



BANKA KOMBETARE TREGTARE

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Document Owner: Retail Banking Department

STANDARDIZED PRE-CONTRACTUAL FORM FOR INTEREST ONLY MORTGAGE LOAN

Parameters	Description										
Presenting text	This document is not a legally binding offer. The figures are given in good faith and are an accurate statement of the offer that the bank will make under the current terms of the market, based on the information provided. However, these figures may fluctuate according to market conditions. The provision of information is not obligatory to grant the loan.										
Name and bank contact details	BANKA KOMBETARE TREGTARE (BKT) SH.A Address: "Rruga Vilave", Lundër 1, Tiranë Phone Number: 042 266 288 Web Address: www.bkt.com.al Email: info@bkt.com.al										
Product Purpose	Mortgage loans are used to fulfill the personal needs of the individuals, to buy, construct or improve a home. From this product can profit not only individuals but the self-employed professional as well (doctors, dentist, pharmacist, lawyers etc) who want to buy or build their own work premises or individuals who generate income from employment and who want to buy a unit for investment purposes (rental).										
Product Description	<p>This product is used for the purpose provided in section 3 named Product Purpose where as a guarantee the bank will seek mortgages of real estate. Mortgageable items are irreplaceable properties, such as buildings and anything that is sustainably embedded in a continuous way with the building. The property to be mortgaged may be different from the credit object of the loan.</p> <p>The real estate assessment report is carried out by independent appraisals engineers authorized by the bank and this cost is covered by the applicant. The bank finances up to 100% of the sale price, but the property offered as collateral must meet the respective coverage ratio criteria mentioned at Financing Criteria section.</p> <p>The repayment method is combined payment of only interest first several years of the loan + amortize method (principal+ interest). During the first years of the loan up to 7 years based on the interest period the customer will choose, the customer will repay only interest and during the amortize period the customer will pay equal monthly installments (principal+ interest) according to the repayment annex and not as a one-time repayment at the end of the maturity period.</p>										
Financing Criteria/Loan Amount over the Open Market Value of the property offered as collateral	<table border="1"><thead><tr><th></th><th>Financing Criteria Loan Amount/Collateral Open Market Value</th></tr></thead><tbody><tr><td>Home Loan-Collateral Offered (Apartment/Land & Building under the name of the customer/co-borrower)</td><td>80%</td></tr><tr><td>Home Loan-Collateral Offered (different from credit subject)</td><td>75%</td></tr><tr><td>House Construction Loan</td><td>75%</td></tr><tr><td>Shop/Shop Construction Loan</td><td>75%</td></tr></tbody></table>		Financing Criteria Loan Amount/Collateral Open Market Value	Home Loan-Collateral Offered (Apartment/Land & Building under the name of the customer/co-borrower)	80%	Home Loan-Collateral Offered (different from credit subject)	75%	House Construction Loan	75%	Shop/Shop Construction Loan	75%
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Interest Rates for Home and House Construction Loan	Customer Category	Interest Rates according to category	
	BKT Salary Paid Customers	4% fixed for the first year then 1Y T-Bill +2% not less than 4% <i>(changing each 12 months)</i>	
	Other Customers	4.5% fixed for the first year then 1Y T-Bill +2.5% not less than 4.5% <i>(changing each 12 months)</i>	
Interest Rates for Shop and Shop Construction Loan	Customer Category	Interest Rates according to category	
	BKT Salary Paid Customers	4.5% fixed for the first year then 1Y T-Bill +2.5% not less than 4.5% <i>(changing each 12 months)</i>	
	Other Customers	5% fixed for the first year then 1Y T-Bill +3% not less than 5% <i>(changing each 12 months)</i>	
Interest Rates without Life Insurance (Examples)	Interest Rate: Example BKT Salary Paid Customers Category	If the customer is up to 45 years old, IR will be 0.5% higher:	If the customer is over 45 years old, IR will be 1% higher:
	4% fixed for the first year then 1Y T-Bill +2% not less than 4% <i>(changing each 12 months)</i>	4.5% fixed for the first year then 1Y T-Bill +2.5% not less than 4.5% <i>(changing each 12 months)</i>	5% fixed for the first year then 1Y T-Bill +3% not less than 5% <i>(changing each 12 months)</i>
<i>In this way is applied the interest rate also for the other category of the customers mentionet above.</i>			
Effective Interest Rate	<p>The effective interest rate (EI) expresses the total cost of the loan including interest, commissions and any other type of expenses that the borrower pays in connection with the loan agreement within the terms of this loan agreement. For the purposes of calculating the NEI, the total cost of the loan does not include expenses that are not recognized on the date of the calculation of the NEI, expenses payable by the borrower of obligations for non-implementation of the conditions provided for in this contract, costs payable by the customer in connection with the agreement of credit to other persons (for example, a notary, tax authority, mortgage register) and any expenses generally incurred for registration and guarantees; expenses for insurance and/or non-binding guarantees, expenses for commissions applied to unused funds and expenses for commissions for changing contractual conditions. NEI will be calculated with the assumption that:</p> <ul style="list-style-type: none"> - the loan contract is valid for the agreed period, and - the parties fulfill their obligations, according to the terms and date agreed in this loan contract, and - the percentage of interest and other expenses that are included in the calculation of EIR remain unchanged (fixed) until the end of the loan contract. 		
Loan Amount and currency	<p>Minimum Loan Amount- 500,000 ALL Maximum Loan Amount – 50,000,000 ALL Currency: ALL</p>		

