

# HOUSING FINANCE APPLICATION FORM

CIF No.: \_\_\_\_\_

Name: \_\_\_\_\_

Account No.: | | | | | | | | | |

Loan A/C No.: \_\_\_\_\_

## Required Documents

### Documents Required for Approval

- ☐ Completed finance application form
- ☐ Copy of valid Omani ID card
- ☐ Recent original salary certificate
- ☐ Proof of other source of income (if required)
- ☐ Liability letter of loans/facilities of the applicant from other bank/ employer / financial institution.
- ☐ Undertaking Letter
- ☐ Guarantee Letter (For Joint Loan)
- ☐ Bank statement for the last six months
- ☐ Copy of title deed (Mulkiya) and Krooki copy
- ☐ Original valuation report from an approved valuer
- ☐ Copy of purchase agreement and ID copy of the current property owner (in case of purchase)
- ☐ Proof of down-payment (if any)
- ☐ Completed Life Insurance questionnaire
- ☐ Copy of approved drawings and Building permit from Muscat Municipality / Municipality Authorities (for regions)
- ☐ Construction quotation from the contractor stating construction cost and mode of payment

### Additional Documents for Non-Omani

- ☐ Passport Copy including visa page (expatriate)
- ☐ Labour Card Copy

### Additional Documents for Self-employed Customer

- ☐ Last three years audited financial statements
- ☐ Copy of commercial registration and computer print-out
- ☐ Brief business profile

### Additional Documents Required for Disbursement

- ☐ Signed Housing Loan Application Form with the Bank
- ☐ Salary assignment letter
- ☐ Construction agreement with mode of payment duly signed by the contractor, consultant and the customer
- ☐ Completed consultant agreement form
- ☐ First ranking mortgage over the property with Ministry of Housing
- ☐ Housing declaration form

## Charges

Finance Processing Fee, 50 OMR. (Subject to change)

### Note

Mortgage Registration Fee, 0.5% of the finance amount for Ministry of Housing.

- Submitted documents and certificates must be recent and valid.
- Additional information might be requested based on our review of the initial information provided.
- Processing Fee is not refundable.

Borrower's Signature : .....

## HOME FINANCE APPLICATION FORM

**Note:** For faster processing, ensure that the application is complete in all respects and all required documents are submitted with the application.

**Sohar International Account Number:**

### Personal Details

Title ☐ Mr. ☐ Ms.

Full Name \_\_\_\_\_

(As per ID/PP) \_\_\_\_\_

Nationality \_\_\_\_\_

Date of Birth \_\_\_\_\_

Passport Number \_\_\_\_\_

ID Number \_\_\_\_\_

Gender ☐ Male ☐ Female

Marital Status ☐ Single ☐ Married

No. of Dependents ☐ Children ☐ Others

Name of Co-applicant(s) (a) \_\_\_\_\_

(if any) (b) \_\_\_\_\_

Relation with Co-applicant \_\_\_\_\_

### Contact Details

House/Flat No. \_\_\_\_\_ Building No. \_\_\_\_\_

Way No. \_\_\_\_\_ Wilayat / City \_\_\_\_\_

P. O. Box \_\_\_\_\_ P.C. \_\_\_\_\_ Area \_\_\_\_\_

Telephone \_\_\_\_\_ Home \_\_\_\_\_ Office \_\_\_\_\_

\_\_\_\_\_ Mobile \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

### Employment Details

Government <input type="checkbox"/> Private Sector <input type="checkbox"/>
Name of Employer _____
Department/Branch _____
Designation _____
Employee Number _____
Years in Current Job _____

### Monthly Income Details

Income	(OMR)
Monthly Salary (Gross)	
Basic Salary	
Rent Received	
Business Income	
Others (Specify)	

### Financial Information

Details of Liability			
Type of Liability	Financial Institution / Bank	Amount Outstanding (OMR)	Monthly Repayment (OMR)
Personal Finance			
Mortgage Finance			
Auto Finance			
Credit Card / Overdraft			
Others			
TOTAL			

**Borrower's Signature:** \_\_\_\_\_

## Financial Details

### Purpose of Finance

Purchase (House/Land) <input type="checkbox"/>	House Construction <input type="checkbox"/>	House (Renovation/Completion) <input type="checkbox"/>
Take-Over/Consolidation <input type="checkbox"/>	Other (specify) .....	

Total Home Finance Required:  
OMR: .....

Finance Tenure Required (Years): .....

## Property Details

Buy / Construction Cost	OMR .....
Plot No. 1	(a) ..... Location .....
	(b) ..... Location .....
Plot No. 2	(a) ..... Location .....
	(b) ..... Location .....
Plot No. 3	(a) ..... Location .....
	(b) ..... Location .....
Land Area (sq.mtr)	(a) ..... Build-up Area (sq.mtr) .....
	(b) ..... Build-up Area (sq.mtr) .....
Present Property Owner	(a) .....
	(b) .....

## Other Information

Do you own an other land ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you own another building ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you need a grace period ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have you ever defaulted ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you want to add the Processing Fee amount to the finance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you want to add the Mortgage Fee amount to the finance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Will you utilize the property for :	<input type="checkbox"/> Own Occupancy	<input type="checkbox"/> Rent

### 1. Know Your Customer:

The Borrower will:

- i) upon request by the Bank provide any documentation and other evidence required by the Bank to comply with its KYC Procedures;
- ii) notify the Bank if any details provided for the Bank's KYC Procedures are no longer correct.
- iii) For the purposes of this Clause KYC Procedures means the identification checks which the Bank is required to undertake under any law or regulation, including Royal Decrees 34/2002 and 72/2004.

