

Banking Basics: Mortgage Video

Kevin - Nora, I can't get over this kitchen?

Nora - What about this house?

Nora - We finally made the leap.

Kevin - And brought our dream home.

Nora - Thanks to a mortgage with HSBC.

Kevin - And you know what? It was a lot easier than we expected.

Nora - In fact, it's as easy as preparing for this house-warming party.

Nora - First step?

Kevin - Balloons?

Nora - Yes, we wouldn't have a mortgage without them.

Nora - Actually, the first step is to get pre-approved.

Kevin, for a kiss and an extra serving of dessert, can you tell me why it's a good idea to get pre-approved?

Kevin - I know this.

Nora - Time's running out.

Kevin - Because it lets you shop for a home with a realistic idea of what you can afford and...pre-approved financing makes your offer more attractive to sellers.

Nora - Ding, ding, ding! Correct!

Kevin - Can I choose my dessert now?

Nora - Not so fast! Follow-up question: can you name the documents you need to get pre-approved?

Kevin - Uh...

Nora - Focus Kevin. It's in the HSBC step-by-step mortgage guide that's still stuck to the fridge.

Kevin - Right. We did this last month.

Voice over - You'll need things like valid ID, pay stubs or bank statements to verify your income and details of any debt.

Nora - The next step is to shop for the property you want and make an offer.

Kevin - When your offer's accepted please provide your HSBC Personal Banker with all details including the sales and purchase agreement.

Nora - Ah, there it is.

Nora - HSBC offers flexible financing. You can finance up to 80 percent of your mortgage.

Kevin - Mmmm....cake

Nora - Or not. Next, choose your mortgage term.

Kevin - That's how long you'll take to pay it off.

Nora - At HSBC you can choose a mortgage term of between 10 and 30 years.

Kevin - Then you can choose between a fixed mortgage or a variable rate mortgage.

Nora - A fixed rate is locked at the low rate for five years.

Nora - A variable rate fluctuates rising and falling with the HSBC Bermuda Base Rate or your partner's lung capacity. Just forty more, big guy. Want to make early repayments to reduce the

amount you owe on a variable rate mortgage? Think of it as doing the dishes before the party to cut down on what you have to wash after.

Kevin - No problem – and no penalty as long as you provide the bank with three-months written notice.

Nora - All that's missing now are the guests and a slice of cake.

Kevin - And home insurance.

Nora - Right, your mortgage must be accompanied by a home insurance that covers the full replacement value of the missing cake.

Kevin - You mean the property.

Nora - That too.

Doorbell rings

Kevin - I'll get it.

Voice over - Contact HSBC or visit their website for your copy of the step-by-step mortgage guide.

Telephone 299 5959

Visit www.hsbc.bm/mortgages

Oh, and help yourself to the appetizers.

Together we thrive

HSBC

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