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	<p>Maximal Loan Term: Up to 25 Years</p> <table border="1"> <thead> <tr> <th data-bbox="555 401 1003 432">Interest Only Period</th> <th data-bbox="1006 401 1443 432">Loan Maturity</th> </tr> </thead> <tbody> <tr> <td data-bbox="555 436 1003 468">3 years</td> <td data-bbox="1006 436 1443 468">Min 11 years - Max 25 years</td> </tr> <tr> <td data-bbox="555 472 1003 504">4 years</td> <td data-bbox="1006 472 1443 504">Min 14 years - Max 25 years</td> </tr> <tr> <td data-bbox="555 508 1003 539">5 years</td> <td data-bbox="1006 508 1443 539">Min 18 years - Max 25 years</td> </tr> <tr> <td data-bbox="555 543 1003 575">6 years</td> <td data-bbox="1006 543 1443 575">Min 21 years - Max 25 years</td> </tr> <tr> <td data-bbox="555 579 1003 611">7 years</td> <td data-bbox="1006 579 1443 611">Only 25 years</td> </tr> </tbody> </table>	Interest Only Period	Loan Maturity	3 years	Min 11 years - Max 25 years	4 years	Min 14 years - Max 25 years	5 years	Min 18 years - Max 25 years	6 years	Min 21 years - Max 25 years	7 years	Only 25 years
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<p>The loan is in a different currency than the one in which the consumer generates the income</p>	<p><input type="checkbox"/> The loan is in a currency different from the customer's income;</p> <p><input type="checkbox"/> The loan is in a currency same as the customer's income;</p>												
<p>The value of the loan installment, expressed in the currency in which the consumer generates income, may change.</p>	<p>The bank will notify the customer in cases where, as a result of the exchange rate change, the loan installment will increase by 20% of the counter value of the installment that would result if the exchange rate between the loan currency and the currency in it were applied which the customer generates income, on the date of signing the contract. The client is given the option of converting the loan into the currency that generates income. The request for conversion will be subject to evaluation by the Bank in accordance with the financial documentation that the Borrower will submit at the time of submission of the written request and, if the lending conditions are met, the conversion will be carried out at the Bank's official exchange rate on the day that the conversion is performed.</p>												
<p>Opening and Closing the Loan</p>	<ul style="list-style-type: none"> - As a condition for approving the loan, the Borrower will open one or more current accounts with the BKT, called the "loan account", in which the Bank will disburse funds and through which the loan will be repaid . - Loan withdrawal will be done in one of the following ways: by cash withdrawal, by electronic withdrawal, by a check issued by the customer to the bank, by payment order issued with writing in favor of third parties. - When, during the disbursement, the Bank finds that the Borrower has exceeded the conditions provided for in the Credit Contract signed by the parties, the Bank has the right to request the termination of this contract, which will be accompanied by the return of the amounts used until that moment and the corresponding interest. - The disbursement of funds for the purchase of a house/shop will be made to the client's account and then transferred to the notary's asset disposal account or to the selling party's account - The disbursement of funds for house/shop construction will be made to the client's account. The amount of the loan in this case will be disbursed with a minimum of 2 parts, which depends on the amount of the applied loan. 												
<p>The value of each mortgage repayment installment</p>	<p>Interest only payment period up to 7 years then equal monthly instalment. Interest-only period cannot be less than 3 Years.</p>												
<p>Loan amortization table (repayment plan)</p>	<p><i>The frequency of revision of the base interest rate in this case Treasury Bond is every 12 months, so in any case the revision of the interest rate for each customer will be done in the 12th installment of the following year until the end of the loan maturity.</i></p>												