### 2. Anti-Money Laundering

- i) The Bank is required to act in accordance with the laws and regulations of the Sultanate of Oman and comply with the requests of the authorities which relate to:
  - (a) the prevention of money laundering, terrorist financing, corruption, tax evasion and the provision of financial or other services to any persons which may be subject to economic or trade sanctions; or
  - (b) the investigation or prosecution of, or the enforcement against, any person for an offence against any laws or regulations.
- ii) The Bank may take any action which the Bank in its sole discretion considers appropriate to prevent or investigate crime or the potential breach of sanctions, regimes or to act in accordance with the relevant laws, regulations, sanctions, international guidance, Bank procedures or direction of any public or regulatory body relevant to the Bank.

### 3. Central Bank of Oman

The Borrower agrees that any directive or regulation issued by the Central Bank of Oman which modifies, supplements or amends any terms and conditions applicable to this Agreement shall modify, supplement or amend the terms of the applicable Agreement from the date that such directive or regulation is binding on the Bank.

(Signed Sealed and Delivered)

Borrower 1 Owner 1 Name \_\_\_\_\_

Borrower 2 Owner 2 Name \_\_\_\_\_

Borrower 3 Owner 3 Name \_\_\_\_\_

\_\_\_\_\_  
Signature of 1st Borrower

\_\_\_\_\_  
Signature of 2nd Borrower

\_\_\_\_\_  
Signature of 3rd Borrower

Date \_\_\_\_\_

Place \_\_\_\_\_

### Witness

Name: \_\_\_\_\_

Signature \_\_\_\_\_

## Joint Home Loan Guarantee

We, the undersigned, have applied for a joint Housing loan from Sohar International Bank SAOG, and will undertake and acknowledge the following:

- In case of failure on the part of either of us in repaying the specified monthly installment under any circumstances, we jointly authorize the bank to deduct the amounts from our joint account without prior notice.
- All the securities submitted by both parties shall be considered as security applicable to both borrowers, and the Bank shall have the right to revert to either of them without any prior notice to either party.

Borrower's Signature : .....

Co-applicant's Signature : .....

I, the undersigned, working with .....

## Undertaking Letter

Date: .....

To:

The Manager ..... Branch

Sohar International Bank SAOG

Dear Sirs,

Subject : **Letter of Undertaking**

In consideration of your Bank having agreed to grant to me a consumer loan/credit card of RO ....., I hereby irrevocably and unconditionally undertake as follows:-

In the event of my retirement from the employment, I will irrevocably instruct and advise The Government Organization for Social Insurance of the Sultanate of Oman (GOSI) to transfer, assign and pay all the monies due to myself from them, whether in the form of end of service benefits or pensions to my account No. \_\_\_\_\_, maintained with your Bank and on such transfer being effected I authorise the Bank to debit my funding account and recover the equal monthly installment (EMI) in respect of the loan from such funding account.

and / or

The Ministry of Civil Service to irrevocable assign my monthly pension payments in favor of your Bank and to transfer such pension on a monthly basis for credit to my account No ....., with your Bank.

In case of early retirement, I will authorize Sohar International Bank SAOG to use my entire End of Service Benefits (ESB) towards the repayment of the outstanding loan amount. I will also continue to pay the monthly installment of my housing finance from my retirement pension as agreed upon at the time of granting me the housing finance or as seen appropriate by the Bank.

In case either GOSI or the Ministry of Civil Service do not transfer / assign the due amount to your Bank, I shall indemnify and hold your Bank harmless from and against any liabilities, claims, costs or expenses that your Bank may incur, sustain or suffer as a result of grant of the facility to myself.

Unless and until the Bank shall have confirmed the release of my obligations, as contained herein in respect of the facility granted by it at my request, my obligations to the Bank hereunder shall continue.

Any amount required to be paid by GOSI and / or the Ministry of Civil Service or other pension funds which are not paid when due, shall be payable by myself in their entirety with accrued interest and costs.

This undertaking shall be governed by and construed in accordance with the laws of the Sultanate of Oman and in case of any disputes arising between myself and the Bank, the same shall be subject to the jurisdiction of the Commercial Court, Sultanate of Oman.

In the event that I/we fail to pay any amount due to the Bank on the agreed terms I/we hereby authorise you to debit any amount which I/We or any of us have with the Bank with all such sums due to the Bank including interest and any charges incurred by the Bank in connection with the granting or recovery of the loan.

