



ALPHA BANK

# Alpha Residence Loans

Your mortgage loan put simply!





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# 1. What you need to know

## 1.1

### In which cases is a mortgage loan granted?

Mortgage loans are granted to:

- Buy a home/plot
- Build or/and complete a home
- Renovate a home
- Repair a home
- Buy a high energy class home or upgrade the energy efficiency of an existing home

## 1.2

### Which criteria determine the amount I can borrow?

The loan amount is determined by your income combined with your other obligations, cost of living and the value of the loan collateral.

In any case, the loan amount cannot exceed 90% of the property's value as estimated by the Bank, and 100% of the purchase agreement for energy class A, A+ properties.

For example, if you buy an apartment for €100,000 and its value is estimated at €100,000 by the Bank's affiliated engineer, you may get a loan up to €90,000, provided that you also meet the rest of the Bank's credit criteria.

As a result, you may have to use a part of your own money.





## 2. Regarding interest rates

### 2.1

#### What type of interest rate can I choose?

For your mortgage loan, you can choose:

- Fixed rate
- Floating rate

### 2.2

#### What is the difference between the 2 interest rate types?

The fixed rate does not fluctuate over an agreed period.

The floating rate consists of the base rate (3M Euribor), plus a spread that does not fluctuate throughout the loan term. The fluctuation of the floating rate is due to the fluctuations in the base rate, as shaped in the interbank market.

### 2.3

#### Which interest rate should I choose for my loan?

If you wish your instalment to be shaped depending on the market trends, you may choose a floating rate loan.

If you want to know exactly what you will be paying each month for a specified period, you may secure a fixed monthly instalment by choosing a fixed rate. This way, you are fully protected against an increase in the interest rates, but at the same time you're not profiting from a potential decrease.

Alpha Bank offers you a fixed rate for 5, 10, 15 or 20 years.

### 2.4

#### Are there any additional charges besides the interest rate?

All mortgage loans are subject to the Law 128/75 levy that is paid to the State and amounts to 0.12% for financing a home and to 0.60% for financing other properties.



## 3. Alpha Residence Loans: Options and features

### 3.1

#### What are the main mortgage products offered by the Bank?

##### **Alpha Residence**

Alpha Bank's main mortgage loan for all housing needs. You may choose the interest rate type (floating or fixed for 5, 10, 15 or 20 years).

Additionally, you can ask for a low start period. This way, you shape the loan instalment for the first years of your loan, according to your personal or family budget, so as to deal with the increased expenses that settling in a new home entails.

##### **Alpha Residence Renovation**

A floating-rate loan, exclusively for home renovations. It is designed with a quick disbursement process and the option to borrow money without a mortgage lien.

##### **Alpha Green Solutions – Energy Saving Home**

A floating- or fixed-rate loan to buy a high energy class home or upgrade the energy efficiency of an existing home.

There is a discount on the floating rate spread for energy class B+, A, A+ properties.

##### **Alpha Cash Collateral**

A floating- or fixed-rate loan with deposits or other financial products offered as collateral, and favourable pricing.





### 3.2

## Which other loan features can I shape?

### Term

The term of your loan can range from 5 to 35 years. A longer term secures you a lower monthly instalment, but overall you pay more interest. On the contrary, with a shorter term you pay less interest, but you have a higher instalment. Therefore, the term you choose should shape your instalment to such an amount that a possible change in your income or an unexpected event won't affect the loan repayment.

Also, keep in mind that the youngest party affiliated with your loan should not be over 75 years old at loan maturity.

### Grace period

To make it easier for yourself to deal with the expenses that accompany the purchase or construction of a new home, you may choose a grace period up to 24 months. During this time, you may choose to only pay the interest on your loan or not pay it at all and incorporate it in the loan amount. However, note that in the latter case, the total interest burden will be higher.

### 3.3

## What is the Annual Percentage Rate of Charge (APRC)?

The **Annual Percentage Rate of Charge** (APRC) is the total credit cost, expressed as an annual percentage of the total credit amount.

The APRC makes it easier for you to compare different offers.

### Example

For a €100,000 loan with a 240-month term, a nominal interest rate of 4.12% fixed for the entire loan term (including 0.12% Law 128/75 levy), plus a €430 lump-sum fee for processing your request, and a €420 lump-sum fee for engineering inspection and due diligence, the APRC amounts to 4.30%.

### 3.4

## What types of collateral are required for mortgage loans?

To secure the loan, an A series mortgage lien is registered for the financed property and/or another property of sufficient value. The mortgage lien usually amounts to 120% of the loan amount.

Alternatively or additionally, the pledging of deposits or other financial instruments can also serve as collateral.



## 4. Additional expenses and obligations

### 4.1

#### What are the expenses for mortgage loans?

**Expenses for request processing, engineering inspection and due diligence:** €850 (as an indication, depending on the product).

Additionally, in case of multiple disbursements: €120 per work certification.

**Expenses for registering the mortgage lien at the Land Registry / National Cadastre:** 0.775% or 0.875% respectively on the mortgage lien amount, plus VAT and fees for submitting the application, drafting the registration summary and issuing the relevant certificates (€60-80, plus VAT).

**Lawyer expenses** for registering the mortgage lien: €359.60 (the Bank's lawyer fee).

#### **Expenses for issuing the Cadastral Diagram**

**Extract:** €15 per National Cadastre Code Number (KAEK), plus VAT.

**Expenses for declaring the mortgage lien rights** to the National Cadastre (currently at €35 per right or €20 for storage rooms / parking spaces that form individual properties).

