STANDARDIZED PRE-CONTRACTUAL FORM FOR MORTGAGE LOAN

Parameters	Terms and conditions for Mortgage Loans
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	This product is used for the purpose stated in the point 3 where the bank will require as collateral mortgage of immovable properties. Mortgage properties are real estates like land, building and everything that is build and constructed within the land or the building offered as collateral. The collateral offered can be different from the credit object. The real estate valuation report is carried out by independent evaluators authorized by the bank and this cost is covered by the applicant. The loan will be repaid in equal monthly installments (principal + interest) according to the repayment annex and not as a one-time repayment at the end of the maturity period. The bank finances up to 100% of the market value of the property offered as collateral as specified below, but not more than the price specified in the sales contract.
Financing Criteria (the lowest value between investment and collateral value) (In ALL Currency)	see table below

	Financing Criteria (Loan Value/Investment Value)	LTV (Loan Value/OMV)
Home Loan	If the sale contract value is lower than the collateral value, the financing criteria should be: • Up to 85% for first time buyer • Up to 80% for second time buyer	**First Time buyer** up to 85% **Second Time Buyer** or to give for rent up to 80% If collateral type is Unit LTV should be up to **75%**
House Construction Loan	Not higher than the investment value	

	Shop/Shop Construction loan	Financing up to100% in cases when: 1. Collateral is same as credit subject. 2. Collateral is different from residential property.	75% of the collateral value (OMV)
		Financing up to 80% in cases when: 1. Collateral is residential property.	

*For collateral type **Agricultural Land,** the Loan to Value Criteria cannot be higher than **50%.***

Financing Criteria (the lowest value between investment and collateral value) (In EUR Currency)		**Financing Criteria (Loan Value/Investment Value)**	**LTV (Loan Value/OMV)**
	Home Loan	If the sale contract value is lower than the collateral value, the financing criteria should be: • Up to 75% for first time buyer • Up to 70% for second time buyer	**First Time buyer** up to 75% **Second Time Buyer** or to give for rent up to 70% If collateral type is Unit LTV should be up to **75%**
	House Construction Loan	Not higher than the investment value	
	Shop Loan	Financing up to 100% in cases when: 1. Collateral is same as credit subject. 2. Collateral is different from residential property.	75% e vleres se kolateralit (OMV)
	Shop Construction Loan	Financing up to 70% in cases when: 1. Collateral is residential property.	• **First Time buyer** up to 75% • **Second Time Buyer** or to give for rent up to 70%

Interest Rates	**Home Loan/House Construction Loan**	
	Interest Rates for ALL Currency	**Interest Rate for EUR Currency**

<table>
<tr>
<td rowspan="4">according to the product type and customer categorization

(indicates the type of interest and the duration of the specified period)</td>
<td><u>Salary Paid Customers:</u>
2.5% fixed for the first year then 1Y T-Bill +1.5% not less than 2.5%
(changing each 12 months)

<u>Other Customers:</u>
3% fixed for the first year then 1Y T-Bill +2% not less than 3%

(changing each 12 months)</td>
<td><u>Salary Paid Customers:</u>
3% fixed for the first year then 1Y Euribor + 2.5% not less than 3.5%
(changing each 12 months)

<u>Other Customers :</u>
3.5% fixed for the first year then 1Y Euribor + 3% not less than 4%
(changing each 12 months)</td>
</tr>
<tr>
<td colspan="2">Shop Loan/Shop Construction Loan</td>
</tr>
<tr>
<td>Interest Rates for ALL Currency</td>
<td>Interest Rate for EUR Currency</td>
</tr>
<tr>
<td><u>Salary Paid Customers:</u>
3% fixed for the first year then 1Y T-Bill +2% not less than 3%
(changing each 12 months)

<u>Other Customers:</u>
3.5% fixed for the first year then 1Y T-Bill +2.5% not less than 3.5% (changing each 12 months)</td>
<td><u>Salary Paid Customers:</u>
3.5% fixed for the first year then 1Y Euribor + 3% not less than 4%
(changing each 12 months)

<u>Other Customers:</u>
4% fixed for the first year then 1Y Euribor + 3.5% not less than 4.5%
(changing each 12 months)</td>
</tr>
<tr>
<td>Interest Rates without Life Insurance (Examples)</td>
<td colspan="2">
<table>
<tr><th>Interest Rate: Example BKT Salary Paid Category (Eur currency)</th><th>If the customer is up to 45 years old, IR will be 0.5% higher:</th><th>If the customer is over 45 years old, IR will be 1% higher:</th></tr>
<tr><td>3% fixed for the first year then 1Y Euribor + 2.5% not less than 3.5%
(changing each 12 months)</td><td>3.5% fixed for the first year then
1Y Euribor + 3% not less than 4%
(changing each 12 months)</td><td>4% fixed for the first year then
1Y Euribor + 3.5% not less than 4.5%
(changing each 12 months)</td></tr>
</table>
In this way is applied the interest rate also for the other category of the customers mentionet above.
</td>
</tr>
<tr>
<td>Effective Interest Rate</td>
<td colspan="2">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</td>
</tr>
</table>

	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: - 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	**Minimum Loan Amount:** 500,000 ALL/5000 EUR **Maximum Loan Amount** – 50,000,000 ALL/ 500,000 EUR **Currency**: ALL/Euro
Duration of the mortgage loan contract	Up to 25 Years
The loan is in a different currency than the one in which the consumer generates the income	☐ The loan is in a currency different from the customer's income; ☐ The loan is in a currency same as the customer's income;
The value of the loan installment, expressed in the currency in which the consumer generates income, may change.	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.
Opening and Closing the Loan	- 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.
Number and payment frequency	The loan will be repaid in equal monthly installments. The number of installments varies according to the maturity date.
The value of each mortgage repayment installment	Monthly instalment = Principal + Interest