Thank you

Borrower's Signature

[illegible]

## Declaration

I/We declare that the information given in this application is true and correct and that I/We have not wilfully withheld any material fact. I/We agree and confirm that I/We have read the Terms and Conditions of this mortgage finance facility provided by Sohar International Bank SAOG. I/We agree that the finance requested by this application will be secured by a first mortgage on the property described herein. I/We acknowledge that the property will not be used for any illegal or prohibited purpose or use. I/We further declare and confirm that all credit facilities, if any, enjoyed by me/us with other banks have been fully disclosed. I/We confirm that there is no litigations proceedings that I/We are facing which have been initiated by another financier including banks I/We authorise you to enquire from my/our employer(s), for the purpose of this application, any particulars of my/our employer(s) and obtain and verify such further information about me/us as you may deem fit at your discretion. I/We declare that I/We are not acquiring or given the property by way of gift or at an undervalue or as unfair preference. I/We understand that you reserve the right to decline the application without giving any reason(s) whatever. I/We confirm that relation between applicant and co-applicant is of first grade and very close. I/We undertake to inform Sohar International Bank SAOG, regarding change in my/our occupation/employment and to provide any further information that the Bank may require. I am/We are aware that the repayments are by the way of monthly installments. I/We undertake to pay all fees in connection with the survey and valuation of the property, such fees being not refundable regardless of whether the application is approved. Sohar International Bank SAOG shall be the beneficiary of the life and fire insurance, which is to secure the finance, provided by the Bank to the customer.

I hereby authorize the Bank, if this application for a loan is approved, to insure, on my behalf and at my own cost, my outstanding liability under this loan agreement, at any given time. I further authorize the Bank to debit my account in advance, the required premium for the entire term or the loan; inclusive of the principal and extended tenure, without my further consent and without the need for prior notice to me. In case of pre-closure or pre-settlement of the loan, the insurance company shall refund to me that portion of the insurance premium paid in advance for the un-utilised tenure as per the latest agreed formula with the Insurance Company.

I hereby declare that the Bank has explained to me and I have understood that the insurance cover will be available only to the extent of loan outstanding as on the date of any claim. I authorise the Bank to extend the insurance cover if needed, and debit my account for the recovery of additional premium as and when required.

Borrower Name .....

Co-applicant Name .....

Applicant Signature .....

Co-applicant Signature .....

Date .....

## For Bank Use Only

Date .....

Referred by .....

Staff No. ....

Staff Signature .....

Branch Manager's Recommendation

.....

.....

Branch Manager's Name & Signature ..... Date .....

# HOUSING LOAN DOCUMENTS



## OFFER LETTER

Customer Name \_\_\_\_\_

P O Box \_\_\_\_\_ Postal Code \_\_\_\_\_

Area \_\_\_\_\_ Sultanate of Oman, GSM Number \_\_\_\_\_

Dear Mr/Mrs. \_\_\_\_\_

Sub: Your Housing Loan Inquiry Application dated below at \_\_\_\_\_ (Branch Name)

Thank you for choosing Sohar International Bank SAOG. We are pleased to inform you that you Housing Loan Application dated \_\_\_\_/\_\_\_\_/\_\_\_\_ been approved by the Bank on the following terms and conditions.

1. Housing Loan Amount: RO. \_\_\_\_\_ (in words)
2. Interest Rate: \_\_\_\_\_ % per annum
3. The Housing Loan shall be repaid in \_\_\_\_\_ (number of installments) equal monthly installments of RO \_\_\_\_\_ with the balance, if any, to be adjusted in the last installment.
4. Insurance Option:  
☐ Monthly ☐ Yearly ☐ Upfront
5. Grace Period (if Applicable tick 'Yes')  
☐ Yes ☐ No
  - There will be an initial grace period of \_\_\_\_\_ years ( \_\_\_\_\_ ) months from the date of final disbursement or as otherwise advise by the Bank, during which period you are required to service only the monthly interest calculated at the applicable interest rate on the total disbursed amount.
  - Following the completion of the moratorium period the Housing Loan shall be repaid in equal monthly installments as mentioned in Clause 4 above.
6. The draw down of the loan will be permitted only upon the Housing Loan Conditions attached attached to this Offer Letter are signed by you and all other documents required to be executed and/or provided by you are executed and/or provided by you to the satisfaction of the Bank.
7. Applicant undertaking and representation:
  - You shall agree and undertake to observe and comply with all the terms and conditions contained in this Offer Letter and those set out in the Housing Loan Terms and Conditions.
  - You should agree and confirm that this Offer Letter together with the Housing Loan Terms and Conditions shall form the Loan Agreement as defined in Housing Loan Terms and Conditions. The Offer Letter and Housing Loan Terms and Conditions shall complement and supplement each other and shall be read in conjunction with each other.

Signature of all borrowers required on this page \_\_\_\_\_

# Housing Finance Agreement

Concluded on:

## Between :

1. Sohar International Bank SAOG, P.O. Box: 44 Muttrah, Postal Code: 114, Sultanate of Oman (the "Bank").

## And

2. Mr/Mrs/Ms. ....  
holder of Passport/ID No. ....  
P.O. Box..... P.C. .... Sultanate of Oman. **("the Borrower")**.

## And

3. Mr/Mrs/Ms. ....  
holder of Passport/ID No. ....  
P.O. Box..... P.C. .... Sultanate of Oman. **("the Co-applicant")**.

## Preamble :

### 1. The Borrower has applied to be Bank for a real estate loan to finance the purchase and/or construction, and/or renovation of following properties;

- Property plot No. .... Block ..... Located at ..... , measuring approximately m<sup>2</sup> (the "Property")
- Property plot No. .... Block ..... Located at ..... , measuring approximately m<sup>2</sup> (the "Property")
- Property plot No. .... Block ..... Located at ..... , measuring approximately m<sup>2</sup> (the "Property")

The Bank has agreed to grant the loan to the Borrower provided that all of the conditions set out in Schedule One hereto (the "Conditions Precedent") are satisfied, which in each case must be in a form and content satisfactory to the Bank. The Borrower, by signing this Agreement, commits himself to the terms and conditions of this Agreement.

