

# (Mortgage Loans Credit Programs)

## (1) Central Bank of Egypt (CBE) Initiative:

### ➤ CBE Initiative for Low-Income Segment Features (5% & 7% Program):

- Minimum age 21years
- Maximum age is 65 years for "employees, freelancers, judges and university professors" at loan maturity.  
However, the maximum age for "pensioners" is 65 years at loan maturity, provided that a maximum of 40% of the unit value is to be paid as a down payment (with the transfer of the pension to the bank)
- This program is applicable for Egyptian individuals only , provided that all professions to be loaned from employees (governmental / private sector), self-employed and pensioners
- Companies/ Corporates are not allowed
- Customers must be classified as low-income (according to the approval of the Social Housing and Mortgage Finance Fund )
- The injured and The families of Military & Police martyrs (relatives up to the second degree) from the applicants booking housing units in social housing projects are to be exempted from applying of the maximum income condition
- Customer and /or his spouse **should not** get subsidy from Mortgage Finance Fund or any other government subsidy housing fund in case s/he or spouse owns any house in their name  
(Applicant and spouse can be granted housing finance under said scheme **only once life time**) .
- MFF pre-approval is required before processing the file
- Fully constructed residential Properties that comply with CBE initiative guidelines and MFF rules.
- Loan to Value (LTV) up to 85% (to comply with the Mortgage Finance Fund rules) , “ up to 90% for Port Said Governorate .
- Minimum Down payment should not be less than 15% (10% for Port Saied Governorate), and not more than 50% of unit price.
- AS per MFF / CBE requirements 5% of unit selling price is to be as maintenance fees (Maintenance Deposit)
- Maximum Tenor of loan 20 years
- The value of the property is determined according to the changes in the determinants issued by the Central Bank of Egypt / Social Housing and Mortgage Finance fund
- Applying a delay penalty of 2 % higher than the final lending rate on installments due
- In case of the desire to sell the unit or make early settlement of loan , the amount of the subsidy will be refunded at the interest rate since the date of grant until the date of sale / or settlement according to subsidiary repayment rates schedule specified by the Central Bank of Egypt

## ➤ Housing Finance CBE Initiative Low and Middle Income 3% Program

- Minimum age 21years
- Maximum age is 65 years for "employees, freelancers, judges and university professors" .

However:

- The maximum age for "pensioners" is 75 years at loan maturity, provided that a minimum of 40% of the unit value is to be paid as a down payment (with the transfer of the pension to the bank)
- Applicable for individual-customers Egyptian Nationality only – (Companies/ Corporates are not allowed)
- Applicable to Low income and middle-income segments (governmental / private sector Employed, Professions, Self- employed, Pensioners)
- Customer and /or his spouse **should not** get subsidy from Mortgage Finance Fund or any other government subsidy housing fund in case s/he or spouse owns any house in their name  
(Applicant and spouse can be granted housing finance under said scheme **only once life time**) .
- The injured and the families of Military & Police martyrs (relatives up to the second degree) from the applicants booking housing units in social housing projects are to be exempted from applying of the maximum income condition
- Customers must be classified as low / middle income (according to the approval of the Social Housing and Mortgage Finance Fund).
- MFF pre-approval is required before processing the file
- AS per MFF / CBE requirements for maintenance fees (Maintenance Deposit)
  - Low income: 5% by maximum of unit selling price
  - Middle income: 10% by maximum of unit selling price
- Minimum Down payment:
  - Low income: 10 %
  - Middle income: 15% (in case unit price up to 1.1 MEGP)  
20% (in case unit price from 1.1 MEGP up to 1.4 MEGP)
- Maximum Tenor of loan 30 years
- Applying a delay penalty of 2 % higher than the final lending rate on installments due
- In case of desire to sell the unit or make early settlement, the amount of the subsidy will be refunded at the interest rate since the date of grant until the date of sale / or settlement according to subsidiary repayment rates schedule specified by the Central Bank of Egypt
- The value of the property is determined according to the changes in the determinants issued by the Central Bank of Egypt / social housing and Mortgage Finance fund

