

Ministerial Resolution
No. 6/2011
ISSUING THE EXECUTIVE Regulation
OF THE SOCIAL HOUSING LAW

In pursuance to the Royal Decree no. 3/2008 of establishing the jurisdictions of the Ministry of Housing and approving the organizational structure,

And in pursuance to the Social Housing Law promulgated by the Royal Decree no. 37/2010,

And the approval of the Ministry of Finance on its letter no Finance-T (11891) M.T.D/1/10/2010 on 30/12/1431 A.H. corresponding to 6/12/2010 A.D,

And in pursuance of the Public Interest ,

The following have been decided

Article (1): The provisions of the attached Executive Regulation of the Social Housing Law shall come into force.

Article (2): This Decision shall be published in the Official Gazette and shall come into force from the day following its date of publication.

Issued on : 10 th Sufar ,1432, A.H.

Corresponding to: 15 th January,, 2011 AD

Seif mohammed Seif Al Shabibi
Minister of Housing

Executive Regulation of the Social Housing Law

Part One

General Provisions

Article (1): In the application of the provisions of this Regulation, the following words and phrases shall have the meaning assigned to each of them whenever they appear within the aforementioned Social Housing Law.

Article (2): The Ministry shall determine the period of receiving the citizens' applications to obtain housing subsidies or loans and this shall be advertised in media.

Article (3) : Residential units or housing subsidies may be conferred in any of the following cases:

- A married man or a man who supports his family or his minor brothers whose father is deceased,
- A divorced or abandoned woman who nurses her children in accordance with judicial verdict,
- A widow who nurses minor children,
- A woman who is married to a non-Omani and who has minor children living with her in the Sultanate of Oman continuously and permanently, provided that the husband's monthly income shall not be more than (RO 300/-) (Riyals Omani Three Hundreds),
- Brothers and sisters who do not have a supporter either in origin or from others,
- A Family of a convicted whose term of imprisonment is more than five calendar years, and

- Minor Omani children whose father is deceased and their mother is non-Omani.

Article (4) :Housing subsidies may be conferred in any of the following cases:

- A married employee or an employee who supports a family,
- A divorced working woman who nurses her children in accordance with judicial verdict,
- A working widow who nurse minor children,
- A working woman who is not married and who is the only supporter in her family, and
- The working woman who is married to a non-Omani and who has minor children living with her in the Sultanate of Oman continuously and permanently, provided that the couple's total monthly income shall not be more than (RO 400/-) (Riyals Omani Four Hundreds) at the time the application is made.

Article (5): The monthly income of the husband and his wife shall not be more than (RO 400/-) (Riyals Omani Four Hundreds) to obtain the residential unit.

Article (6):In considering the application, the following aspects shall be taken into account:

- The Social Aspect (e.g. the number of family members, health condition, education).
- The Economical Aspect (e.g. family income statement, properties of the family and their estimated value as per the market value at that time).
- The Technical Aspect (e.g. the house construction condition and whether it is convenient for accommodation or not).

Article (7): When an application is denied due to the inapplicability of the terms and conditions stated in the Law and its Executive Regulation , the applicant shall be formally informed of the reasons of this rejection in written form, which shall be sent on his mail address mentioned in his application, or by informing the Walli or the Sheikh or by collecting it from the Ministry. The date of collection shall be accounted. Complaint application made after the elapse of sixty days stated in the Article (6) of the Social Housing Law shall not be accepted. The complaint shall be submitted in accordance with Appendix (1) attached herewith.

Article (8): A housing loan may be transferred into a housing subsidy and vice versa if it fulfills the terms and conditions. It shall retain the registration date provided an application thereby is made and in accordance with the results of examination and when his turn is on.

Article (9): Without prejudice to the provision of Article (14) of the Social Housing Law, waiving of an application for residential unit or housing subsidy or loan to a third party is not permitted whatsoever the relationship degree is.

Article (10): If the provisions of the Articles (10) and (16) of the Social Housing Law are breached, the Ministry shall have the right to take the legal procedures to retrieve the residential unit or retrieve the amounts paid. It shall have the right to refer the offender to the competent judicial authorities.

Part Two

Residential Units

Article (11): Residential Units Committees within the concerned Willayats shall be formed by a Ministerial Resolution to include:

1. The governor (Walli) (Chairman),
2. A representative of the Ministry of Regional Municipalities and Water Resource,
3. A representative of the Ministry of Social Development, and
4. Two representatives, or more, of the Ministry of Housing
5. The Committee shall seek the help whoever it thinks suitable to perform the assign duties.