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Loan conditions and NEI calculation table					
Loan Amount		8,000,000	Leke		
Loan Maturity "Interest Only" period		72.00	Months		
Maturity (No of Instalments) (Principal + Interest)		168	Months		
Loan Maturity (No. of Instalments)		240	Months		
Applicant's Age		27	Age		
Gender		Female			
Type of Customers		Standart Customers			

Interest Rate (=)		1 Yearly T-Bill	Plus (+) (Spread)	
First Years	4.00%		4.00%	
Next Years	5.24%	3.24%	2.00%	
Disbursement Comission		1.0%	80,000.00	Leke
Life Insurance Premium Rate*		~ 0.07%-3% of the loan amount	120,000.00	Leke
Property Insurance Premium Rate*		~ 0.06%-0.25% of the loan amount	10,000.00	Leke
Others(if there are)				Leke
Monthly Instalment during "Only Interest " period			26,666.67	Leke
Monthly Instalment (principal +interest)			67,301.76	Leke
Effective Interest Rate (EIR)			5.42%	
**			13,226,695 Leke	

* The fees applied in the above example are taken from average values respectively 1.5% for life insurance and 0.15% for property insurance.

** The amount of the total principal and interest to be paid is calculated with the above interest rate. This total amount may vary depending on the changes of the T- Bill and the minimum interest applied according to the product selected.

Loan amortization table (repayment plan)					
Currency	Loan Amount	Interest Rate (ne %)	Loan term in years	Loan term in months	Monthly Loan Instalment
Leke	8,000,000	4.00%	20.00	240.00	26,666.67
Months	Beginning Balance	Interest Amount	Principal Repayment	Monthly Loan Instalment	Final Balance
1	8,000,000	26,666.67		26,666.67	8,000,000
2	8,000,000	26,666.67		26,666.67	8,000,000
3	8,000,000	26,666.67		26,666.67	8,000,000
4	8,000,000	26,666.67		26,666.67	8,000,000
5	8,000,000	26,666.67		26,666.67	8,000,000
6	8,000,000	26,666.67		26,666.67	8,000,000
7	8,000,000	26,666.67		26,666.67	8,000,000
8	8,000,000	26,666.67		26,666.67	8,000,000
9	8,000,000	26,666.67		26,666.67	8,000,000
10	8,000,000	26,666.67		26,666.67	8,000,000
11	8,000,000	26,666.67		26,666.67	8,000,000
12	8,000,000	26,666.67		26,666.67	8,000,000