### 4.2

#### Will I have any other regular obligations besides my instalment?

Throughout the loan term, your property must be insured. Alpha Bank, in partnership with Generali, offers the **Alpha Home Insurance** plan, which gives you all the necessary coverage to protect your property at a total yearly premium of:

→ €1.60 to €1.80 (depending on the coverage) / €1,000 on the rebuilding cost (€1,300/sqm of main residence and €600/sqm of annexes)

Additionally, the **Alpha Borrowers Insurance** plan ensures the smooth repayment of your loan in case of unexpected events, even if you are forced to temporarily stop working (due to involuntary unemployment or temporary inability to work following illness or accident) at a total yearly premium of:

→ €4.122/€1,000 loan (calculated based on the respective remaining loan amount)



## 5. Disbursement and repayment

### 5.1

#### How do I get the loan money?

The loan disbursement depends on the purpose of the financing.

If you get a loan to buy a built property, the entire amount is disbursed at once.

If you get a loan to build, complete or repair a home or to buy a home that is under construction, your loan is disbursed in instalments, depending on the progress of the performed works. As a result, you don't pay the entire instalment of your approved loan from the start, but only the instalment that corresponds to the disbursed amount.

### 5.2

#### How do I repay my loan?

You repay your loan in monthly interest-bearing instalments. You will need to declare a deposit account, through which the monthly loan instalments will be paid (by standing order).

### 5.3

#### Is there any flexibility regarding the repayment?

Provided you are consistent with your loan repayment, you may ask to:

- Increase or decrease your instalment for a specific period
- Skip 1 instalment per year and incorporate it to the remaining ones
- Change the interest rate type

### 5.4

#### I receive my salary at Alpha Bank. Do I have any benefits?

Yes. We offer you our main **Alpha Residence** mortgage loan with a 50% discount on the lump-sum fee for processing the loan request, and an additional 0.15% discount in total on its floating rate spreads.



## 6. Process and supporting documents

### 6.1

#### What is the process, from application to loan disbursement?

01

##### **Application for a mortgage loan**

We discuss together the features and terms you would like for your mortgage loan. After you decide on the loan that best meets your needs, we fill out the application form together and inform you of our decision within 24 hours.

02

##### **Loan pre-approval**

##### **→ Due diligence and engineering inspection**

Once you get loan pre-approval, we inform you about the supporting documents you need to collect for the due diligence and engineering inspection (copies of agreements, building permit, etc.)

03

##### **Final approval → Agreement signing**

Once we complete the due diligence and engineering inspection, and confirm that your property meets the conditions for a loan, you sign the loan agreement.

04

##### **Mortgage lien registration**

You then bring us the supporting documents for the property mortgage lien and we start the mortgage lien registration process.

05

##### **Disbursement**

Once the property mortgage lien process is concluded, you either collect the loan cheque issued in the name of the seller, or we deposit the money in their account.



## 6.2

### Which are the necessary supporting documents in each stage?

#### A. Application for a mortgage loan

- Signed application form
- ID card or passport
- Single Property Tax - ENFIA certificate (if applicable) in PDF format, as downloaded from the Independent Authority for Public Revenue (IAPR) website ([www.aade.gr](http://www.aade.gr)).
- Copy of income tax return for the last 2 tax years in PDF format, as downloaded from the Independent Authority for Public Revenue (IAPR) website ([www.aade.gr](http://www.aade.gr)).
- Financial information:

Salaried employees - Pensioners	Freelancers	Company partners
Payroll slip Pension slip	Copies of E3 forms for the last 3 years	Copies of E3 forms for the last 3 years
	Copies of periodical VAT returns	Copies of N forms for the last 3 years



## B. Loan pre-approval → Due diligence and engineering inspection

The engineering inspection of the property is carried out by the engineers associated with Alpha Astika Akinita.

	Flat	House	Plot
Ownership deeds	✓	✓	✓
Building permit	✓	✓	
Topographical plan	✓	✓	✓
Coverage diagram		✓	
Architectural plans (floor plans, sections, views)	✓	✓	
Energy efficiency certificate	✓	✓	
Detailed budgets signed by an engineer (in case of building/repair)	✓	✓	✓
Rental agreement (if applicable)	✓	✓	✓
Declaration of inclusion in the law about properties without planning permission, along with the technical report and accompanying plans (in case of planning violations)	✓	✓	
Cadastral table and cadastral diagram extract of the certified implementation act, irrespective of batter board (inclusion following the Law 1337/83).			✓
Social security contribution collection act			✓
Property liability recalculation act due to street planning, in case no road opening has been carried out (inclusion before Law 1337/83)			✓



## C. Final approval → Agreement signing

After completing the necessary checks, you receive the final approval letter, accompanied by the European Standardised Information Sheet (ESIS), as well as a draft loan agreement, which consist a binding offer on behalf of the Bank.

You have 10 days to evaluate the offer. At least 5 days must pass from the day you receive the offer, before you sign the loan agreement.

During this stage you:

- Insure the property and the loan
- Sign the disbursement application
- Sign the standing order to enable the collection of the instalment from the linked deposit account



To prepare the agreement documents in case of a purchase loan, you must present the draft purchase agreement, as well as the final one.

## D. Mortgage lien registration

### → Disbursement

**Cadastral extract** in the name of the property's owner for properties located in areas included in the National Cadastre.

**Unified property tax (ENFIA) certificate** for the last 5 years (for each horizontal property registered, as well as for all the owners and their respective ownership percentage on the properties registered, stating as justification for granting the following: "for any action before Court, except for lawsuits related to a property").

Certificates are printed from TAXIS.

