



**A home of your own**



"It's not just the house itself that's important for me, but also the neighbourhood, the neighbours and the proximity to the town centre. There are some things I can find out for myself in advance. But of course it's still a gamble what kind of neighbours you will have. I can hardly ring their doorbell and ask if they are nice enough, ha ha."

# Buying a home: what does it involve?

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Get a few things sorted first, before you start looking around.

# Looking for a home and financing the purchase

## Looking for a home

Finding the right home is quite a challenge. You are suddenly faced with lots of questions. Where do you want to live, and how? How many rooms do you need? Will you be doing some work beforehand, or do you want to be able to move in right away? And of course you want to know what is possible financially. We can't choose for you, but we can help you take the right decisions, especially when it comes to the finances.

## From renting to buying

A great deal changes when you buy a home, especially if you are currently renting. Owning your own home entails extra costs, such as:

- ▶ Home insurance
- ▶ Property tax
- ▶ Water rates
- ▶ Maintenance costs

If you are moving from a rented home, all you have to do is give notice. It makes no difference to you if the home has fallen in value over time. When you own your home, things are different. If the value of your home increases, you can sell it for a higher price and possibly build up surplus equity. But of course it can go the other way, too: the value of your home could fall. In that case, you might find yourself with a residual debt when selling your home.

The handy *Huizenkijker* home viewer app allows you to view your future new home. Download the app from the App Store via iTunes or from Google Play.



**Funda.nl** is a useful website for searching for homes to buy. You will also find lots of useful information about buying a home on the website **eigenhuis.nl**

## Decide what you want

Looking for a home starts with your wishes and needs. What are your plans for the future? Do you plan to start living with a partner in the near future? Do you intend to have children? Or would you rather continue living alone for a while? Answering these questions will help you gauge how much space you need. You probably have a particular city, neighbourhood or region in mind, or a preference for living in the city centre or further out. Perhaps you are looking for a particular type of home, such as:

- ▶ A new-build or existing home
- ▶ An apartment, terraced house, semi-detached or detached house
- ▶ A renovation/building project or a house that is ready to move into
- ▶ A house with a garden, garage or separate study.



"Of course I'd rather have a big house with a garden straightaway. But it's our first home, and it's in Amsterdam... We now have a lovely balcony, which we've made homely by filling it with plants in pots."

## Looking for a new-build home?

Most large municipalities in the Netherlands have a separate department dealing with new-build homes. You will find a list of new-build projects and building plots in each province on the website [nieuwbouw.com](https://www.nieuwbouw.com). A building plot is land on which you can build.

Whether you prefer a new-build or an existing home is partly a question of taste. New-build is easier to tailor to your wishes, whereas an existing home will generally have more atmosphere and character. There is also a financial consideration: the difference in price between new-build and existing homes can be considerable, especially if you take maintenance costs into account as well.

## Assess your financial capacity

### How much can you borrow?

In your quest, you will come across homes in all price ranges. But how much can you actually borrow? That depends on several things. How much of your own money you will be putting into the purchase, for example, and whether one or both of you might want to think about reducing your working hours. It also depends on your income and whether you wish to count your partner's income. You need to think carefully about this, for example if you are thinking of starting a family one day; that will increase your costs. Are you self-employed? If so, you can still come to us for a mortgage, even if you've only been self-employed for a year.

Interest rates and the value of the home also play a role in determining the maximum mortgage you can obtain, as does the amount and term of the interest and the mortgage. Higher interest rates mean you will have less money left over, while if the mortgage is over a shorter term, your monthly repayments will be higher.

Finally, your existing level of debt also plays a role. Do you still have a student loan, for example? If so, you will be able to borrow less to buy your home

### How much will you have to pay back?

Naturally, you want to know in advance how much your monthly mortgage payments will be. That depends on a number of things:

- ▶ The amount you borrow
- ▶ How you pay it back
- ▶ The interest rate structure you choose

How much you can borrow depends on your situation. Our advisor can calculate this for you at no cost. If you'd like some advice, you will pay a one-off advice fee. If you then go on to take out a mortgage with us, you will also pay a one-off handling fee.



## Want to know how much you could borrow?

You can make a calculation based on your personal situation on the website [abnamro.nl/mortgages](https://www.abnamro.nl/mortgages). You can do this whether you are in salaried employment or self-employed. This will give you an idea of the monthly costs and how much you can borrow, enabling you to tailor your home search accordingly.

## Looking for a home on your own or with help

Once you know what you would like to buy and have worked out how much you can afford, you can actually start looking. You can do that on your own, or you can enlist the help of an estate agent. If you do your own search, the Internet is an ideal tool. Adverts placed in national and local newspapers can also be useful. Many estate agents also have online newsletters or magazines to which you can subscribe without having to make use of their services.

If you would rather look for a home with the help of an estate agent, you will pay fees. The amount varies from one agent to another and depends on what they do for you. However, as a rule of thumb you should allow for between 1% and 2% of the purchase price. The estate agent takes a lot of work off your hands, for example:

- ▶ Placing search ads and arranging viewings
- ▶ Organising the price negotiation and settlement
- ▶ Advising on the purchase price and terms and conditions for the vendor.

