2026

# HOUSING GUIDE

Banque Raiffeisen, société coopérative - 062026

Raiffeisen

# Buying or building a home is the beginning of a great life project.

# Housing guide

At Banque Raiffeisen, we want to be with you on your journey and support you every step of the way.

## Your cooperative bank

Whether you are looking for your first home or buying a second property, we offer financing solutions tailored to your needs and provide you with our team of experts in home financing.

And that's not all. Choosing a cooperative bank for your housing project also grants you a 25% discount on administrative fees,[1] loyalty points based on the amount of your loan[1] and personalised support with one single personal advisor throughout the project.

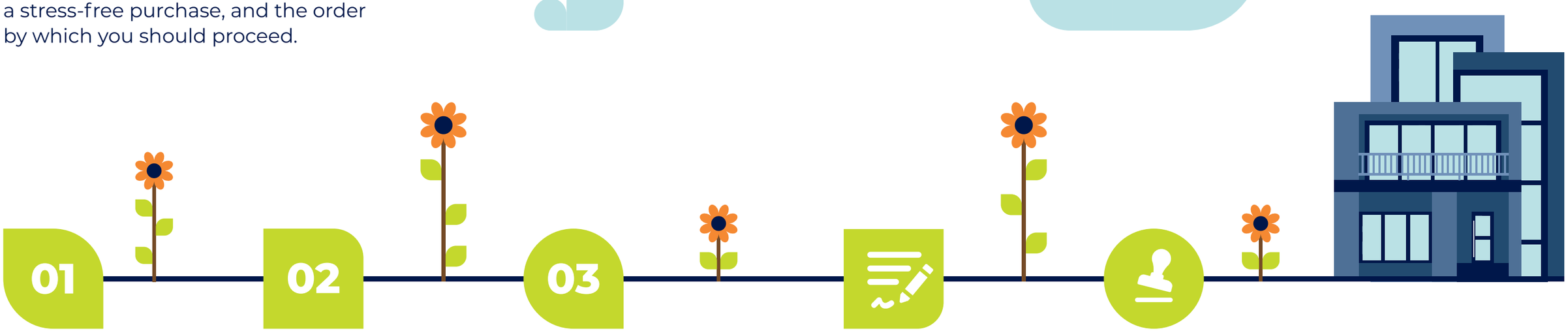
## Ready for this new adventure? Let us be your guide.

1 Subject to OPERA and OPERA PLUS conditions. More information at https://www.raiffeisen.lu/en/raiffeisen-members/member-advantages/advantages-members and https://www.raiffeisen.lu/en/raiffeisen-members/opera-plus/opera-plus-more-banking-benefits-naturally

# Introduction

When you're buying a property, it is sometimes hard to know where to start.

In this section we tell you about the different steps towards achieving a stress-free purchase, and the order by which you should proceed.




## Look for a property.

At the same time, work out how much you can borrow. Use the simulator at raiffeisen.lu or talk to a Banque Raiffeisen advisor in a branch.

## Find your dream home.

You found your dream home! It has got what you were looking for and you can afford the repayments. Now it is time to sign the initial sales agreement.

## Apply for your loan.

Contact a Banque Raiffeisen advisor to draw up your financing plan. The bank examines your application and, if applicable, issues an agreement in principle.

## Sign your agreement in principle.

Banque Raiffeisen issues you a loan proposal, which states the key features of the loan, the terms and conditions and the insurance you have opted for. Check that you are happy with this proposal. If you are, accept and sign it.

## Sign the purchase contract at the notary's office.

The funds for the purchase are made available once the purchase contract is signed at the notary's office.

## Congratulations!

## You are now the owner of your property.

# 01 Look for a property

Before you start searching for your dream home, take some time to work out how much you can borrow. This will save you time and allow you to focus straight away on properties that fit your budget.

## How do I prepare my property purchase?

Your housing project has three main pillars that need to be studied before you start. This will give you a full view of where you stand and makes it easier for you to set your budget.

