



Dear Valued Customer,

Thank you for choosing CBA for your Mortgage.

Please find below a flow of actions that will follow upon acceptance of the Letter of Offer. Below this, we have also included a schedule of costs that you will incur associated with the valuation of property and registration of title.

STEP	ACTIVITY	BY WHOM	APPROXIMATE TIME FRAME*
STEP 1 - REQUIREMENTS AT APPLICATION			
1.	Copy of ID or Passport	Yourself	Immediately
2.	Copy of KRA PIN		
3.	3 months' pay slips		
4.	6 Months bank statements if not banking with CBA		
5.	Letter of introduction from the employer		
6.	Duly filled application form		
7.	Sale agreement where applicable		
8.	Copy of title or lease of the property		
9.	Copy of ID/Passport and KRA PIN for spouse and Marriage certificate or Affidavit to indicate single status		
10.	Duly signed Total Cost of Credit (TCC)		
STEP 2 - REQUIREMENTS POST APPROVAL			
1.	Duly executed offer letter	Yourself	30 days
2.	Duly executed sale agreement where applicable	Yourself	Immediately
3.	Duly filled insurance forms	Yourself	Immediately
4.	Valuation of property	CBA Approved Valuer	4 days
5.	Medical test [applicable for mortgage amounts above Kes. 20M]	Yourself	4 days
6.	Selection of lawyer from the Banks approved panel	Yourself	Immediately
7.	Evidence of Borrower's contribution	Yourself	Immediately
8.	Instructions to Bank lawyers	Bank	1 day
9.	Charge preparation	Bank's Lawyer**	2 days
10.	Charge sign off	Yourself	2 days
11.	Charge execution by the Banks lawyers	CBA Bank	3 days
12.	Spousal consent if married	Yourself	Immediately
STEP 3 - PROPERTY REGISTRATION PROCESS			
1.	Proof of Land Rates and Land Rent payment	Yourself	5 days
2.	Government valuation	Government Valuer	1 week
3.	Stamp duty payment	Bank's Lawyer**	3 days
4.	Lodging documents with Lands office for stamping and franking	Bank's Lawyer**	1 day
5.	Registration of documents	Bank's Lawyer**	4 weeks
6.	Delivery of registered documents to the Bank	Bank's Lawyer**	1 day

STEP 4 - DISBURSEMENT			
1.	Confirmation of vendors bank payment details	CBA Bank	1 day
2.	Confirmation of payment due	CBA Bank	1 day
3.	Confirmation of medicals where applicable (Medical report valid for six months)	CBA Bank	1 day
4.	Confirmation of premium payable from the insurance company	CBA Insurance Agency	1 day
5.	Disbursement of loan proceeds	CBA Bank	1 day
6.	Loan account set up	CBA Bank	Immediately
7.	Loan Repayment advise	CBA Bank	Immediately

* The timelines indicated are approximate and are mainly dependent on 3rd parties.

** Refers to Lawyers in the approved Bank's Panel

Schedule of Costs – Valuation & Registration of Title

ITEM	COST / RATE	TIMING (WHEN PAYMENT IS DUE)
Facility / loan processing fee	As advised on your Letter of Offer (minimum Kes 10,000)	Within 1 week of acceptance of offer for financing (when the duly signed Bank Letter of Offer [LOF] is returned to the Bank)
Valuation fee *	<p>Graduated as below and determined by the Valuation Act:</p> <ul style="list-style-type: none"> • 1st Kes 2 million at 1% • Residual amount at 0.25% <p>The above fees are subject to VAT plus other valuation costs as agreed with the valuer e.g. search fee etc.</p>	This is due upon completion of the valuation exercise. The fee note will be included with your copy of the valuation report.
Stamp duty charge *	<ul style="list-style-type: none"> • Transfer: 2% - 4% of value of property • Charge: 0.1% of value of property • Discharge: 0.05% of value plus handling fees (for mortgage takeovers and equity release) <p>(All stamp duty charges are subject to prevailing Land Laws of Kenya)</p>	This is due upon successful application of consent to charge. This fee is payable to the Government of Kenya.
Lawyers fee *	Approximately 1% – 1.5% of loan value plus VAT + other incidental costs	This fee is due upon registration of title. This refers to registration with the relevant government bodies that the banks interest is noted on the said title. The fee is payable to the lawyer that you chose from our approved panel.

ITEM	COST / RATE	TIMING (WHEN PAYMENT IS DUE)
Consent to charge* Land rates (City Council) Land rent (Ministry of Lands)	Between Kes 2,000 – Kes 20,000 The cost will differ based on the type of title and location of property. <i>Please note that the rates can be obtained from relevant County Council / Ministry of Lands offices</i>	This is due after signing the charge document and is payable to <i>relevant County Council for Land Rates and Ministry of Lands offices for Land Rent</i>
INSURANCE: Life Mortgage Protection cover premium Property [(fire) insurance cover premium	0.575% p.a. of the loan amount. This will cover event such as Death, Disability & Retrenchment or 0.5% p.a. of the loan amount if the cover is for Death and Disability only. 0.125% p.a. of insurable value	The first premium is payable at disbursement of loan proceeds. The timing of the annual renewal premium will be advised (90 days notice will be given prior to renewal date)

**The costs indicated are approximate and mainly dependent on 3rd parties*

Please note that:

- You should read the Bank's Letter of Offer and Charge documents carefully.
- You should contact your Advocate to explain the contents of these documents to you. Please sign the documents in his / her presence in order for them to witness your signature. This will ensure and signify that the legal implications of the contents of the Offer Letter and Charge documents have been clearly explained to you.

NB: The Advocate must be an Advocate that holds a current, valid practicing certificate.

- If the property you are purchasing is incomplete, please inform the Bank at the point of returning the Letter of Offer. The valuation will be carried out on completion of construction; and upon your advice.
- The Security perfection process will only commence once all the approval conditions outlined in the Offer Letter are met.

This document acts as a guideline for your reference and does not replace your Letter of Offer [LOF].

For any further queries, please contact your Relationship Manager or the Contact Center on +254 20 2884000.

CONGRATULATIONS on taking this monumental step in your home ownership journey!

Yours sincerely,

The Property Finance Team

Glossary of terms:

Security perfection: This is a legal process which is intended to secure performance of an obligation such as registration of a mortgage on a borrower's title.

Stamp duty: This is a government tax on all property transfers and mortgage registrations and is a percentage of the property value according to the government valuer appraisal report.

Title: A document showing ownership of real property, giving a description of the property owned and any encumbrances against the property.

Charge execution: Formalization of a legal claim / lien on the property

Other disbursement costs: These are other costs that form part of the fee note by the lawyers and valuers relating to costs incurred while handling your transfer and these will include photocopying cost, transportation and communication costs.

Mortgage Takeovers: This is when a Bank offers to take over / buy out a running mortgage with another institution.