## Survey or valuation

You're unlikely to find your dream home at the first viewing, but will most likely visit several properties. But at a certain point, you will walk into somewhere and you'll just know it's right. That's when you can arrange for a survey or valuation report. Both cost money. It's sensible to ask your mortgage advisor at ABN AMRO first what requirements the valuation report needs to meet. You will then be assured that you can use the report later for your mortgage.



You've found your dream home, but can you afford it?

# What does buying a home cost?

## One-off costs

When you buy a home, you have to pay a number of one-off purchase costs. They include all the costs involved in buying your new home, and that is more than just the selling price. The purchase costs for a new-build home differ on a number of points from the costs for an existing home. For example, you do not have to pay property transfer tax when buying a new-build home, and there are no valuation costs to pay. New-build homes in the Netherlands are generally sold *vrij op naam*; that means that all the purchase costs are borne by the vendor and included in the purchase price. They include the following costs:

- ▶ Land purchase and construction
- ▶ Architect and contractor fees
- ▶ Land measurement for the land registry
- ▶ Estate agent's and legal fees
- ▶ Tax (VAT).

Existing homes are normally purchased on a *kosten koper* basis, which means you as the buyer pay the additional costs over and above the agreed purchase price.

The following table gives an indication of the costs you may have to pay when buying a new-build home or an existing home. These figures are based on a purchase price of €200,000 and a mortgage loan backed by the National Mortgage Guarantee (NHG).

Summary of costs*	Existing home	New-build home
Deed of transfer of title	€700	-
Property transfer tax	€4,000	-
Mortgage deed	€650	€650
Handling fees	€600	€600
Advice fees**	€1,250	€1,250
Valuation fees	€300	-
National Mortgage Guarantee	€2,060	€2,060
<b>Total costs</b>	<b>€9,560</b>	<b>€4,560</b>

\* See [abnamro.nl/mortgages](http://abnamro.nl/mortgages) for current fees

\*\* You only pay these fees if you take advice



## Finding your deposit

Since 2015, the amount you can borrow to buy your home reduces each year, and you need to put in some money yourself. In 2014, for example, you could still borrow up to 104% of the value of your owner-occupied home, but from 2018 onwards that amount will be 100%. This means that you can no longer include some of the purchase costs in your mortgage loan, such as the property transfer tax and legal fees. You will have to pay those costs yourself, for example from your savings. Or your family might be able to help with a gift or loan. Our advisors will be pleased to tell you about the options.

## Borrowing money safely with the National Mortgage Guarantee

The National Mortgage Guarantee (NHG) allows you to borrow responsibly and securely for your home. You will sometimes pay less interest and in certain circumstances you will receive protection, for example if you are no longer able to meet your mortgage payments, or if your home has to be sold for any reason. The National Mortgage Guarantee will then ensure that any residual debt is paid off, provided a number of conditions are met. You pay a fee for this when you take out your mortgage, and the guarantee applies up to a certain maximum loan amount. You will find more information (including an English summary) at [nationalehypotheekgarantie.nl](http://nationalehypotheekgarantie.nl)



## Did you know...

...that you can offset the costs of obtaining the loan against your taxable income? For example valuation fees, legal fees, advice fees and handling fees, as well as the costs of your National Mortgage Guarantee.

Purchase agreed?

Then the conveyancing process can begin.

# Around the table with the vendor

You've done it: you've found your perfect home. If it is an existing home, you can begin the negotiations. With new-build homes, the price is generally not open to negotiation.

It's a tense and exciting moment. Vendors often only want to negotiate with one party at a time. As soon as the vendor counters your first offer with their own proposal, you are in negotiations. From that moment on, the vendor cannot enter into negotiations with other bidders. If you haven't yet made an offer, but are interested, you can ask the vendor for an option. This gives you the right to buy the home for a certain number of days, without committing yourself. During this period, the vendor cannot sell the home to anyone else. That gives you time to seek advice about the amount of your mortgage loan or to have a survey carried out. However, it's worth noting that not all vendors are willing to give an option.