**Set my budget:**

When you set your property budget, you need to do more than work out how much you can borrow. To be certain, you also need to consider other factors such as:

- Your debt ratio.
- The amount of your personal contribution.
- The interest rates at the time of purchase.
- All other costs inherent in the purchase.

Scan this QR code to simulate the financing of your property project.

Great, you know your budget. Now it is time to work out what kind of home you need: what type of property, how big it should be, your accessibility needs, and so on. **Here is an overview of the things to keep in mind in the four most common types of property search.**

### Buying a house or apartment

If you want to buy a house or an apartment, here are some tips:

- Check the general condition of the property, including its energy efficiency, age, equipment and plumbing, as well as its energy passport. If you need to carry out energy renovation work, we can help you.
- Do not forget that some changes require permission from your municipality.
- For an apartment in co-ownership, read the co-ownership rules and the minutes of the co-ownership association to find out about your rights, your obligations and any work that is planned.

### Buying a building plot

If you want to buy a building plot, here are our tips:

- Check that the plot is buildable.
- Check whether the plot is connected to the grid (electricity, water, sewage, gas, telephone, etc.). If not, make sure it's possible to connect it in future.
- Find out about potential delays in construction work. The notary, the land registry or the local authorities can provide information on these various points.

**Good to know**

You may be eligible for state aids, depending on your purchase and your personal situation.

## 01 / Look for a property

**Building a house:**

If you want to build a house, there are two possible scenarios:

1 Turnkey purchase:
- The construction company coordinates all the work from the design stage to completion, in accordance with pre-set deadlines.
- You do not supervise the construction yourself.
- A specifications sheet informs you about the plans, the materials used, the price and the duration of the work.

2 Self-build:
- You choose the architect, the plan of your home and the materials according to your taste and budget.
- You can either supervise the construction yourself or delegate this task to the architect.

**Buying a house or apartment off-plan:**

If you're buying a house or apartment off-plan, remember to think about:

- What is included in the overall price and what additional expenses you should expect (e.g. kitchen or bathroom fittings).
- The terms of sale of the plot.
- The plans, the specifications sheet and the construction contract, which will set out the work to be performed and how much it will cost, as well as the ten-year guarantee against construction defects.
- The completion guarantee. This is a guarantee issued by a bank which ensures that the work will still be completed even in the event of the seller's bankruptcy.
- The acceptance report, which you and the seller both sign when you accept the property. It should mention any defects, as well as the work that has not yet been carried out.

To learn more about these subsidies, scan this QR code to view our brochure on state aids or find it at raiffeisen.lu





# 02 Find your dream home

Once you have found the home of your dreams and you have checked that you can afford it you can go ahead and sign the initial sales agreement.

## Initial sales agreement

The initial sales agreement (compromis de vente) is a key document that summarises and records what is being sold and the terms of the sale. In Luxembourg, it has legal value: once signed, it binds both parties permanently and cannot simply be cancelled. Therefore, it should be given sufficient attention.

**To ensure maximum legal certainty for both parties, the initial sales agreement must include certain clauses, which you should check carefully:**

- Identity of the signatories: names and addresses of the buyer and seller.
- Description of the property: location, cadastral references, size, etc.
- Easements: mention of all existing easements.
- Sale price and payment: amount of the sale and payment terms.
- Notary: name of the notary responsible for the notarial deed, and the date on which this deed is to be signed.
- Handover of keys: expected date of entry into possession.
- Condition precedent: obtaining a bank loan.
- Penalty clause: compensation in the event of unjustified termination of the agreement by one of the parties.

Once the initial sales agreement has been signed, Banque Raiffeisen will help you put together the right loan for your purchase.

Scan this QR code to make an appointment with a Banque Raiffeisen advisor or contact your usual advisor directly via R-Net.

# 03 Apply for your loan

Obtaining your home loan is a crucial part of the home-buying process. You can fund your purchase through a housing loan, your own money, or a combination of several sources of funds. Whichever you choose, it is essential to understand what options are available, to make sure you choose the right solution.

## Step 1

### Work out how much the property will cost

Before you commit, it is essential to work out all the costs involved, and to allow an extra buffer for any contingencies - when you buy a property, unexpected costs can often arise.

