



FIPRE

MORTGAGE LOAN

(The information highlighted in bold are especially relevant)

**This document is prepared** on the date specified at the end of this document in response to your request for information, **and it does not entail an obligation for Kutxabank to grant you a loan.** The information contained herein is for informational purposes only. This document has been prepared based on current market conditions. **The subsequent personalised offer may be different** depending on changes in these conditions or as a result of information we obtain about your preferences and financial conditions.

## 1 - CREDIT INSTITUTION

Identity / Trade name: Kutxabank S.A.  
Registered office: Gran Vía 30 - 48009 - Bilbao  
Phone number: 900-44-55-66  
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Website address: [www.kutxabank.es](http://www.kutxabank.es)  
Supervisory authority: Bank of Spain, [www.bde.es](http://www.bde.es)  
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Kutxabank - Customer Service  
Gran Vía 30-32 2ª planta 48009 Bilbao  
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Kutxabank S.A., company tax code (CIF) A95653077, registered in the Mercantile Register of Bizkaia under Volume 5226, Book 0, Page BI-58729, Folio 1, 1st entry.

## 2 - FEATURES OF THE LOAN

### **Maximum loan amount available with respect to the value of the property:**

**A maximum of up to 80% of either the appraisal amount or the value in the contract of sale, whichever is smaller.**  
Example: for a property appraised at EUR 200,000 and with a contract of sale of EUR 187,500, the maximum loan amount would be EUR 150,000 (80% of EUR 187,500, the smaller value between the appraisal value and the value in the contract of sale).

Purpose: Home purchase, home mortgage, or acquire or retain ownership of land or building.

**Type of Loan: It is repaid with ongoing constant payments consisting of principal and interest (French system).**

Repayment period: up to 360 months (30 years).

Guarantees: The loan holders are liable to Kutxabank for making the payments on the loan, securing the loan not only with their mortgaged home and/or property, or any other collateral, but with all of their present and future assets. Guarantors are in turn liable with all their present and future assets.

Representative example: Please find attached a representative example in section 5 of this document.

Loan Repayment. Frequency of payments: MONTHLY

Consequences of breach of loan contract. You, and your guarantors, if any, may lose your home and/or property that has been mortgaged or any other collateral if you fail to make your payments on time.

### 3 - INTEREST RATE

**Type and level of applicable interest rate:**

- **Fixed.** The interest rate remains invariable until the maturity of the transaction.
- **Variable Rate.** Fixed rate for the first months and variable rate for the remaining period, tied to a specific index.
- **Mixed.** Fixed for the first years and variable for the rest of the repayment period, tied to a specific index.

**Benchmark rates for variable rates are:**

- **1-year Euribor (published in Official State Gazette [BOE]) from the previous month, plus an agreed differential, adjusting it every 6 or 12 months (Administrator: EMMI-European Money Markets Institute), or**
- **Average rate for mortgage loans over 3 years to buy private housing granted by Credit Institutions in Spain (IRPH) from two months before, plus an agreed differential, adjusting it every 6 or 12 months. (Administrator: Bank of Spain).**

If the contractual interest rate is variable: It must be taken into account that even if the interest rate on this loan is variable, you will never benefit from falls in the interest rate below zero (0.00), for which reason under no circumstances will interest be earned by the debtor.

### 4 - LINKS AND PREPARATORY COSTS

**Signature of this loan does not entail the obligation to take out any product, with the exception of the home insurance policy which may be taken out with an insurance company of your choice and the payment account, and it is the borrowers who decide whether to consider other products or services to avail themselves of the discounts stipulated in section 3 of this document.**

**Set-up fees to be paid by the customer:**

**It will be necessary to appraise the property to be mortgaged and to verify its status in the land register. The costs of such procedures will be paid by the customer, even if the loan is not granted.**

- Kutxabank will accept, in order to study its feasibility, an appraisal provided by the customer, provided that the appraisal is certified by an approved appraiser and has not expired, in which case it may not charge any additional fee for any verifications, if any, made on this appraisal.
- The customer will name the company to carry out the administrative management of the operation by mutual agreement with the credit institution.
- The customer will choose the insurance company providing the compulsory home insurance policy that insures the property that is the subject of the mortgage guarantee for the loan, and which covers the value of the property according to its appraisal. This will be subrogated to Kutxabank S.A. as the mortgagee.