Therefore, after both parties declare that they are legally competent to enter into this agreement, they agree as follows:

(a) The above preamble shall be an integral part of this Agreement and complementary to its terms and conditions.

### 2. Amount of Loan

The Bank agrees to grant a loan of OMR ..... (OMR ..... only) to the Borrower (the "Loan") on the terms and conditions of this Agreement. The Loan shall comprise the amount of OMR ..... (OMR ..... only) to be applied for the purchase and/or construction and/or renovation of the Property and the amount of OMR ..... (OMR ..... only) which may be used by the Borrower for furnishing or others purposes.

Borrower's Signature : ..... Co-applicant's Signature:.....

### 3. Interest

Both Parties agree that the interest shall be calculated and recovered as follows:

(a) The interest (the "interest") shall be calculated on actual loan balances as evidenced by the balance of the Loan Account, at the rate of .....% per annum. The rate of interest will be fixed for 2 years from the date of this Agreement and thereafter will be subject to change depending on the movement in the market rates. At any time after the expiry of the fixed rate period, the Bank may amend the interest rate without notifying the customer.

(b) Life and Fire Insurance :

The Bank shall charge insurance premium added to the installment amount on monthly basis, the insurance charge will be applied @ ..... % per annum.

(c) Interest shall be calculated in accordance with the Bank's normal practices.

Signature of all borrowers required on this page \_\_\_\_\_

(d) Interest will be debited to the Loan Account of the Borrower and shall be debited on the ( ) day of each calendar month (the "Interest Payment Date"). However, if for any reason, such debit does not occur on the Interest Payment Date or is for the incorrect amount, this shall not affect the obligation of the Borrower to pay such Interest. The Interest shall form part of the Repayment Installment as set out in Clause 5 (b).

#### **4. Covenants and Undertakings**

The Borrower hereby undertakes to the Bank (unless the Bank has permitted the Borrower in writing):

a) Life and Property Insurance

The Bank hereby reserves the right to increase the monthly insurance rate charged. The Borrower hereby authorises the Bank debit the Borrower's account for insurance premium on monthly basis. In the event of the Borrower's failure to pay such premia, the Bank may, at its sole discretion, continue to make such premium payment without seeking the Borrower's prior approval and the amount will be claimed from the Borrower or debited from the Current Account or the Loan Account.

b) End of Service Entitlements:

The Borrower shall assign to the Bank the entitlement, remunerations and any other end of service compensation he receives from his place of work, and also assign all insurance policies issued for the Property. The Bank shall have the right, at its sole discretion and at any time without any approval by the Borrower, to satisfy the obligations of the Borrowers by using the proceeds for any entitlements of the Borrower or renovation or maintenance or the Property.

#### **5. Repayment of the Loan**

(a) The Borrower undertakes to repay the Loan and the Obligations in full by the Final Repayment Date. The Borrower may, in accordance with the terms of this Agreement, prepay the full amount of the Loan or any part thereof ("Prepayment").

(b) Subject to paragraph (d) below, the Borrower undertakes to pay monthly installments with a minimum amount of OMR ..... which shall be made up of the Interest owing and the capital repayment (the "Repayment Installment") which shall be applied at the absolute discretion of the Bank. The Borrower hereby authorises the Bank to debit the Repayment Installment from the Current or Savings Account.

(c) The Bank shall debit the Repayment Installment from the Current or Savings Account on the Interest Payment Date (or if such day is non-business day, on the next following business day). Notwithstanding this, if for any reason the Bank fails to debit the Current or Savings Account on the Interest Payment Date of the amount debited is incorrect the obligation of the Borrower to make such payment shall not be affected.

(d) The Bank has this right at any time and for any reason to vary the Repayment Installment. Such variation may occur in the following circumstances (which shall be by way of example and not limiting):

- (1) Additional Fees are incurred which are added to the amount of the Loan;
- (2) There is a change in the interest rate;
- (3) In the case of a Construction Loan there is a change in the anticipated payment stages;
- (4) There is a Prepayment, or

In such circumstances the Bank shall provide written notice of such change to the Borrower undertakes to pay the revised Repayment Installment. However should the Bank fail to give such notice the Borrower's obligation pursuant to this Agreement shall not be affected.

#### **6. General Provisions**

(a) The Borrower acknowledges that he has read this Agreement and understands its terms and conditions and agrees to the obligations, responsibilities and rights herein.

(b) Obligations specified herein shall be binding on the Borrower and his successors and heirs.

(c) This Agreement shall be valid until all of the Obligations of the Borrower are in the Bank's sole opinion satisfied.

(d) Any correspondence, notices or claims sent to the Borrower at the address which the Bank has on record as being the address for the Borrower, by ordinary or registered mail or the ones handed over to him at such address shall be considered as notification on the date on which they were sent or handed over.

