

GOVERNMENT NOTICE No. 98

REPUBLIC OF TRINIDAD AND TOBAGO

THE HOUSING ACT, 1962
(No. 3 of 1962)

REGULATIONS

MADE BY THE NATIONAL HOUSING AUTHORITY UNDER SECTION 33H OF THE
HOUSING ACT, 1962

THE NATIONAL HOUSING AUTHORITY (SOFT LOANS)
REGULATIONS, 1977

Citation

1. These Regulations may be cited as the National Housing Authority (Soft Loans) Regulations, 1977.

Definitions
No. 3 of
1962 and
Act No.
of 1977

2. In these Regulations—

- “the Act” means the Housing Act, 1962;
- “approved valuer” means a person approved under regulation 15 as being qualified to value the cost of construction of a house;
- “borrower’s equity” means the sum to be supplied by an applicant representing the difference between the maximum loan to which the applicant is entitled and the cost of construction;
- “Committee” means the Investment Committee established under section 33i of the Act;
- “dependent relatives” means relatives normally residing with and dependent on the applicant;
- “registered builder” means a firm or company registered in accordance with regulation 16;
- “Secretary” means the Secretary of the Authority;
- “single person” means a person who is unmarried, divorced, separated or widowed.

Eligibility
for soft
loans

3. (1) Any family—

- (a) whose joint income, subject to paragraph (2) does not exceed six hundred and fifty dollars per month; and
- (b) who is in possession of residential freehold or leasehold land, the minimum size of which is not less than three thousand two hundred square feet in sewerred areas and five thousand square feet in other areas,

may apply for a soft loan on the form supplied by an approved agent.

(2) The income limit specified in paragraph (1) shall be increased by the sum of eighty dollars for every dependent child after the first and by twenty-five dollars for every dependent relative living with the applicant.

(3) For the purpose of these Regulations the family unit shall consist of applicant, spouse and child, but where the applicant is a single person the family unit shall include such dependent relatives as the Committee may specify.

(4) Notwithstanding paragraph (1), a family not already in possession of residential land may apply for a soft loan where the Authority offers leases under section 33F of the Act.

4. An application for a soft loan shall be accompanied by—

- (a) a fee of one dollar for every thousand dollars or part thereof of the amount of the proposed loan;
- (b) a written declaration signed by the applicant in the form set out as Form No. 1 of Part I of the First Schedule;
- (c) an approved construction plan;
- (d) an estimate of the cost of construction;
- (e) a copy of the deed of conveyance or lease for the land;
- (f) evidence of income;
- (g) the birth certificates of dependent children; and
- (h) such other information as the Committee may require.

Application
for soft
loan

Form I
First
Schedule

5. (1) Subject to paragraph (2), application fees shall not be refunded.

Refund of
application
fee

(2) Where an application is withdrawn before it is considered by the Investment Committee the applicant shall be refunded one-half of the application fee.

6. An applicant may be required to attend an interview with the approved agent to whom the application was made and to supply such further information as the approved agent may require.

Interview
with
approved
agent

7. An approved agent shall submit for the approval of the Committee applications for soft loans at least twice in every month.

Submission
of
applications
to
Committee

8. (1) The Committee shall meet at least twice in every month for the purpose of carrying out its functions.

Investment
Committee

(2) In determining the amount of the soft loan that is to be granted the Committee shall have regard to—

- (a) the approved plans;
- (b) the cost of construction of the house on the basis of the valuer's report;
- (c) the cost of completing purchase of land if applicable;
- (d) the present and prospective income of the applicant; and
- (e) such other circumstances as the approved agent and the Committee may consider material.

9. (1) Before forwarding an application to the Committee for approval, an approved agent shall be satisfied that the applicant can provide the borrowers' equity from his own resources.

Borrower's
equity

(2) The borrower's equity may be represented by all cash or all labour or both thereof in the construction of the house.

(3) A borrower's equity obtained through a benevolent source such as a relative or an employer shall not be excluded unless the terms of repayment are so onerous as to render the borrower incapable of meeting his financial obligations under these Regulations.

Approved
construction
plans
Part II
First
Schedule

10. (1) The Authority shall make available approved construction plans of one to three bedroom houses at the fees prescribed in Part II of the First Schedule.

