

Residential real estate financing for Private Banking Clients



Credit Suisse offers Regulated mortgages over GBP 3 million for clients meeting the Financial Conduct Authority's "High Net Worth Mortgage Customer" definition, on eligible residential properties located in prime central London and other select areas in England

Mortgage requirement

- The mortgage can be used to purchase, refinance or release equity against a residential property.
- The client typically holds assets equivalent to 50% of the loan amount, or at least GBP 2 million with Credit Suisse.
- The property taken as security has to be located in England.

Benefits

- Clients can fulfil their property requirements, including taking advantage of investment opportunities.
- Possibility to raise capital without the need to sell existing securities or properties.

Risks

- The mortgaged property may be repossessed if repayments on the mortgage loan are not maintained.
- Interest rates may increase.
- Arrangements to repay the mortgage loan outstanding at the end of the term will need to be made.
- In the event the loan to value covenant is breached, the client will need to either reduce the loan capital or deposit additional acceptable collateral with Credit Suisse.
- A foreign currency risk will exist if repayments to the mortgage are made in a different currency to the loan denomination, or if the loan is not denominated in GBP. Repayments may increase as a result of this risk.

All terms and conditions mentioned in this document are indicative only and subject to change.

¹ 'High Net Worth Mortgage Customer' definition: A customer with an annual net income of no less than GBP 300,000 or net assets of no less than GBP 3 million, or whose obligations are guaranteed by a person with an income or assets of such amount.

Indicative terms and conditions - Lender, Credit Suisse (UK) Limited

Product

Regulated mortgage facility.

Property

Residential property located in England. Main residence (owner occupied), holiday home, or second home occupied by the Borrower.

Borrower

Individuals / Special Purpose Vehicles ('SPVs') / Trusts.

Minimum facility size

GBP 3 million.

Loan-to-value (LTV)

LTVs will vary dependent on property market value and location.

Security

Including but not limited to:

- First Legal Charge over the property
- A Personal Guarantee may be required if the Borrower is a SPV or Trust
- Pledge of Shares of the Borrower (may be required in the event the Borrower is a SPV and the loan is GBP 10 million or over).

Term

Up to 5 Years (a longer term may be considered).

Structure

Interest-only (partial amortisation may apply).

Interest

We offer variable rate Regulated mortgages. The interest rate will be a fixed margin above ICE LIBOR* for the Term of the mortgage. A change in the LIBOR rate at the end of the interest period will result in an immediate change in the variable rate. If LIBOR goes up your mortgage costs will increase.

The Interest Period may be a minimum of one month up to a maximum of twelve months or such other period as may be agreed.

Currency

Your mortgage can be made available in the following currencies: GBP, USD, EUR, CHF & JPY. If you do not borrow in GBP and if the value of GBP falls, then the relative value of your mortgage in GBP terms may increase.

Fees and costs

These are the fees and charges that may have to be paid before we transfer mortgage funds.

Name of charge	What is the charge for?	How much is the charge?
Arrangement fee (direct to bank)	Assessing and processing the application, and creating and managing the mortgage account.	Typically 1.0% of the total loan amount to be paid on completion. Please refer to the loan offer document for further details.
Intermediary fees	If an intermediary is used, there may be a cost associated to the service.	The Bank may pay an additional fee to an intermediary, if used by the borrower.
Legal fees (your own fees)	The client will normally instruct a solicitor to act on their behalf in connection with the home purchase. These legal fees and costs may be required to be paid by the borrower.	These fees and costs are charged by the solicitor directly to the borrower.
Legal fees (Bank's fees)	In addition to the above, the borrower will be charged a fee to cover the Bank's legal fees relating to the completion of the loan.	This will be deducted from the loan advance.
Valuation fee	The lender's valuation report is arranged by the Bank and used to determine if the security is suitable and how much the Bank could lend against the security. This is separate from any valuation or survey of the property that the borrower might want to commission.	This will be paid to the Bank upon request. Full details can be found in the mortgage offer documents.

* ICE LIBOR (formerly known as BBA LIBOR) is a widely used benchmark for short-term interest rates, providing an indication of the average rates at which LIBOR panel banks could obtain wholesale, unsecured funding for set periods in particular currencies.

ICE Benchmark Administration Limited is the administrator of the ICE LIBOR benchmark.

Please note that the FCA has indicated that LIBOR is to be phased out by 2021 and replaced by a new benchmark. Should this occur during the course of your loan Credit Suisse (UK) Ltd will seek to amend your LIBOR loan with a suitable alternative benchmark in line with industry guidance and in accordance with our terms and conditions.

Repayment

You can choose how you repay your Regulated mortgage.

Your options include:

- Interest only
- Part interest only and part capital & interest

Interest will be applied and be payable on the last day of each interest period that we agree with the client unless that interest period is longer than three months, in which case interest will be applied and payable every three months following the first day of the interest period. Capital repayments are applied and payable annually and will be for a fixed amount.

At the end of the term, Regulated mortgage capital will still be outstanding and the client will need to make separate arrangements to repay this.

An estimate of how much the repayments could be, can be requested from your Relationship Manager.

Early repayment

The client can repay the mortgage at any time. There is an early repayment charge which may be payable depending when the repayment takes place.

General conditions

The client understands and agrees that Credit Suisse will not provide any tax, accounting, or legal advice to the client in respect of the proposed financing. In providing the mortgage loan, Credit Suisse shall not be required to take into account taxation matters and the client therefore seeks such tax advice as she / he considers appropriate before entering into the mortgage loan.

What to do next?

In order for us to make an initial assessment of a mortgage request, we will need the following information:

- **Address** of the property and a brief description (brochure or recent valuation)
- **Freehold or leasehold** (if leasehold please provide the number of years remaining on the lease)
- **Estimated value** of the property or purchase price
- **Loan amount and currency** required
- **Purpose** of the loan
- **Type of mortgage** (interest only or capital repayment loan)
- **Source of repayment** of the loan
- **Type of borrower** (corporate, individual, trust etc.).
If corporate or trust, please provide the country of incorporation
- **Financial position** of the borrower / guarantor
- **Term length** of loan required

Credit Suisse provides an execution-only service in relation to both regulated mortgage facilities. This means, Credit Suisse will not recommend a particular mortgage nor will it assess the mortgage's suitability to the client. However, based on the details provided by the client, Credit Suisse will provide information about its mortgage offering to help the client make an informed decision regarding the mortgage loan.

Further Information

Credit Suisse can also offer financing for overseas properties e.g. in Switzerland or the South of France.

Mortgage loans are an integral part of the comprehensive spectrum of services and products offered by Private Banking. To learn more, speak to your Credit Suisse Relationship Manager or contact us on +44 (0)20 7883 9900.



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Important Information

Fee Disclosure

Where permitted by law, we may receive fees, commissions or other monetary benefits in connection with this product from third parties. For details please refer to the specified Fee Schedule in your Credit Suisse Terms and Conditions or contact your Relationship Manager.

Marketing Disclaimer

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