Signature of all borrowers required on this page \_\_\_\_\_

- (e) No amendment make to this Agreement shall be valid unless it is made in writing and signed by both parties hereto.
- (f) In the event that any of the clauses hereof are invalid or conflict with the local law, such clause shall not affect the validity of the rest of this Agreement.
- (g) All the expenses, charges and fees (including but not limited to legal fees) incurred in connection with this Agreement shall be for the sole account of the Borrower. The Borrower shall also be responsible for all expenses, charges and fees (including but not limited to legal fees) incurred in connection with the Bank exercising its rights relating to any security or other rights hereunder.
- (h) The Bank may assign all its rights under this contract or any part of it to any party at any time it sees fit for its interests without the need to serve notice on the Borrower.
- (i) The Bank's records, statements and accounts for the purposes of this contract shall, in the absence of manifest error, be considered conclusive and binding evidence on the Borrower and Borrower shall have no right to object or challenge them in any way.
- (j) This Agreement shall be interpreted and applied in accordance with the applicable laws of the Sultanate of Oman and the Commercial Courts of the Sultanate of Oman shall settle any dispute arising between the two parties in connection with this Agreement.
- (k) This Agreement shall be executed in two original copies and each party is deemed to have received an original executed version.
- (l) Words importing gender include the masculine, feminine and neuter genders.

In witness whereof, both parties hereby sign this agreement after they understood the entire clauses hereof on the aforementioned date.

**Signed by :**

Signature : .....

Name : .....

Date : .....

**(Borrower)**

Signature : .....

Name : .....

Date : .....

**(Co-applicant)**

**Signed by :**

Signature : .....

Name : .....

Designation : .....

For and behalf of

**Sohar International Bank SAOG**

## 7. Events of Default:

The Bank has the right to forthwith demand repayment of all the outstanding amounts due and payable by the Borrower in accordance with the Loan Agreement, including but not limited to accrued interest and any other amount that may be applicable, if at any time any of the following events (the Events of Default) shall occur.

- a) Failure by the Borrower to repay any monthly installment, as and when it falls due for payment;
- b) The Borrower loses his job for any reason, including but not limited to due to resignation or dismissal, or even retirement.
- c) Inability of the Bank to allow the Loan to remain outstanding because it is no longer permitted to do so under the law;
- d) Any representation or statement being made by the Borrower in any notice or other document, certificate or statement delivered by the Borrower pursuant to or in connection with the Loan is proved to have been incorrect or misleading in any material respect when made;
- e) The Borrower fails to perform or comply with any of the terms of this Loan Agreement or any documentation or security provided by the Borrower in favour of the Bank (whether in relation to this loan or otherwise);
- f) Any circumstances which, in the Bank's opinion, reasonably lead it to believe that the Borrower may not (or may be unable to) perform or comply with its obligations under this Loan Documentation; or
- g) Default/s or breach/es by the Borrower of any terms or conditions of any other loan, overdraft or credit facility that the Borrower may have availed from the Bank from time to time;

Upon such a demand being made by the Bank, the Borrower undertakes to forthwith pay the entire outstanding amounts due and payable as stated above.

## 8. Bank's Records and Statement:

In any legal action or proceedings arising out of or in connection with this Loan Agreement and otherwise for the purposes hereof, the entries made from time to time in such final accounts shall, in the absence of manifest error, be final, conclusive and binding evidence of the Borrower's liability as to the amount due and payable by the Borrower to the Bank.

## 9. Insurance:

The Borrower undertakes to insure his/her life and property in the manner acceptable to the Bank. The Borrower hereby authorises the Bank to obtain such insurance on his/her behalf through the insurance company of Bank's choice and the Borrower agrees and undertakes to provide all assistance to the insurance company to enable it to determine whether or not to insure the life and property of the Borrower. The insurance charges shall be borne by the Borrower. The insurance shall cover the amount of the loan and other amount that may be payable under this Loan Agreement, and shall remain valid and effective until the Bank confirms in writing that entire loan is repaid in full. The Borrower authorises the Bank to debit his/her account with the costs that may be incurred by the Bank in obtaining such insurance. The Borrower agrees to endorse such insurance policy in favour of the Bank.

In the event of the Bank obtaining any insurance pursuant to the authority granted by the Borrower then and in that event the Bank shall not be responsible or liable to the Borrower or to any one else, if insurance company rejects any claim made by the Bank due to any discrepancy in the insurance policy, nor shall the Bank be held responsible or liable towards the Borrower or any one else if the insurance company rejects any claim made by the Bank on any ground whatsoever. The filing of any claim by the Bank with insurance company shall not relieve the Borrower of its obligation to pay the amount due under the Loan Agreement save and except to the extent of amount received by the Bank under the policy. In the event of the insurance company rejecting in full or part any claim made by the Bank pursuant to the insurance policy the Borrower undertakes to forthwith pay the amount of such claim or part thereof as the case may be on receipt of a letter from insurance company rejecting or making part payment of the claim as the case may be.

The Borrower authorises the Bank to mediate between the insurers and the Borrower, to negotiate the policy terms and conditions, to sign the policy on behalf of the Borrower and to pay and recover from the Borrower all premiums to the insurance company on behalf of the Borrower.

Signature of all borrowers required on this page \_\_\_\_\_

**Applicant Declaration and acknowledgement**

I confirm that all information provided by me in this application is correct and accept responsibility for incorrect information. In such incidence, the Bank may at its own discretion, decide to rescind the loan agreement and recall the entire outstanding loan amount inclusive of accrued interest to be repaid immediately.