Article (12): The Committee shall examine the applications for the residential units in pursuance to the Social Housing Law and the provisions of this Regulation and raise its recommendations to the Minister for his approval.

Article (13): Priority in distributing the residential units shall be given to the citizens of the concerned Willayat who have registered their applications with the Housing Subsidies Program if these applications have fulfilled the legal terms and conditions. The Ministry shall have the right, in light of the results of the examination, to confer a residential unit to one of those exceptional and urgent cases without limiting itself to the condition of priority.

Article (14):The Ministry shall issue (10) ten years usufructuary bonds for the residential units on behalf of the applicant or his minor children if he is deceased as per Appendix (2) attached herewith. These units shall be transferred to them after the elapse of the aforementioned period provided they dwell in permanently and continuously and in the light of the results of the periodical visits made by the competent in the Ministry.

Part Three

Housing Subsidies

Article (15): The total monthly income of the housing subsidy applicant at the time of submitting the application and when his turn comes shall not be more than (RO 300/-) (Riyals Omani Three Hundreds).

The monthly income of an applicant who is over sixty years old shall not exceed (RO 400/-) (Riyals Omani Four Hundreds).

Housing subsidy may be conferred to the person who did not benefit out of the housing loan because his age became fifty years old, provided that his monthly income shall not be more than (RO 400/-) (Riyals Omani Four Hundreds) at the time his turn comes.

Article (16): In order to confer the housing subsidy, the applicant shall permanently live in the house where the subsidy shall be implemented or he/she owns a plot in his name to construct on it. If the plot is not available for the construction, the applicant shall provide an alternative place he/she owns in order to be conferred the housing subsidy.

Article (17): The housing subsidy applicant shall attach the following documents along with the application form:

- A copy of the title, an updated site survey where to implement the subsidy,
- A copy of his/her the passport and personal ID,

- His/her salary certificate and for all working family members approved by the place of work or an income estimation certificate from the Sheikh or Al Rasheed certified by the Walli for the self- employed, and
- A copy of the marriage certificate and children' birth certificates.

Article (18):The amount of the housing subsidy to construct, restore, rebuild or make additions to a house shall be maximum (RO 20.000/-) Riyals Omani Twenty Thousand. The Minister shall have the right to raise the amount of the subsidy for difficult topographic nature areas.

Article (19):Housing subsidy shall not be due if an applicant supports himself and his wife only and an applicant who has children who own houses suitable for accommodation or when their monthly income exceeds an amount of (RO 1000/-) (Riyals Omani One Thousand) provided that the monthly income of each one shall not be more than (RO 500/-) (Riyals Omani Five Hundreds) in accordance with the results of a study made by the Ministry.

Article (20): In case of the death of a housing subsidy applicant, the application shall be transferred to his minor children provided that the following documents shall be provided:

- Death certificate of the applicant,
- Limitation of succession certificate,
- A copy of the birth certificates of the minor children
- A copy of the legitimate proxy, and
- Social status proof of the mother.

Article (21):The total monthly income of the applicant for a housing loan shall be between (RO 301/-) (Riyals Omani Three Hundreds and One) and (RO 400/-) (Riyals Omani Four Hundreds) at the time of registering the application. The total income of the applicant when his turn comes shall not be more than (RO 500/-) (Riyals Omani Five Hundreds). If his wife works, the total monthly income of both shall not be more than (RO 600/-) (Riyals Omani Six Hundreds).

Article (22):The housing loan shall be conferred free of interests and the amount of the loan shall be in accordance with the age and the applicant's income of maximum (RO 20.000/-) (Riyals Omani Twenty Thousand). A loan agreement shall be made between the Ministry and the borrower in accordance with the format made by the Ministry.

Article (23):A housing loan applicant shall attach the following documents to his application:

- A copy of the passport and personal ID for him and his wife,
- A formal salary certificate from the work place. As for the self-employed, the income estimation certificate shall be approved by the Sheikh and certified by the Walli,
- A copy of his marriage certificate and the children's birth certificates, and
- A six-month bank statement at the time of the application and when his turn comes.

Article (24):The applicant shall submit the following documents when he applicant receives the preliminary approval:

- A copy of title, the survey drawing, and updated sketches

of the house certified by the concerned authorities provided that they are approved by the Ministry,

- A valid construction approval for the house to be constructed, completed, expanded or to finish the house intended to buy,
- Three quotations from the Ministry's approved contractors,
- Legitimate acknowledgement by the notary public in which the guarantor adheres to the conditions stated within Article (20) of the Social Housing Law of the payment of the installments of the loan in solidarity with the applicant,
- Updated salary certificate of the applicant's guarantor and a copy of his personal ID and passport, and
- A letter from the consultant specifying the supervision remunerations to execute the project.

