

LIST OF REQUIRED DOCUMENTS, DEPOSITS AND FEES

Listed below are the documents required and the type of deposit and fees needed when submitting an application. Please note that the specific required documentation, deposit and fees will vary depending upon the type of loan for which the borrower is applying.

- » House Plans & Specifications (2)
- » Construction Estimates (At Least Two from A Government Approved Builder)
- » Inspection Certificate from Ministry of Works (For Work in Place)
- » Administration Fee
- » Appraisal Report/ Survey Report
- » Inspection of Property
- » Purchase Agreement
- » Property Ownership Documentation
- » Closing Cost/ Down Payment/ Equity
- » Proof of Source of Funds (Bank Account Balance Printout)
- » Credit/ Bank Reference
- » Employment Verification (Affidavit of Income for Self-Employed)
- » Inspection Fee
- » Life Insurance & Assignment (Personal or BMC Life Insurance)
- » Loan Printout (For Loans with Other Financial Institutions)
- » Proof of Bahamian Citizenship
- » Marriage Certificate
- » National Insurance Card
- » Rental Receipts (If Renting At Present)
- » Salary Verification Slip

WHAT SECURITY IS REQUIRED FOR THE LOAN?

An applicant who wishes to build a new house or rehabilitate or enlarge an existing house must have clear title to the land that is deemed acceptable to the Corporation. All loans made by the Corporation must be secured by a first mortgage executed by the borrower(s).

The Corporation will be pleased to consider an application for a mortgage loan when all required documentation relative to the type of loan being applied for is submitted. At that time, the Corporation will assist borrower(s) in completing an application form. The Corporation will at that time also advise of the fees and deposits that must be paid before the application can be processed.



INTERESTED PERSONS MAY CONTACT US AT THE FOLLOWING LOCATIONS

HEAD OFFICE - NASSAU

P.O. Box N-4887, Russell Road
Telephone (242) 502-1050
(242)-502-1084
Fax (242) 322-5621

FREEPORT, GRAND BAHAMA

P.O. Box F-42605, The East Mall Drive
Telephone (242) 352-7513/4
Fax (242) 352-6478

DUNDAS TOWN, ABACO

P.O. Box AB-20376,
The Government Complex,
Telephone (242) 367-5160
(242) 699-0177/ 9
Fax (242) 699-0178

OTHER FAMILY ISLANDS

All inquiries should be forwarded to the Family Island Manager at the Head Office.

WEBSITE

www.bmcbahamas.com




BAHAMAS
MORTGAGE CORPORATION

**BUILDING
THE FUTURE
TOGETHER**



Our Goal

...is to stimulate, encourage and promote home ownership by making mortgage financing available to qualifying

Bahamians!

Funds may be used to assist in the construction of a new home or duplex, the purchase of a home or duplex (recently or non-recently constructed); for the structural enlargement or rehabilitation of an existing home. The Corporation can also consider home loans to purchase service lots.



WHO MAY BORROW?

Mortgage loans are made to qualifying Bahamian citizens of low to moderate income who:

- Earn sufficient income from steady employment to enable payment of the mortgage, including fire, hazard and life insurance premiums and any other debts relating to living expenses within the normal debt servicing ratios established by the Corporation.
- Possess the character and credit worthiness to meet loan obligations.

WHAT ARE LENDING VALUES AND TERMS OF THE LOAN?

The lending value of a loan is the total of all items that make up the loan. Loans may be made for up to 95% of the lending value of the loan for the proposed housing unit as determined by the Corporation and can be repaid over a maximum period of 30 years. Normally the repayment period is 20 years or less.

RATE OF INTEREST?

The rate of interest for mortgage loans may vary from prime to 6.75%. The lowest rates are exceptionally applicable to those borrowers having the lowest income base and where the home is or will be located in a depressed area. The maximum amount of loan which the Corporation may grant under the Housing Act for building a new home or buying a home is \$237,500.00. The maximum loan for the rehabilitation or structural enlargement of an existing home under the Housing Act is \$42,000.00

HOW MUCH CAN BE BORROWED?

The amount which can be borrowed depends on an applicant's income and other financial obligations. The following table shows some examples of incomes and the approximate amount of loan that may be granted for building or purchasing a new home. Amounts may vary where an applicant has other financial obligations.

ANNUAL INCOME APPROXIMATE MAXIMUM LOAN

| | |
|-------------|---------------|
| \$10,000.00 | \$ 38,545.00 |
| \$20,000.00 | \$ 77,089.00 |
| \$30,000.00 | \$ 115,634.00 |
| \$40,000.00 | \$ 154,179.00 |
| \$50,000.00 | \$ 192,723.00 |
| \$60,000.00 | \$ 231,268.00 |
| \$65,640.00 | \$ 237,500.00 |

WHAT COSTS ARE INCLUDED IN A MORTGAGE LOAN?

- A loan may include the following costs:
- * Cost of Land
 - * Building Cost
 - * Legal Fees (includes title searches and mortgage agreement preparation)
 - * Hazard Insurance Premium
 - * Life Insurance Premium
 - * Interest on Advances
 - * Government Stamp Tax (If Applicable)
 - * Utility Connection Cost (Electricity, Sewer & Water)
 - * Mortgage Insurance Fee
 - * Hurricane Protection
 - * Burglar Bars
 - * Security Screens
 - * Fencing

Please note that any of these costs may also be paid out-of-pocket rather than having these costs included in the loan.

ARE THERE DEPOSITS AND OTHER CHARGES TO BE PAID BY AN APPLICANT?

A 5% deposit is presently required for all Government Guaranteed Loans. An administration fee of either 1% or 1.25%, depending on the type of loan is to be paid at the time the loan application is made to the Corporation. In some cases, inspection, survey and appraisal fees are also required to be paid by the applicant.



WHAT ABOUT BUILDING PLANS?

An applicant is expected to make their own arrangements to obtain building plans and cost estimates when they are building on their own lot, or when they wish to carry out structural enlargement to the house they own.

Assistance may be given to borrowers who may wish to purchase one of the Ministry of Housing's plans. Plans for homes in New Providence are to be approved by the Buildings Control Division of the Ministry of Public Works, the Port Authority in Grand Bahama; and in the case of the Family Islands, the relevant Local Government Authority.

