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**INFORMATION BULLETIN
OF MORTGAGE LOANS**

YEREVAN 2021

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<i>HOUSING FOR YOUNG FAMILIES</i>			
Loan type	Mortgage loan granted for the acquisition of residential real estate within the framework of "Affordable housing for young families " national target program		
Loan purpose	Residential real estate acquisition		
Loan currency	AMD		
Loan amount	Primary market	Secondary market	
	AMD 1.000.000-27.750.000	AMD 1.000.000-22.500.000	
Annual interest rate (fixed)		Secondary market	Primary market
	Loan to pledge value ratio (the market value of the property to be acquired or the minimum of the acquisition value and the market value of the additional property shall be taken as a basis for the pledge value)	Annual interest rate	
	Up to 70% inclusive	6.8%	7.5%
	70-92.5% inclusive	7.3%	
Annual actual interest rate	Primary market- 8.48-10.5% Secondary market- 3.81-8.32%		
Subsidized interest rate	<p>Within the framework of the state target program "Affordable apartments for young families", the government will provide subsidies only in case of acquiring an apartment / dwelling from the secondary market.</p> <ul style="list-style-type: none"> In case of acquiring real estate in Yerevan city -2% In case of acquiring real estate in the regions of the RA -4% 		
Loan term	from 120 up to 240 months		
Prepayment	<ul style="list-style-type: none"> In case of primary market minimum 20% , secondary market -30%, or minimum 7.5% for primary market and 10% for secondary market, if another residential real estate is pledged by the Borrower in addition to the residential property or apartment to be acquired or an advance insurance in the amount exceeding 80% in case of primary market and 70% in case of secondary market is available. 		
Redemption frequency	Monthly		
Loan redemption procedure	Monthly, equally (annuitant), or Non-equally (differential).		
Security	Acquired Real Estate (if necessary other residential real estate, which shall be co-borrower's property)		
Loan to pledge value ratio	<ul style="list-style-type: none"> In case of primary market - maximum 80% of acquired real estate market and acquisition minimum value , in case of secondary market- 70%, The maximum amount can be in the amount of 90% of the market and acquisition minimum value of residential property to be acquired, if another residential real estate is pledged by the borrower, moreover in case of collateral of the residential real estate to be acquired and an additional real estate, the amount of the loan shall not exceed 80% of the total market value of pledged real estate, in case of acquisition of an apartment from the primary market, and 70% in case of acquisition of an apartment from the secondary market, or a prepayment insurance exceeding 70% of the amount (in case of primary market- 80%) is available . 		
Grant way	Cash and cashless		
Loan application study fee	<ul style="list-style-type: none"> AMD 5000 for the study of the loan application which is non-refundable, 		

Loan arrangement is realized	<p>ARMECONOMBANK” OJSC head office and branches with the exception of Nairi MC, Rossia-1 and Araratyan branches.</p> <p>The loan is presented to the competent body if the applicant credited minimum 80% of the difference of assessed market value of the real estate (if the acquisition value is less than the acquisition value) to be acquired and the loan amount to be provided to the account opened with ARMECONOMBANK OJSC. The credited amount is kept in the account until the competent body makes a decision on the loan provision or rejection.</p>
Decision period	Up to 20 business days (in case of mortgage the loan is provided within 5 business days following the receipt of collateral registration right)
Requirements to Borrower	<ul style="list-style-type: none"> • The total age of spouses should not exceed 70. • Single parent whose age does not exceed 35. • The net income of the borrower must not exceed AMD 800.000 • Neither of the spouses shall own a residential real estate more than 18 square meters within RA territory.
Guarantee	<ul style="list-style-type: none"> • Real estate security is made by the customer at the insurance company licensed by RA CB, according to the tariff determined by the latter. The tariffs vary from 0.16% to 0.18% of the loan balance. • Insurance for accidents of the Borrower and Co-borrowers is realized by the customer (except the co-borrowers having no income) in the insurance company licensed by RA CB, according to the tariff determined by the latter minimum in the amount of the loan balance. The tariffs vary from 0.16% to 0.18% of the loan balance. <p>The annual insurance premium on prepayment is calculated at the rate of 1.8% of the insurance amount (the tariff is applied if the customer signs or renews insurance contracts with “SIL Insurance” ICJSC on the insurance of the real estate to be acquired and for accidents of the Borrower and Co-borrowers, otherwise 2% tariff will be defined).</p>
Real estate appraisal	Assessment is realized by any assessment organization licensed by RA legislation and cooperating with the Bank at the tariff determined by the assessment organization- AMD 20.000
Expenses related to the collateral arrangement	<p>The borrower shall bear all collateral arrangement expenses (notarization, registration of the real estate in subdivisions of Cadastral territory)</p> <ul style="list-style-type: none"> • Notary fee - AMD 15.000-25.000 • Joint reference (on restrictions against real estate) - AMD 10.000 • Certificate on the registration of right over real estate- AMD 27.000-75.000
Encashment fee	In case of encashment of the loan amount, encashment fee is charged per the tariffs set by the Bank*.
Penalties	Against the amounts (loan, interest, other fees) not paid within the term/s/ set forth by the Agreement a penalty at 0.13 percent of the overdue amount is defined for each overdue day (daily).
Acquired real estate	The purchase price of a residential property (apartment, residential house) purchased in the Republic of Armenia should not exceed 30 million drams for the primary market and AMD 25 million for the secondary market, and at the same time the estimated value should not exceed 31 million and 26 million AMD respectively.
Positive decision grounds	<ul style="list-style-type: none"> • Positive credit history (if any) • Credibility of the presented documents • Stable source of income • Availability of acceptable collateral • Conformity with "Affordable housing for young families" state purpose project criterion.
Negative decision grounds	<ul style="list-style-type: none"> • Negative assessment of customers financial state • Non-credibility of the presented documents • Inadequacy of the "Affordable housing for young families" state purpose project criterion. • Customer’s negative loan history • Other reasons that will hamper the loan repayments according to the Bank assessment.