(2) An applicant may obtain from an approved agent on payment of the prescribed fee any plan supplied by the Authority.

(3) An applicant shall, where he desires to use his own construction plan, obtain the necessary planning approval before submitting his application to an approved agent.

Interest
rate and
repayment
period

11. (1) The rate of interest on a soft loan shall be three and a half per cent per annum or such other rate as the Authority may determine by Notice published in the *Gazette*.

(2) No servicing fee shall be charged by the Authority in respect of a soft loan, but all legal charges shall be borne by the borrower.

(3) In determining the length of the period over which the loan is to be repaid the Authority shall have regard to the age of the applicant.

Property to
be insured

12. (1) A borrower shall undertake to insure the property which is the subject of the loan against fire and such other perils as the Authority may specify, with an insurance company approved by the Authority and the interest of the Authority shall be noted on such policy.

(2) Where a borrower fails to pay a premium when it becomes due or where the terms of the loan provide that the premiums shall or may be paid by the Authority, the Authority may upon payment thereof, charge the borrower interest thereon until reimbursement at the same rate as that payable on the mortgage loan.

No disposal
of property
within first
five years

13. No borrower may dispose of a property which is the subject of a loan within the first five years from the date of commencement of construction.

Progress
advances

14. (1) The Authority may in its discretion with respect to any loan, make progress advances of the loan as construction of the premises proceeds.

(2) Progress advances may not, when added to the borrower's equity, exceed ninety per cent of the cost of construction at the stage reached on the date of application for such advance.

(3) No progress advance may be made unless the Committee is satisfied that the borrower has, from any previous advance or from the borrower's equity discharged his obligations with respect to labour and materials at least in the proportion that the amount of such previous advance or borrower's equity bears to the approved loan.

Approved
valuers

15. (1) Where progress advances are not made the approved agent shall cause to be valued the cost of construction of the house on completion and for such purpose shall engage the services of a valuer approved by the Authority in accordance with this regulation.

(2) The Secretary shall in pursuance of paragraph (1) keep a register of Chartered Surveyors and Valuers and such other valuers as the Authority may for the purpose of these Regulations approve.

16. (1) The Secretary shall keep a register of builders who are approved by the Authority as being competent to construct houses within the limits of the soft loan programme. Builders' register

(2) The name of a builder shall not be entered in the register unless he gives to the Authority a written undertaking that he will enter into a building contract with any borrower who may require his services.

(3) Subject to paragraph (4) the Committee may in its discretion delete the name of any builder from the register and upon deletion such builder shall cease to be eligible to construct houses under the soft loan programme.

(4) Before exercising its power under paragraph (3) the Committee shall notify the builder in writing of its intention to delete his name from the register unless within such period as may be specified in the notification he satisfies the Committee that his name should not be deleted.

(5) Except in the case of a borrower builder or where a borrower's equity consists of labour, every successful applicant for a loan shall agree to employ one of the builders entered on the register.

17. (1) The Authority shall pay quarterly to an approved agent a management fee based on the cumulative monthly sum advanced to borrowers less the principal sums repaid and sums in arrears calculated as follows:— Management fee payable to approved agent

- (a) one per cent per annum on sums not exceeding fifteen million dollars;
- (b) three-quarter per cent per annum on sums in excess of fifteen million but not exceeding twenty-five million dollars; and
- (c) one-half per cent per annum on sums in excess of twenty-five million dollars.

(2) The management fee payable to approved agents under paragraph (1) may be varied by agreement between the Authority and the approved agents and such variation shall be published by Notice in the *Gazette*.

18. Before accepting any application on behalf of the Authority every approved agent shall enter into a contract with the Authority in the form set out as Form 2 of Part I of the First Schedule. Contract with approved agent Form 2

19. The memoranda of charge and discharge shall be in the forms set out as Forms Nos. 1, 2 and 3 of the Second Schedule. Memoranda of charge and discharge Second Schedule

FIRST SCHEDULE

PART I

FORM No. 1

(Regulation 4)

Declaration

(To be signed personally by all applicants)

It is declared that all the statements and answers contained in the attached application for a first mortgage loan are full, complete and true.

