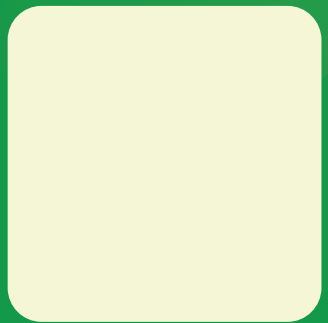
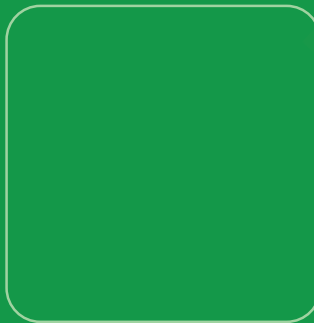




**KIMISITU
SACCO LTD.**
Your Partner to Prosperity



MAKAO HALISI (MORTGAGE) PRODUCT PROFILE

ISO 9001 2015 - CERTIFIED

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MAKAO HALISI (MORTGAGE)

PRODUCT PROFILE

The SACCO has in the past facilitated its members to buy land, build houses & buy ready houses. In line with the Agenda 4, the Sacco has revamped Makao Halisi product to make it attractive to the members through provision of affordable housing to its members. Kimisitu SACCO shall deepen further buying of land, construction and buying of homes for all its' members.

i) MAKAO HALISI FEATURES

- Amount: Minimum Kshs.500,000/= Maximum Kshs.30,000,000/=
- Multiplier: X7 of member deposits
- Security/Collateral: Land Title Deed or Sub-lease
- Interest rate: 1% per month on Reducing Balance

ii) Makao Subcategories

Product sub-type	Financing Percentage	Loan Limit	Mortgage Tenure	Interest Rate	Eligible Customers
Land Purchase	100%	30M	60 Months	12% p.a. Reducing Balance	Kimisitu Sacco Members
House Purchase - First Mortgage	105%	30M	144 Months	12% p.a. Reducing Balance	Kimisitu Sacco Members
Construction Loan	105%	30M	144 Months	12% p.a. Reducing Balance	Kimisitu Sacco Members
Commercial Housing	100%	30M	180 Months	12% p.a. Reducing Balance	Kimisitu Sacco Members
Incremental housing	105%	30M	144 Months	12% p.a. Reducing Balance	Kimisitu Sacco Members
National Cooperative Housing Union (NACHU) Off Plan Personal Housing	90%	30M	144 Months	12% p.a. Reducing Balance	Kimisitu Sacco Members

N/B: **Bank Buy offs for mortgages will be facilitated at 100% based on above qualifications depending on the sub type of the loan being bought off as per above features.

** Incremental housing: This is where the construction is done in phases depending on ability to pay and stages. Member can be financed for the specific section of the house that is pending.

iii) APPLICATION REQUIREMENTS

- Duly filled loan application form
- Current certified pay-slips/ 6 Months certified bank statements, Copy of ID
- Copy of signed sale agreement between the borrower and vendor to be submitted to the Sacco
Most current copy of title deed.

- d) The borrower must have clear and proven source of repayment – already existing income streams that are sufficient to meet expected repayment.
- e) Security to be by way of first legal charge on the property being financed and/or another property by legal firm on the Sacco panel
- f) Loan secured by the plot 30% and house structure 70% (For construction mortgages)
- g) Property to be valued by a valuer on the Sacco's panel
- h) Profile of the contractor.
- i) Approved architectural and structural drawings of the proposed project.
- j) Evidence of up to date land, rent & rates payment (i.e. receipts where applicable)
- k) Original Bills of Quantities prepared by a registered quantity Surveyor
- l) Project Implementation Schedule (Contractor's work plan) detailing all activities and scheduled time frames.
- m) Building contract agreement between borrower and contractor.