Provision of extract	Free of charge
Documents presented by individuals	<ol style="list-style-type: none"> 1. Passport copies, as well as those of the family members 2. Copies of Borrower's and husband's(wife) birth certificates 3. Marriage certificate copy (if any), 4. Statement from the workplace (if necessary, information about the amount of net wages paid during the last 12 months, income tax, social security payments and the copies of work books) 5. Statements from personal accounts of individual borrower(s) and co-borrower(s) from tax authorities 6. Document containing public services number: 7. Copy of property certificate (copy of the document serving as a basis of acquired apartment certificate, if necessary), 8. Statement claiming that the present apartment is not under barrage (the original and 1 copy) <u>to be presented after the confirmation of the loan.</u> 9. Passport copy of the vendor (proprietors) 10. Statement about the registered persons from the vendor's residence (3rd form). 11. Diploma copy (if necessary). 12. Statement from the cadastre information center about the applicant's and husband's(wife) real estate 13. Other documents, if necessary

*To get acquainted with the tariffs of the Bank, please visit the link - https://www.aeb.am/hy/business_cash/

Attention!

A Co-borrower can be one or more members of the Borrower's family.

Attention!

Early loan repayment is allowed for which no penalties and fees are charged.

At the customer's choice, the Bank

- reduces the size of monthly payments in proportion of early paid amount leaving the loan repayment date unchanged
- reduces the loan repayment term leaving the monthly payments unchanged.

Attention!

In case of non-fulfillment or improper fulfillment of the obligations set forth by the Mortgage agreement, the borrower may lose his/her right of ownership over the property.

Attention!

The mortgage agreement shall be verified by notary.

Attention!

The number of total overdue days on the borrower's and co-borrower's all loans /acting and repaid/ shall not exceed 30 calendar days within the last 12 months.

Attention!

Interest is calculated on the loan balance.

Attention!

After reaching a positive decision on the loan provision, before the conclusion of the mortgage agreement, the Bank, based on the terms and conditions of the loan offered by the Bank and the documents submitted by the consumer, provides the consumer with an individual leaflet, which defines essential terms of the mortgage loan, tariffs, the rights and obligations of the consumer, and the negative consequences in case of non-fulfillment of the obligations when due applicable for the given consumer in case of conclusion of the mortgage agreement.

Attention!

"Your Financial Informer" is an electronic system which compares the search of services offered to individuals and facilitates the selection of the most effective option for you- <https://www.fininfo.am/compare-mortgage-loan>

Attention!

Before signing the loan agreement (7 days prior) the Bank provides the proposal and project on the signing of the loan agreement to the borrower.

The Proposal on the loan agreement conclusion is effective 7 working days (thinking time) unless otherwise envisaged by the proposal.

Attention!

To get acquainted with the tariffs of other services rendered within the framework of execution of loan operations, please visit the following link: www.aeb.am/media/2019/10/3044.pdf

MORTGAGE LOAN (ACQUISITION)

Loan type	Mortgage loan
Loan purpose	Residential real estate acquisition
Loan currency	AMD, USD, EUR (currency exchange rate fluctuations may have an impact on the redemption of loans in foreign currency, the risk of which shall be borne by you).
Loan amount	<ul style="list-style-type: none"> ✓ In case of AMD loans- from AMD 1.000.000 to AMD 100 mln. ✓ In case of USD loans - minimum USD 2.000, maximum USD 200.000 ✓ In case of EUR loans - minimum EUR 2.000, maximum EUR 200.000

Annual interest rate	<p>Fixed adjustable interest rate</p> <p>In case of mortgage loans in USD</p>
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	Annual interest rate
Fixed interest rate for the first 36 months	9% Actual interest rate- 9.39-11.47%
Interest rate adjustment after 36 months	AI = FI+ VI Where: AI – Fixed adjusted interest arte FI- Fixed component VI- Variable component

The maximum and minimum thresholds of the loan’s fixed adjustable interest rate are defined respectively – the interest rate defined at the moment of loan provision \pm 4%. The loan interest rate is adjusted (after 36 months) on the adjustment date (on the first business day of October) every year (once).