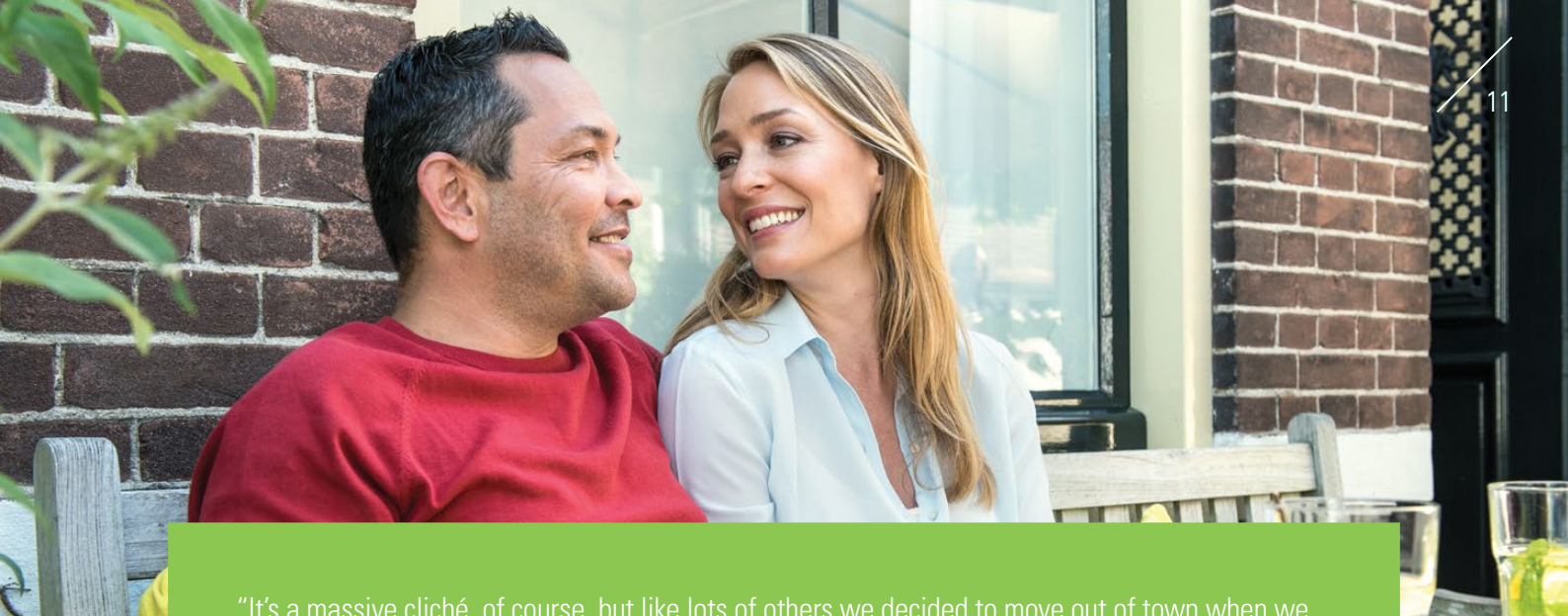
## How much to offer? Do some preliminary work

To help you decide how much to offer, you can have the home valued. Our advisors will be pleased to tell you what requirements we set for a valuation report, so that you can use this later when you apply for your loan. If you'd rather estimate the value of the home yourself, you can look up the selling prices of homes in the local area on the website [kadaster.nl](https://www.kadaster.nl)

You can also look at the location and asking prices of comparable homes and at how well they have been maintained. When putting together your offer, you also need to take into account the other costs involved in buying a home (see page 8).



You can calculate the present value of a home at [kadaster.nl](https://www.kadaster.nl) Or you can look at the selling prices of homes in the local area.



“It’s a massive cliché, of course, but like lots of others we decided to move out of town when we were expecting our second child. We had a stroke of luck when I was offered a new job in the east of the country, where house prices were much cheaper than in the west.”

### Negotiation is part of the process

When making an offer for an existing home, you don’t have to offer the full asking price straightaway. It’s fine to negotiate. You or your estate agent make your offer to the vendor. The vendor may come back with a counter-offer, or they may simply turn down your offer. If they make a counter-offer, you can either agree to it or increase your initial offer. Remember, you are not only negotiating about the price, but also about things such as the date when you will receive the key and resolutive conditions which you or the vendor must meet (and which allow you to withdraw from the purchase/sale). You can also negotiate about the price of furnishings, such as garden furniture or curtains.

### The purchase contract

Once you’ve agreed the price and the other purchase terms with the vendor, everything is laid down in the provisional purchase contract with resolutive conditions. This covers things such as:

- ▶ The purchase price
- ▶ The date on which you become the owner
- ▶ Furnishings that you are buying (e.g. curtains, light fittings or appliances)
- ▶ Any resolutive conditions.

Don’t be misled by the word ‘provisional’: this purchase contract means you are definitely committing to the purchase. The only way you can withdraw from the purchase without incurring costs is if you have had a finance clause included in the resolutive conditions and you are unable to obtain a mortgage. You must invoke

dissolution of the contract before the expiry date of the resolutive conditions; only then will the purchase contract lapse without financial consequences.

### What if you decide you don’t want to go ahead within three days of signing the purchase contract?

In that case, you don’t have to pay anything. That’s the law.

### Resolutive conditions

#### 1. Finance clause

Suppose you are unable to raise the finance for the purchase. Provided you have a finance clause in the purchase contract, you can withdraw from the purchase without consequences. The purchase will then not go ahead. You must demonstrate in writing that you have tried at least twice to obtain the finance.

#### 2. Subject to survey

To ensure you discover any defects in your new home in good time, you can commission a survey. An independent expert will survey the home, assess whether it has been well maintained and note any defects and areas requiring attention. If there are any, the surveyor will estimate the repair costs for you. You will then have a very clear idea of what you

need to allow for. Based on the results of the survey, you can withdraw from the sale or negotiate a reduction in the purchase price.

### 3. Subject to National Mortgage Guarantee

You can make the purchase conditional on you obtaining a National Mortgage Guarantee (NHG). If it turns out that you are not eligible, you can withdraw from the purchase contract and the sale will not go ahead. You can read more about the National Mortgage Guarantee on page 9.

### 4. Subject to occupancy permit

Sometimes, you need to obtain an occupancy permit from the local authority in order to be allowed to live in a particular home. This mostly applies for cheaper homes. In order to obtain an occupancy permit, you must generally demonstrate that you are tied to the place where the home is located, for example because you work there or were born there. This system enables the local authority to ensure that there are enough homes available for people who cannot afford an expensive home. You can ask the local council whether you need an occupancy permit.

