

# Remortgages Factsheet and Eligibility Criteria

Updated July 2023

**National Bank of Kuwait (International) PLC.**

Registered in England & Wales with Company Number 02773743. Our registered office is NBK House, 13 George Street, London, W1U 3QJ, United Kingdom.

Authorised by the Prudential Regulation Authority ('PRA') and regulated by the Financial Conduct Authority and the PRA (firm reference number 171532).

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<b>Personal Details</b>	
Age of Borrower / Co-Borrower/ Guarantor	<ul style="list-style-type: none"> <li>• Minimum age – 21 years</li> <li>• Maximum age at the maturity of loan Salaried: 65 years Self-employed: 75 years</li> </ul>
Residency status	<ul style="list-style-type: none"> <li>• Residents or nationals of Bahrain, Kuwait, Qatar, Saudi Arabia, and UAE</li> <li>• You are not eligible if you are a UK resident</li> </ul> <p>[Loans to individuals residing in other countries not stated above may be considered on a case by case basis].</p>
Type of applicants	<ul style="list-style-type: none"> <li>• Individual (Single or Joint)</li> <li>• Loans may be booked in the names of an offshore company or Special Purpose Vehicle ('SPV') if there are no such legal or regulatory restrictions.</li> </ul>
<b>Source of Income</b>	
Employed or Self Employed	<ul style="list-style-type: none"> <li>• <b>Employed</b> - Salary income (net of taxes) plus bonus, commission, and overtime payments from employment. Should be in current employment for minimum 6 months and in continuous employment for minimum 12 months.</li> <li>• <b>Self Employed</b> – personal income from the business for the last three years. Should be in the business for minimum 36 months.</li> <li>• <b>Any other regular income</b> i.e. rental income, income from investments etc.</li> </ul>
Minimum monthly income requirement	<ul style="list-style-type: none"> <li>• Salaried: Equivalent of GBP7,000 (must be evidenced via bank statements for at least 6 months)</li> <li>• Self Employed: Equivalent of GBP 10,000 (must be evidenced via bank statements for at least 6 months)</li> </ul>
<b>Credit History</b>	
Credit reports	<ul style="list-style-type: none"> <li>• Good credit history required.</li> <li>• The following credit report to be obtained depending on the domicile of the borrower.</li> </ul> <p>[Kuwait (Ci-Net), Bahrain (Credit Bureau Reference), Jordan (CBJ Risk Report), Lebanon (Central Du Risqué), Saudi Arabia (SIMAH), UAE (Al Etihad Credit Bureau Report).]</p>
<b>Eligible Properties</b>	
Property type	<p>Standard residential property</p> <ul style="list-style-type: none"> <li>• Freehold and Leasehold properties (residential house/apartments)</li> <li>• Ready to move in</li> <li>• In the case of Leasehold properties, the residual lease period should be minimum 85 years at loan maturity.</li> </ul>
Location of the property	<p>London or Greater London</p> <p>[Other areas in the UK will be considered on case-by-case basis.]</p>
Purpose of the property	<p>Refinancing or switching your existing mortgage and/or borrowing more against your existing property</p> <p>[Must not be the main residence and cannot be used for rental]</p>
EPC rating	<p>Properties with EPC rating A, B, C, D or E</p> <p>I. EPC stands for energy performance certificate. II. An EPC rating is a review of a property's energy efficiency.</p>

<b>Finance Features</b>				
Repayment tenor	Minimum: 5 years Maximum: 20 years			
Type of repayment	<ul style="list-style-type: none"> <li>Interest loan only: Max tenor 5 years</li> <li>Amortising loan on a straight linear basis: Max tenor 20 years.</li> </ul> <p>[Your principal repayment amount will be fixed throughout the loan term, while your interest payment will vary depending on the Bank of England Base Rate change]</p>			
Repayment frequency	<ul style="list-style-type: none"> <li><b>Amortising Loan</b> For Salaried: Monthly For Self Employed: Monthly or quarterly</li> <li><b>Bullet Repayment/Interest only</b> Interest to be serviced monthly or quarterly and bullet principal repayment at the end of loan tenor in full. You must ensure that you have sufficient funds from your own resources to repay the loan in full.</li> </ul>			
Loan amount	Minimum loan amount: GBP 200,000 Maximum loan amount: GBP 2,500,000			
Loan to Value ratio ('LTV') (Indicative, these may vary according to location of property & type of property)	<b>Amortising Loans</b>			<b>Non-Amortising Loans</b>
	<b>Location Category</b>	<b>Property Type</b>	<b>Tenor ≤ 15 years</b>	
	London <sup>1</sup>	Existing	75%*	65%*
		New Build <sup>3</sup>	65%	60%
	London <sup>2</sup>	Existing	70%*	60%*
Non-Prime	New Build <sup>3</sup>	60%	55%	
<p>*Applicable to existing NBK Group clients only with minimum 6 months banking relationship with NBK. For new or non-NBK clients, the LTV will be reduced by 5%</p> <p>1. Prime Locations in London. (You will need to refer to the Bank) 2. London non-prime refers to properties located in London only. (You will need to refer to Bank) 3. New Build Property Type means a dwelling that has been completed within 3 years before the commencement of the loan.</p>				
Affordability	<p>Your monthly disposable income must provide at least 2 times coverage for new monthly loan payment amount</p> <p>[Disposable income is the income considered by the Bank after all expenses, including other loans, are accounted for from your gross monthly income. Example: If your disposable income = £1,000 per month, then your new loan monthly payment cannot exceed £500 per month]</p>			
Indicative interest rate for your & loan arrangement fee applicable	<ul style="list-style-type: none"> <li>Bank of England Base Rate + 2.5% (minimum rate: 3.0%) – the margin can vary. [Interest rate is variable means the interest rate you pay can change, if Bank of England base rates goes up your interest rate will go up and vice versa]</li> <li>Arrangement fee: 1% of the loan amount (Minimum GBP2,000)</li> </ul>			
Other indicative charges applicable	<ul style="list-style-type: none"> <li>Refer to Solicitors and Surveyors Tariff and Charges</li> <li>Stamp Duty: Varies according to value of property and to whether you own another</li> </ul>			
Offer validity	3 months from the date of formal Offer Letter.			