To get acquainted with calculation methodology and adjustment procedure of the fixed adjustable interest rate please visit the following link - <https://www.aeb.am/hy/917/>

Fixed interest rate for the entire period of the loan

In case of mortgage loans in USD and EUR

Loan to pledge value ratio	USD	EUR
Up to 70% inclusive	10.5%	9.5%
70-90% inclusive	11%	10%
Actual interest rate	10.62-15.05%	

Fixed adjustable interest rate for the mortgage loans in AMD

Loan to pledge value ratio	Up to 70% inclusive	70-90% inclusive
Annual nominal interest rate	13% for the first 36 months	13.5% for the first 36 months
	After 36 months, the interest rate is changed per the below mentioned calculation: AI=FI + VI Where: AI – Fixed adjusted interest arte FI- Fixed component VI- Variable component	
Loan minimum amount	AMD 1.000.000-100.000.000	
Actual interest rate	13.82-16.75%	

The maximum and minimum thresholds of the loan’s fixed adjustable interest rate are defined respectively – the interest rate defined at the moment of loan provision \pm 4%. The loan interest rate is adjusted (after 36 months) on the adjustment date (on the first business day of October) every year (once).

To get acquainted with calculation methodology and adjustment procedure of the fixed adjustable interest rate please visit the following link - <https://www.aeb.am/hy/917/>

In case of AMD loans provided within the framework of cooperation with "National Mortgage Company" RCO CJSC:

Loan amount	Loan to pledge value ratio	Annual interest rate ¹ in case of acquisition of residential real estate	Annual interest rate (degressive) ² in case of acquisition of purchase right
AMD 1.000.000 up to AMD 35.000.000	Up to 70% inclusive	9.8%	11%
	70-90% inclusive	10.5%	11%
The mortgage interest rate of loans in the amount from AMD 3,000,000 to AMD 35,000,000 provided for the acquisition of real estate in residential buildings in RA regions or energy-efficient multi-apartment building in Yerevan within the frameworks of 4th stage of Housing Finance, Refinanced by "National Mortgage Company" RCO CJSC can be set by 1 percentage point lower.	Up to 70% inclusive	11%	12%
	70-90 % inclusive	11.5%	12%
Annual actual interest rate	10.66-13.66		

Loan term/month/	AMD	USD	EUR	
	Fixed interest rate	120-240	120-144	120-144
	Fixed adjustable interest rate	120-240	120-240	-

Loan redemption frequency Monthly

Loan redemption procedure Monthly- equally (annuitant), or Non-equally (differential).

Security Acquired Real Estate (if necessary other residential real estate)

Prepayment	In case of the lending with own resources (USD, EUR)	In case of the lending with own resources (AMD)	In case of the lending with the program resources (AMD)
	30%	30%	30%
	0%	10%	10%
	if in addition to the residential real estate to be acquired another	if in addition to the residential real estate to be acquired another	a. if in addition to the residential real estate to be

	<p>residential real estate is pledged by the borrower, moreover the amount of the loan cannot exceed the 70% of the total market value of the pledged real estate</p>	<p>residential real estate is pledged by the borrower, moreover the amount of the loan cannot exceed the 70% of the total market value of the pledged real estate</p>	<p>acquired another residential real estate is pledged by the borrower, moreover the amount of the loan cannot exceed the 70% of the total market value of the pledged real estate</p> <p>b. unpaid prepayment insurance in the amount not exceeding 70% of the loan to pledge value is available</p>
Loan to pledge value ratio	<ul style="list-style-type: none"> • Maximum 70% of the liquidation value of the acquired real estate. • In case of AMD mortgages, the maximum loan amount can be at least 90% of the market and acquisition value of the acquired residential property if another residential real estate is pledged by the borrower, moreover the loan amount cannot exceed 70% of the total market value of the pledged real estates, or a prepayment insurance in the amount of exceeding 70% is available. • In case of granting mortgages in US dollars / Euro for residential real estate, the maximum loan amount can be at least 100% of the market and acquisition value of the residential property acquired if in addition to residential house or apartment to be pledged another residential real estate is pledged by the borrower, moreover in case of the pledge of the acquired and other residential real estate, the amount of the loan cannot exceed 70% of the total market value of the real estates to be pledged. 		
Grant way	By cash / Cashless		
Loan application study fee	<ul style="list-style-type: none"> • AMD 5000 which is non- refundable. 		
Loan arrangement is realized	<p>“ARMECONOMBANK” OJSC head office and branches, with the exception of Nairi MC, Rossia-1 and Araratyan branches.</p> <p>The loan is presented to the competent body if the applicant credited minimum 80% of the difference of the amount of assessed market value of the real estate (if the acquisition value is less than the acquisition value) to be acquired and the loan amount to be provided to the account opened with ARMECONOMBANK OJSC. The credited amount is kept in the account until the competent body makes a decision on the loan provision or rejection.</p>		
Decision period	Up to 20 business days (in case of mortgage the loan is provided within 5 business days following the receipt of collateral registration right)		
Requirements to Borrower	<ul style="list-style-type: none"> • Resident individual over 18 years • Registered and living in the Republic of Armenia • Has a constant income source acceptable by the Bank • The borrowers age cannot exceed 65 years as of the set deadline of the loan to be granted 		
Guarantee	<ul style="list-style-type: none"> • Real estate security is made by the customer at the insurance company licensed by RA CB, according to the tariff determined by the latter. The tariffs may vary from 0.16-0.18% of the loan balance. • Insurance for accidents of the Borrower and Co-borrowers is realized by the customer (except for the co-borrowers having no income) in the insurance company licensed by RA CB, according to the tariff determined by the latter. The tariffs vary from 0.16-0.18% of the loan balance. 		