1. I/We declare that I am/we are of full age and under no legal impediment and that all the answers and statements contained in the attached application are correct to the best of my/our knowledge.
2. I/We agree to pay all legal and closing charges, insurance premiums, charges and payments required to be made by the provisions of the Housing Act No. 3 of 1962.
3. I/We have not been refused a loan on this security.
4. Valuation Charges and Legal Expenses shall be borne by me/us, together with any expenses necessary to perfect title, and I/We further agree that should the title be found unsatisfactory or should I/We decline or omit to take up the amount granted to me/us or the application be declined by the Authority for any cause whatever I/We will forthwith pay all expenses incurred in consequence of this application.
5. I/We agree that the statements and answers contained in the attached application shall form the basis on which the Authority may agree to advance to me/us the loan applied for and that if any untrue statements have been made or information withheld, the Authority may notwithstanding any term to the contrary contained in any mortgage taken on the faith thereof, forthwith demand and enforce repayment of the sum lent to me/us.
6. I/We will insure the buildings to an amount satisfactory to the Mortgage and such Insurance shall be effected with a Company to be approved by the Authority. I/We undertake to provide the Mortgagee with evidence of renewal of such Insurance during continuance of the Mortgage.
7. If the materials and workmanship are not satisfactory to the Authority, it reserves the right to determine the amount it shall advance.
8. I/We hereby offer to accept a loan of the amount applied for and on the mentioned security on the Authority's standard form of mortgage and agree that this offer shall remain open for acceptance by the Authority until withdrawn in writing.
9. I/We agree should the Authority lend the amount applied for or any part thereof, to keep the property in good repair.
10. I/We agree to occupy the property as my/our sole residence.
11. I/We agree to pay all taxes as they become due, and to exhibit receipts or certificates of such payments when required by the Authority.

Dated at this day of 19.....

Signature

Signature

Witness

FOR OFFICIAL USE ONLY

Terms and Conditions of Loan

Amount Approved

Duration.....Interest..... Monthly Instalment.....

.....

Agent's Recommendations:

Authority's Comments:

FORM No. 2

(Regulation 18)

TRINIDAD AND TOBAGO

THIS AGREEMENT made this day of 19 between
THE NATIONAL HOUSING AUTHORITY established under the Housing Act No. 3 of 1962
and having its offices at
in the City of Port-of-Spain in the Island of Trinidad (hereinafter called "the Authority")
of the One Part and

a Company duly incorporated under the provisions of the Companies Ordinance, Ch. 31,
No. 1 and having its registered office at

in the Island of
Trinidad and (hereinafter called "the Approved Agent") of the other Part whereby it is
agreed on as follows:

The Approved Agent will on behalf of the Authority grant soft loans to low-income
persons for the construction of houses under the following terms and conditions:

1. No loan will be granted by the Approved Agent without the prior approval of
the Authority and the Approved Agent will forward to the Authority twice in every month
in respect of each application for a loan the following documents:—

- (a) Application form;
- (b) Declaration;
- (c) Copy of approved building plans;
- (d) Copy of approved valuer's report;
- (e) Copy of freehold or leasehold title deed

together with its recommendations on each application.

2. Interest shall be charged at the rate of three and one-half per cent per annum
or such other rate as shall be determined by the Authority.

3. Loans shall be for a period not exceeding thirty years and shall be determined
by the Approved Agent and the Authority.

4. Loans will be granted up to a maximum of ninety-five per cent of the cost of con-
struction and acquisition of the land (if applicable) or forty thousand dollars whichever is
the lesser.

5. All loans will be secured by a first legal charge in favour of the Authority.

6. Repayments will be by agreed monthly instalments of capital and interest combined
on the last day of each and every month during the life of the loan.

7. Borrowers will be required to insure the mortgaged property against fire and such
other perils as the Authority may specify.

8. Upon notification from the Authority's solicitors that the mortgage deeds are in
order and ready for execution the Approved Agent will transfer to the Solicitor the exact
amount of the loan to be secured by the mortgage deeds.

9. The Authority shall pay quarterly to an Approved Agent a management fee based
on the cumulative monthly sum advanced to borrowers less the principal sums repaid and
sums in arrears calculated as follows:—

- (a) one per cent per annum on sums not exceeding fifteen million dollars;
- (b) three-quarter per cent per annum on sums in excess of fifteen million dollars
but not exceeding twenty-five million dollars; and
- (c) one-half per cent per annum on sums in excess of twenty-five million dollars.

