

Butterfield Bank

As Bermuda's first bank, we've helped generations realize their dreams.

We're here to help you realize your dream too.

It's another way Butterfield Bank puts you first.

www.butterfieldgroup.com







Butterfield Bank

Empower

- Butterfield Bank is proud to play a part in the revitalization of North East Hamilton and help preserve the unique, historical character of the area. Our range of preferential rates and terms for small business, commercial and residential loans will enable the EEZ to thrive and grow.









Home Ownership

-  Home ownership still achievable
-  Qualifying and applying for a mortgage
-  Choosing among mortgage options
-  Renovations and additions to your home






Home ownership Still Achievable

-  People buy homes when the time is right for them—getting married, welcoming a child into the family, downsizing.
-  Most people buy a home for shelter, not for short-term investment. They are buying a place where they can create memories with family and loved ones.
-  The economic rationale for buying a home has not gone away. There are still benefits to purchasing
 -  Build wealth
 -  Help stabilise communities
 -  Sense of stability



Pre-approval

What is the difference between applying for a Mortgage and getting pre-approved?

-  Lender analyzes your assets, debts, and sources of income. Based on the preliminary analysis, a lender can estimate the loan amount for which you may qualify – this is a pre-approval.*
-  Pre-approvals are provided at NO COST and valid up to 6 months
-  Once you find the home you want to purchase, you can formally apply for your mortgage, where the lender will ask you to provide the necessary documentation to verify that the information you provided during the pre-approval is accurate.

*Pre-approval is not a final approval.



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Mortgage Application







- 🏠 To help in the analysis of your mortgage loan application, you will need to provide some information to your lender
- 🏠 Sources of income
- 🏠 Debts
- 🏠 Credit history
- 🏠 Other, as applicable
 - 🏠 Example: proof of payment of a debt



Choosing a Mortgage

Types of loans






Variable-Rate Home Loans

-  Variable Rate Mortgages (VRM) are famous for their low interest rate
-  Primary advantage is that monthly payments of interest plus principle can be lower early in the loan term
-  Based on a published rate called a “Base Rate”; the base rate is the specific indicator which governs adjustments in the interest rate on an VRM
-  Your interest rate can rise or fall, meaning that your monthly payments can potentially increase or decrease
-  Can potentially save money in the long run versus a fixed rate loan, if interest rates remain constant or fall
-  Loan terms for variable home loans vary up to 30 years



Choosing a Mortgage Cont

Fixed-Rate Home Loans

-  The traditional fixed rate mortgage
-  Generally a little higher interest rate than the initial rate you receive with a variable-rate mortgage
-  Assurance that your interest rate will never rise during the term
-  Monthly payments of principal plus interest will always remain the same during the term
-  Loan terms for fixed rate mortgages 2 and 5 years



Costs of Home Ownership

What closing costs are associated with a home loan?

- 🏠 Closing costs can add up quickly, so it is important to understand and be prepared before the closing
 - 🏠 Bank fees
 - 🏠 Legal fees
 - 🏠 Stamp Duty
 - 🏠 Estimated pre-paid items (insurance, maintenance)

🏠 What are the other costs of home ownership?

- 🏠 Review your budget and adjust it accordingly to your new responsibilities
 - 🏠 Moving expenses
 - 🏠 Funds reserved for future mortgage payments
 - 🏠 Funds reserved for home maintenance
 - 🏠 Land Tax
 - 🏠 Home insurance




Refinance

When does it make sense to refinance your home

 Cash out available home equity to consolidate higher interest rate debt

 Lower your rate and payment

 Access cash to make important home improvements and additions

 Education



Preserving Your Asset

- 🏠 Adjust your budget to new obligations as a homeowner
- 🏠 Preventative maintenance
- 🏠 Appropriate coverage in homeowners insurance
- 🏠 Make informed decisions when considering tapping into available home equity as a source of cash
- 🏠 Avoid losing your home to foreclosure
- 🏠 If you cannot make your mortgage payment due to circumstances beyond your control, work on other options avoid damaging your credit
- 🏠 Contact your loan officer to discuss the possibilities of restructuring of debt
- 🏠 Balloon payment will reduce your debt quicker



Renovations




Application

-  Loan
-  Deed of Further Charge
-  Butterfield Line

Security

-  Valuation

Quote









-  Contractor
-  Quantity Surveyor
-  Cost overruns

Payment plan

-  Interest only payments
-  Blended payments (Principle & Interest)



Building or Additions

-  Meet with your personal lender to complete a pre-approval
-  Additions such as studios and apartments can provide additional income
-  Appraisal upon completion
-  An appraiser will look at the plans to determine the Fair Market Value Upon Completion
-  Project manager
-  Site Visits
-  Drawdown's
-  Payments



Small Business & Commercial Loans

Small Business

Facility: Business Loan

Purpose: Business Uses

Loan Period: up to 5 years

Amount: Up to \$1mil

Pricing: Base+2%

Fees: No administration fees

Commercial Loans

Facility: Development loan

Purpose: Property renovations, refurbishment, commercial, apartment/condo development

Loan Period: up to 30 years

Amount: Up to \$2.5mil

Pricing: Base+1.15%

Fees: No administration fees

Conditions: Up to 90% LTV as security, property owned prior to June 2007

Rates and terms subject to change.



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Residential Loans

Residential Loans

Facility: Home Equity Loan

Purpose: Home improvement, debt consolidation, personal uses ect

Loan Period: up to 30 years

Amount: Up to \$1mil

Pricing: Base+2%

Fees: No administration fees

Facility: Historic Home Loan

Purpose: Restoration, renovation, repairs, maintenance

Loan Period: up to 7 years

Amount: Up to \$200k

Pricing: Interest free when property is Bermuda-Listed

Fees: No administration fees. No Bank appraisal fees



Conditions: Up to 85% LTV as security, property owned prior to June 2007 – Government Planning department and HBAC approval

Rates and terms subject to change.



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Thank You For Participating!

-  It's all about People, Principles and Passion!
-  *No one works harder to deliver the Bermudian dream of owning a piece of the rock than Butterfield Bank*