	The annual insurance premium is calculated at the rate of 2.7% of the insurance amount (this rate applies if the client signs and renews certificates with the insurance company "Sil Insurance" ICJSC, insurance against accidents of the acquired real estate and the borrower / co-borrower otherwise the tariff will be set at 3%), but not less than AMD 72,000. The minimum insurance premium is valid only for the first year of insurance.
Real estate appraisal	Assessment is realized by any assessment organization licensed by RA legislation and cooperating with the Bank, at the tariff determined by the assessment organization (AMD 20.000)
Expenses related to the collateral arrangement	All the expenses related to the arrangement of the collateral (notarization, registration of the real estate in subdivisions of Cadastral territory) shall be borne by the borrower <ul style="list-style-type: none"> • Notary fee - AMD 15.000-25.000 • joint reference (on restrictions against real estate) - AMD 10.000 • Certificate on the registration of right to real estate- AMD 27.000-75.000
Acquired real estate	Residential real estate (apartment, residence house) located in RA territory
Penalties	Against the amounts (loan, interest, other fees) not paid within the term/s/ set forth by the Agreement a penalty at 0.13 percent of the overdue amount is defined for each overdue day (daily).
Encashment fee	In case of encashment of the loan amount, encashment fee is charged per the tariffs set by the Bank*.
Positive decision grounds	<ul style="list-style-type: none"> • Positive credit history (if any) • Credibility of the presented documents • Stable source of income • Availability of acceptable collateral
Negative decision grounds	<ul style="list-style-type: none"> • Negative assessment of customers' financial state • Non-credibility of the presented documents • Customer's negative loan history • Other reasons that will hamper the loan repayments according to the Bank assessment.
Provision of extract	Free of charge
Documents to be presented by individuals	<ol style="list-style-type: none"> 1. Passport copies, as well as those of the family 2. Marriage certificate copy(if any) 3. Statement from the workplace (if necessary, information about the paid net salary, income, size of social payments during the last 12 months, and copies of work books). 4. Document containing public services number: 5. Copy of property certificate (of the acquired apartment) if necessary, copy of the document serving as a basis for certificate provision. 6. Statement that the present apartment is not under barrage (the original and 1 copy), <u>to be presented after loan confirmation</u> 7. Passport copy of the vendor (proprietors), 8. Statement from the residence on sale about the registered persons (3rd form) 9. Copy of Diploma (if any). 10. Other documents, if necessary

¹The given tariffs are valid in case of acquisition residential real estate from secondary and primary market (constructors).

²The given tariffs are valid for the loans granted for the acquisition of the right to purchase a residential real estate from the primary market, moreover after the state registration of the buyer's right property on the basis of the act of transfer of ownership right and final stage of the loan provision, the acting interest *is reduced and* an interest rate envisaged for the acquisition of residential real estate within the framework of the relevant programs available at the Bank as of the date of making decision on loan provision is defined.

Attention!

The annual actual interest rate has been calculated based on the exchange rates of USD (1USD = 483 AMD) and EUR (1 EUR = 570 AMD) published by the Central Bank of Armenia as of 30.07.2021.

Annual actual interest rate may be changed depending on exchange rate changes published on the official website of RA CB.

Attention!

A Co-borrower can be one or more member of the Borrower's family.

Attention!

Early loan repayment is allowed for which no penalties and fees are charged.

Upon the Customer's choice the Bank:

- Reduces the size of monthly payable amount in proportion to early paid amount leaving the loan repayment term unchanged, or
- Decreases the loan repayment period leaving the size of payable amounts unchanged

Attention!

In case of non-fulfillment or improper fulfillment of the obligations set forth by the Mortgage agreement, the borrower may lose his/her right of ownership over the property.

Attention!

The mortgage agreement shall be verified by notary.

Attention!

The total number of the overdue days for all the loans of the borrower and co-borrower(s) /acting and repaid/ should not exceed 30 calendar days within the last 12 months.

Attention!

Interest is calculated on the loan balance.

Attention!

After reaching a positive decision on the loan provision, before the conclusion of the mortgage agreement, the Bank, based on the terms and conditions of the loan offered by the Bank and the documents submitted by the consumer, provides the consumer with an individual leaflet, which defines essential terms of the mortgage loan, tariffs, the rights and obligations of the consumer, and the negative consequences in case of non-fulfillment of the obligations when due applicable for the given consumer in case of conclusion of the mortgage agreement.

Attention!

"Your Financial Informer" is an electronic system which compares the search of services offered to individuals and facilitates the selection of the most effective option for you -<https://www.fininfo.am/compare-mortgage-loan>.

