

1. What is Home Finance?

Home Finance is a lease financing solution designed to help individuals achieve home ownership by offering cost-effective, tailored financing options with flexible payment terms.

2. What are the key benefits of Home Finance?

- Financing support for home ownership
- Flexible payment plans up to 10 years
- No hidden fees
- No early Paydown penalties

3. What is the contract type?

The contract is structured as a Lease where the bank retains ownership of the property until the lease term is completed.

4. Who is eligible for Home Finance?

Eligible applicants include:

- Confirmed employees of reputable organizations with at least 4 years left in service
- Credible and reputable business owners with consistent income

5. What are the eligibility criteria?

- Clean credit report from all 3 credit bureaus
- For employees: Max Debt Service Coverage Ratio (DSCR) of 33.33% of monthly take-home or 66.67% of housing allowance
- For business owners: Max DSCR of 10% on average monthly turnover

6. What is the financing tenor?

- Salary Earners: Up to 10 years
- Business Owners: Up to 5 years

7. What is the required deposit?

A minimum-security deposit of 20% of the property value is required.

8. What is the lease rent/pricing rate?

The lease rent rate is 29% per annum.

9. What are the acceptable modes of lease payment?

- Monthly
- Bi-Annually
- Annually (To align with your income structure)

10. What type of property qualifies?

Only fully completed residential properties in viable and relatively secure locations are eligible.

11. Who holds ownership of the property during financing?

The bank retains ownership throughout the lease term. The customer has full rights of use until full payment is made.

12. What title is issued to the customer?

The property title is issued in the customer's name, but a legal mortgage is perfected in favor of the bank at the customer's cost.

13. What documents are required?

For Salary Earners:

- Completed application form
- Employment/confirmation letter or promotion letter
- 6 months bank statement (salary account)
- Payslip (optional)
- Proof of extra income (if any)

For Business Owners (Residential):

- CAC business registration document
- 6 months bank statement (business account)

14. What are the pre-approval property documents?

- Vendor's offer letter (addressed to the Bank)
- Copy of registered title document (C of O or Deed of Assignment)
- Independent search report
- Independent valuation report

15. What are the insurance requirements?

- Property Insurance is paid by the bank.
- Life Insurance is paid by the customer.

16. What are the associated costs?

- Search & Valuation Estimate: ₦350,000 (must be in customer's account)
- Stamp Duty: 0.375% of financing value
- Credit Life Insurance: 1% of property value
- Legal, Titling, and Perfection Costs: To be advised Note: Search/valuation fees are non-refundable regardless of transaction outcome.

17. What happens in case of default?

After 3 consecutive defaults, the bank reserves the right to repossess the property. The customer must immediately vacate the asset.

18. What security conditions apply?

- Life insurance
- Activation of Remita mandate on salary account
- Property remains in the bank's name until final payment

19. How do I apply for Home Finance?

Visit any of our branches, speak to a Relationship Manager, or apply online by filling out the Home Finance application form.

20. How long does the approval process take?

Once all documents are submitted, approval may take between 5 to 10 working days, depending on document verification and property assessment.

21. Can I apply jointly with my spouse or partner?

Yes, joint applications may be allowed depending on the income structure and both applicants meeting the eligibility criteria.

22. Is a guarantor required?

No guarantor is required if all documentation and DSCR criteria are met.

23. Can I build a house with Home Finance?

Currently, Home Finance is available for fully completed residential properties only.

24. Can I finance a property outside the city or in rural areas?

Properties must be in viable and relatively secure locations. Each location is assessed on a case-by-case basis.

25. Can I finance a commercial property?

Yes, but only for eligible business owners under the commercial property segment with stricter documentation and cashflow requirements.

26. Is the lease rent rate fixed or variable?

The lease rent rate is currently fixed at 29% per annum, subject to review.

27. Can I pay off the facility early?

Yes, You can pay down after 6 months and there are early payment penalties.

28. Will my rent amount change over time?

The lease amount is typically fixed at approval. Adjustments may occur only if there is a restructuring.

29. What happens if I lose my job or my business slows down?

Customers are encouraged to contact the bank immediately. Restructuring or moratorium options may be considered on a case-by-case basis.

31. When will the property legally belong to me?

Ownership is transferred to you at the end of the lease term and after all obligations are fulfilled.

32. Who bears the cost of title perfection?

The customer bears the cost of title perfection and legal mortgage registration.

33. Why do I need life insurance?

Life insurance ensures the facility is covered in the event of the customer's death, preventing burden on the family.

34. What if my property is damaged or destroyed?

The property is insured by the bank against hazards like fire or structural damage.

35. How many missed payments before repossession?

After 3 consecutive missed payments, the bank has the right to repossess the asset.

37. Can I transfer the facility to another bank?

Not during the lease period. However, a buyout option may be explored if the lease is fully paid.

38. Will I get a statement of my repayments?

Yes, customers can also request one through their RM.

39. Can I use Home Finance for a second home or investment property?

Subject to underwriting policies and affordability assessment.

40. Is there an age limit to apply?

Applicants must be of legal age (usually 21+) and must not exceed retirement age at lease maturity.