



CONDITIONS FOR NHF LOAN

TERMS AND CONDITIONS FOR OBTAINING NATIONAL HOUSING FUND LOANS (NHF)

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

- The loan shall be for the purpose of building, purchasing, or renovating a residential accommodation
- No loan shall be for refinancing

HOW TO APPLY

- Applicant is to apply through a duly licensed and accredited mortgage loan originator (MLO) of his/her choice and not directly to Federal Mortgage Bank of Nigeria (FMBN).
- The MLO of the applicant's choice must be accredited by FMBN to access the NHF facility.
- Application forms for NHF loans are obtainable from the MLO

SECURITY FOR THE LOAN

- The property for which the loan is sought shall serve as security for the loan.
- The property shall conform with the existing planning laws and regulations (approved building plan).
- The property shall possess sufficient value to recover the loan.
- A mortgage property shall be insured against hazards
- The loan shall be secured by first legal mortgage of the property between the applicant and the mortgage loan originator and assigned to FMBN.

HOW MUCH TO APPLY FOR

- A borrower is entitled to a maximum loan of fifteen million naira (N15, 000,000.00) or as determined by the Bank.
- No individual should be given a loan in excess of 90% of the cost or value of the property to be mortgaged.
- Equity contribution based on the new loan amounts is as follows:
 - N15,000,000.00 - 30%
 - N10,000,000.00 - 20%
 - N5,000,000.00 - 10%

INTEREST RATE

- Interest rate shall be as prescribed by the National Housing Fund Act which is not more than 6% p.a.

SECURITY FOR THE LOAN

- The maximum repayment period shall be 30 years.
- Individual borrower shall make repayment through the mortgage loan originator through which they obtained the loan.