Attention!

Before signing the loan agreement (7 days prior) the Bank provides the proposal and project on the signing of the loan agreement to the borrower.

The Proposal on the loan agreement conclusion is effective 7 working days (thinking time) unless otherwise envisaged by the proposal.

Attention!

To get acquainted with the tariffs of other services rendered within the framework of execution of loan operations, please visit the following link: <https://www.aeb.am/media/2019/10/3044.pdf>.

<i>MORTGAGE LOAN (RENOVATION, CONSTRUCTION)</i>							
Loan type	Mortgage loan						
Loan purpose	Residential real estate renovation or construction						
Loan currency	AMD, USD, EUR (currency exchange rate fluctuations may have an impact on the redemption of loans in foreign currency the risk of which shall be borne by you).						
Loan amount	<ol style="list-style-type: none">1) In case of AMD loans -from AMD 1.000.000 up to 100 mln.2) In case of USD loans -minimum USD 2.000 , maximum – USD 200.0003) In case of EUR loans - minimum EUR 2.000 , maximum – EUR 200.000 <p>In case of loans provided for the construction of residential real estate, the maximum amount of the loan shall not exceed 80% of estimate cost of presented construction works.</p>						
Annual interest rate	Fixed adjustable interest rate <table border="1"><tr><td></td><td>Annual interest rate</td></tr><tr><td>Fixed interest rate for the first 36 months</td><td>9% Actual interest rate - 9.39-11.47%</td></tr><tr><td>Interest rate adjustment after 36 months</td><td>AI = FI+ VI Where:</td></tr></table>		Annual interest rate	Fixed interest rate for the first 36 months	9% Actual interest rate - 9.39-11.47%	Interest rate adjustment after 36 months	AI = FI+ VI Where:
	Annual interest rate						
Fixed interest rate for the first 36 months	9% Actual interest rate - 9.39-11.47%						
Interest rate adjustment after 36 months	AI = FI+ VI Where:						

AI – Fixed adjusted interest rate
 FI- Fixed component
 VI- Variable component

The maximum and minimum thresholds of the loan's fixed adjustable interest rate are defined respectively – the interest rate defined at the moment of loan provision $\pm 4\%$. The loan interest rate is adjusted (after 36 months) on the adjustment date (on the first business day of October) every year (once).

To get acquainted with calculation methodology and adjustment procedure of the fixed adjustable interest rate please visit the following link - <https://www.aeb.am/hy/917/>

Fixed interest rate for the entire period of the loan

In case of mortgage loans in EUR and USD

Loan to pledge value ratio	USD	EUR
Up to 70% inclusive	10.5%	9.5%
70-90% inclusive	11%	10%
Annual interest rate	10.62-15.05%	

Fixed adjustable interest rate for the mortgage loans in AMD

Loan to pledge value ratio	Up to 70% inclusive	70-90% inclusive
Annual nominal interest rate	13% for the first 36 months	13.5% for the first 36 months
	After 36 months, the interest rate is changed per the below mentioned calculation: $AI=FI + VI$ Where: AI – Fixed adjusted interest rate FI- Fixed component VI- Variable component	
Actual interest rate	13.82-16.75%	

In case of mortgage loans provided in AMD

Loan amount	Loan to pledge value ratio	Annual interest rate*
From AMD 1.000.000 up to AMD 35.000.000	Up to 70% inclusive	10.5%
AMD 35.000.001-AMD 60.000.000	Up to 70% inclusive	11.5%
Annual actual interest rate	11.43-12.68%	

Real Estate Renewal (AMD 2.000.000), refinanced by "National Mortgage Company" RCO CJSC, Housing Financing in the Regions of the 4th Stage, from 1,000,000 to 35,000,000 Armenian drams the interest rate on mortgage loans is set by 1% lower.

Loan term/month/	AMD	USD	EUR	
	Fixed interest rate	120-240	120-144	120-144
	Fixed adjustable interest rate	120-240	120-240	-
Redemption frequency	Monthly			
Loan redemption procedure	Monthly- equally (annuitant), or Non-equally (differential).			
Security	Real estate to be renovated, in case of construction – other residential real estate			
Loan to pledge value ratio	<ul style="list-style-type: none"> In case of renovation maximum 70% of the liquidation value of the residential real estate to be renovated or pledged In case of construction of real estate maximum 70% of the liquidation value of the pledged real estate 			
Grant way	In stages <ul style="list-style-type: none"> By cash and cashless 			

