

Buying a home under the ASP Scheme



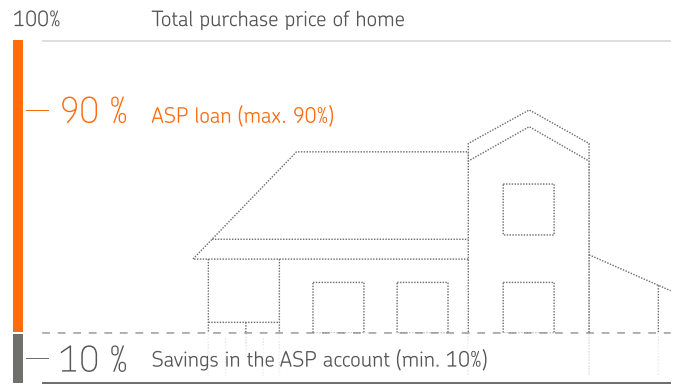
OP



What is ASP all about?

The acronym of ASP originates from "asuntosäästö-palkkiojärjestelmä" (home saver's bonus scheme) and its purpose is to make it easier for first-time home buyers to save money for buying a home. Saving under the ASP scheme will begin when you open an ASP account with an OP cooperative bank and make the first deposit when opening the account.

When you have saved the required amount in the account, the bank can grant you the rest as the ASP loan.



Who is the ASP savings scheme for?

If you have never owned a home – but dream of doing so – the ASP savings scheme is ideal for you. You can begin ASP saving when you are aged between 15 and 39. A married couple may start saving under the ASP scheme even if one of them is older than 40 years. It is advisable to start saving under the ASP scheme well in advance even if buying a home became topical only in a few years' time. Saving under the scheme does not require regular income.

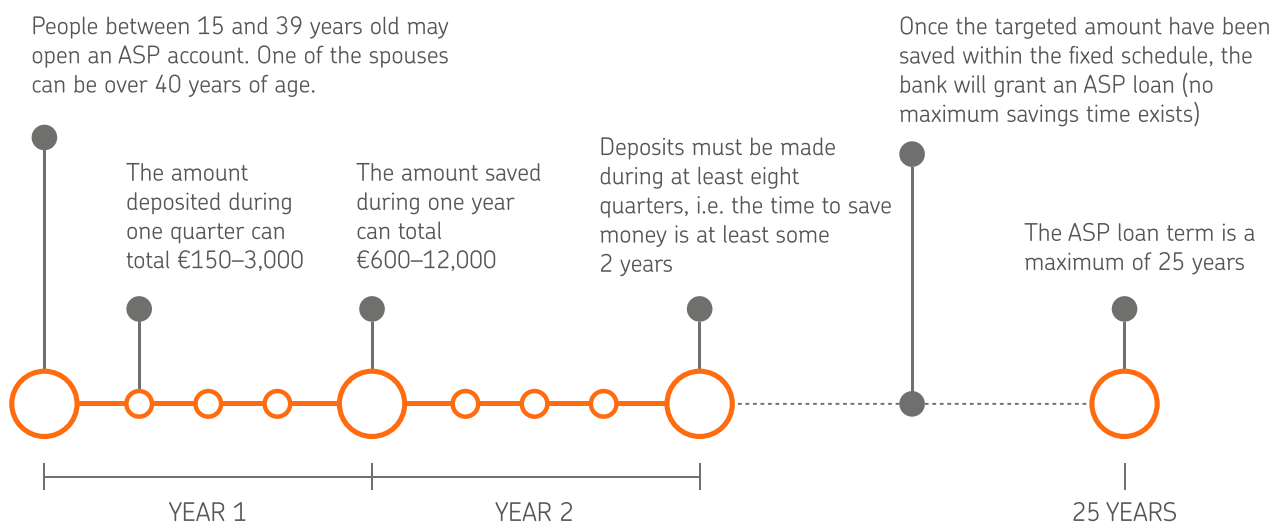
How does ASP work?

You need to save 10% of your future home's estimated price on your ASP account. If you are buying a home with another person, you must buy at least 50% of the home and save 10% of your share of the price.

You need to save for at least eight calendar quarters, which is about two years. There is no maximum period for saving.

You can deposit 150–3,000 euros into the account during a calendar quarter. The quarters do not need to be successive and you can also skip quarters depending on your situation. This means that the amount of savings in the account may come to 600–12,000 euros per year.

If you save the target amount in the required time, the bank may lend you the remaining 90% of the home's price as an ASP loan with a maximum loan term of 25 years.