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<p>Guarantee/Security required</p>	<p>As a guarantee, the bank will accept a mortgage on an asset of the type, Apartment, Unit (shop), Land, Land and Building, etc.</p> <p><u>Example 1</u> Client Y has applied for a home purchase loan in the amount of 10,000,000 Lek. The collateral that will be offered in this case is the same as the object of the loan. In this case, since the collateral offered is the same as the object of the loan, the amount of credit that can be granted to the client is up to 80% of the Open Market Value of the collateral offered.</p> <p><i>Formula:</i> <i>Open Market Value of the Offered Collateral = (Loan Amount/0.8)= ALL 12,500,000</i></p> <p><u>Example 2</u> Customer X has applied for a home loan by offering a collateral other than the loan facility. The Open Market Value of the offered collateral (OMV) is 10,000,000 Lek determined by the external appraiser. In this case, since the collateral offered is different from the object of the loan, the amount of credit that can be granted to the client is up to 75% of the Open Market Value of the collateral offered.</p> <p><i>Formula:</i> <i>Loan amount = (Open Market Value of Offered Collateral X 0.75)= ALL 7,500,000</i></p>				
<p>Additional non-refundable costs where applicable</p>	<p>Expenses for the property valuation report (varies from ~ ALL 7,500 – ALL 30,000 with VAT based on the type of property subject to valuation).</p> <p>The cost mentioned above is classified as a pre-approval cost and is covered by the applicant, regardless of the final decision. This cost is unavoidable by the applicant. This service is not provided by the bank but by authorized experts.</p>				
<p>Other additional costs</p>	<table border="1"> <thead> <tr> <th>Type of Expense</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Notarial and legal expenses, such as (notarization of contracts)</td> <td>For the loan contract ~ 3,000 ALL For the mortgage contract depending on the loan amount as below: For loan amount from 1-500,000 ALL ~2,000 ALL For loan amount from 500,000- 1,500,000 ALL ~ 3,000 ALL For loan amount from 1,500,000 – 5,000,000 ALL ~4,000 ALL For loan amount from 5,000,000 – 15,000,000 ALL ~6,000 ALL For loan amount from 15,000,000 – 50,000,000 ALL ~8,000 ALL For loan amount from 50,000,000 – 100,000,000 ALL ~10,000 ALL For loan amount above 100,000,000 ALL ~15,000ALL</td> </tr> </tbody> </table>	Type of Expense	Value	Notarial and legal expenses, such as (notarization of contracts)	For the loan contract ~ 3,000 ALL For the mortgage contract depending on the loan amount as below: For loan amount from 1-500,000 ALL ~2,000 ALL For loan amount from 500,000- 1,500,000 ALL ~ 3,000 ALL For loan amount from 1,500,000 – 5,000,000 ALL ~4,000 ALL For loan amount from 5,000,000 – 15,000,000 ALL ~6,000 ALL For loan amount from 15,000,000 – 50,000,000 ALL ~8,000 ALL For loan amount from 50,000,000 – 100,000,000 ALL ~10,000 ALL For loan amount above 100,000,000 ALL ~15,000ALL
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	Life insurance policy premium rate	~ 0.07 % - 3 % of the loan amount (Varies by the loan amount, age, gender of the applicant, health questionnaire or health condition)
	Mortgage Expenses	For loan amount from 1,000,001 ALL up to 10,000,000 ALL ~15,000 ALL For loan amount above 10,000,000 ALL ~25,000 ALL
	Property Insurance Premium Rate	~ 0.06%-0.25% of loan amount (varies from the loan amount, type of property, location, event risk assessment, etj.)
	Disbursement Commission	1% of the loan amount 0% for the purchase of loans from other banks
	<p>The above costs are classified as costs after loan approval. These expenses are unavoidable and mandatory before disbursement of the loan. Mortgage expenses, notarization of loan contracts and commitment commission are executed only once, while property and life insurance policy premiums are repeated every year.</p>	
Penalties for payments in delay	<ul style="list-style-type: none"> - In the cases that the Borrower is unable to repay the matured installment (interest or principal) on time, the Bank, in addition to the normal interest rate, has the right to apply a penalty of 4 (four)% per month, calculated on the obligation of the next unpaid installment (principal + interest) for the period in which it is overdue based on the terms of this contract. 	
Other penalties	<ul style="list-style-type: none"> - In the cases that the Bank discovers that the loan has not been used for the agreed purpose, then it has the right to immediately request the return of the loan and accumulated interests, or if it sees it reasonable instead of applying the action mentioned before, may apply a 1% penalty on the initial loan amount. - In case of non-payment of commissions and interest, the Bank has the right to apply a penalty of 4 (four)% in ALL, per month on the unpaid amount of commission and interest. 	
Penalty for early repayment (when applicable)	0% in any time but the loan should be repaid only on the instalment date.	
Official notice between the parties	<p>All notices, communications between the parties will be made in writing and with the consent of both parties delivered personally or by registered mail (registered mail) to the address specified in the Credit Agreement or when possible by a durable means of communication (e -mail specified in the Credit Agreement, diskette, CD-ROM, DVD).</p> <p>The Borrower/Guarantor declares and accepts that all types of notifications made to these addresses will be considered as received by him. The customer can submit his advertisements to the Bank, as far as it is known, within a period of 15 calendar days.</p> <p>The Borrower/Guarantor is obliged to notify the Bank within 15 calendar days of any change in his address. As long as he has not notified the new address,</p>	