10. All other costs and expenses will be borne by the Approved Agent except that the
Borrower shall pay the Authority's Solicitors fees and other charges (if any) for preparing
and registering mortgage deeds, and the valuation fees (if any) incurred by the Approved
Agents.

11. The Approved Agent shall submit to the Authority in respect of all mortgage loans—

- (a) a copy of the amortisation schedule (i.e. the list of instalments by which the loan is repayable);
- (b) a monthly statement showing—
 - (i) the total amount outstanding in respect of the arrears of instalments broken down into principal and interest; and
 - (ii) a list of all persons who have defaulted in the payment of instalments and the number of instalments outstanding in respect of each;
- (c) a quarterly statement showing all balances owing and the total amount thereof.

12. The Approved Agent will transfer all monies received by the Approved Agent on behalf of the Authority to the Authority's account at
on the 14th and 28th days of every month and at the same time forward to the Authority a statement showing—

- (a) the total amount transferred broken down into principal and interest; and
- (b) a list of all persons whose instalments are included in the total amount transferred.

13. It is understood between the parties hereto that the files and documents concerning the Authority's mortgages are to be made available to the Authority by the Approved Agent upon request.

14. The Approved Agent will not be liable to the Authority for any loss whatsoever sustained by the Authority in respect of any loan granted by the Approved Agent provided that the Approved Agent—

- (a) takes all reasonable precautions in acting as agent for the Authority in the granting of such loans; and
- (b) has not committed any breach of any of the terms of this Agreement.

15. This Agreement shall be for a period of three years from the date hereof but shall be determinable by either party giving to the other three months notice in writing.

IN WITNESS WHEREOF the Common Seal of the parties hereto were hereunder affixed the day and year herein written.

<p>THE SEAL OF THE NATIONAL HOUSING AUTHORITY was hereto affixed by its Chairman in the presence of another member of the Authority and its Secretary in the presence of</p>	}	And of me
<p>THE COMMON SEAL OF was hereto affixed by its Secretary in the presence of one of its Directors by the order and authority of the Board of Directors and signed by the said and in the presence of</p>	}	And of me

PART II

The fees payable to the Authority in connection with approved building plans shall be—

- (a) for a one bedroom house \$40,00;
- (b) for a two bedroom house \$60.00;
- (c) for a three bedroom house \$80.00

SECOND SCHEDULE

(Regulation 19)

FORM No. 1

MEMORANDUM OF CHARGE made thisday of
 in the Year of Our Lord One Thousand Nine Hundred and
 by.....
 of
 in Trinidad and Tobago,.....
(hereinafter called "the Borrower(s)" in favour of the
 NATIONAL HOUSING AUTHORITY incorporated by the Housing Act, 1962 (hereinafter
 called "the Authority"):

WHEREAS THE BORROWER(S)seised in fee
 simple free from encumbrances of the freehold hereditaments specified in the Schedule
 hereto (hereinafter referred to as "the said freehold hereditaments") and.....
applied to the Authority for a loan of the
 sum of.....under the provisions
 of section 33B of the said Act to be applied in or towards the purposes following, that is
 to say

 which loan the Authority has agreed to make upon the terms and conditions in manner
 hereinafter appearing:

WITNESSETH as follows:—

1. In pursuance of the agreement and in consideration of the sum of
lent by the Authority to the Borrower(s) on
 completion of the work to be undertaken the Borrower(s) hereby covenant(s) with the
 Authority to pay to the Authority the said loan, namely, the sum of
with interest thereon
 at the rate ofper centum
 per annum by monthly instalments of principal and interest combined at the rate of

 Provided that if default is made by the Borrower(s) in payment of any instalment of
 principal and interest or if.....
 shall commit a breach of any covenant or obligation herein contained or if any event
 shall arise whereby the Authority may exercise its power of sale the whole of the principal
 money then outstanding shall become immediately due and payable with interest thereon
 at the rate aforesaid.

2. For consideration aforesaid the Borrower(s) as beneficial owner(s) hereby convey(s)
 unto the Authority the said freehold hereditaments To HOLD the same unto and to the
 use of the Authority in fee simple subject to the proviso for redemption hereinafter contained.