### 5. Other conditions

You can have all kinds of other conditions included in the purchase contract. For example, a clean soil certificate will avoid potential future costs in cleaning up polluted land.

## No resolutive conditions

If you have not had any resolutive conditions inserted in the purchase contract, but still want to withdraw from the purchase, you will generally forfeit 10% of the purchase price. The provisional purchase contract often stipulates that you must transfer this amount as a guarantee deposit to the notary acting for the vendor. This provides certainty for the vendor. If you decide you no longer wish to purchase the home but do not have a valid reason, you must pay the guarantee deposit to the vendor. You can pay this directly yourself or by means of a bank guarantee.

### The vendor's estate agent usually supplies the purchase contract

If you would prefer to arrange things yourselves, you can download a model contract from [eigenhuis.nl](http://eigenhuis.nl)

## Valuation, survey and loan

In order to take out a mortgage for an existing home, you need a valuation report that meets certain requirements. Our advisor will tell you what those requirements are. If you have included a clause in the purchase contract making the purchase subject to survey, or if you would like a survey of the home to be carried out anyway, you should have this done first.

During this phase, you request a mortgage quote. We will issue a quote based on your requirements. Once the mortgage has been arranged, ABN AMRO will take the necessary steps concerning the guarantee deposit. This normally involves issuing a bank guarantee, in which the bank acts as guarantor for 10% of the purchase price. If you fail to meet your obligations, we will pay this amount to the vendor, and will then seek to recover this amount from you. A fee is payable for the bank guarantee.



### The mortgage offer

Once the negotiations have been completed and a purchase price has been agreed, it's time to apply for a mortgage offer. Before we can issue an offer, we need a number of documents from you, such as a payslip, employee's declaration and a copy of the purchase contract. You should also have the home valued if you have not done so already. We will go through your financial situation together with you. On payment of a fee, you can receive full, in-depth advice on the options available to you.

Once we have received all the documents from you and everything is in order, you will receive a mortgage offer from us. You will then know for certain that you will receive the loan. After you have signed the offer letter, you go to the civil-law notary to sign the mortgage deed. This process is referred to as the execution of the deed.

It is usual to sign the deed of transfer of title at the same time. After you have done that, you are the owner of your new home. Congratulations!

### Grip on your finances

If you would like tips to help you gain greater control of your finances, as well as to learn about what you can do if you become unemployed or unfit for work, make an appointment with one of our financial advisors.

### Mortgages for self-employed people

If you are self-employed, you may carry out several different assignments during the course of a year, which means your income can fluctuate. The longer you have been self-employed, the more your self-employed income is counted in calculating the mortgage amount you can borrow. We take the average income across all the years that you have worked. If your income in the past year has been below this average, we take that lower amount as a basis. We then take a percentage of this amount, varying from 75% (if you have been self-employed for one year or more) to 100% (three years' self-employment and over).

Number of years self-employed	The maximum you can borrow	Reference income
>3 years	102% of the market value*	100% of your average self-employed income in the last three years, up to the amount of income in the last year, or up to the amount of the forecast income.
2- 3 years	102% of the market value*	90% of your average self-employed income in the last 2-3 years, or up to the amount of the forecast income.
1- 2 years	102% of the market value*	75% of your average self-employed income in the last 1-2 years, or up to the amount of the forecast income.

\* Percentage for 2016. In 2017 this will be 101%.

Mortgage types and interest rates.

# Financing the purchase of your home

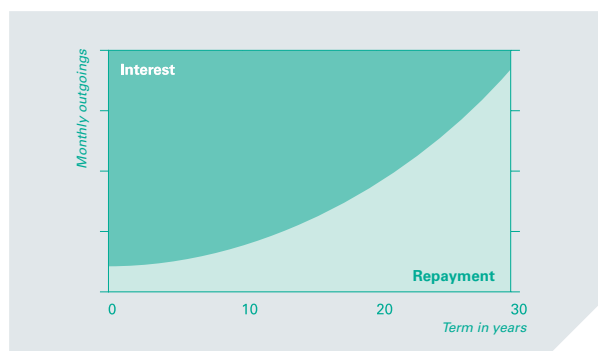
## A mortgage that's right for you

You decide what type of mortgage would suit you best. ABN AMRO has a solution for every situation. You can even combine different types of mortgage and interest rate structures. Mortgage loans are generally repaid over 30 years; that is known as the 'term' of the mortgage. A period of less than 30 years is of course also possible. An ABN AMRO mortgage advisor will be able to help you decide what is best for you.

## Mortgage types

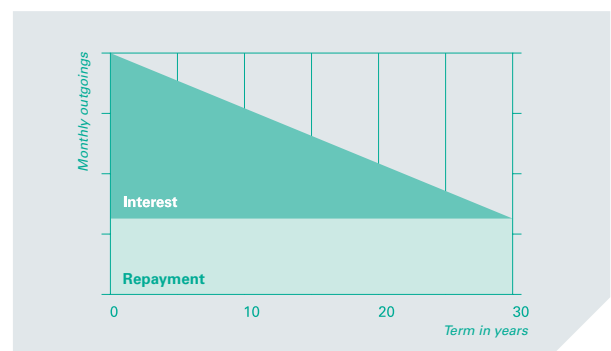
### Level-payment Mortgage

Each month, you repay part of the loan capital in addition to the interest. The total amount of each monthly repayment is the same. Initially, your repayments include a small portion of the loan capital and a higher proportion of interest. Consequently, in the initial period you can deduct a higher amount of interest from your taxable income. Later, the situation reverses, and your repayments include a higher amount of capital and a lower amount of interest. Your net monthly outgoings therefore rise during the term of your loan.



