

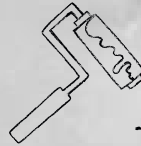
1

### PROSPECTING & PREQUALIFICATION

When you talk to us for the first time, we'll discuss your specific needs and explore potential financing solutions that are tailored to you. If you're still shopping around, we'll offer you a prequalification. Whether you've already identified a property to purchase or not, feel free to reach out to us.



## YOUR MORTGAGE JOURNEY



2

### APPLICATION & ONBOARDING

When you're prepared to begin, your CRM will walk you through each step of the application process. At this stage, you'll need to complete and submit all necessary applications and provide identity, income, and employment, documents.



3

### APPRAISAL & UNDERWRITING

After our team assesses your creditworthiness and ability to repay the mortgage, we will provide a conditional loan offer via your CRM. This offer will outline your loan amount, interest rate, tenor, and repayment terms.



4

### CLOSING

At this stage, preparations are made to execute transfer of title and loan documentation. Any other conditions of the mortgage must also be satisfied at this point.



5

### REGISTRATION

You'll be required to file statutory declarations of ownership of the Property with the relevant authorities, to be in compliance with legal requirements.

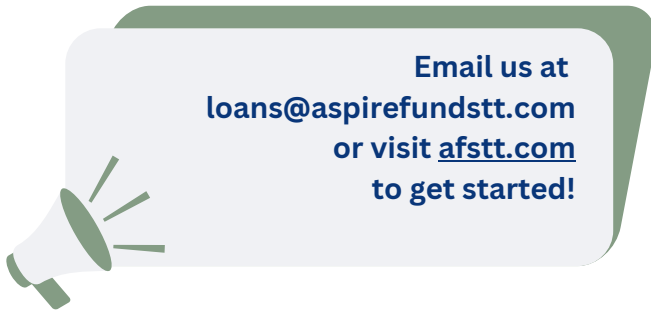


# Checklist

Get started on your Residential Mortgage with Aspire

## Application & Approval

When you're ready to apply for a mortgage, the prospecting and onboarding process can seem daunting. However, with a little preparation and understanding of the steps involved, you can navigate the process with confidence.



During the onboarding phase, we'll review your application and documentation to verify your income, employment, and credit history. You'll also need to have a valuation done on the property you're purchasing. Once all the necessary information has been gathered, we'll determine if you qualify for a mortgage.

**To begin, your Client Relationship Manager will ask you to submit the following:**

<input type="checkbox"/>	<b>1 credit application form per applicant</b> <i>*Applicants resident outside of Trinidad &amp; Tobago will also be required to submit a copy of a credit report from Experian, Equifax, or TransUnion.</i>
<input type="checkbox"/>	<b>2 forms of ID for each applicant</b>
<input type="checkbox"/>	<b>Proof of address, in the form of a utility bill or bank statement, in the applicant's name</b>
<input type="checkbox"/>	<b>A job letter and/or pay-slip for each applicant</b> <i>**Self-employed applicants will be requested to provide additional proof of income on a case by case basis.</i>

**You'll also be asked for the following, pertaining to the property you are purchasing:**

<input type="checkbox"/>	<b>Executed Agreement for Sale</b>	A legally binding sales contract, outlining the terms and conditions of the real estate transaction. This document should include a property description, the purchase price (including deposits), contingencies, the agreed closing date, and any other conditions as might be recommended by your attorney or any other party representing you in the purchase of your property.
<input type="checkbox"/>	<b>Valuation Report</b>	A detailed document that provides an independent and professional assessment of the value of a property. Valuation reports are typically prepared by licensed or certified real estate appraisers, and for these purposes, must be prepared by an approved firm. Valuation reports expire 3-6 months after they are issued.

Once we've received your complete credit packet, your CRM will reach out to you within two business days with a Conditional Approval Letter.



## Closing Conditions (Conveyancing)

### What Happens After Conditional Approval ?

A conditional approval means that Aspire has committed to Lending to you on the terms and conditions offered in the Conditional Approval Letter. Once you've accepted this offer, Aspire will engage an Attorney on your behalf to conduct a title search, and to prepare the instruments of transfer. We refer to these as closing conditions.