Furthermore, I undertake to notify the Bank of any changes in the information provided to the Bank, within 15 days from the date of such change.

I hereby authorize the Bank, if this application of loan is approved, to insure, on my behalf and at my own cost, my outstanding liability under this loan agreement, at any given time. I further authorize the Bank to debit my account in advance, the required premium for the entire term or the loan, inclusive of the principal and extended tenure, without my further consent and without the need for prior notice to me. In case of pre-closure or pre-settlement of the loan, the Insurance company shall refund to me that portion of the insurance premium paid in advance for the un-utilised tenure as per the latest agreed formula with the Insurance Company.

I hereby declare that the Bank has explained to me and I have understood that the insurance cover will be available only to the extent of loan outstanding as on the date of any claim. I authorise the Bank to extend the insurance cover if needed, and debit my account for the recovery of additional premium as and when required.

I acknowledge that the Bank has provided the option to choose either Bank's own arranged insurance package or I can arrange my own insurance on the terms & conditions acceptable to the Bank and that I have opted for the Bank's arranged insurance package and hence, waive any right of contestation and remedy on any grounds other than gross negligence and fraud on the part of the Bank. I have been informed that the bank representative will contact my office/ residence by phone and in person to verify the address and other details provided by me in this form. I have no objection to this.

I am aware that any installment deferment on my housing loan will result in increase in the repayment period and amount of interest paid by me.

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Signature/ Thumbprint of Applicant

---

Date:

---

Signature Verified

**10. Assignment and Transfer:**

The Borrower may not assign or transfer any of his obligations under the Loan Agreement. The Bank, without the need for consent of the Borrower, may at any time assign to any one or more bank(s) or other financial institutions all or any part of the Bank's rights and obligations hereunder, and in that event this Agreement shall be read and construed and take effect to the intent that the assignee shall with respect to the rights and benefits assigned to it have the same rights against the Borrower as it would have had it had been a Party hereto.

**11. Confidentiality:**

For the purposes of Article 70 of the Oman Banking Law 114/2000, the Borrower irrevocably authorizes the Bank, should it so desire, to disclose to any party or to the Bank's counsels or to any other third parties, in relation to this Agreement such information about the Borrower and his banking transactions, as the Bank shall consider appropriate.

**12. Notices:**

All notices and other communication required or permitted between the Parties under or in connection with this Agreement shall be in writing and shall be delivered or sent by pre-paid post or facsimile to the address or number of the Party concerned as set forth below. No communication shall be effective until received and such communication shall be deemed to have been received if delivered :

Signature of all borrowers required on this page \_\_\_\_\_



- a) By hand when so delivered
- b) By post 3 (three) Business Days after posting subject to proof of posting.
- c) By facsimile upon sending, subject to confirmation of uninterrupted transmission on transmission report and provided that a hard copy is promptly dispatched to the recipient.

**To the Bank:**

Sohar International Bank SAOG

for the attention of the [Branch Manager]

P O Box \_\_\_\_\_, Branch \_\_\_\_\_, Postal Code \_\_\_\_\_, Sultanate of Oman, Fax No: \_\_\_\_\_

**To the Borrower**

[Borrower's name]

P O Box \_\_\_\_\_, Branch \_\_\_\_\_, Postal Code \_\_\_\_\_, Sultanate of Oman, Fax No: \_\_\_\_\_

The Borrower may change its nominated address to another address in Oman by giving at least 15 (fifteen) business days prior written notice to the Bank.

**13. Jurisdiction and Governing Law:**

This Agreement shall be governed by and construed in accordance with the Laws of the Sultanate of Oman and the parties hereto submit to the exclusive jurisdiction of the Omani Courts and submit to all relevant laws governing commercial disputes including the Reconciliation and Settlement Law promulgated by the Royal Decree No. 98/2005.

**14. General Provisions:**

Each of the clauses and provisions of the Loan Agreement are severable and the invalidity, unenforceability or illegality of any one or more of such clauses and provisions shall have no effect on the validity, enforceability or legality of the remaining clauses and provisions.

The Borrower hereby declares that all the terms and conditions of the Loan Agreement have been read and understood and acknowledges having received a duplicate copy of the Loan Agreement.

I/Each of the Borrower acknowledge and agree that he is/ they are jointly and severally liable to repay the loan extended to me/ us by Sohar International Bank SAOG.

**Borrower's acceptance**

To the Branch Manager, Sohar International Bank SAOG

I/We have read the Housing Loan terms and Conditions and the attached annexure and accept in its entirety the above the terms on the basis of which loan has been granted to me/us. I confirm that this terms and conditions form an integral part of the Loan Agreement..

First Borrower Name \_\_\_\_\_ Signature \_\_\_\_\_

Second Borrower Name \_\_\_\_\_ Signature \_\_\_\_\_

Third Borrower Name \_\_\_\_\_ Signature \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

## HOUSING LOAN TERMS AND CONDITIONS

### Loan Documentation

The Offer Letter together with these Terms and Conditions form the Loan Agreement (the "Loan Agreement")

This Loan Agreement supersedes any prior agreements or arrangements between the parties and constitutes the entire terms agreed by the parties to the Loan. No addition to, or modification of any provision of this Loan Agreement shall be binding upon the parties unless made by written instrument signed by a party or duly authorised representative of either of the parties as the case may be.