### Linear Mortgage

With a Linear Mortgage, you repay a set amount of your loan every month. As a result, the amount of your loan steadily reduces. You pay interest on the loan, and because the amount of your loan is steadily reducing, so does the amount of interest you pay. As a result, your monthly payments reduce over the term of the mortgage.





### Interest-only Mortgage

Each month, you only pay the interest on your loan. In other words, you do not repay any of the capital, which means that your debt at the end of the term of the loan is the same as at the beginning. You then repay the amount borrowed in full on the maturity date, for example using money that you have saved in some other way or by selling your home. The maximum amount you can finance with an interest-only mortgage is 50% of the market value of the home.



If you take out a new interest-only mortgage, or if you take out a mortgage for the first time and opt for an interest-only mortgage, you can **no longer deduct** this mortgage interest from your taxable income.

### Bridging loan

If you have bought a new home but not yet sold your existing home, you may need extra funds temporarily. The ABN AMRO Bridging Loan is designed for precisely this situation. You can take this option if you take out a new mortgage with ABN AMRO and meet the conditions for a bridging loan. You can for example only choose this option if you have surplus equity in your home (i.e. your home is worth more than the amount of the mortgage on it).

### Difficulty making the repayments?

If you receive a loan from the bank, the bank needs to be sure that you will repay it. For a mortgage, the mortgage provider will require collateral to secure the loan. That is nearly always the home that you are buying. You grant the mortgage provider a right of mortgage; this means that the mortgage provider can sell your home

if you do not make your monthly payments on time. If you are worried about your financial situation or if you are unable to make ends meet from your income, for example because you are no longer in work or are about to separate from your partner, you can contact one of our financial advisors. They will sit down with you to work out a solution. Your home will only be sold as an absolute last resort; it's something we try to avoid if possible.



### Porting your mortgage

If you buy a different home, you can take your existing ABN AMRO mortgage and your interest rate with you. Any additional borrowing will be subject to the interest rates and terms and conditions as these apply at that time.

## Interest

### Mortgage interest: fixed or variable?

Mortgage interest rates move in line with developments in the economy. When you take out a mortgage, you do so at the interest rate applying at that time. You can fix that interest rate for a certain period, so that you will know exactly how much interest you will be paying each month. This is known as the fixed interest period.

You can also opt for a variable interest rate, which means the interest rate can go up or down each month. The amount of interest you pay can therefore vary, which means you have no certainty about the amount of your monthly payments. The level of variable interest rates depends among other things on what happens to interest rates on the money and capital markets. If you want maximum certainty about your monthly payments, it's best to arrange a fixed interest rate.

### Fixed interest with interest rate consideration period

If you opt for a fixed interest rate with consideration period, you decide for yourself in the final two years of the fixed rate period when you want the new fixed interest period to commence. You will then receive an automatic notification that you can refix your interest rate. When choosing a new fixed interest period, you can once again opt for a fixed interest rate with consideration period. Our advisor will be pleased to discuss your options with you and will help you make a choice when you reset the fixed interest period and interest rate.





There's a lot of paperwork involved when you buy a home. Your mortgage advisor, estate agent and civil-law notary are there to help.

# The civil-law notary and moving in

## Completion and transfer

On the date that you receive the key, you will view the home, generally together with the estate agent acting for the vendor. You might also take your own estate agent. Together, you verify that the vendor has left the home in the agreed condition. The vendor and you then both sign the deeds in front of the civil-law notary. Once the deed of transfer of title has been signed, you become the owner. If you have taken out a mortgage, you also sign your mortgage deed. Among other things, this deed states that you are pledging your home to the bank as collateral for the loan.

## What does the civil-law notary do for you?

On the day that you become the owner of the home, you meet the notary. He or she arranges the payment for the home and provides the deed of transfer of title and the mortgage deed. The deed of transfer sets out the agreements on particular aspects of the sale, for example which furnishings you are buying, or a statement certifying that the land is not polluted. Before you sign the deed of transfer, the notary checks whether:

- ▶ The vendor is entitled to sell the home
- ▶ The Land Registry entry is in order
- ▶ The legal requirements have been met
- ▶ There are no encumbrances on the home.

An encumbrance can be placed on the home by a creditor. In that case, the vendor is not permitted to sell the home without the permission of that creditor.

## Reading through the mortgage deed

If you are taking out a mortgage loan, the notary will go through the mortgage deed with you. This deed sets out all the particulars of the mortgage. The notary is responsible for ensuring that you are entered as the owner in the Land Registry, in which all immovable property is registered, including residential property. The notary will also update the Mortgage Register to show that there is a mortgage on your home.

## Overseeing payment

The civil-law notary also acts in the vendor's interest, and in that capacity will verify that your bank has transferred the purchase sum. The money always goes into the notary's client account first. Once the sale has been finalised and you have received the key, the notary transfers the money to the vendor's bank account.