Use the table below to work out the total cost of your property purchase and make sure that nothing is forgotten. Feel free to start filling it in and bring it to your appointment with your Banque Raiffeisen advisor.

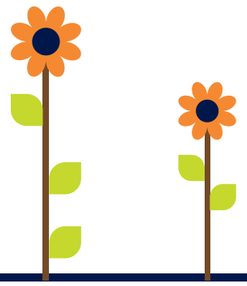
**Do I have to make a personal contribution?**

When you buy your first home and depending on you personal situation, it is not always necessary to make a personal contribution. Banque Raiffeisen can lend up to 100% of the purchase price of the property.[2]

A capital contribution is therefore not mandatory, but you will have to cover some of the costs associated with taking out the loan, namely:

- Application fee.
- Registration and notarial transcription fees (7%): these are calculated on the sale price of an existing property, or, in the case of a new build, on the plot only.
- Outstanding balance insurance premium.
- Mortgage registration fee.

This list is not exhaustive. Actual expenses may also depend on the nature of the purchase. A Banque Raiffeisen advisor can help you work out what expenses you need to pay.



## Expenditure

| | |
|---|---|
| **1a Purchase** Purchase price (including taxes) | |
| Cost of renovation, refitting etc. | |
| Fitting-out, including architect's fees if any | |
| **1b Construction** Cost of buying land (if applicable) | |
| Construction, including architect's fees if any | |
| **2 Notarial fees, mortgage registration fees** | |
| **3 Outstanding balance insurance** | |
| **4 Incidental costs** | |
| **5 Contingency reserve** | |
| **6 Other** | |
| **Total expenditure** | |

## Sources of funds

| | |
|---|---|
| **1 Personal contribution** your own funds, donations from family | |
| **2 Sale of your existing property** | |
| **3 Direct subsidies** | |
| **3a Capital subsidies, home purchase premium** | |
| Building premium | |
| Premium for home improvements | |
| Premium allowance for architectural and consulting costs | |
| Partial refund of VAT | |
| **3b Aides communales** | |
| **3c Primes spéciales** | |
| **4 Autres** | |
| **Total sources of funds** | |

**Good to know**

You may benefit from a tax credit ("Bëllegen Akt") when buying a dwelling or a plot to use it as your own principal home.

For more information about the "Bëllegen Akt", scan the QR code below to see our "State aids" brochure.

2 Depending on the applicant's personal situation, the property to be purchased and the condition of the property.

03 / Apply for your loan

## Step 2

# R-Logement housing loan

As it is usually not possible to finance a property using your own capital and as each project is unique, you can use the R-Logement loan to finance the purchase of a building plot, the construction or purchase of a flat or house in Luxembourg or the Greater Region.

Choice of interest rate
**Fixed, variable or adjustable**

Choice of repayment period
**From 5 to 35 years**

Flexibility
**Possible deferred start of repayment**

**What kind of guarantees are common for housing loans?**

- A first-rank mortgage registered on the property.
- Fire insurance on the mortgaged property.
- Outstanding balance insurance (one-off premium).

## What type of interest should I choose?

Choosing the right type of interest for your purchase depends on its nature. A Raiffeisen advisor can guide you to the most appropriate option, but below are some of the key things to keep in mind:

**Variable rate**

With a variable rate loan, the interest rate changes upwards or downwards depending on the development of market interest rates. This has a direct impact on your monthly instalments, which can rise or fall from one month to the next.

In return, you benefit from more flexibility and have the option of making partial or full repayments without prior notice.

**Fixed rate**

A fixed rate remains constant throughout the term of the loan. Your monthly instalments therefore remain steady, regardless of how interest rates change in the market.

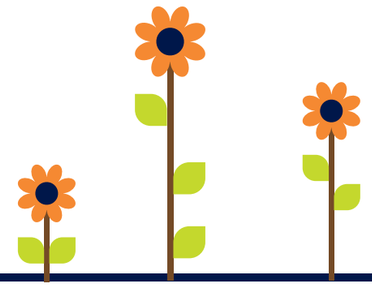
However, early repayment of a fixed-rate mortgage may result in additional costs.