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	<p>the Borrower has no right to dispute the notifications made at the previous address.</p>
<p>The right of withdrawal from the loan contract</p>	<p>The customer has the right to withdraw from the loan contract within a calendar period of 7 days. This term starts from the date of signing this contract. In cases where the loan amount has been disbursed to the customer's account and the latter exercises the right to withdraw from the Loan Contract, then the customer accepts and undertakes to repay the principal and all obligations for interest and/or penalties, as well as other possible expenses of the bank created with third parties for the effect of disbursing this amount. If the borrower withdraws from the loan contract, the co-borrower or mortgagor or guarantor who has given a guarantee for the borrower's obligations under this contract also withdraws from the loan contract or withdraws the guarantee/s placed by him for the execution of the contract.</p>
<p>The possibility of replacing the item/property (collateral)</p>	<p>- In the case when the collateral offered is the same as the object of the loan, the client cannot request its replacement with another asset.</p> <p>In the case when the collateral offered is different from the object of the loan, the borrower has the right to request the replacement of the item / property (collateral) offered as a guarantee for the active loan he has in BKT with another collateral and against the payment of a commission like below:</p> <p>a) If the new collateral proposed to be replaced will be the same as the object of the loan, no commission will be applied.</p> <p>b) If the new collateral proposed to be replaced will be different from the object of the loan, a commission of 1% of the reduced value of the Immediate Sale Value of the collateral will be applied, which is calculated the Immediate Sale Value of the existing collateral - Value of Immediate Sale of new collateral (in any case it must not be less than 0.5% of the remaining amount of the loan, minimum 50 EUR)</p> <p>In any case, the new collateral proposed by the client must meet the Bank's lending conditions applicable to this loan product at the time the request is reviewed. The collateral that is offered for replacement will be subject to evaluation by the Bank in terms of the legal origin of the ownership, the compatibility of the actual condition of the item with the ownership documentation, as well as the value it has in the market determined in the evaluation report that will be prepared by experts licensed appraisers approved by the Bank. If the property proposed for replacement does not meet the conditions required by the bank, the bank has the right to reject the client's request for collateral replacement.</p>
<p>Claiming forms</p>	<p>Customers can deposit a complaint or suggestion through the following channels:</p> <ul style="list-style-type: none"> - Written letter near any branch - Visits near every branch - Via phone (+355 42 266 288) call center - Through e-mail address info@bkt.com.al - Through BKT Smart App

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	<ul style="list-style-type: none">- Through Official Post Office- Through the form dedicated to the official website of the BKT- Through Facebook complaints and suggestions form
Time period of validity of pre-contractual information	The period of validity of the pre-contractual information is 7 (seven) calendar days from the date of signature of this information by the client.

_____, **30/12/2024**
(Qyteti, dd,mm,vvvv)

Klienti: Emër Mbiemër
(Firma)

Punonjesi i Degës: Emër Mbiemër
(Firma dhe Vula e Bankës)