MORTGAGE RELIEF PLAN COMMUNICATION

Eligibility

The Government of the Commonwealth of the Bahamas and the member banks of the Clearing Banks' Association are pleased to announce that they have jointly agreed to the terms of the Mortgage Relief Plan and that the Banks will begin accepting applications on September 10, 2012. The public should note that <u>all</u> of the following conditions must be met to be eligible for participation in the Mortgage Relief Plan:

1. Existing mortgage is in Bahamian Dollars. Foreign currency mortgages will not be eligible for participation.
2. Existing mortgage originated prior to June 30, 2008.
3. Existing mortgage must not have been more than 89 days past due (principal and/or interest), at any time, prior to June 30, 2008.
4. The total outstanding mortgage debt, including accrued interest, as at August 31, 2012 does not exceed $500,000. No new debt or consolidation of outside debt will be considered eligible under this program.
5. The mortgage must be 90 days or more past due (principal and/or interest) on or before August 31, 2012.
6. The past due status of the mortgage as at August 31, 2012 is due to documented financial hardship caused by involuntary unemployment, underemployment or chronic illness.
7. Existing mortgage must have been granted for the acquisition of, and must be secured by, an owner occupied primary residence or owner occupied duplex only. Mortgages secured by vacant lots or revenue generating/investment properties will not be considered for inclusion.
8. Mortgagors must have acceptable, sustainable, documented and verifiable income sufficient to support restructured payments, as determined by the lender in accordance with regulatory guidelines.
9. The lender must have a valid first mortgage, and possibly additional further charges with the same lender, over the owner occupied primary residence or owner occupied duplex, and the securing property must be free of other mortgages, liens or encumbrances.
10. Mortgages for which agreements for sale of the securing property have been entered into, or where the lender has taken possession of the securing property, or vacant possession of the securing property has been granted to the lender, will not be eligible for participation in this plan.

Individuals meeting **<u>all</u>** of the above eligibility requirements and wishing to participate in the mortgage relief plan must apply directly through their bank, at their branch or loans collection centre, as appropriate. When applying initially, the borrower must, at a minimum, provide the following to their lender:

a. Job letter, pay slip or any other verifiable evidence of sustainable income.
b. Written evidence confirming chronic illness from a qualified physician, if applicable.
c. Evidence to confirm loss of employment or reduction of hours worked, if applicable.
d. Details of all outstanding debts.

The borrower may be asked to provide additional information by the lender.

Applications must be submitted during the six month period commencing September 10, 2012 and ending March 8, 2013. Applications received after that period will not be considered.

Member banks of the Clearing Banks Association are as follows:

- **Bank of The Bahamas Ltd.**
- **CitiBank, N.A**
- **CIBC First Caribbean International Bank**
- **Commonwealth Bank Limited**
- **Fidelity Bank (Bahamas) Limited**
- **RBC Royal Bank (Bahamas) Limited**
- **Scotiabank (Bahamas) Limited**