	<ul style="list-style-type: none"> In case of loans granted for renovation of real estate, maximum 40 calendar days are defined for the usage of the amount of each stage. In case of loans granted for the construction of real estate maximum 150 days are defined for the usage of the amount of each stage.
Loan application study fee	<ul style="list-style-type: none"> AMD 5000 which is non- refundable.
Loan arrangement is realized	“ARMECONOMBANK” OJSC head office and branches with the exception Nairi MC, Rossia-1 and Araratyan branches.
Decision period	Up to 20 business day (in case of mortgage the loan is provided within 5 business days following the receipt of collateral registration right)
Requirements to Borrower	<ul style="list-style-type: none"> Resident individual over 18 years Registered and living in the Republic of Armenia Has a constant income source acceptable by the Bank The borrowers age cannot exceed 65 years as of the set deadline of the loan to be granted
Guarantee	<ul style="list-style-type: none"> Real estate security is made by the customer at the insurance company licensed by RA CB, according to the tariff determined by the latter. The tariffs vary from 0.16% to 0.18% of the loan balance. Insurance for accidents of the Borrower and Co-borrowers is realized by the customer (except the co-borrowers having no income) in the insurance company licensed by RA CB, according to the tariff determined by the latter minimum in the amount of the loan balance. The tariffs vary from 0.16% to 0.18% of the loan balance.
Real estate appraisal	Assessment is realized by any assessment organization licensed by RA legislation and cooperating with the Bank, according to the tariff determined by the assessment organization (AMD 20.000).
Collateral arrangement expenses	Collateral arrangement expenses (notarization, registration of the real estate in subdivisions of Cadastral territory) shall be borne by the borrower. <ul style="list-style-type: none"> Notary fee - AMD 15.000 Joint reference (on restrictions against real estate) - AMD 10.000 Certificate on the registration of right to real estate- AMD 27.000
Positive decision grounds	<ul style="list-style-type: none"> Positive credit history (if any) Credibility of the presented documents Stable source of income Availability of acceptable collateral
Negative decision grounds	<ul style="list-style-type: none"> Negative assessment of customers' financial state Non-credibility of the presented documents Customer’s negative loan history Other reasons that will hamper the loan repayments according to the Bank assessment.
Encashment fee	In case of encashment of the loan amount, encashment fee is charged per the tariffs set by the Bank
Penalties	Against the amounts (loan, interest, other fees) not paid within the term/s/ set forth by the Agreement a penalty at 0.13 percent of the overdue amount is defined for each overdue day (daily).
Provision of extract	Free of charge
Documents to be presented by individuals	<ol style="list-style-type: none"> Passport copies, as well as those of the family members (2 copies) Marriage certificate copy (if any). Statement from the residence. Statement from the workplace (if necessary, information about the paid net salary, income, size of social payments during the last 12 months, and copies of work books). Document containing public services number: Copy of property certificate (of the acquired apartment) if necessary, copy of the document serving as a basis for certificate provision. Estimate of renovation (reconstruction) expenses (expenses per articles) Photos of renovated real estate (detailed)

9. Statement that the present apartment is not under barrage (the original and 1 copy), to be presented after loan confirmation.
10. Copy of Diploma (if any).
11. Other documents, if necessary

*To get acquainted with the Bank's tariffs, please visit the link -https://www.aeb.am/hy/business_cash/

Attention!

Changes in foreign exchange rates may have an effect on loan repayments.

Attention!

A Co-borrower can be one or more member of the Borrower's family.

Attention!

Early loan repayment is allowed for which no penalties and fees are charged.

Upon the Customer's choice the Bank

- Reduces the size of monthly payable amount in proportion to early paid amount leaving the loan repayment term unchanged, or
- Decreases the loan repayment period leaving the size of payable amounts unchanged

Attention!

In case of non-fulfillment or improper fulfillment of the obligations set forth by the Mortgage agreement, the borrower may lose his/her right of ownership over the property.

Attention!

The mortgage agreement shall be verified by notary.

Attention!

The total number of the overdue days for all the loans of the borrower and co-borrower(s) / acting and repaid/ should not exceed 30 calendar days within the last 12 months.

Attention!

Interest is calculated on the loan balance.

Attention!

After reaching a positive decision on the loan provision, before the conclusion of the mortgage agreement, the Bank, based on the terms and conditions of the loan offered by the Bank and the documents submitted by the consumer, provides the consumer with an individual leaflet, which defines essential terms of the mortgage loan, tariffs, the rights and obligations of the consumer, and the negative consequences in case of non-fulfillment of the obligations when due applicable for the given consumer in case of conclusion of the mortgage agreement.

Attention!

"Your Financial Informer" is an electronic system which compares the search of services offered to individuals and facilitates the selection of the most effective option for you. <https://www.fininfo.am/compare-mortgage-loan>

Attention!

The annual actual interest rate has been calculated based on the exchange rates of USD (1USD = 483 AMD) and EUR (1 EUR = 570 AMD) published by the Central Bank of Armenia as of 30.07.2021.

Annual actual interest rate may be changed depending on exchange rate changes published on the official website of RA CB.

Attention!

Before signing the loan agreement (7 days prior) the Bank provides the proposal and project on the signing of the loan agreement to the borrower.

Attention!

The floating nominal interest rate may be changed no more than twice a year.

Attention!

The Proposal on the loan agreement conclusion is effective 7 working days (thinking time) unless otherwise envisaged by the proposal.

Attention!