## First read, then sign?

The civil-law notary will read out the deeds to you quickly. If you would rather read them through yourself at your leisure, ask the notary for the draft deeds in advance. You will usually receive a discount if you sign the mortgage deed and deed of transfer at the same time. If you would like to arrange other things with the notary at the same time, such as a will, you will generally also receive a discount. Discuss this with your civil-law notary.



“We’ve just bought a fabulous home and we immediately started on the DIY. When I was painting upstairs, I discovered that water was leaking through the ceiling. It was a bit of a setback, but luckily everything was covered by the insurance.”

## Legal fees

You choose your own notary. You can compare their fees on the website [notaristarieven.nl](https://www.notaristarieven.nl) You can read more about the work of notaries at [notaris.nl](https://www.notaris.nl)

## Increasing your mortgage

If you want to carry out building or improvement works, you can often borrow a bigger amount than you need for the actual purchase of your home. If you arrange the mortgage loan and loan for the works at the same time, you won’t need to visit the notary twice. That saves money. Whether you will actually be able to borrow extra money for your improvement works will depend on your income and the value of your home.

## Everything properly taken care of

Buying a home is a big step, and it’s important that everything is properly taken care of. Whether you are buying your home on your own or with someone else, it’s wise to make certain agreements. For example, what happens to your home if one of you should die? If you go to a notary to arrange the purchase of your home, it’s sensible to discuss these matters as well.

## Cohabitation contract provides clarity

If you plan to live with a partner, a cohabitation contract is a good idea. The law is well-established for married couples, but that’s much less the case for registered partners, and certainly for people who just live together.

A cohabitation contract stipulates what belongs to each of you, and what belongs to both of you. You can include agreements on the sharing of the household costs and the money contributed by each partner, for example in the purchase of the home. You can also stipulate how the costs associated with the home are shared, as well as the material and financial consequences if you should split up.

## Will: make sure what you want to happen does happen

As well as a cohabitation contract, it’s sensible to make a will. This allows you to stipulate that your partner is your heir, for example. If you don’t make a will and you don’t have children, all your possessions (and your share of the home) will automatically go to your legal heirs if you should die, and your current partner, if you have one, will receive nothing. It’s also sensible to make a will if you don’t have a partner but want to record special wishes.

## Costs of cohabitation contract and will

The costs of drawing up a cohabitation contract or will differ from one notary to another, but as a rule of thumb you should allow between €300 and €600 for a cohabitation contract and between €300 and €750 for a will. If you sign the cohabitation contract or will at the same time as the deed of transfer of title and mortgage deed, you will usually receive a discount.

Sometimes the government contributes as well.

# Maintaining your home – and your mortgage

## Fixed costs, including for maintenance

After buying your home, you will make monthly mortgage repayments. In addition, there will be fixed costs such as gas, water and electricity, and you will also have to insure your home against risks such as fire and storm damage. You will also have to pay property tax (OZB) to your local authority each year.

Naturally, you want to enjoy living in your home, and you want to keep it in good condition. This requires regular maintenance. How much you spend on this depends on the age of the property and how it has been maintained. If you live in a flat, the maintenance costs are sometimes included in the monthly amount that you pay to the Homeowners' Association (VvE). The Association then takes care of the maintenance of the outside of the apartment block, the common areas and the financial and household matters concerning the entire building.

If you buy a new-build home, you can often have your home built or adapted to your wishes, for example adding an extra wall, conservatory or a second bathroom. In the first few years, you will have virtually no maintenance costs. Your energy costs will also be low, because new-build properties are often energy-efficient. It is however sensible to set money aside for minor maintenance work in the future.

## Fixed costs and maintenance costs

The following are some of the things you need to take into account when thinking about fixed costs and maintenance:

- ▶ Monthly mortgage repayments
- ▶ Renovation/alteration and maintenance costs
- ▶ Insurance costs
- ▶ Property tax and council taxes
- ▶ Electricity/gas, Internet and telephone costs (including connection costs)

## Tax breaks for homeowners

As a homeowner, you enjoy a tax benefit. If you take out a loan for the purchase, improvement or maintenance of your own home, you can deduct the interest from your taxable income. Other deductible costs are the valuation, legal, advice and handling fees, as well as the costs of the National Mortgage Guarantee.

## Tax benefits for up to 30 years

If you already have a mortgage, the mortgage interest you pay can be deducted from your taxable income. This tax benefit lasts for up to 30 years. If you are taking out a mortgage for the first time, you can only deduct the interest from your taxable income if you take out a linear or level-payment mortgage.



You will find more information on the website of the Dutch tax authority, at [belastingdienst.nl](https://belastingdienst.nl)



### **Set off the tax relief in advance**

You can set off the tax relief in advance, spreading it over the months of the current year. You can request an income tax ruling for this from the Dutch tax authority (Belastingdienst).

### **A home is also an asset**

That's why you pay tax on it. To determine how much your home is worth according to the Dutch tax authority, the local authority assesses its value based on the Valuation of Immovable Property Act (WOZ). You must add a percentage of this 'WOZ-value' to your income on your tax return. This is the 'notional rental value for owner-occupiers' (*eigenwoningforfait*).