**Adaptable rate**

if you wish, the R-Logement loan allows you to combine the two types of interest rates for specific sums over a set period. This is what we call an adjustable rate.

Want to buy your new home before you have sold your current one?

Are you already a homeowner and want to sell your current property to invest the proceeds in your new project? The **bridging loan** is a flexible solution that enables you to seize an interesting opportunity while waiting for the final sale of your current home. When you complete the sale, the proceeds will be used to repay the bridging loan.



03 / Apply for your loan

## Step 3

# Choose the right insurance

Your new home is much more than just an investment: it is the place where you and your family's future will be built. Together with our partners, we offer personalised insurance to protect your property and make sure you have peace of mind in your home.

### Outstanding balance insurance

Outstanding balance insurance is essential. It provides assurance for your loved ones in the event of your death or disability.

The insurance guarantees that the loan will be repaid (full or partial) in the event of your death or disability, protecting your family from this burden.

Contact your Banque Raiffeisen advisor for more information.

### Home insurance

Insuring your home is an essential part of taking out a property loan, providing essential protection against fire and other damage.

## Step 4

# Prepare the documents you need for your loan application

You will need some essential documents to support your loan application. Use the checklist below to check that you have all these items, and do not forget to bring them to your appointment with one of our advisors.

- [ ] **Identity document**
- [ ] **Marriage certificate or civil partnership certificate**
- [ ] **Proof of income for the last 3 months**
- [ ] **Recent bank statements**
- [ ] **Details of existing loans**
- [ ] **Initial sales agreement signed by all parties**
- [ ] **Plans and quotations for any renovation work**
- [ ] **Energy Performance Certificate** (EPC)
- [ ] **Photos of the interior and exterior of the property**
- [ ] **Latest income tax declaration**
- [ ] **Land registry plan**
- [ ] **Title deeds** (for current property)
- [ ] **Home insurance certificate**

# For further information...

## Tax optimisation

### Home loan savings plan

Depending on your situation, part of your housing loan can be combined with a home loan savings plan offered by our partner Wüstenrot. You save to repay part of the loan at the end of the term, while you only pay the interest during the savings phase.

If you opt for a home loan savings plan, your savings contributions may be tax-deductible, depending on your age and the composition of your household.

### Outstanding balance insurance

As well as protecting your loved ones if the unexpected happens, outstanding balance insurance can also reduce your tax bill: the premium for outstanding balance insurance is tax deductible, depending on your age and the composition of your household.[3]

## State aids

Homeowners and future homeowners residing in the Grand Duchy can receive various forms of financial support from the state to build, buy or renovate their home.

To find out about all these subsidies, scan this QR code to view our state aids brochure or find it at raiffeisen.lu

3 The deductible amounts vary according to the insured party's age and family circumstances.

# Useful websites

**Ministry for Housing**
**Single point of contact for housing assistance**
11, rue de Hollerich
L-1741 Luxembourg
T 8002 10 10
www.logement.lu

**Environmental Agency**
**Energy Efficiency Department**
1, avenue du Rock'n'Roll
L-4361 Esch-sur-Alzette
T 40 56 56 400
www.environnement.public.lu

**Department of Registration, Domains and VAT**
**Reimbursement of VAT on housing**
Bureau d'imposition XII
7, rue du Plébiscite
B.P. 31, L-2010 Luxembourg
T 247 807 09
www.aed.public.lu

**Ministry of Culture**
**Department for National Sites and Monuments, Restoration Grant**
26, rue Münster
L-2160 Luxembourg
T 247 866 52
www.ssmn.public.lu

**Ministry of Energy and Spatial Planning**
**Energy Department**
19-21, boulevard Royal
L-2449 Luxembourg
T 247 824 78
www.mea.gouvernement.lu

## Would you like to talk to an advisor?

Our advisors are available to discuss your housing project at your usual branch or at the Hub of Home.

For more information or to make an appointment, follow this link:

Wherever you are, there is a Raiffeisen branch near you:

# Notes

Flip this guide over to access the Renovation guide.