**Bonus for contracting combined products or services:** The agreed rate or spread may be subject to a bonus in each half-yearly or annual review of the variable rate based on the contracting and/or fulfilment of the following services by all borrowers during the last twelve months before the date of variation of the variable interest rate:

- Direct deposit in a Kutxabank account of wages, pension payments or unemployment benefits or direct debit of self-employed workers' social security contributions together with a specified average balance in savings and current accounts.
- Be a holder of a Kutxabank credit or debit card and spend a specified amount at business establishments.
- Arrange Seguro Hogar Kutxabank or Seguro Hogar Extra Kutxabank or Seguro Hogar Protegido Kutxabank home insurance.
- Arrange Seguro de Vida Kutxabank or Seguro de Vida Oro Kutxabank life insurance or Seguro de Amortización de Préstamos Protegido Kutxabank loan payment protection insurance for a specified amount.
- Arrange Seguro de Protección de Pagos Protegido Kutxabank payment protection insurance.
- Open and contribute a specified net amount to a Plan de Pensiones pension plan or EPSV Baskepensiones benefit plan held at Kutxabank and Investment Fund marketed by Kutxabank.
- Arrange Seguro Auto Kutxabank car insurance.
- Arrange Seguro Salud Kutxabank insurance.
- Bonificación Joven for age up to age 35.



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- Balance in funds/Baskepensiones/pension plans greater than a certain amount.
- Energy Efficiency Certificate.

Each contract or fulfilment of the service will be subject to a percentage bonus with a maximum total reduction defined in the personal offer.

Notwithstanding the above, none of the reductions discussed in the different sections above will be applicable if, on the date on which the interest rate changes, the loan in question has overdue amounts.

Investing in investment funds whether through the Non-independent Advisory service or through Discretionary Portfolio Management, may be subject to different types of risks (market risk, credit and counterparty risk, liquidity risk, risk of capital loss, currency risk and the risks inherent to emerging markets). The specific exposure of the investments will depend on the fund selected and the market situation at any time.

Moreover, the Discretionary Portfolio Management service has a fixed cost of 0.35% and a variable cost of 5% on the appreciation obtained which will only be applied when the positive results exceed an appreciation previously achieved, and from which the variable cost has already been met. These amounts will increase with the corresponding VAT. Ultimately, the investment funds associated to the Discretionary Portfolio Management service as well as to the Non-independent Advisory service, are subject to the fees applied by the management company.

#### 5-ANNUAL PERCENTAGE RATE AND TOTAL COST OF THE LOAN

The APR is the total cost of the loan expressed as an annual percentage. The APR is used to help you compare different offers.

Option A: Loan without contracting any ancillary product, except for basic home insurance and payment account.

Option B: Loan combining the contracting with other products.

An example of APR calculation: (The amounts, percentages and fees detailed are estimates)

##### 1.- FIXED INTEREST LOAN

<b>The APR applicable to your loan is:</b>	<b>4.70%</b>	<b>3.90%</b>
<b>It includes:</b>	Option A	Option B (**)
Interest rate	4.50%	3.50%
<b>Other APR Components:</b>		
- Opening fee:	0%	0%
- Appraisal:	369.05 €	369.05 €
- Home Insurance (Annual Premium) (***):	85.47 €	308.02 €
- OK Account Maintenance Fee (Annual):	0.00 €	0.00 €
<b>Total cost of the loan in absolute terms:</b>	<b>126,542.41 €</b>	<b>102,092.95 €</b>

The calculation of APR and total cost of the loan are based on the following cases:

Amount:	150,000 €	150,000 €
Interest Rate (Fixed)	4.50%	3.50%
Period:	30 years	30 years
Bonus (applied):	-----	- 1 %

## 2.- VARIABLE INTEREST RATE

**The Variable APRT applicable to your loan is:** **5.19%** **4.47%**

It includes:	Option A (*)	Option B (**)
Interest rate (First year):	2.59%	2.59%
Euribor 1 year-BOE (April/24):	3.703%	3.703%
Differential:	1.49%	0.49%
<b>Other Variable APR Components:</b>		
- Opening fee:	0%	0%
- Appraisal:	369.05 €	369.05 €
- Home Insurance (Annual Premium) (***):	85.47 €	308.02 €
- OK Account Maintenance Fee (Annual):	0.00 €	0.00 €
<b>Total cost of the loan in absolute terms:</b>	<b>144,188.12 €</b>	<b>120,481.75 €</b>

The calculation of the Variable APR and total cost of the loan are based on the following cases:

Amount:	150,000 €	150,000 €
Interest Rate (First year):	2.59%	2.59%
Interest Rate (Rest):	Euribor + 1.49%	Euribor + 0.49%
Period:	30 years	30 years
Bonus (applied):	-----	- 1.00 %

The amounts indicated in this section are expenses borne by the borrower.

Hypothetical case calculated for the purchase of primary residence by two 37-year-old clients. French amortisation system.

(\*) In accordance with Law 5/2019, regulating Real Estate Credit Contracts, for the Variable APR and Total Cost calculation, if it is a variable interest rate loan, the type of lending rate used for the variable period is the highest value between the initial and the offered interest rate for this second period.

(\*\*) For the exclusive purpose of this explanation we assume the fulfillment of the following conditions: having the salary deposited directly with Kutxabank for an amount equal to or above 3,000 Euros/month, taking out Kutxabank Home Insurance (\*\*\*) , making a contribution to Baskepensiones EPSV, Kutxabank Pension Schemes or an Investment Fund for an amount equal to or above 2,400 Euros/year and producing an A or B rating EPC.

