

The following general terms and conditions for Residential Buy to Let Mortgage application in the UK (plus glossary) are effective from April 2015 and subject to revision from time to time. This document is for your information and reference only; it does not constitute an offer, invitation or inducement to enter into any contractual agreement. Contents of this document are information directed only at persons outside the United Kingdom. Nothing herein should be acted upon by any resident of the United Kingdom.

The Bank of East Asia, UK Branch 東亞銀行英國分行 **General Terms and Conditions for Residential Buy to Let Mortgage Application in UK**

- Mortgage Amount:** Up to 70% of the professional Valuation or purchase price, whichever is lower
- Mortgage Term:** Maximum Mortgage Term of up to 20 years on a Repayment basis
(Not exceeding 65 years of the age of the borrower at the end of Mortgage Term)
- Interest Rate:** Variable interest rate of 3.25% per annum above Bank's Base Rate (currently 0.5%)
- Fees:**
- Application fee: 0.5% of Mortgage Amount (minimum £600)
 - Valuation fee: Generally, it ranges from 0.1% to 0.15% of property value + Value Added Tax (currently 20%)
 - Solicitor fee: please consult your solicitor about the actual fees
- Security:**
- First legal charge on the property to be mortgaged
 - Bank's interest noted on building insurance policy on the property for a sum as recommended by the valuer
 - Personal guarantee from directors/shareholders if the borrower is a limited company
- Conditions:**
- Satisfactory professional Valuation on the property addressed to the Bank
 - Application will be subject to satisfactory assessment criteria including the borrower's ability to repay the Mortgage and credit standing. Terms and conditions apply which will be explained and set out in the Mortgage offer to the borrower
 - If the Mortgage is fully repaid before the end of the Mortgage term, an Early Repayment Charge of £150 will be payable to cover the administration costs
- Documents required:**
- Current passport and ID card of the borrower(s)/ guarantor(s)
 - Address proof (e.g. latest 3 months bank statements or utility bills)
 - Proof of income (e.g. latest tax return, salary advice, etc)
 - Bank statements for the past 6 months
 - Existing mortgage statements, if any
 - Existing tenancy agreement, if any
 - Additional documents are required if the borrower(s)/ guarantor(s) is a limited company, including certificate of incorporation, memorandum and articles of association, details of director(s), shareholder(s), beneficiary(ies), etc
(All relevant documents to be certified by an authorised signatory of the Bank Group, or an embassy, consulate or high commission of the country that has issued the documentary evidence of identity)
 - Fully completed and signed Mortgage application form
- Contact Details** For further information, please contact:
- | | | |
|---------------|----------------|-------------------|
| Ms Juana Tong | + 852 36080218 | tongjfk@hkbea.com |
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Your property may be repossessed if you do not keep up repayments on your mortgage.

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Glossary

Application fee* – For setting up of a Mortgage which is payable upon your acceptance our offer and is non-refundable.

Bank – The Bank of East Asia, Limited UK Branch (operating through three branches in London, Birmingham and Manchester) - is a branch of The Bank of East Asia, Limited and its successors and assigns. References to “we”, “us”, “ours” etc means the Bank.

Bank’s Base Rate - The base rate from time to time in force as publicised in the UK Branch and online at the Bank’s website which can be found at www.hkbea.co.uk.

Principal - The amount you borrow to help you buy your property.

Early repayment charge (ERC)* – An ERC is a charge you may have to pay if you repay the whole of your Mortgage by paying it back early during a certain term.

Interest -The money you are charged for the Mortgage.

Mortgage - A loan which is used to buy a property.

Mortgage term - The length of time over which you agree to pay back your Mortgage.

Repayment - Monthly repayments covering both the Principal and Interest- so by the end of the agreed term the amount borrowed is repaid in full (providing all repayments are made in full each month).

Security - Legal charge over the property to support the Mortgage. The Bank can take possession and sell it if the borrower does not keep up the Mortgage payments.

Valuation - A basic inspection of the property conducted on our behalf to assess its value and whether the property is suitable security for the Mortgage. The total fee is passed directly to the valuer and is non-refundable after the valuer has been instructed by the Bank.

Valuation fee* – For inspection of the property conducted by the valuer on our behalf, to assess its value and whether or not the property serves as suitable security for a mortgage, when a professional valuation of a property is required. The total fee is payable on submission of the Mortgage application and is passed directly to the valuer and is non-refundable after the valuer has been instructed by the Bank.

UK – United Kingdom

* The applicable fees will be explained to you at the Mortgage application stage and will be set out in our Mortgage offer. A copy of our Tariff of Charges for Mortgages, Loans and Advances will also be sent to you with our Mortgage offer.