Loan amortization table (repayment plan)	*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.*

Loan Terms and the Table for calculation of NEI			
Loan Amount		6,000,000	ALL
Maturity		300	Months
Applicant's age		27	Years
Gender		Female	
Type of Customer		Salary Paid Customer in BKT	
Interest rate (=)		**1 Year Treasury Bill**	**Add (+) (Margin)**
First Year	2.50%		2.5%
Next Year	4.00%	2.50%	1.5%
Disbursement Commission		1.0%	60,000.00
Life Insurance Policy Fee		~ 0.07%-3% of the loan amount	90,000.00
Property Insurance Policy Fee		~ 0.06%-0.25% of the loan amount	9,000.00
Other (if applicable)			
Monthly instalment fixed IR			26,917.00
Monthly instalment variable IR			31,670.21
Effective Interest Rate(EIR)			**2.62%**
*****		**8,075,101 ALL**	

**The rates calculated in the example above are based on average values of 1.5% for life insurance and 0.5% for property insurance.*

***The total amount of principal and interest to be paid is calculated using the above interest rate. This total amount may vary depending on changes in the Treasury Bill or Euribor and the minimum interest rate applied according to the selected produc*

Loan amortization table (payment plan)

Currency	Loan Amount	Interest Rate (in %)	Loan Maturity in Years	Loan Maturity in months	Monthly Loan Instalment
ALL	6,000,000	2.50%	25	300	26,917
Month	**Beginning Balance**	**Interest Amount**	**Principal Payment**	**Monthly Loan Instalment**	**Ending Balance**
1	6,000,000	12,500.00	14,417.00	26,917	5,985,583
2	5,985,583	12,469.96	14,447.04	26,917	5,971,136
3	5,971,136	12,439.87	14,477.14	26,917	5,956,659
4	5,956,659	12,409.71	14,507.30	26,917	5,942,152
5	5,942,152	12,379.48	14,537.52	26,917	5,927,614
6	5,927,614	12,349.20	14,567.81	26,917	5,913,046
7	5,913,046	12,318.85	14,598.16	26,917	5,898,448
8	5,898,448	12,288.43	14,628.57	26,917	5,883,819
9	5,883,819	12,257.96	14,659.05	26,917	5,869,160
10	5,869,160	12,227.42	14,689.59	26,917	5,854,471
11	5,854,471	12,196.81	14,720.19	26,917	5,839,751
12	5,839,751	12,166.15	14,750.86	26,917	5,825,000

Guarantee/Security required	As a guarantee, the bank will accept a mortgage on an asset of the type, Apartment, Unit (shop), Land, Land and Building, etc. **Example No. 1** Client Y has applied for a home purchase loan and is a first-time buyer for 10,000,000 ALL. In this case, since the client is a first-time buyer, the loan amount that can be granted to the client is up to 85% of the Open Market Value of the offered collateral. **Formula:** *Open Market Value of the Offered Collateral = (Loan Amount / 85%) = 8,500,000 ALL* **Example No. 2** Client X has applied for a home purchase loan and is a second-time buyer. The Open Market Value of the offered collateral (OMV) is 10,000,000 ALL as determined by the external appraiser. In this case, since the client is a second-time buyer, the loan amount that can be granted to the client is up to 80% of the Open Market Value of the offered collateral. **Formula:** *Loan Amount = (Open Market Value of Offered Collateral × 0.8) = 8,000,000 ALL*
Additional non-refundable costs where applicable	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). 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.
Other additional costs	see table below

Type of Expense	Value
Notarial and legal expenses, such as (notarization of contracts)	For the loan contract ~ 3,000 ALL Fort he 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
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 ~17,000 ALL For loan amount above 10,000,000 ALL ~30,000 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

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.

Penalties for Late Payments	- If the Borrower is unable to repay the matured installment (interest or principal) on time, in addition to the normal interest rate, the Bank has the right to apply a penalty of 18% per year in ALL currency, calculated on the amount of the unpaid installment, which may be (only interest payment) or (principal + interest during the period when the loan is under the amortization method), for the period in which it is overdue, according to the terms of this contract.
Other penalties	- If the Bank discovers that the loan has not been used for the agreed purpose, it has the right to immediately request the repayment of the loan and the accumulated interest, or, if it deems reasonable instead of applying the above-mentioned action, it may apply a penalty of 1% on the initial amount of the loan. [Precontrac...gage Loans | Word] - In case of non-payment of commissions and interest, the Bank has the right to apply a penalty of 18% per year in ALL and Euro currency on the unpaid amount of commissions and interest.
Penalty for early repayment (when applicable)	- 2% of the loan amount paid before the deadline, if the period between the early repayment and the maturity of the loan is over 1 year - 1% of the loan amount paid before the deadline, if the period between the early repayment and the maturity of the loan does not exceed 1 year
Official notice between the parties	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). 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. 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, the Borrower has no right to dispute the notifications made at the previous address.
The right of withdrawal from the loan contract	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.
The possibility of replacing the item/property (collateral)	- 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. - 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: a) If the new collateral proposed to be replaced will be the same as the object of the loan, no commission will be applied. 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) 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.
Claiming forms	Customers can deposit a complaint or suggestion through the following channels: - 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 - 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.

_____________, 18/11/2025
(City, dd,mm,yyyy)

_____________________________ _____________________________

Customer: Name Surname *(Signature)*

Branch Specialist: Name Surname *(Signature and Bank Stamp)*