(\*\*\*) In order to access the Home Insurance bonus, it must be taken out with Kutxabank Aseguradora SAU, under the mediation of Kutxabank SA, exclusive operator of Banca-Seguros.

Annual review of compliance to these conditions.

Option A: Basic Insurance (Building Only)

Option B: Kutxabank Home Insurance (Building and Contents). Coverage of a building capital for 72,289.50€ and contents for 28,915.80€ and an annual premium of 308.02€ (included in the APR calculation).

The Variable APR has been calculated on the assumption that the reference rates do not vary, therefore, this Variable APR will vary with the interest rate revisions. Annual renewal.

**6 - EARLY REPAYMENT**

The variable interest rate loan contracts or the variable tranches of any other loan will set a compensation or fee for Kutxabank S.A. in either of the following two cases, which will be exclusive with regard to each other:

- a) total or partial reimbursement or early repayment of the loan during the first 5 years of the loan contract, with a compensation or fee for Kutxabank that may not exceed the amount of the financial loss for the lender in accordance with the calculation provided in the applicable regulations, limited to 0.15% of the capital repaid early; or
- b) total or partial reimbursement or early repayment of the loan during the first 3 years of the loan contract, with a compensation or fee for Kutxabank that may not exceed the amount of the financial loss for the lender in accordance with the calculation provided in applicable regulations, limited to 0.25% of the capital repaid early.

The fixed interest rate loan contracts or the fixed tranches of any other loan will set a compensation or fee for Kutxabank limited to the following:

- a) total or partial reimbursement or early repayment of the loan during the first 10 years of the loan contract or from the date on which the fixed rate is applicable, with a compensation or fee for Kutxabank that may not exceed the amount of the financial loss for the lender in accordance with the calculation provided in applicable regulations, limited to 2 percent of the capital repaid early; and
- b) total or partial reimbursement or early repayment of the loan from the end of the period indicated in paragraph a) up to the end of the life of the loan, with a compensation or fee for Kutxabank that may not exceed the amount of the financial loss for the lender in accordance with the calculation provided in applicable regulations, limited to 1.50 percent of the capital repaid early.

The insurance contract ancillary to the loan contract whereby the lender is the beneficiary will be extinguished, unless the borrower expressly notifies the insurance company of his or her wish to maintain the insurance contract and to this end designates a new beneficiary, and the borrower will be entitled to a refund of the portion of the premium that has not been utilised by the party which received it. Ancillary insurance will be understood as insurance offered along with the loan contract to cover any risks that could affect the ability to repay the loan.



To enable Kutxabank to assess the solvency of the Borrower, you must provide Kutxabank with the following documentation within a period of not more than 60 days:

- Documentation on the personal data of all the parties involved.
  - Photocopy of the original identity documents.
  - Agreement regulating marriage or separation regime, where applicable.
  - Individual property declarations (internal bank document).
- Documentation on the income of the parties involved.
  - Employees: Last three payslips, employment contract and employment record.
  - Self-employed: Last annual VAT return, last quarterly payments, last three social security contributions and employment record.
  - Income declaration or justification of earnings.
  - Bank statements over the last 6 months for non-Kutxabank customers.
- Documentation on the collateral to be mortgaged.
  - Transaction contract, if any.
  - Appraisal of the property to serve as collateral.
  - Registry check of this property.
  - Energy efficiency certificate, if any.

Should it prove impossible to carry out the solvency assessment because the potential borrower has chosen not to furnish the information or the necessary verification to carry out this assessment, the loan cannot be approved.

NOTE: Kutxabank has adhered to the Code of Good Practices for the viable restructuring of debts secured by mortgages on habitual residences, published by Royal Decree Law 6/2012, of 9 March, on urgent measures to protect mortgage debtors without resources. If they comply with the eligibility requirements, habitual residence mortgage loan debtors may request the application, in successive and subsidiary order, of some of the measures provided for in the Code: a) a viable restructuring plan which includes a period of grace for the repayment of capital and a reduction in the interest rate for up to 5 years as well as an extension of the repayment period; b) a debt relief; c) dation in payment of the residence and d) social rental for renewable annual periods of up to 5 years.

Likewise, Kutxabank has adhered to the Code of Good Practices for mortgage debtors at risk of vulnerability, established by Royal Decree Law 19/2022, of 22 November, establishing a Code of Good Practices to alleviate the rise in interest rates on mortgage loans on habitual residences. The holders of mortgage loans taken out by 31 December 2022, if they comply with the eligibility requirements, may request, until 31 December 2024, the application of the following optional measures to have their loans restructured: a) extension of the repayment period up to 7 years, with temporary fixed instalments, a partial or total grace period for the repayment of the principal and a special interest scheme for 12 months; b) conversion of variable-rate loans to fixed-rate loans.

In accordance with Regulation Five of the CBE 5/2012, you are informed that for further information, read the "quarterly information on fees and rates used and offered more usual" in [www.kutxabank.es](http://www.kutxabank.es).