



CONDITIONS FOR HOME RENOVATION LOAN

TERMS AND CONDITIONS FOR OBTAINING HOME RENOVATION LOANS

WHO CAN APPLY

- Any Nigerian above the age of 18
- Applicant must be a contributor to the National Housing Fund for a minimum period of six months.
- Applicant must have satisfactory evidence of regular flow of income to guarantee loan repayment.

PURPOSE

- To afford Nigerians an opportunity to access mortgage loans for the renovation or improvement of their existing properties which are personally owned by them or through family ownership.

HOW TO APPLY

- At the Federal level, applications are aggregated by the Federal Government Staff Housing Loans Board (FGSHLB).
- At the State level, applications are aggregated by the relevant authority and forwarded to FMBN.
- Employees in the organised private sector (including other government agencies and parastatals not covered by the activities of FGSHLB) the applications are aggregated by the Permanent Secretary or Chief Executive of the organisation.



THE FEATURES OF THE HOME RENOVATION LOAN ARE AS FOLLOWS:

- The applicant shall be contributor to the NHF.
- The maximum loan amount shall be =N=1Million, subject to the income limit of the beneficiary as well as the ultimate cost of renovation
- Applicant will apply through the Federal Housing Board in the case of the Federal Civil Servants and through the Office of the Head of Service of the State or any other relevant authority recognized by the Bank (in the case of civil servants) and employees of the organized private sector.
- Approved loan amounts shall be disbursed in lump sum to the Federal Housing Board (in the case of Federal civil servants) and directly to the account of beneficiaries in the case of state civil servants and employees of the organized private sector, after acceptance of offer and the fulfillment of conditions precedent to draw-down.
- The loans tenor shall be a maximum of 4 years or employee's remaining years of service, whichever is less.
- Repayment of the loan shall be through monthly repayment for a tenor not exceeding 4 years, via direct deductions by the FHB and the respective Head of Service/Accountant General's office of the states or other relevant authority recognized by the Bank for private sector employees.
- Monthly repayment shall not exceed 33 1/3 percent of applicant's monthly salary/income
- Interest rate shall be 8 percent for the duration of the loan for FGSHLB and 6 percent for state governments.
- The facility shall not be available to any contributor who has enjoyed an NHF loan to build or buy a house.
- The facility can be taken jointly by a couple, subject to an income assessment of both parties.
- The loan can only be taken once in 5 years.
- Applications are to be submitted with certified Bills of Quantities, indicating the amount required for the renovation.

CHECKLIST FOR THE LOAN

- Copy of application form for the Loan.
- Amortization Schedule (with the appropriate) Satisfactory credit checking done.
- Offer letter properly executed.
- All Letters of Undertaking /confirmation properly executed.
- Evidence of up to date remittance of NHF contribution by the Applicant.
- Proof of Beneficiaries up to date NHF Contribution.
- Guarantor Form Appropriately checked