What are the benefits of an ASP account?

You gain several benefits when you start ASP saving and buy a new home with your ASP savings. The more you save money in advance, the less you need to take up loan. The ASP account is flexible because you can easily change the savings amounts and periods along the way.

1. BETTER INTEREST ON SAVINGS

Amounts saved in the ASP account earn an annual interest rate of 1%, which is higher than that paid on normal account. Once you've met the ASP account terms and conditions and bought your home, we will pay you a hefty 4% bonus interest on your savings. Exceptionally, interest and the bonus interest are not subject to tax.

ANNUAL DEPOSIT
1% RATE
+ bonus rate

2. BETTER LOAN TERMS AND CONDITIONS

According to normal practice, you can get a home loan that accounts for 70% of the home purchase price, and you may need side collateral for the rest. By means of ASP, you can get government-guaranteed home loan up to 90% of the purchase price (maximum guarantee amount 50,000 euros) and that guarantee is not subject to a guarantee fee for the ASP interest subsidy loan.

GOVERNMENT-GUARANTEED
HOME LOAN UP TO 90%

3. FREE OF CHARGE INTEREST SUBSIDY

You are entitled to a 10-year government interest subsidy on your ASP loan. If the ASP borrowing rate exceeds 3.8% during that period, the government will pay 70% of the interest above that rate.

10-YEAR INTEREST SUBSIDY
3,8%
-70%



DID YOU KNOW THAT the maximum amount of an interest-subsidised ASP loan is 215,000 euros in Helsinki, 160,000 euros in Espoo, Kauniainen and Vantaa, 140,000 euros in Tampere and Turku and 120,000 euros elsewhere in Finland.

The maximum amount of an interest-subsidised ASP loan is home-specific and independent of the number of loan applicants. In Helsinki, for example, the maximum amount of the interest-subsidised ASP loan per home is 215,000 euros. If the home price is higher than the maximum amount of the interest-subsidised ASP loan, you can apply for an additional ASP loan.

Start saving under the ASP scheme in OP cooperative bank

Opening an ASP account in an OP cooperative bank is worthwhile, because you will get the best benefits. In addition to the 1% ASP deposit rate, we will pay a 4% bonus interest rate for the first year of making deposits, and for a maximum of five years after that if you fulfil the ASP account terms and conditions and use the ASP scheme to buy your home. What is more, your savings and the ASP loan will be counted as transactions which generate OP bonuses*.

If you have an OP user ID, you can open an ASP account conveniently at op.fi. You can also open an ASP account by booking an appointment or calling our Customer Service.

EXAMPLE OF TINA'S SAVING UNDER THE ASP SCHEME

- ▶ Tina (19 years) opened an ASP account with an OP cooperative bank to buy a bed-sitting room flat worth 235,000 euros in Helsinki¹.
- ▶ When Tina has managed to save 10% of the estimated home purchase price, or 23,500 euros in this particular case, she needs to raise a loan worth 211,500 euros.

| | |
|---------------------------|---------------|
| ▶ ASP saving | 23,500 euros |
| ASP interest subsidy loan | 211,500 euros |
| collateral value of home | 164,500 euros |
| government subsidy | 47,000 euros |

No need for side collateral

¹) ASP interest subsidy loan a maximum of 215,000 euros in Helsinki.

EXAMPLE OF LIZ AND JOHN'S SAVING UNDER ASP SCHEME

- ▶ Liz (24 years) and John (31 years) begin ASP saving together, aiming at buying a 200,000 euro three-room apartment in a row house in Oulu².
- ▶ Liz and John both must buy 50% of the apartment and save 10% of their share of the price, which in this case total 20,000 euros. They will need a home loan of 180,000 euros.

| | |
|---------------------------|---------------|
| ▶ ASP savings | 20,000 euros |
| ASP interest subsidy loan | 120,000 euros |
| ASP additional loan | 60,000 euros |
| collateral value of home | 140,000 euros |
| government subsidy | 40,000 euros |

No need for side collateral

²) ASP interest subsidy loan a maximum of 120,000 euros in Oulu.

* WHO EARNS OP BONUSES?

OP bonuses are earned by an OP cooperative bank's owner-customers from all transactions entitling to bonuses. Loans, funds in savings accounts as well as insurance premiums for home and vehicle insurance and continuous travel insurance are included in such transactions. Earned OP bonuses are used, for instance, for banking services and insurance premiums.

Find out on op.fi/bonuslaskuri (in Finnish) the amount of OP bonuses you or your family could earn.