



SIMON PERKS from Portuguese
bank Santander Totta
(www.santandertotta.co.uk)

OUR MORTGAGE EXPERT SAYS:

Santander Totta is able to finance the purchase of freehold land and buildings, apartments and houses in Portugal. The bank will usually consider lending up to 65 per cent of the valuation of the property, but no more than the purchase price, with a minimum loan of £75,000 or the foreign currency equivalent thereof.

Loans are available in euros and pounds and interest is charged at a margin over the bank's mortgage loan rate applicable to the currency borrowed. Repayments are usually monthly instalments of capital and interest. Stage payments are available upon request.

We are still seeing Britons favouring the euro to

finance a property in Portugal thereby matching the liability to the asset. Mortgages in general will remain tight with many banks providing 65 per cent loan-to-value rather than the 80 per cent loan-to-value offered prior to 2008. The days of 90 per cent loan-to-value would seem to be over for now. Banks are still offering mortgages for Portuguese mortgages but they are being much more selective who they provide finance to.

Consequently, 2010 will be a year of rebuilding. I predict a solid year with specific focus on the top end of the market.