### **Surplus equity**

If you sell your home for more than you borrowed to buy it, the amount over and above the loan is your surplus equity. If you do not use this equity towards the purchase of your new home, but instead take out additional borrowing to pay for your new home, even though you could have paid this sum from the surplus equity in your previous home, you are in effect taking out a loan that you do not need to purchase your new home. In that case, you cannot deduct the interest you pay on this additional borrowing from your taxable income.

All-in-one for greater convenience.

# Insurance and your mortgage

## Buildings insurance

If you take out a mortgage with ABN AMRO, you must insure your home. Our buildings insurance policy covers you against all kinds of damage to your home, including fire, storm or burglary. If you suffer loss or damage, we will help you sort out the repairs and settle the claim quickly. There is no need for you to do anything or make any advance payments.

## Contents insurance

This insures your household contents against loss or damage, for example caused by fire or theft. In the event of a claim, you will receive rapid help and will not need to pay anything in advance yourself.

## Disability insurance

If you should become unfit for work, you might no longer be able to meet your mortgage payments. Taking out disability insurance covers you against this risk. You can

also deduct the premiums from your taxable income. On the other hand, you will pay income tax on the benefits if the insurance pays out.

## Term life insurance

If you should die, your partner may not be able to afford the mortgage payments. You can avoid this by taking out term life insurance. This insurance is compulsory with some mortgages, for example if you take out a mortgage with a National Mortgage Guarantee and borrow more than 80% of the value of your home.

## Extra discount

The insurance products offered through ABN AMRO offer good terms and conditions and are affordable. If you take out several insurance policies with ABN AMRO, you will receive an additional discount. Take a look at [abnamro.nl/verzekeringen](https://abnamro.nl/verzekeringen) to see what's possible.



## If you take out your mortgage with ABN AMRO...

...you will receive a healthy discount on the buildings and contents insurance. You will find more information about these insurance products at [abnamro.nl/homeinsurance](https://abnamro.nl/homeinsurance) and [abnamro.nl/homecontent](https://abnamro.nl/homecontent)

Attractive terms and conditions.

# The benefits of a mortgage from ABN AMRO

## **ABN AMRO Payment Package**

If you have an ABN AMRO Payment Package account, and if your income is paid into your ABN AMRO current account, you will receive a discount on your mortgage interest.

## **Lower interest rate?**

In some cases we are able to reduce the interest rate you have agreed with ABN AMRO, for example if your home has increased in value, or if you have repaid part of the loan. We will then ask you to request a new valuation report or local authority valuation (WOZ).

## **Porting your mortgage**

If you buy a different home, you can take your existing ABN AMRO mortgage and your interest rate with you. Any additional borrowing will be subject to the interest rates and terms and conditions as these apply at that time.

## **Lower advice fees**

When we give you advice, we help you look for the mortgage that best matches your situation. You pay a one-off fee for this advice. If you are a first-time buyer, you will pay a lower advice fee. If you also take out a mortgage with us, you will be charged a handling fee. You can see the amount of these fees at [abnamro.nl/mortgages](http://abnamro.nl/mortgages)

## **Advice at the branch or in your home**

Our expert advisors provide advice that is tailored to your personal situation. They can do this in the branch, by telephone or even in your own home via a webcam. The initial introductory meeting is always free of charge and without obligation.

## **Extra repayments without penalty**

If you find yourself with some spare cash, you can pay off up to 10% of your mortgage each year without incurring a penalty. If all or part of your mortgage has a variable interest rate, you can repay the entire amount early without penalty. After your fixed interest period has expired, you can also repay the entire loan without penalty. Ask your ABN AMRO advisor to examine whether making additional repayments is a good option in your case.

## **No penalty if you sell your home**

If you sell your home and repay the mortgage from the proceeds, we will not charge a penalty.

## **Manage your mortgage online**

If you use ABN AMRO Internet Banking, you can view your mortgage, the interest you are paying and your monthly repayments directly online. If you would like to make additional payments or change the interest rate, you can also arrange that yourself in our secure Internet Banking environment.

ABN AMRO: available 24/7.

# Information and advice

## Service provision document

The service provision document explains what you can expect from us if you take out a mortgage with ABN AMRO, what we expect from you and what our advice costs.

### Internet

You will find detailed information and updates about our mortgages and our services at [abnamro.nl/mortgages](https://abnamro.nl/mortgages)

## Code of conduct

It is important that you are able to repay your loan. There are rules governing this, which are set out in the Code of Conduct for Mortgage Loans (GHF), the Dutch Financial Supervision Act (Wft) and the rules derived from it. Our advisors adhere to these rules.

## Applying for a mortgage with advice

- ▶ The ABN AMRO advisor will take everything off your hands
- ▶ You will receive expert, personal advice as well as an advisory report
- ▶ You will also receive advice on how you can continue to pay your mortgage in the future if your income should decrease.

You will pay a one-off advice fee for this, and our advisor will guide you right through to the transfer of the property by the notary.

## Applying for a mortgage without advice

You can also apply for or change a mortgage without

mortgage advice. You then seek out the information yourself on the products and options. You also decide for yourself which mortgage you want to take out or how you would like to change your existing mortgage. Before you can make any changes, you will have to carry out a 'knowledge and experience test'. Ensure that you carry out proper research, and also think about possible risks in the future.

