	34,665	23,790	19,578	16,441	15,332	14,513	13,725
1,500,000	51,998	35,685	29,368	24,662	22,998	21,770	20,558
2,000,000	69,331	47,580	39,157	32,882	30,664	29,026	27,451
2,500,000	86,663	59,475	48,946	41,103	38,330	36,283	34,313
3,000,000	103,996	71,370	58,735	49,323	45,996	43,539	41,176
3,500,000	121,329	83,265	68,524	57,544	53,662	50,796	48,039
4,000,000	138,661	95,160	78,313	65,764	61,328	58,052	54,901
4,500,000	155,994	107,055	88,103	73,985	68,994	65,309	61,764
5,000,000	173,327	118,950	97,892	82,205	76,660	72,565	68,627

For more information please contact:

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