IV. COLLATERAL REQUIREMENTS

a) Land & Building Security Matrix

LOCATION	PERCENTAGE MATRIX
Nairobi Metropolitan area	80% of forced sale value
Other County Headquarters and Towns with at least 2 banks. (It is known that presence of banks is indications of improved economic activities)	75% of forced sale value

** Applies for all mortgages.

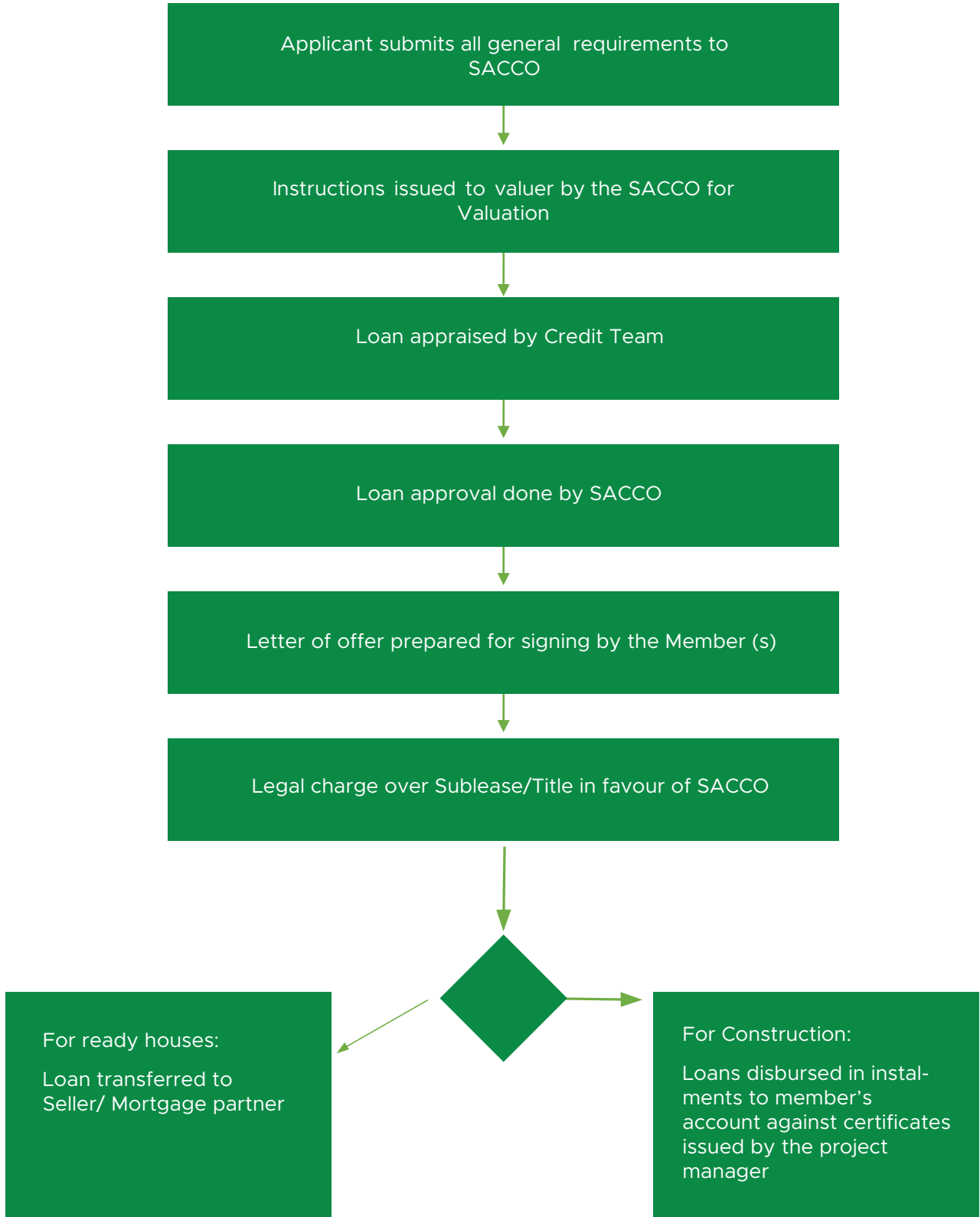
b) Process charges incurred during mortgage processing

- i) Valuation
- ii) Legal fees on charging of title
- iii) Project managers fees
- iv) Property Insurance: – 100% of Mortgage Value
- v) Loan Insurance: – Value of mortgage

N/B: The Valuation, Legal fees (Consents, transfer and charge) and project management charges to be paid by the member. (Sacco can finance depending on the collateral and ability of member).

APPENDICES:

MAKAO HALISI MORTGAGE PROCESS FLOW





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