Sharia-Compliant Property Solutions

Product Factsheet
Residential Property Finance

Explore Nomo's Property Finance products which are digital and Sharia-compliant, helping you to buy residential property in the UK.

Regulated by the Financial Conduct Authority.

How does Nomo residential property finance work?

What is Residential Property Finance?

- This type of property finance is for people looking to buy a holiday home in the UK, rather than to rent out to long-term tenants as an investment.
- Nomo Property Finance allows you to receive a finance amount from Nomo that contributes towards the purchase of your property.
- You will pay regular monthly payments to Nomo over a time period chosen by you.
- Nomo residential property finance is available on a amortising or profit only repayment basis.

What type of bank profit rates does Nomo have?

- Our products allow you to fix the bank profit rate for either 2 or 5 years, so that the chosen rate will be constant for the repayment period selected.
- At the end of the fixed-rate period, you will automatically go onto a follow-on rate which could vary over time, unless you decide to choose another fixed rate from our product suite.

What are monthly payments?

- Nomo Residential Property Finance is available on a amortising or profit only basis.
- Profit only product: This finance amount will need to be paid off in full at the end of the repayment period.
- Amortising products: Once you make all your payments, you will have paid off the whole finance amount at the end of the term.

What type of Islamic Banking does Nomo use?

- Nomo adheres to the principles of Islamic banking and uses Commodity Murabaha to facilitate property finance.
- Commodity Murabaha involves Nomo facilitating a sale of metal commodities to you for the amount equal to the finance amount and bank profit-rate. This amount will be repaid on a deferred basis over the chosen repayment period. You will take ownership of the metal commodity and consequently sell to a third-party. Nomo will take care of this on your behalf.

What tax considerations are there?

- When you buy a property in the UK, you may be required to pay taxes such as **Stamp Duty Land Tax** applicable to properties in England and **Land Transaction Tax** for properties in Wales.
- There may be other taxes due or resulting from the purchase of your property and you should review your personal tax situation and the implications of owning the property with a tax specialist.

Product Profit Rates and Fees

Refinance Offer

All products listed below are available for refinancing with:

Standard credit policy, FTV limits apply and £1000 Bank legal fees.

Proposition	Facility Size	FTV	2-year Fixed	5-year Fixed
Refinance	£100,000 – £749,999	75%	5.46%	5.80%
Refinance	£750,000 - £5,000,000	75%	5.25%	5.79%

Nomo Standard

Facility Size: £100,000 – £749,999 | Max FTV: 75%

Fixed Period	FTV	Product	APRC	Application Fee
2-year fixed	75%	5.51%	7.0%	Residential: £1,499
5-year fixed	75%	5.89%	6.8%	Residential: £1,499

Nomo High Net Worth – up to £1,999,999

Facility Size: £750,000 – £1,999,999 | Max FTV: 75%

Fixed Period	FTV	Product	APRC	Application Fee
2-year fixed	75%	5.49%	6.9%	Agreed upon application
5-year fixed	75%	5.79%	6.7%	Agreed upon application

Nomo High Net Worth – above £2,000,000

Facility Size: £2,000,000 – £5,000,000 | Max FTV: 75%

Fixed Period	FTV	Product	APRC	Application Fee
2-year fixed	75%	5.46%	7.0%	Agreed upon application
5-year fixed	75%	5.79%	6.8%	Agreed upon application

Internal Renewals

Fixed Period	FTV	Rate	Application Fee
2-year fixed	75%	5.46%	£499
5-year fixed	75%	5.79%	£499

Additional Information

Application Fee: The application fee is specific to each product and will be agreed upon application with the Nomo Property Finance Team. This fee also covers the first property valuation. An additional £1,000 bank lawyer fee is payable after you accept the finance offer. Fees and charges cannot be added to the finance amount and are payable upfront. Please see our Tariff of Charges for more details.

Early Payment: Early payment occurs when you look to repay your property finance amount in full earlier than the minimum period length. There is no additional charge to repay early. However, you will need to pay the outstanding finance amount plus bank profit for any remaining fixed-rate or variable-rate payment period. An account settlement fee will also apply to early payment.

For example, on a 5-year fixed rate at 6.39% (60 months), if you repay your finance on:

- **Month 12,** you will be liable to repay all profit for the remaining 48 months
- **Month 24,** you will be liable to repay all profit for the remaining 36 months
- **Month 36,** you will be liable to repay all profit for the remaining 24 months
- **Month 48,** you will be liable to repay all profit for the remaining 12 months
- **Month 60,** you will not be liable to repay any more profit

Account Settlement Fee: A fee of £240 + legal fees will apply when the finance amount has been repaid in full.

Minimum Property Value: The minimum property value is £150,000 outside London, £350,000 inside London.

Repayment Period: A minimum repayment period of 5 years and a maximum of 30 years applies.

Follow-on Rate: After your fixed rate period ends, a new Murabaha commodity transaction will take place and you will automatically move to our follow-on rate. The Nomo follow-on rate is currently set at 6.99% and could increase or decrease when you move onto the follow-on rate once your fixed rate ends. The follow-on rate varies over the repayment period, with the Murabaha renewed monthly. Alternatively, at the end of your fixed rate period you can also choose a product from our range of fixed-rates with a new fixed repayment period.

Age and Residency Restriction: Finance is only available if you are aged 18 and over. Please contact us at **propertyfinance@nomo.bank** to find out if we can serve your jurisdiction.

Tariff of Charges: Tariff of Charges gives details of the charges that may be payable during the process of application and any ongoing charges.

Annual Percentage Rate of Change : The APRC represents the overall cost for comparison and can be used for to compare mortgages.

Nomo Bank is a member of the Financial Services Compensation Scheme. This scheme may provide compensation, if we cannot meet our obligations. Most depositors including individuals and businesses are covered. For more information about the Financial Services Compensation Scheme, visit **www.fscs.org.uk**.

If we don't get it right Nomo Bank will endeavour to ensure that you receive the highest standard of service and that you are treated with courtesy at all times. If you are unhappy with any aspect of our service, we would like to know why, please call **+44 (0) 20 3991 0400.**

Our Customer Success team is available to assist you in either English or Arabic during the following UK hours:

Mon - Fri: 6am - 6pm / Sat - Sun: 6am - 2pm

Call us on +44 (0) 20 3991 0400 or drop us an email at support@nomobank.com

Calls to 0203 numbers from a landline or mobile cost no more than calls to geographic numbers (01 or 02) and are typically included in any inclusive minutes and discount schemes you may have. International calls are charged at a local rate – please check with your telecoms provider. Calls may be recorded for training and monitoring purposes.

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