#### Title Search

The title search effectively traces the ownership of the property to ensure that the Vendor possesses an unencumbered, marketable title, and as such is in a legal position to sell the property to you. Title searches will also reveal any judgements registered against the Vendor or any previous owner which might encumber you as the Purchaser.

If the Vendor has an existing mortgage, this will be revealed during the title search. Assuming, however, that there are no defects in title, this exercise can generally be completed within 2 to 3 weeks.

#### Transfer of Title

Upon satisfactory conclusion of the title search, the Attorney will prepare the instruments of transfer. The Attorney will require the following documents, where applicable:

<input type="checkbox"/>	<b>Certificate of Title</b>	The title by which the Vendor acquired the property	<i>Provided by the Vendor</i>
<input type="checkbox"/>	<b>Land and Building Taxes (as at 2009)</b>	A receipt confirming that tax payments on the property are up to date.	<i>Provided by the Vendor</i>
<input type="checkbox"/>	<b>Up to date WASA bills and receipts and Clearance Certificate</b>	Confirmation that the Vendor does not have any payments outstanding to the Water and Sewerage Authority	<i>Provided by the Vendor</i>
<input type="checkbox"/>	<b>Instrument of Release</b>	Duly executed releases for all outstanding mortgages on the property	<i>Provided by the Vendor</i>

*\*Any other documents as might be required, depending on the structure of the mortgage, and the particulars of the property being purchased.*

Upon the satisfaction of all closing conditions, you will be asked to make arrangements to duly execute the following items, whereby ownership of the property will be transferred from the Vendor to you, the Purchaser.



- **Loan Agreement**
- **Deed of Mortgage**
- **Deed of Conveyance.**

The Deeds of Mortgage and Conveyance should be signed at the office of the Attorney who prepared them.

Applicants resident abroad, who are unable to travel to Trinidad & Tobago, may be required to execute documentation in the presence of a Notary Public.

## Disbursement

Once all documentation has been duly executed, the Attorney will give instructions to disburse the loan, at this point the balance of the purchase price is paid to the Vendor, finalizing the sale transaction. Any costs or fees payable may also be held back for payment at this point. The Escrow Agent will also release the deposit to the Vendor.

## Registration

After the 'stamping' of the instruments, the Attorney takes charge of registration, and then orders a certified copy which must accompany the Return of Ownership Form, which must be lodged at the relevant District Revenue Office. You can do this yourself, or engage an agent to act on your behalf.

## Possession

On the date of completion, and as according to the terms of the Sale Agreement, the Vendor delivers Vacant Possession of the property to you, the Purchaser. Congratulations!



# Fees, Costs, & Expenses

## How much does it cost to close on a mortgage?

A mortgage is a significant financial commitment, and as with any loan, there are fees and closing costs associated with it. Understanding these fees and costs is essential for anyone considering a mortgage, as they can significantly impact the overall cost of the loan.

### Valuation

Here are some key points to keep in mind regarding property valuation fees:

- Fees typically range between 1/3 and 1/5 of 1% of the property value.
- These fees are subject to a 12.5% VAT.

### Lender Fees

These fees can include application fees, appraisal fees, credit report fees, and other fees related to the loan origination process.

- Fees can range between 1% and 1.5% of the amount borrowed.

### Legal Costs and Expenses

- Title Search Fees (Varies per transaction)
- Attorney's Fee to prepare the Deed of Conveyance
- Attorney's Fee to prepare the Deed of Mortgage
- Stamp Duty to register the Deed of Conveyance
- Stamp Duty to register the Deed of Mortgage

**Attorney's fees** for the preparation of Deed of Conveyance are based on the value of the property. Fees for the preparation of the Deed of Mortgage are based on the amount you borrow. In both cases the method of calculating the rate is the same, but if both Deeds are prepared by the same Attorney, the fees for the Deed of Mortgage can be reduced by 50%. Attorney's fees are subject to VAT at 12.5%.