## ➤ Housing Finance CBE Initiative Middle Income 8% Program : -

- Minimum age 21years
- Maximum age is 65 years for "employees, freelancers, judges and university professors".
- The maximum age for "pensioners "(60 years or reaching the retirement age(, provided that a minimum of 20% of the unit value is to be paid as a down payment (with the transfer of the pension to the bank)
- Applicable for individual-customers Egyptian Nationality only – (Companies/ Corporates are not allowed)
- Applicable to middle income segments (governmental / private sector Employed, Professions, Self-employed, Pensioners)
- Customer/ Family should be granted once a life time housing finance initiative, (Each customer and his/her spouse are granted only one mortgage loan under the CBE initiative Individuals Egyptians resident /non - resident in Egypt)
- The injured and families of martyrs from the military and police (relatives up to the second degree) who apply to reserve housing units are exempted from the maximum income condition
- Customers must be classified as middle income (according to the approval of the Social Housing and Mortgage Finance Fund)
- Customer and /or his spouse **should not** get subsidy from Mortgage Finance Fund or any other government subsidy housing fund in case s/he or spouse owns any house in their name  
  
(Applicant and spouse can be granted housing finance under said scheme **only once life time**).
- MFF pre-approval is required before processing the file
- AS per MFF / CBE requirements 10% by maximum of unit selling price is to be as maintenance fees (Maintenance Deposit)
- Minimum Down payment 20% of unit price.
- Unit price up to 2.5 MEGP
- Loan amount up to 2 MEGB
- Maximum Tenor of loan 25 years
- Applying a delay penalty of 2 % higher than the final lending rate on installments due
- In case of desire to sell the unit or make early settlement, the amount of the subsidy will be refunded at the interest rate since the date of grant until the date of sale / or settlement according to subsidiary repayment rates schedule specified by the Central Bank of Egypt
- The value of the property is determined according to the changes in the determinants issued by the Central Bank of Egypt / social housing and Mortgage Finance fund.

## **(2) Conventional Mortgage Programs: -**

- This program is applicable for individual clients (for companies to finance administrative & touristic buildings and units)
- For Employed/ self-employed/professions / Pensioners
- Minimum age 21years, Maximum age 65 years (for employed, self-employed & professions employed) at loan maturity and based on life insurance coverage.
- This program will be eligible for HDB existing /new to bank customers
- Financing up to 80% of the unit value for **Residential/Dwelling units**, and up to 75% for **Commercial, Administrative, and Summer Vacation units**.
- Minimum Down payment should not be less than (20% of Residential units and storehouses price) & (25% of Units assigned for touristic purposes price).
- Total Mortgage loan installment should not exceed 40% of the net monthly income
- Minimum Tenor 1 years.
- Maximum Tenor up to 15 years.
- Life & Unit Insurance Through Out the loan Duration
- Competitive applied Interest Rates.
- The property will be registered in the client's name and pledged to HDB throughout the repayment period

# (Documents)

## (1) Documents required for applying to Mortgage Loan Programs: -

Check listed Documents	Employed	Professions & Self-Employed	Pensioner
• Applicant / Spouse / Guarantor Valid ID	√	√	√
• Utility Bill to current residency (issuance date within six months)	√	√	√
• Original bank statement for the previous Three salary transfers (stamped and signed)	√		
• Original HR letter addressed to HDB dated and stamped (Indicate the date of assignment, job, monthly income or receipt voucher)	√		
• Valid tax card		√	
• Commercial register to be issued within the past three months (In the case of Corporation: Company's establishment contract \ company article of association and any updates are required)		√	
• Unit Allocation document issued by Social Housing and Mortgage Finance Fund	√	√	√
• Unit financial current status	√	√	√
• Individual / Family registration document (if required)	√	√	√
• A certificate of real estate ownership transfer for and by the seller	√	√	√
• Social insurance print for Applicant and Copy of pension slip stamped and must be transferred to HDB (Spouse non-working declaration should be obtained)	√		
• Proved Additional income to be obtained (if required)	√	√	√
• A stamped and approved salary Voucher from the employer for husband and wife not exceeding 6 months	√		
• Copy of pension slip issued from social insurance or bank statement showing the pension transfer (Pension must be transferred to HDB)			√
• Company's establishment contract \ company article of association and any updates & Profession Permit \ syndicate membership card is required		√	
• Original bank statement for the previous six-month showing cash flow (stamped and signed)		√	
• Profession Permit \ syndicate membership card for Certified accountant preparing borrowing customer income are required		√	
• The last 3 tax commitments approved by the client's tax authority		√	