## No-obligation introductory meeting

If you are thinking of applying for a new mortgage or modifying your existing mortgage, it is important to ensure that your mortgage matches your situation now and in the future. Our specialists will be pleased to inform you about this. If you already have experience with mortgages and would prefer to do things yourself, you must still attend a meeting with one of our advisors. There is no charge for this: the introductory meeting is free and without obligation.

## Specific advice

If you would like to modify your existing mortgage, you can also opt for specific advice. You will then not receive full mortgage advice, but only advice focusing on the structure of your mortgage. As a result, the advice costs are lower.

You can obtain mortgage advice by telephone by calling 0900 - 8670.\* The service is available on weekdays from 8.00 am to 9.00 pm, and on Saturdays from 9.00 am to 5.30 pm. You can also make an appointment at [abnamro.nl/mortgages](https://abnamro.nl/mortgages)

\* Your usual call rates as set by your telephone service provider will apply.

### About ABN AMRO

ABN AMRO Bank N.V. ('ABN AMRO') has its registered office at Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands. The telephone number is 0900 - 0024\*. Internet: abnamro.nl

ABN AMRO is supervised by De Nederlandsche Bank N.V. (the Dutch central bank), the Netherlands Authority for the Financial Markets (AFM) and the European Central Bank (ECB). ABN AMRO is authorised to act as:

- ▶ a provider of payment, savings and credit products;
- ▶ an intermediary and advisor for payment, savings, credit and insurance products;
- ▶ an investment firm for all investment services and activities and related services.

Information on the ABN AMRO complaints procedure and the disputes body to which ABN AMRO is affiliated can be found at [abnamro.nl/klachtenregeling](http://abnamro.nl/klachtenregeling) or requested by telephone on 0900 - 0024\*.

ABN AMRO falls under the investor compensation scheme and the deposit guarantee scheme. More information on this can be obtained at [abnamro.nl/garantieregeling](http://abnamro.nl/garantieregeling) or requested by telephone on 0900 - 0024\*.

ABN AMRO is entered in the Trade Register of the Amsterdam Chamber of Commerce under number 34334259. ABN AMRO's VAT number is NL820646660B01.

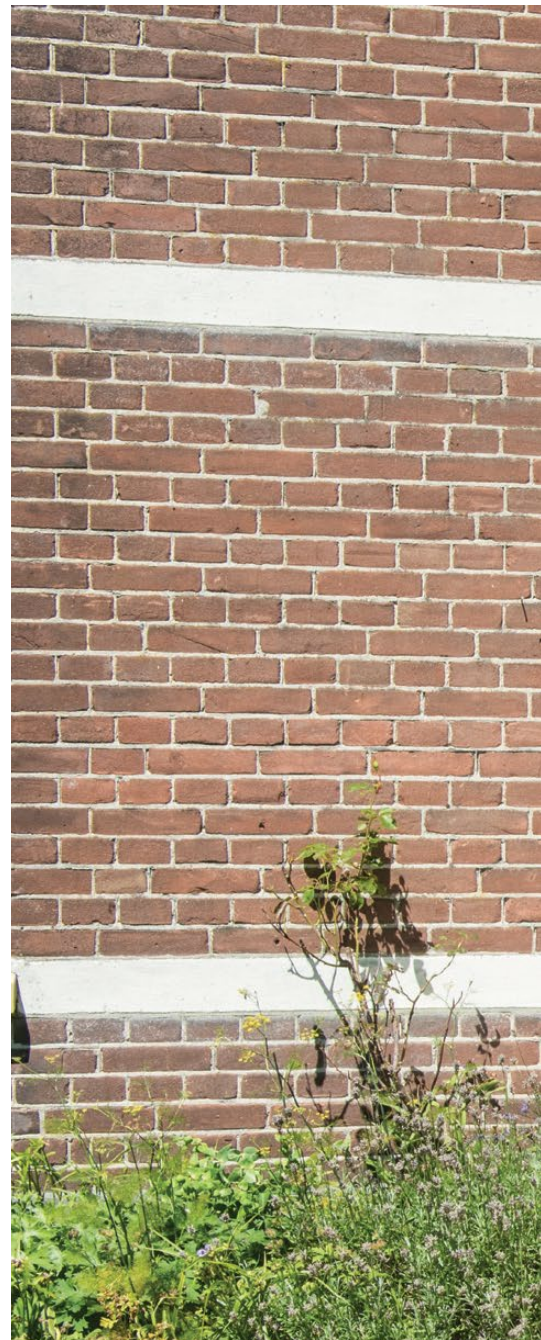
### About this brochure

This brochure provides general information only and has not been tailored to your personal situation. The brochure therefore does not advise you to act or refrain from acting in a certain way. Any decisions you make based on the information contained in this brochure are your own responsibility.

ABN AMRO has prepared this brochure with great care. However, changes in legislation and regulations may mean that some information in this brochure is no longer accurate. ABN AMRO holds the copyright.

This brochure is intended for our clients in the Netherlands. We cannot guarantee that the information it contains will also be of use in other countries.

\* Your usual call rates as set by your telephone service provider will apply.



[abnamro.nl/woningkopen](http://abnamro.nl/woningkopen)

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