#### 1. Draw down of the Loan:

The Bank will permit drawdown of the Loan in part or full as per the Bank's discretion only upon completion of all the requirements set out in the Offer Letter and/or this terms and conditions, to the satisfaction of the Bank.

The Borrower, in case of buy-out of a housing loan hereby authorizes the Bank that from the amount of the loan sanctioned by the Bank, the Bank shall first pay to the other bank such amount as may be due and payable by the Borrower to such other bank in satisfaction of Borrower's total liability to such other Bank. Subsequently upon the Borrower submitting to the Bank the salary assignment letter, upon receipt of first salary into the Borrower's salary account maintained with the Bank, and on the Borrower executing the mortgage as provided hereinafter and registering such mortgage the Bank shall credit the balance amount of the loan into the Borrower's account.

In the case of non-salaried customers the Bank may disburse the Loan at its discretion and on the satisfactory completion of the documentation specified by the Bank.

#### 2. Repayment:

The loan amount shall be repaid in monthly installments as set out in the Offer Letter. Initially the monthly repayment may comprise of interest only if Bank agrees to grant facility of principal payment moratorium to the Borrower.

If the Borrower decides to prepay, fully or partially, the loan amount and/or his/her other dues and liability under this Loan Agreement, he/she may do so, by paying a prepayment or pre-closure fee of 1% of the amount prepaid or such other amount as may be determined by the Bank.

The Bank may at its discretion allow the Borrower to redraw or top-up the loan under the same Loan Agreement, by extending validity of the mortgage to cover the redrawn or top-up amount.

#### 3. Borrower's undertakings:

The Borrower:

- undertakes to repay Housing Loan together with accrued interest and also pay all costs, fees and expenses as set out in the Loan Agreement;
- authorizes the Bank to debit his salary or any other account for recovery of the monthly installments and costs, fees and expenses, if any, and undertakes to make available sufficient cleared funds in the account for the timely recovery thereof as and when due for payment;
- agrees that all, commission, charges, costs, Bank's processing and documentation fee and/or other fees (existing or as might be amended and notified to the Borrower from time to time), expenses of whatever nature including but not restricted to registration fees, legal costs, court fees and lawyers' fees due or incurred in respect of the Loan Agreement or in respect of the Bank enforcing its right under the Loan Agreement shall be deemed to be part of the Borrower's liability to the Bank and will be debited to the Borrower's salary account or any other account with the Bank;
- undertakes to invest/ pay his/her entire equity other than the loan amount prior to taking the disbursement of the loan as per the mechanism specified by the Bank or otherwise agreed by the Bank;

Signature of all borrowers required on this page \_\_\_\_\_



- e) undertakes to create a registered first ranking legal mortgage in favour of the Bank and bear all charges pertaining to the creation/release of this legal mortgage;
- f) agrees that the mortgage of the property is by way of security for the repayment of loan and in case of default on the part of Borrower to repay the loan or any part thereof, the Bank is hereby authorised to approach the court without reference to the Borrower and initiate proceedings to evict the Borrower and his family members and/or any person claiming through under or in trust for the Borrower and/or to sell the mortgage property to recover Bank's dues;
- g) undertakes to get the property valued by a Bank empanelled valuer and to bear the charges for such valuation;
- h) consents to the Bank contacting his/her office/residence by phone and in person to verify the address and other details provided by him / her to the Bank.
- i) Any change in the agreement all parties to sign ( Customer – Contractor – Consultant)
- j) For All New construction HLs contractor to open account with Sohar International Bank SAOG and registration form for contractor to be change

#### **4. Interest Rate:**

The Interest Rate applicable to the Housing loan facility availed by the borrower shall be a variable rate or a fixed rate as per the selection by the Borrower in the Offer Letter. The Borrower may switch between these options pursuant to Clause 4(3) below.

##### **1) Variable Rate Option:**

If at the request of the Borrower the Bank agrees to grant the loan at variable rate of interest then subject to the regulations of Central Bank of Oman variation in the interest rate shall be at the discretion of the Bank and each such variation shall become effective from the first day of the month in which (i) notice is given by the Bank to the Borrower or (ii) an announcement to that effect is either displayed in the Bank's premises or published in at least two local newspapers one of them being Arabic.

If a revised rate of interest is not acceptable to the Borrower, the Borrower may within a period of (14) days from the date of notice or the announcement as the case may be repay the entire outstanding loan at the rate of interest prevailing immediately preceding such revision together with prepayment or pre-closure charge. If the Borrower fails to exercise the option within the time provided hereinabove he/she shall be deemed to have accepted the revised rate of interest and no dispute in respect of the Borrower's liability based on the revised interest rate shall be entertained by the Bank after this period.

##### **2) Fixed Rate as specified in the Offer Letter.**

##### **3) Selection of Interest Rate Option:**

The loan is offered with the option to the Borrower to switch between the variable interest rate and the fixed rate. In the event Borrower opts to exercise the option and switch from fixed to variable or vice versa then the Borrower shall be liable to pay a fee of 1% of the then outstanding principal amount or such other amount as may be determined by the Bank.

