Zapad Banka

GENERAL INFORMATION – HOUSING LOAN

Key characteristics:

A **Housing Loan Agreement** is a consumer loan agreement secured by a mortgage or another similar security instrument over a residential property or other immovable property owned by the consumer, or secured by a right relating to such property, as well as a loan agreement intended for the acquisition or retention of ownership rights in land or in an existing or planned building.

A **Loan Beneficiary** is a consumer who, within the meaning of the Law on Consumer Loans, is a natural person who, in transactions covered by this Law, acts for purposes that are outside their trade, business, craft or professional activity.

Purpose of the loan:

- purchase of an apartment, house or residential property;
- refinancing of a housing loan with another bank;
- renovation of residential premises;
- an unrestricted-purpose loan, where the use of funds is not subject to monitoring.

Currency – The loan is granted in EUR.

Loan amount – The maximum loan amount is €200,000.00, subject to the customer's creditworthiness.

Type and interest rate (per annum) – A fixed nominal annual interest rate of 4.97%. If the loan is fully secured by a term cash deposit, the interest rate for all customer categories is a minimum of 4.00%.

Grace period – Up to 12 months (interest is payable during the grace period).

Maximum repayment period – Up to 120 months (10 years).

Loan processing fee – No fee.

The **standard security instruments** are:

- Wage withholding and/or assignment / tripartite assignment / assignment for payment and/or pledge over receivables, and/or a standing order authorising the disposal of funds in the transaction account;
- Two promissory notes and promissory note authorisations executed by the Loan Beneficiary;
- A mortgage in favour of the Bank over the immovable property;
- An immovable property insurance policy assigned in favour of the Bank.

The Bank reserves the right to require additional security instruments, depending on the creditworthiness of the Loan Beneficiary.

The Loan Beneficiary has the right to make a partial or full early repayment of the loan at any time. No fee is charged for partial or full early repayment of the loan, in accordance with the Law on Consumer Loans.

If the property being purchased is under construction, the loan amount applied for may be up to 90% of the agreed purchase price. The remaining portion of the purchase price constitutes the Loan Beneficiary's mandatory own contribution.

If the residential unit is under construction, the Bank may also accept a guarantee provided by a legal entity (construction company), valid until the completion of the apartment, provided that the guarantor/payer is a legal entity classified by the Bank as falling within category B2 and that the guarantor is deemed acceptable following a detailed analysis conducted by the Credit Analysis and Credit Risk Assessment Department.

Loan repayment – The loan is repaid in equal monthly instalments. An instalment is a fixed amount paid by the Loan Beneficiary and consists of a portion of the principal and interest, with interest calculated on a pro rata basis.

For **early repayment**, the Loan Beneficiary shall submit a written request.

The loan **utilization period** (drawdown period) is 60 days.

Right of withdrawal from the Loan Agreement – You have the right, within 14 days of the date of conclusion of the Loan Agreement, to withdraw from and unilaterally terminate the Loan Agreement.

Representative Example – EUR 200,000.00	
Loan Approval Conditions	***Amount***
Repayment period in months	*120*
Nominal Interest Rate (annual)	*4.97%*
Effective Interest Rate	*5.09%*
Monthly instalment	*€2,118.38*
Administrative fee (cost of 2 (two) promissory notes, Credit Registry (RKR) enquiry fee, Real Estate Register registration fee, and real estate title deed fee)	*€44.50*
Total interest amount	*€54,205.60*
Total amount payable by the consumer	*€254,250.10*

The costs of the property valuation, property insurance policy and, where applicable, the life insurance policy, as well as the preparation and certification of the mortgage statement, shall be borne by the Loan Beneficiary and are not included in the calculation of the Effective Interest Rate. The calculator is for informational purposes only.

Possible consequences of failure to comply with obligations arising from the Housing Loan Agreement – In the event of a delay in the payment of an instalment, the Consumer shall pay default interest, accruing from the due date until the date of payment, at a rate equal to the contractual interest rate increased by 100%.

Other Information – A written complaint may be submitted in one of the following ways:
- In person at the Bank's registered office or at a Bank branch, by completing the relevant form;
- By post, to: 2b/VII, Moskovska Street, 81000 Podgorica;
- By email, to: prigovor@zapadbanka.me

The deadline for deciding on a complaint is eight days from the date of submission of the complaint.