Calculation of Fees for Preparation of Deed of Mortgage, and for Deed of Conveyance	Payable (%)
For the first \$100,000	1.5%
\$100,001 up to \$500,000	0.75%
Over \$500,000	0.5%

**Stamp Duty** comprises statutory payments that must be made to the Board of Inland Revenue in order that the instruments which transfer the title of the property can be registered with the Land Registry.

Where the transfer being executed is for a residential property with house and land, Stamp Duty is payable where the value of the property exceeds \$850,000.

For transfer of residential land (only), Stamp Duty is payable on property valued over \$450,000.

As per the Stamp Duty Act and its Regulations, Stamp Duty on the Deed of Conveyance is calculated as follows:

Property Value Stamp Duty for Residential House & Land Transfers (TTD)	Payable (%)
For the first \$850,000	0.0%
\$850,001 up to \$1,250,000	3.0%
\$1,250,001 up to \$1,750,000	5.0%
Over \$1,750,000	7.5%



*First time buyers, purchasing a house and land, receive a Stamp Duty exemption for up to the first \$1,500,000*



Property Value Stamp Duty for Residential Land Transfers (TTD)	Payable (%)
For the first \$450,000	0.0%
\$450,001 up to \$650,000	2.0%
\$650,001 up to \$850,000	5.0%
Over \$850,000	7.5%

Stamp duty on a Deed of Mortgage is calculated as follows:

Property Value Stamp Duty for Residential Land Transfers (TTD)	Payable (%)
Where the sum secured by the mortgage does not exceed \$850,000	Stamp Duty Exempt
Where the sum secured by the mortgage exceeds \$850,000	2.0%

Where the mortgage amount exceeds the conveyance amount, the difference is charged at a rate of \$4.00 per thousand.

For more information on Stamp Duty in Trinidad and Tobago, click [here](#).

# Paying Your Closing Costs

At closing, you have options for settling your legal and administrative costs.

## 1. Pay Cash

- If you have the funds available, you can settle all costs directly with cash, cheque, or direct deposit.
- Stamp Duty and legal fees are paid directly to the Attorney, who then pays the Stamp Duty on your behalf at the time of registration.

## 2. Bundle It

- Depending on the size of your down payment, you may have the option to borrow additional funds as part of the mortgage, to be used to settle closing costs. In this case, Aspire will settle costs on your behalf at the time of closing.

## 3. Borrow It

- If you've already maxed out the amount you can borrow under the mortgage, you may still be able to borrow for closing costs under a separate facility.
- Eligibility for an additional Aspire loan will depend on your total monthly debt service.

Note, that valuation costs must be settled at the time of completion of the job, between yourself and the valuator.

# Other Considerations

## Insurance

As a condition of closing your mortgage, you will be required to purchase home owner's insurance. Life insurance may also be required.

Aspire has an extensive professional network, including insurance partnerships, who we can engage on your behalf.

## Buying a Property

There is currently no legislation governing the buying and selling of real estate in Trinidad & Tobago, however all agents must be registered with the Financial Intelligence Unit in order to advertise and conduct property transactions.

If you choose to engage the services of an agent, they will assist you with identifying the perfect property, negotiating a great purchase price, and navigating all of the paperwork and details of purchasing a property.

There is no fixed form of contract for the sale of real estate. Where the Vendor has engaged an agent to sell the property, the agent may use their form of agreement. Alternatively, both parties may engage an Attorney to prepare the agreement.

As a buyer, you should seek the independent legal advice of an Attorney to represent your personal interests in the transaction.

## Foreign Buyers

Trinidad & Tobago's government welcomes foreign investment in the country's real estate market. Non-citizens are permitted to purchase property, but they must apply for an Alien Landholding License if they wish to buy more than one acre for residential purposes or more than five acres for commercial purposes in Tobago.

## Property Tax

All land in Trinidad and Tobago is subject to property tax under the Property Taxes ACT (PTA). The PTA sets out the process for calculating the amounts payable, as a percentage of the Annual Rental Value of the property. For some helpful information on how property taxes are calculated, see this [article](#).

**CONTACT US**



loans@aspirefundstt.com



868 744 7774



afstt.com



FINANCIAL SERVICES