#### **5. Disbursement (Construction Loans Only) :**

The Borrower hereby authorises the Bank to disburse directly to the contractor/ developer amount of bill or installment due and payable in accordance with the agreement between the Borrower and such contractor/ developer. The Borrower permits the Bank to inspect the building under construction and the draw downs will be permitted in a pre-agreed schedule based on the stages of construction and advice from the Borrower. Retention money will be as per the Bank's policy.

#### **6. Right of Set-off:**

The Borrower expressly agree that all accounts of the Borrower maintained with the Bank at any of its branches in Oman inclusive of any accounts in foreign currency, shall for the purposes of this Loan Agreement constitute a single combined account and the Bank shall have the right to set-off all debit and credit balances in all such accounts. The benefit of all and any security provided by the Borrower to the Bank in connection with this Loan Agreement or under any other transaction shall be available to and enforceable by the Bank, to secure the entire outstanding balance due to the Bank. The Borrower accepts liability for any residual debt that may remain outstanding after the Bank has exercised its right of set-off and its right to enforce any security held by it. The monthly installments or other payments due and payable by the Borrower shall be paid to the Bank without any set-off, counter-claim, withholding or condition of any kind whatsoever. off and its right to enforce any security held. All monthly installments or other payments by the Borrower shall be made to the Bank without any set-off, counter-claim, withholding or condition of any kind.

Signature of all borrowers required on this page \_\_\_\_\_

## POWER OF ATTORNEY

To whom these present shall come, I/we, \_\_\_\_\_

### WHEREAS

The Sohar International Bank SAOG, Ruwi, Sultanate of Oman, (hereinafter called the "Bank")

has granted to me/ us (Name) \_\_\_\_\_

and (Name) \_\_\_\_\_ a loan of \_\_\_\_\_

RO \_\_\_\_\_ (Rials Omani only) inter alia on the condition that I/ We create in favour of the Bank a registered first rank mortgage over the property No. \_\_\_\_\_ situated at \_\_\_\_\_

(the "Property") to secure the due repayment by me/ us of the said loan together with interests, costs, charges and expenses, if

### AND WHEREAS

I/We have subsequently deposited all the title deeds in respect of the Property with the Bank with the intention of creating a registered mortgage in favour of the Bank over the property as a security for the loan availed by me/ us

### AND WHEREAS

I/We am/are desirous of appointing the Bank acting through any of its officers as my/ our attorney/attorneys in respect of the Property.

Now know that and these present witnesses that I/ we, do hereby irrevocably nominate, constitute and appoint the Bank acting through any of its officials to be my/ our true and lawful Attorneys (the "Attorneys") for me/us in my/our name and on my/ our behalf to do all or any of the following acts, deeds, matters and things, and to exercise all or any of the powers and authorities hereby conferred, that is to say:

To give the Property on lease, rental and license, tenancy or any other basis at such fees/rents and on such terms and conditions as the Bank may deem fit.

To sell and transfer the Property to any party at such price and on such terms as the Bank may deem fit.

To execute for me/us and on my/our behalf any lease deed, rental and license/ tenancy agreement or agreement for sale with the proposed lessee/licensee/tenant/purchaser and to receive consideration and all fees, deposits and moneys payable in respect of the Property for me/us and on my/our behalf.

To execute the sale deed/deed of transfer for me/ us and on my/ our behalf, and to present such sale deed for registration in the office of the [ \_\_\_\_\_ ] and to admit execution thereof for me/us and on my/our behalf

To receive fees, deposits, rents and the entire purchase consideration payable in respect of the Property and to give effectual receipts thereof.

To represent me/ us before the society/association formed of the Property purchasers in the building, to correspond with such society/association, to file necessary forms, declarations, affidavits and forms for me/ us, in my/ our name and or on my/our behalf and obtain the necessary no objection certificate from the society as the ease may be.

To mediate between me/us and the Insurers , negotiate the policy terms and conditions, sign the policy on my/our behalf and pay and recover from me/us the monthly premium to the insurance company on my/our behalf. The Bank will act in the capacity as an agent and not the principal.

Generally to perform all acts, deeds, matters and things as the Attorneys may in their absolute discretion consider necessary and convenient for all or any of the purpose aforesaid and for giving full effect to the authorities herein before contained as full and effectually as I/we could in my/our person do.

And hereby agree to ratify and confirm all and whatsoever our Attorneys shall lawfully do or purport to be done by virtue of these presents.

Signature of all borrowers required on this page \_\_\_\_\_

## PROMISSORY NOTE

Ref. No: ..... Date: .....

Amount: OMR .....

[Amount in words .....

For value received, I .....

promise unconditionally and irrevocably to pay to, or to the order of, Sohar International Bank (S.A.O.G.) (the "Bank"), on first demand made by the Bank to me, or on date [.....] at its principal office located at [address .....], or such place that is designated in writing by the Bank, a sum of Omani Rials [amount in words .....]

together with interest at the rate of [.....%] per annum (or as specified by the Bank from time to time) debited monthly from the date hereof, up to the date of actual payment.

I hereby irrevocably authorize any representative of Sohar International Bank (S.A.O.G.) to complete those sections of the Promissory Note that are not completed by the undersigned.

**First Borrower Name and Signature**

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**Second Borrower Name and Signature**

--

**Third Borrower Name and Signature**

--

**Sohar**  
international



**صحرار**  
الدولـيـة

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