## (2) Legal Documents required for applying to Eligible Units Finance: -

### First: Registered Units

<u>Required Documents</u>	<u>Units registered and authenticated at Registration Office in the name of the seller (developer or individual)</u>	<u>Units located in a property registered in the Real Estate Registration Office directly in the name of the seller (land and buildings)</u>	<u>Located in a property whose land is registered only in the Real Estate Registration Office in the name of the seller directly</u>
• Unit registered contract – (by Seller / Real Estate Registration Authority)	√	√	√
• A certificate of real estate ownership transfer for and by the seller (Form 19) – (by Customer / Real Estate Registration Authority in whose jurisdiction the property is situated)	√	√	√
• Valid for 1 month			
• A certificate from the Real Estate Tax Authority (Form 124)- in whose jurisdiction the property is situated (by Seller / Real Estate Tax Authority)	√	√	√
• Valid for 1 Year			
• A certificate indicating the non-existence of any construction violations to be presented by the seller or the Customer (competent administrative authority (the City or Neighborhood Council))	√	√	√
• Valid for 3 months			
• selling preliminary contract (by seller)	√	√	√
• Valid for 1 month			
• A declaration must be obtained to the effect of distributing the unit's share of the land and common parts (by Seller / land owner)		√	√
• Valid for 1 month			
• Certified Building License (by seller)			√
• Seller and customer valid ID / passport - Determining the place of residence of each of them (the number of properties, and number & Floor of the apartment)	√	√	√

## Second: Allocated units in New Urban Community Authority (NUCA)

<u>Required Documents</u>	<u>Units allocated and sold by New Urban Community Authority (NUCA)</u>	<u>Units located on land directly allocated for seller (Individual) from New Urban Community Authority (NUCA)</u>	<u>Units located on land directly allocated for seller (Company) from New Urban Community Authority (NUCA) (Documents of allocated land are required )</u>
• Unit Registered Contract issued by (NUCA) / or Unit Allocation Certificate (by seller or City Council Authority)	√	√	√
• Certificate upon unit receipt (by seller or City Council Authority)	√	√	√
• A recent financial status concerning the unit + Statement Print (by seller / or City Council Authority /or a bank statement "if exist ")	√	√	√
• Valid for 1 month			
• Seller and customer valid ID / passport - Determining the place of residence of each of them (the number of property , and number & Floor of the apartment )- (by customer / seller )	√	√	
• Commercial register (issuance date within the past three months)			√
• National ID for delegated person			
• Certified Building License (by seller)		√	√
• A certificate of real estate ownership transfer for and by the seller (Form 19) – (by Customer / Real Estate Registration Authority in whose jurisdiction the property is situated		√	√
• Valid for 1 month			
• A certificate from the Real Estate Tax Authority (Form 124)- in whose jurisdiction the property is situated (by Seller / Real Estate Tax Authority)		√	√
• Valid for 1 Year			
• A certificate issued by City Council agreement upon Temporarily reallocation of the Unit ownership during the financing period to HDBank (as per the Decree of the Minister of Housing, Utilities and Urban Communities No. (100) for the year 2014), and also indicating the non-existence of any construction violations to be presented by the seller or the Customer.		√	√
• Selling Preliminary Contract ( by seller )		√	√
• Valid for 1 month			

### **Third : Units owned by Housing & Development Bank**

<b><u>Required Documents</u></b>	<b><u>Units Directly Sold to customer from HDBank, and located at Existing / New Cities</u></b>	<b><u>Units (of HDBank Housing Projects ) Resold to customer , and located at New Cities</u></b>	<b><u>Units (of HDBank Housing Projects ) Resold to customer , and located at Existing Cities ( either building with land / or building &amp; Usufruct of land )</u></b>
• unit allocation letter assigned by the MFF	√		
• Selling Preliminary Contract ( by seller )		√	√
• Selling Contract issued by HDBank , with waiving declarations & assignment of rights		√	√
• A recent financial status concerning the unit + Statement Print ( by seller / or City Council Authority /or a bank statement "if exist ")		√	√
• Valid for 1 month			
• A certificate of real estate ownership transfer for and by the seller (Form 19) – ( by Customer / Real Estate Registration Authority in whose jurisdiction the property is situated		√	√
• Valid for 1 month			
• A certificate from the Real Estate Tax Authority ( Form 124 )- in whose jurisdiction the property is situated (by Seller / Real Estate Tax Authority )		√	√
• Valid for 1 Year			
• Seller and customer valid ID / passport - Determining the place of residence of each of them (the number of property , and number & Floor of the apartment )		√	√