Article (25): The Ministry shall cancel the application if the applicant doesn't finalize the procedures of his loan or the required documents within the following terms:

- Thirty days of the date the study finishes and the application form is given,
- Sixty days of the date of collecting the preliminary approval letter, and
- By the Project Department in this Ministry, Sixty days of the date of work order if the contractor didn't commence work. The applicant shall provide an alternative contractor within a maximum of Thirty days. The application shall be cancelled if the applicant causes the delay in commencing the work in accordance with the date specified in the work order.

These terms may be extended based on the justifications which shall be approved by the Ministry

Article (26):The borrower shall assign the supervision process to execute the project to a specialized approved consultant to confirm the contractor's adherence with the technical specifications of the building and to prepare a technical report of the building stages where the loan installment for the contractor shall be made accordingly at the end of each stage. The Ministry shall deduct the consultant's fees from the amount of the loan.

Article (27):The amount of the loan shall be calculated in accordance with the applicant's birthday stated in his/her personal ID and passport.

Article (28):The loan monthly installment shall not be more than (25%) of the total monthly income of the borrower. He may pay several or the full installments, if so desired .

Article (29):The amount of the loan shall be calculated in accordance with the following equation:

$$(59 \text{ years}) - \text{The borrower's age} = (\text{the result}) \times (12 \text{ months} \times (25\% \text{ of the income})) = \text{the amount of the loan.}$$

Article (30):If the cost of the residential unit, which is financed by the housing loan, exceeds the amount of the loan, the borrower shall bear the difference in cost provided it shall not be more than of (RO 10.000/-) (Riyals Omani Ten Thousand).

Article (31):The borrower's guarantor age stated in the provision of the Article (20) of the Social Housing Law shall not be more than (60) Sixty years old when the last installment is due.

Article (32):The Cadastre Secretariat as well as the branches in the governorates and regions shall conduct the mortgage registration procedures for the Ministry against the house and the plot financed by the loan as soon as the committee approves the loan, which is stated in Article (23) of the Social Housing Law, or when the sale process is concluded when a ready-house is purchased by the use of the loan.

Article (33):The borrower shall start the payment of the loan nine months after issuing the work order in cases of constructing, expanding, completing or maintaining a house. In case of purchasing a house, the payment shall start Sixty days after the date of the loan disbursement.

Article (34):Rescheduling the payment of the residential loan may be permitted in accordance with the Article (30) of the Social Housing Law after a comprehensive study of the borrower's situation is conducted and in the light of the results of this study.

Article (35):The Department of Finance Affairs in the Ministry shall prepare a monthly statement of the housing loans payment status to identify those borrowers who failed the payment in order to take the legal procedures against them and retrieve the amounts.

Article (36):The Minister may, after receiving the approval of the Ministry of Finance, exempt the borrower of the payment of the loan installment when his monthly income becomes less than (RO 300/-) (Riyals Omani Three Hundreds) after being conferred the loan in the light of the results of the study prepared in this respect.

Appendix (1)

Complaint Form against the Rejection of an Application for Housing Subsidy, Residential Unit or Housing Loan

On the day of _____ corresponding to: / / Serial No.: _____

Personal Information:

Name:

ID/ Passport Number:

Willayat:

Address:

P. O. Box: P.C.:

Telephone Number:

A Relative's Telephone Number:

Application Information:

Date of Submitting the Application: Day / Month / Year

Application Number:

The Authority to which the Application is made:

Reasons of Complain:

Dear citizen, please mention the reasons of complaint against the rejection decision in short:

- 1.
- 2.
- 3.
- 4.

Name:

Signature:

Required Attachments:

- A copy of the ID/ Passport.
- A Copy of the appellate decision.

For the Ministry Use

Decision Number:

Date:

Accept the complaint:

Yes

No

Approved

The Department/ Division of Legal Affairs
whoever he deputized

Approved

Minister of Housing or

Appendix (2)
Usufructuary Bond of a Residential Unit

The Ministry of Housing certifies that

The citizen: _____ has benefited of
the house number: _____ : in _____
in: _____ constructed on the residential
plot number: _____ , square: _____ ,
area: _____ , _____ m2, where this
house is registered in his name since: _____ A.H.
corresponding to: _____ A. D.,

Written in _____ A.H. corresponding to:
_____ A.D

Approved,,,

The Director General

Note

This bond doesn't permit the owner to dispose in
the house in any form such as the sell,
waive, donate, exchange, or rent within
ten years of the date this bond is issued