

A GUIDE TO

Managing your NHT Loan



**National
Housing Trust**
...the key to your home

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Congratulations!

You have achieved a major milestone and the NHT is happy to have helped you accomplish your goal.

The NHT grants you up to 40 years or age 70 to repay most loans.

This booklet gives you important information about your loan and how to manage your monthly mortgage payments. We hope it will be your guide to a beneficial relationship with the NHT.





PAYING YOUR MONTHLY MORTGAGE

When is your mortgage payment due?

- Your mortgage payment is due on the 1st business day of each month.
- You must pay your mortgage in full by the due date. Here's why.
 1. Interest is charged daily on the reducing balance.
 2. When you make a payment, your loan balance is reduced. As a result, the amount you are charged as interest will also be reduced.
 3. If you do not make the full monthly payment by the 15th day of the month, the NHT will charge you a late fee of 5% on the overdue interest and principal amounts. Therefore, when next you pay your mortgage, you should expect to pay this late fee in addition to the regular sum that is due.

What does your monthly payment cover?

- Your monthly payment covers the following three costs:
 - » Life and/or Peril Insurance (where applicable)
 - » Interest
 - » Principal

- If you are repaying a House Lot or Serviced Lot Loan, your monthly payment covers life insurance, interest and principal only.
- Some NHT scheme beneficiaries may also be required to pay strata fees.
- When the NHT receives your payment, your life and/or peril insurance costs are deducted first. The rest is deducted in the following order:
 - » Late fee (if necessary)
 - » Interest
 - » Principal

Will your monthly payment change?

Your monthly mortgage payment will change from time to time where:

- you instruct the NHT to reduce the number of years you have to pay back your loan
- you receive a payment moratorium, loan consolidation or other forbearance
- your loan needs to be rescheduled to ensure you will pay it off on or before you get to age 70 or by the maturity date
- there are changes in interest rates or insurance premiums (peril and/or life).
- Your extra payments have reduced your principal balance by at least 25%. At this stage you may ask the NHT to reduce your monthly payment.
- An amount remains to be disbursed from your loan account.

How & where to repay your loan

The NHT offers several convenient payment options:

- salary deduction – for employed mortgagors
- online at www.nht.gov.jm or **NHT Mobile App**, using a credit card
- standing order at your bank or credit union
- telephone banking using NCB Midas or Telescotia cards, or

- over the counter payment or where available, internet banking at:
 - » NHT offices
 - » Bank of Nova Scotia
 - » Sagicor Bank
 - » Jamaica National Building Society
 - » First Caribbean International Bank
 - » National Commercial Bank
 - » Bill Express outlets.

What to expect when you don't pay

- The outstanding interest will be added to your loan. This will increase your pay-off balance.
- If you do not pay your mortgage by the 15th day of the month, you will be charged a late fee and/or other fees.
- If you do not pay your mortgage for more than 30 days after the payment becomes due, you will be sent a reminder notice.
- If you are in arrears for more than 60 days, you may be sent a second reminder notice.
- If your account remains in arrears for 90 days or more, the NHT may recover the outstanding loan amount by public auction, private treaty sale or by other legal means. Therefore, mortgagors with arrears 90 days and over are encouraged to enter into a formal payment arrangement with the NHT to avoid having their properties sold.
- The NHT may outsource your mortgage account to an external debt collector for servicing at a fee payable by you.

Forbearance in Special Circumstances

PLEASE NOTE: If you lose your job, suffer ill health or face any situation that affects your ability to repay your loan, you may ask about the Trust's options for special assistance. To apply, you must submit a written request, documents to support your case and a completed credit report consent form. Having a good payment history will be good for your application.

PAYING IN ADVANCE

- You may pay more than your regular monthly payment at any time. This will be useful if you are unable to pay at some time in the future.
- Any extra payment without instruction to reduce the principal balance will be treated as a pre-payment and you will not benefit from reduced interest charges.
- If you wish to make payments to reduce your principal balance, indicate the amount on the NHT payment voucher, and pay at any NHT office.
- If you regularly pay more than your monthly payment and you would like the NHT to automatically apply the extra amount to your principal, you may fill out the **“Increased Mortgage Payment Form”**, found on the NHT website, and submit that form at any NHT office. The result is that you will settle your loan earlier and pay less interest over the life of the loan.
- After making significant extra payments, you may ask for your account to be rescheduled so that you can enjoy a reduced monthly payment or loan term.
- If your extra payment is applied to principal, you should continue to make regular monthly payments until the loan is repaid.





EARLY PAY-OFF

The NHT does not apply a penalty for early pay-off or settlement of your loan. If you intend to pay off your mortgage early, do request a pay-off statement from the NHT by filling out a **“Pay-off Statement Request”** form, available on the NHT website or at any NHT office, and submitting it as instructed.

Note: Your annual loan statement is not a pay-off statement.

INSURANCE

NHT provides life and peril insurance coverage. The premium is included in your monthly mortgage payments.

Life Insurance

All mortgages are covered by life insurance. This policy remains valid once the mortgagor has not passed age 75. Death by suicide within two years of obtaining the loan cancels the policy.

Peril Insurance

- The perils covered include fire, natural disasters, impact damage, strike, riot and burglary. You may visit the NHT website for the complete list of perils. All loans except for House Lot and Serviced Lots loans are covered with peril insurance.

- Whenever you improve or expand, make sure your property remains adequately covered by submitting a valuation report or the new square footage, indicating the new replacement value.
- You may contact the NHT at any time to find out about your property insurance coverage.