Security	<ul style="list-style-type: none"> <li>• First Charge on the property being financed.</li> <li>• Personal Guarantee ('PG') may be required (if applicable) *</li> <li>• For Kingdom of Saudi Arabia ('KSA') based borrowers - a promissory note based on KSA law for the full loan amount must be in place.</li> <li>• Building insurance of the property must be in place and paid by the borrower.</li> <li>• NBKI interest to be noted on the property insurance policy.</li> </ul> <p>[*PG is a promise from the borrower/individual to the lender that they will personally be liable for the loan.]</p>
Minimum loan lock in period	1 year
Early repayment charge	1% on the prepaid amount if repaid before the 1 <sup>st</sup> anniversary of loan drawdown date

## Documents Required for Evidence

Salaried	<ul style="list-style-type: none"> <li>• KYC documents of borrower/guarantors</li> <li>• Last 6 months' salary slips along with bank statements, wherein the salary is credited.</li> <li>• Salary certificate confirming the salary details.</li> <li>• Net Worth statements.</li> <li>• Proof of any other income</li> <li>• Credit report from local Credit Bureau</li> </ul> <p>[We may require additional documents for verification]</p>
Self Employed	<ul style="list-style-type: none"> <li>• KYC documents of borrower / guarantors</li> <li>• Audited financial statement for the last three years.</li> <li>• Personal bank statements for at least 6 months</li> <li>• Net Worth statements.</li> <li>• Proof of any other income</li> </ul> <p>[We may require additional documents for verification]</p>

## Useful external website links

EPC Rating	<a href="https://www.gov.uk/find-energy-certificate">https://www.gov.uk/find-energy-certificate</a>
Flood Risk	<a href="https://check-long-term-flood-risk.service.gov.uk/postcode">https://check-long-term-flood-risk.service.gov.uk/postcode</a>
Stamp Duty	<a href="https://www.gov.uk/stamp-duty-land-tax/residential-property-rates">https://www.gov.uk/stamp-duty-land-tax/residential-property-rates</a>

## Risk Warnings

- 1. Interest Rate Risk:** Please note that the interest rate on a mortgage loan with NBK may change over time. Our mortgage is a variable-rate mortgage, meaning your monthly payments may increase or decrease depending on Benchmark interest rates (Bank of England Rate). It is essential to consider your affordability in the event of interest rate fluctuations.
- 2. Credit Risk:** All mortgage loans are subject to credit approval, and ability to repay the loan will be assessed based on various factors, including a person's income, employment history, credit score, and financial obligations. Failure to meet mortgage repayment obligations may result in adverse consequences, including repossession of your property.
- 3. Property Valuation Risk:** The value of a property may fluctuate over time due to market conditions and other factors. In the event that the value of a property decreases, it may impact your ability to refinance or sell the property in the future.
- 4. Insurance Risk:** It is strongly recommended to obtain appropriate insurance coverage for your property, including buildings insurance, to protect against unforeseen events such as fire, theft, or other damage. Failure to maintain adequate insurance coverage may result in financial loss.
- 5. Early Repayment Charges:** If you decide to repay your mortgage loan before the agreed-upon term or make significant overpayments, early repayment charges may apply. It is important to review the terms and conditions of your mortgage agreement to understand these charges fully.

## Contact Us

If you're a potential customer who wants more information or an agreement in principle, or if you're an existing customer, you can reach out to us through the following channels:

<b>Call or Email us</b> <b>Existing customer:</b> Call or email your dedicated Relationship Manager at NBK <b>New customer:</b> Call us on +44 20 7224 2277 or email us <a href="mailto:info@nbki.com">info@nbki.com</a>	<b>Visit us in London</b> Address: NBK House, 13 George Street, London W1U 3QJ Opening hours: Head Office: Monday to Friday between 9:00 and 17:00 <b>Branch:</b> Monday to Friday between 9:30 and 16:00	<b>Contact your local NBK Branch</b> Your existing Relationship Manager in Kuwait, Saudi Arabia, United Arab Emirates, Bahrain, Egypt, Lebanon, Iraq will put you in contact with us directly for further assistance.
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