3. The said loan of
 abovementioned shall be made on the certificate of an approved valuer appointed by
 the Authority as to the completion of the work to be undertaken: Provided that if at

SECOND SCHEDULE—CONTINUED

any time prior to the payment of the said sum of.....
 any event shall arise whereby the Authority may exercise its power of sale the Authority
 may decline to pay the same and may exercise any or all of the powers available to mort-
 gagees for enforcing payment of their securities.

4. Provided that on payment by the Borrower(s) to the Authority of all sums due
 byunder this Memorandum of Charge
 this Charge shall at the request of the Borrower(s) be vacated by Memorandum in the
 prescribed form or otherwise as the Borrower(s) shall direct.

5. THE BORROWER(S) HEREBY
 further covenant(s) with the Authority during the continuance of this security as follows:—

- (1) To keep all the buildings erected or which may hereafter be erected on the
 said freehold hereditaments in good and substantial repair to the satisfacton
 of the Authority. And if the Borrower(s) shall fail or neglect to do so after
 due notice in writing thereof to.....
 the Authority may thereupon enter upon the premises and execute such
 repairs as may be necessary to comply with this obligation. And the
 Borrower(s) shall on demand repay to the Authority all the expenses incurred
 by the Authority and shall pay interest at the rate of
 per centum per annum from the date of the demand until repayment, and
 all such expenses and interest until repayment shall be charged on the said
 freehold hereditaments.
- (2) To keep all the said buildings and out-offices insured in the name of the
 Borrower(s) with the Authority's interest noted thereon against loss or
 damage caused by fire, earthquake and hurricane in the sum of.....

 with an Insurance Company approved by the Authority and shall make all
 payments required for the purpose as and when the same shall become due
 and shall when required by the Authority deliver up for safe keeping by the
 Authority the Policy or Policies of such Insurance and the receipt for each
 such payment. And if the Borrower(s) shall fail to perform any of
obligations under this paragraph and if the
 Authority shall thereupon insure the said buildings or any of them in any
 amount not exceeding.....
 the Borrower(s) shall on demand repay to the Authority all payments made
 for that purpose and shall pay interest at the rate of.....
 per centum per annum from the date of demand until repayment and all
 moneys not repaid on demand as aforesaid and all such moneys and interest
 shall be charged on the said freehold hereditaments.
- (3) To pay and discharge all rates, taxes, duties, charges and assessments, impo-
 sitions and outgoings whatsoever which shall be assessed charged or imposed
 upon or payable in respect of the said freehold hereditaments or any
 part thereof by the Borrower(s) and if the Borrower(s) shall at any time
 refuse or neglect to make such payments or to deliver the receipt thereof to
 the Authority on demand the Authority may pay the same and the Borrower(s)
 shall on demand repay to the Authority all payments made for that purpose
 and shall pay interest at the rate of.....per centum
 per annum from the date of demand until repayment and all moneys not
 repaid on demand as aforesaid and all such moneys and interest shall be
 charged on the said freehold hereditaments.
- (4) Not to dispose of the said freehold hereditaments within the first five years of
 the date of commencement of construction of the dwelling house.
- (5) Not to exercise any powers of leasing or letting the said freehold hereditaments
 or mortgaging or selling or otherwise disposing of the same or any part thereof
 except with the consent in writing of the Authority for that purpose first had
 and obtained.

SECOND SCHEDULE—CONTINUED

- (6) To use the said freehold hereditaments as a residence for
and..... immediate family and for no other purpose unless the permission of the Authority in writing is first had and obtained. And also shall not utilize the moneys hereby loaned for any purpose other than those hereinbefore specified.
- (7) To comply with the provisions of the said Act and with all regulations made thereunder.

6. PROVIDED ALWAYS and it is hereby agreed as follows:—

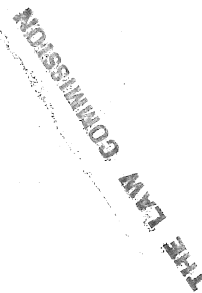
- (1) The Borrower(s) may pay off all or any number of instalments on account of the principal money for the time being owing: Provided that upon such payment the interest on the whole principal money for the time being owing be fully paid and that any such partial payment by anticipation shall not interfere with the payment in regular course of the instalments of principal and interest subsequently payable but shall only have the effect of accelerating the ultimate payment of the moneys remaining owing on this Charge.
- (2) The Authority may in its absolute discretion exercise its power of sale in any of the following events:—
 - (a) if default is made in payment of any instalment of principal and interest for the time being owing on this Charge for One Month after notice requiring payment thereof shall have been served on the Borrower(s);
 - (b) if the Borrower(s) shall fail to observe any of..... obligations hereunder other than in regard to the payment of principal and interest;
 - (c) if the Borrower(s) shall commit any act of Bankruptcy or make any assignment for the benefit ofcreditors.