Making a Peril Insurance claim

- If you suffer loss or damage to your property, submit a completed peril insurance claim form within 60 days of the damage, along with:
 - » an estimate of the damage or loss
 - » photographs of the damage if possible
 - » a fire report, in case of fire
 - » a police report, in case of theft
 - » valid identification (driver's licence, passport or voter registration card), and
 - » TRN

You may obtain the **“Peril Insurance Claim Form”** from the NHT website or an NHT office.

- » Insurance settles the full amount to recover your property if damage is caused by fire or lightning.
- » For all other perils- except theft, you are responsible for 2% of the insured amount.
- » In case of theft, you are responsible for 1% of the insured amount.

The amount you are responsible for is called an excess.

- The peril insurance premium for strata units covers only the loan balance and not the property. Therefore if you own a strata unit, you should insure your unit as well as the common areas for their full replacement value, through your strata corporation.

Making a Life Insurance claim

- Advise the NHT in writing, immediately after the death of a mortgagor. Follow up as soon as possible with a claim by

submitting a completed **“Death Claim Form”**, along with:

- » Death certificate
 - » Birth certificate or passport (of the deceased)
 - » Medical or police report, if mortgagor died of natural cause, and
 - » Marriage certificate, deed poll or other proof of name change, if necessary.
- You may obtain the **“Death Claim Form”** at an NHT office. A life insurance claim must be submitted within 3 years of the death of a mortgagor.
 - You will also need to submit a court declaration if the mortgagor has been missing for more than seven years.

COLLECTING YOUR PROPERTY TITLE

One of the happiest events in your relationship with the NHT will be collecting the title for your property. Do the following before coming in to collect your title:

- Ensure your loan account(s) has zero balance. Any outstanding amount, no matter how small, will prevent the mortgage(s) from being discharged from the title.
- Pay the fees to discharge the mortgage from the title.

The NHT will advise you of the availability of your title in approximately eight weeks of settling your loan account.

KEEPING IN CONTACT

- You may access the following mortgage services via email:
 - » your annual statement
 - » pay-off statements
 - » payment reminders
 - » transfer of balance between accounts, and
 - » change of address

To register for this facility, visit www.nht.gov.jm and click the “Sign-Up” link under **“Request Loan Statements”**.

- If you are already registered, you may request the service you require by sending an email to **wecare@nht.gov.jm**.
- You may also request loan statements via NHT Online or the NHT Mobile App.
- View details of your mortgage account online at **www.nht.gov.jm** or via the NHT Mobile App.
- When you receive your annual statement, please review it carefully and inform the Trust of any errors. Also, please check the statement to ensure that contribution refunds due to you have been applied to your account. The NHT sends you a loan statement annually, either by post or email.
- Whenever there is a change in insurance and/or interest rates, the NHT will send you a letter to advise of the new monthly repayment amount.
- To ensure that you receive correspondence relating to your loan account, please keep the NHT informed of any changes in your telephone numbers, mailing and/or email address.

GLOSSARY

Salary Deduction

An amount an employer takes out of an employee's salary and pays over to an authorised recipient.

Standing Order

An account holder's instruction to his/her bank (or other financial institution) to pay a set amount from his/her account at set intervals to a specified institution or individual. The order remains in force until the account holder cancels it.

Strata Corporation

A legal entity with responsibility for managing strata properties. The owners of the strata units are the members of the strata corporation. The corporation is led by an executive body, duly elected by members of the corporation. The executive is responsible for managing and maintaining the strata complex.



CONTACT US:

NHT offices are located islandwide. All offices open to the public at 9:00 am except for the Kingston & St Andrew, St Catherine, Clarendon and St James Branch Offices, which open at 7:30 am. Our offices close at 4:00 pm from Monday to Thursday and at 3:00 pm on Fridays.

BRANCH OFFICES

CLARENDON

Glenmuir Business Centre
55 Manchester Avenue, May Pen
Tel: (876) 986-2051, (876) 986-9552

KINGSTON & ST ANDREW

4 Park Boulevard, Kingston 5
Tel: (876) 929-6500-9

MANCHESTER

Lot 22 Caledonia Mall
3 ½ Caledonia Road, Mandeville
Tel: (876) 962-2549, (876) 962-6368

ST ANN

28 Graham Street, Ocho Rios
Tel: (876) 974-4934; (876) 974-4399

ST CATHERINE

Twickenham Park, Spanish Town
Tel: (876) 984-8023, (876) 984-3148

ST JAMES

42b Union Street, Montego Bay
Tel: (876) 952-0063,
(876) 979-3418-9

WESTMORELAND

123 Great George Street,
Savanna-La-Mar
Tel: (876) 955-2877,
(876) 955-3816

SERVICE CENTRES

HANOVER

Uptown Shopping Centre
Moseley Drive, Lucea
Tel: (876) 956-2982, (876) 956-3092

PORTLAND

28 Harbour Street, Port Antonio
Tel: (876) 993-3863, (876) 993-3314

ST ELIZABETH

109 Main Street, Santa Cruz
Tel: (876) 966-2510, (876) 724-9719

ST MARY

64 Stennett Street, Port Maria
Tel: (876) 994-2216, (876) 994-9682

ST THOMAS

2 Georges Street, Morant Bay
Tel: (876) 982-9417, (876) 982-1490

TRELAWNY

85 Market Street, Falmouth
Tel: (876) 954-3771-2

CUSTOMER CARE DEPT.

Toll Free: 888-991-2232
or Tel: (876) 754-7086

CALL CENTRE

Toll Free: 888-CALL-NHT
(888-225-5648)
or (876) 929-6500-9

E-MAIL: wecare@nht.gov.jm

WEBSITE & LIVE CHAT:

www.nht.gov.jm