To get acquainted with the tariffs of other services rendered within the framework of execution of loan operations, please visit the following link: www.aeb.am/media/2019/10/3044.pdf

GENERAL INFORMATION

Collateral appraisal is realized by any assessment organization having a license according to the tariffs determined by the latter. The assessment organizations are as follows:

Name	Address	Telephone
"ANT REALTY" LLC	Tigran Mets avenue, Bld. 49, Kentron adm. dis., Yerevan, RA	(096) 52 25 40 (077) 52 25 46
"ESTATE" LLC	49 Tigran Mets avenue, Yerevan	041-77-41-00
RA CCI "ARMEXPERTIZA" LLC	Garegin Nzhdeh St, 26 Bld., Yerevan, RA	(010) 44 34 36 , (010) 44 28 48
"VM-RP" LLC	8 Vardanants Str., Yerevan, RA	(010 -58 87 97, (099) 58 87 97
"AMINTAS GROUP" LLC	Artsakhi Ave., 23/6 Building, Yerevan, RA	(010) 43 22 76 , (096) 43 22 76, (094) 43 22 76
RVM consult LLC	Nalbandyan St., 48/1 Building, 2nd Floor, Yerevan, RA	(010) 54 64 90, (098) 94 44 49, (077) 94 44 49
"Oliver Group" LLC	215-216, 8 Tumanyan str., Yerevan	(010) 54 27 40, (010) 54 27 50, (010) 54 27 60, 077/091/055 54 27 50

The insurance is realized at size of loan amount or the market value of the property by any insurance company licensed by RA CB, at the tariff determined by the latter.

The insurance companies are as follows:

Name	Address	Telephone
"SIL INSURANCE" CJSC	3 and 5 Aram str, Yerevan, RA	(060) 54-00-00, (060) 50-55-44, (010) 58-00-00
"Ingo Armenia" CJSC	51, 53 Hanrapetutyuan str., area 47, 48, 50, Yerevan, RA	(010) 59 21 21
"RESO" Insurance CJSC	Komitas avenue, 62 bld., Yerevan, RA	(060) 27 57 57, (098) 56 07 97

The amounts to be paid by the consumer, irrespective of the fact that the payments for goods, services or works are made by credit or without a credit, are not included in the calculation of the actual interest rate.

Attention!

On the purpose of due diligence of the customer envisaged by RA law on "On combating money laundering and terrorism financing", the Bank may request additional documents or other information from the consumer based on <<Know your customer>> principle, as well as ask the consumer additional questions during oral communication.

Attention!

In compliance with the agreement signed with USA, to find out whether you are a U.S. taxpayer or not, financial institutions may collect additional information about the agreements, contracts, cooperation, membership signed by financial institutions, which may have a direct impact on the consumers (e.g. foreign account tax compliance act (FATCA)).

Attention!

If an early repayment is made in the amount exceeding 20% of the Principle balance as of the first day of each month (which does not include repayment of the part of the loan envisaged by the repayment schedule of the given month) without the Bank's written consent, a penalty in the amount of 5% of the early repaid amount exceeding 20% of the balance of the Principle is applied.

Attention!

After reaching a positive decision on the loan provision, before the conclusion of the mortgage agreement, the Bank, based on the terms and conditions of the loan offered by the Bank and the documents submitted by the consumer, provides the consumer with an individual leaflet, which defines essential terms of the mortgage loan, tariffs, the

rights and obligations of the consumer, and the negative consequences in case of non-fulfillment of the obligations when due applicable for the given consumer in case of conclusion of the mortgage agreement.

Attention!

As an additional means of securing the loan, the Bank may also require the guarantee (s) of another person / persons.

Attention!

The floating nominal interest rate may be changed no more than twice a year.

Attention!

IN CASE OF NON-FULFILLMENT OR INCOMPLETE FULFILLMENT OF YOUR OBLIGATION, THIS INFORMATION IS SENT TO THE CREDIT BUREAU WITHIN 3 WORKING DAYS, WHERE YOUR CREDIT HISTORY IS FORMED. YOU HAVE THE RIGHT TO GET YOUR CREDIT HISTORY FROM THE CREDIT BUREAU ONCE A YEAR FREE OF CHARGE. (<https://acra.am/?lang=hy>).

Attention!

LOAN INTEREST RATES ARE CALCULATED BASED ON NOMINAL INTEREST RATE. THE ANNUAL INTEREST RATE SHOWS HOW MUCH THE LOAN WILL COST FOR YOU AND OTHER PAYMENTS WITHIN A LIMITED PERIOD. YOU CAN GET ACQUAINTED WITH THE ANNUAL ACTUAL INTEREST CALCULATION PROCEDURE THIS LINK: AD CREDIT HISTORY MAY HINDER YOU ^a WHEN YOU GET A LOAN IN THE FUTURE-<https://www.aeb.am/media/2019/06/2640.pdf>.

Attention!

THE NOMINAL INTEREST OF THE LOAN MAY BE CHANGED BY THE BANK. YOU CAN GET INFORMATION ABOUT CHANGE OF NOMINAL INTEREST AT THIS LINK: <https://www.aeb.am/media/2019/05/2631.pdf>

1. YOU ARE ELIGIBLE TO COMMUNICATE WITH FINANCIAL INSTITUTION BY THE MEANS OF COMMUNICATION YOU PREFER – THROUGH POSTAL SERVICES OR ELECTRONICALLY. THE RECEIPT OF INFORMATION ELECTRONICALLY IS THE MOST CONVENIENT. IT IS AVAILABLE ROUND-THE-CLOCK (24/7), FREE OF THE RISK OF LOSS OF PAPER INFORMATION AND ENSURES THE CONFIDENTIALITY.