IN WITNESS WHEREOF THE BORROWER(S) hereunder set(s).....hand the day and year first hereinbefore written and the Seal of the National Housing Authority was hereunto affixed by the Chairman thisday of..... one thousand nine hundred and.....

SCHEDULE

Signed and Delivered by the within-named }
 in the presence of }
 And of me

The Seal of the National Housing Authority }
 was hereto affixed by }
 its Chairman in the presence of }
 another member of the Authority and }
 Secretary }
 And of me



FORM No. 2

MEMORANDUM OF CHARGE made this.....day of
in the year of our Lord one thousand nine hundred
 and.....by.....
 of.....in Trinidad and Tobago
 (hereinafter called "the Borrower") in favour of the National Housing Authority incorpo-
 rated by the Housing Act, 1962 (hereinafter called "the Authority"):

WHEREAS by Deed of Lease dated the.....day of.....19.....,
 Registered as No.of.....(hereinafter referred to as "the said lease")
 and made between.....(hereinafter called "the Lessor")
 of the One Part and.....of the Other
 Part (hereinafter called "the Lessee") and which expression where the context so admits
 shall include "the executors, administrators and assigns" the Lessor demised to the lessee
 the hereditaments described in the Schedule hereto (hereinafter referred to as "the said
 leasehold hereditaments") for the term of.....years
 from the.....day of.....19.....,
 at the yearly rent of.....subject to the covenants and conditions therein contained;

AND WHEREAS the Borrower(s).....now possessed of the
 said leasehold hereditaments for all the unexpired residue of the term of.....
 years created by the said Lease:

AND WHEREAS the Lessor in compliance with the covenant in that behalf in the said
 Lease contained granted.....consent to the assignment of the said
 leasehold hereditaments to the Authority hereby intended as appears by the paper writing
 dated the.....day of.....19.....hereto annexed
 and marked "A":

AND WHEREAS the Borrower(s).....applied to the Authority
 for a loan of the sum.....under the provisions of section 33B of the said Act
 to be applied in or towards the following purpose, that is to say:—

.....
 which loan the Authority has agreed to make upon the terms and conditions in manner
 hereinafter appearing:—

WITNESSETH as follows:—

1. In pursuance of the Agreement and in consideration of the sum of.....
 lent by the Authority to the Borrower(s) on completion of the work(s) to be undertaken
 the Borrower(s) hereby covenant(s) with the Authority to pay to the Authority the said
 loan with interest thereon at the rate of.....per centum per annum by
 monthly instalments of principal and interest combined at the rate of.....:
 Provided that if default is made by the Borrower(s) in payment of any instalment of prin-
 cipal and interest or if.....shall commit a breach of any
 covenant or obligation herein contained or if any event shall arise whereby the Authority
 may exercise its power of sale the whole of the principal money then outstanding shall
 become immediately due and payable with interest thereon at the rate aforesaid.

2. For the consideration aforesaid the Borrower(s) as beneficial owner hereby assign(s)
 unto the Authority all the said leasehold hereditaments comprised in and demised by the
 said lease together with the buildings erected or hereafter to be erected thereon To HOLD
 the same unto the Authority for the residue now unexpired of the term of.....years
 created by the said lease except the last day thereof subject to the proviso for redemption
 hereinafter contained.

SECOND SCHEDULE—CONTINUED

3. The said loan of.....above mentioned shall be made on the certificate of a Valuer approved by the Authority as to the completion of the work to be undertaken: Provided that if at any time prior to the payment of the said sum of..... any event shall arise whereby the Authority may exercise its power of sale the Authority may decline to pay the same and may exercise any or all the powers available to mortgagees for enforcing payment of their securities.

4. Provided that on the payment by the Borrower(s) to the Authority of all sums due by.....under this Memorandum of Charge this Charge shall at the request of the Borrower(s) be vacated by Memorandum in the prescribed form or otherwise as the Borrower(s) shall direct.

5. THE BORROWER(S) HEREBY FURTHER COVENANT(S) with the Authority during the continuance of the security as follows:—

- (1) To keep all the buildings on the said leasehold hereditaments in good and substantial repair to the satisfaction of the Authority. And if the Borrower(s) shall fail or neglect to do so after due notice in writing thereof to..... The Authority may thereupon enter upon the premises and execute such repairs as may be necessary to comply with the above obligation. And the Borrower(s) shall on demand repay to the Authority all the expenses thereby incurred by the Authority and shall pay interest at the rate of..... per centum per annum from the date of the demand until repayment, and all such expenses and interest until repayment shall be charged on the said leasehold hereditaments.
- (2) To keep all the buildings and out-offices insured in the name of the Borrower(s) with the Authority's interest noted thereon, against loss or damage caused by fire, earthquake and hurricane in the sum of.....at least with an Insurance Company approved by the Authority and shall make all payments required for the purpose as and when the same shall become due and shall when required by the Authority deliver up for safe keeping by the Authority the Policy or Policies of such Insurance and the receipt for each such payment. And if the Borrower(s) shall fail to perform any of.....obligations under this paragraph and if the Authority shall thereupon insure the said buildings or any of them in any amount not exceeding.....the Borrower(s) shall on demand repay to the Authority all payments for that purpose and shall pay interest at the rate of.....per centum per annum from the date of demand until repayment and all moneys not repaid on demand as aforesaid and all such moneys and interest shall be charged on the said leasehold hereditaments.
- (3) To pay and discharge all rates, duties, charges, assessments, impositions and outgoings whatsoever which shall be assessed, charged or imposed upon or payable in respect of the said leasehold hereditaments or any part thereof by the Borrower(s) and if the Borrower(s) shall at any time refuse or neglect to make such payments or to deliver the receipt thereto to the Authority on demand the Authority may pay the same and the Borrower(s) shall on demand repay to the Authority all payments made for that purpose and will pay interest at the rate of.....per centum per annum from the date of demand until repayment and all moneys not repaid on demand as aforesaid and all such moneys and interest shall be charged on the said leasehold hereditaments.
- (4) Not to exercise any powers of leasing or letting the said leasehold hereditaments or mortgaging or selling or otherwise of the same or any part thereof except with the consent in writing of the Authority for that purpose first had and obtained.
- (5) To use the said leasehold hereditaments as a residence for..... and..... immediate family and for no other purpose unless the permission of the Authority in writing is first had and obtained; And also shall not utilize the moneys hereby loaned for any purposes other than those hereinbefore specified.

- (6) To pay the rent reserved by the said lease in respect of the said leasehold hereditaments and shall observe and perform the covenants and conditions therein contained on the part of the Lessee to be observed and performed.
- (7) To comply with the provisions of the said Act and with all regulations made thereunder.

6. PROVIDED ALWAYS and it is hereby agreed as follows:—

- (1) The Borrower(s) may pay off all or any number of instalments on account of the principal money for the time being owing: Provided that upon such payment the interest on the whole principal money for the time being owing be fully paid and that any such partial payment by anticipation shall not interfere with the payment in regular course of the instalments of principal and interest subsequently payable but shall only have the effect of accelerating the ultimate payment of the moneys remaining owing on this Charge.
- (2) The Authority may in its absolute discretion exercise its power of sale in any of the following events:—
 - (a) if default is made in payment of any instalment of principal and interest for the time being owing on this Charge for one month after notice requiring payment thereof shall have been served on the Borrower(s);
 - (b) if the Borrower(s) shall fail to observe any of..... obligations hereunder other than in regard to the payment of principal and interest;
 - (c) if the Borrower(s) shall commit any act of bankruptcy or make any assignment for the benefit of.....creditors.

IN WITNESS WHEREOF THE BORROWER(S).....hereunder set(s).....hand the day and year first hereinbefore written and the Seal of the National Housing Authority was hereunto affixed by the Chairman thisday of.....one thousand nine hundred and.....

SCHEDULE

Signed and Delivered by the within-named
 in the presence of
 The Seal of the National Housing Authority
 was hereto affixed by
 its Chairman in the presence of
 another member of the Authority and
 Secretary.

} and of me
 } and of me.