2. THE POSSIBLE NEGATIVE CONSEQUENCES, PENALTIES/FINES FOR THE CUSTOMER IN CASE OF NON-FULFILLMENT OF OBLIGATIONS:

-0,13% OF THE UNPAID AMOUNT FOR EACH OVERDUE DAY

-0,13 % OF THE UNPAID INTEREST AMOUNTS FOR EACH OVERDUE DAY

3. IF YOU HAVE OUTSTANDING LIABILITIES AGAINST THE CREDITOR, WHILE FULFILLING YOUR OBLIGATION THE LOAN REPAYMENT ARRANGEMENTS ARE MADE IN THE FOLLOWING SEQUENCE:

- ***COURT COSTS (IF ANY);***
- ***COLLATERAL SALE COSTS (IF ANY);***
- ***ACCRUED PENALTY;***
- ***ACCRUED INTEREST;***
- ***INSURANCE COSTS (IF ANY);***
- ***LOAN PRINCIPAL***

4. **NOTE:** SHOULD YOU FAIL TO PAY THE INTEREST AND THE PRINCIPLE WITHIN THE SET TERMS THE PLEDGED PROPERTY MAY BE CONFISCATED IN THE MANNER STIPULATED BY LAW.

5. IN CASE OF NOT PERFORMING THE LOAN LIABILITIES AND REPAYING THE LIABILITIES IN THE ACCOUNT OF THE COLLATERAL, IN CASE OF THE COLLATERAL BEING NOT ENOUGH TO REPAY THE BORROWER'S LOAN LIABILITIES, IT IS POSSIBLE TO MAKE LIABILITIES REPAYMENT ON THE ACCOUNT OF ANOTHER PROPERTY OF THE BORROWER AND/OR GUARANTOR(S).

6. LOAN INTERESTS ARE CALCULATED ON LOAN BALANCE.

For example if the customer is granted by a loan in the amount of AMD 1.200.000 with 24% annual interests rate and 12 months tenor (while calculating monthly accrued interests as a number of days 30 days period was taken into account).

Months	Loan balance	Repayment from loan	Repayment from interest
1	1.200.000	100.000	23.671
2	1.100.000	100.000	21.699
3	1.000.000	100.000	19.726
4	900.000	100.000	17.753
5	800.000	100.000	15.781
6	700.000	100.000	13.808
7	600.000	100.000	11.836
8	500.000	100.000	9.863
9	400.000	100.000	7.890
10	300.000	100.000	5.918
11	200.000	100.000	3.945
12	100.000	100.000	1.973

7. WE SHOULD MENTION THAT CHANGES IN CURRENCY EXCHANGE RATES MAY HAVE AN IMPACT ON LOAN REPAYMENTS.

8. The Bank applies no limits to loan amount; it will be conditioned by and related to:

- *Purpose of loan;*
- *Customer's creditworthiness;*
- *Collateral offered by the customer;*
- *Loan risk assessment;*
- *Requirements of prudential standards provided by the Central Bank of Armenia.*

9. « ARMECONOMBANK OJSC can offer the customer services under terms which may differ from those set forth in the Bank's overall policy due to any of the following conditions:

- *Customer account balance;*
- *Customer account turnover;*
- *Strategic importance of the customer for the Bank;*
- *Number of employees in customer organization;*
- *Total number of cards issued for customer organization;*
- *Income gained from customer;*
- *Volume of transfers;*
- *Size of deposits with the Bank;*
- *Significant borrower,*
- *Social considerations (medical organizations, educational institutions, etc.);*
- *Being the head of such organization;*
- *Other objective conditions.*

10. The borrower pays interest to the bank for using the loan amount. The interest is calculated on the loan balance for the calendar days of actual use of the loan based on a 365-day year. For loans under specific projects the interest calculation may be based on a 360-day year.

- *Loans are repaid within the dates indicated in Loan Agreement.*
- *The periodicity of interest payments is determined in accordance with the loan agreement or repayment schedule.*
- *If the repayment date for principal or interest falls on day off, the payment is made on the following working day without calculation of penalty for the days off.*

11. Repayment of Loans

- *Loans are repaid within the dates indicated in Loan Agreement.*
- *Loans are repaid in the currency in which they were given.*
- *In case of loans in foreign currency, exchange rate fluctuations may affect loan payments,*

- *In case of exchange rate fluctuations, the exchange rate risk related to loans will be borne by the borrower.*

12. The Bank may terminate the Loan Agreement and request repayment of the loan amount, if

- *The borrower has failed to make any payment required under Loan Agreement.*
- *The borrower has breached any commitment made by the borrower and fails to correct such breach within 30 days following the occurrence thereof.*
- *Any presentation, warranty, document, or information is materially incomplete.*
- *By reasonable opinion of the Bank, an essential adverse change has occurred in the borrower's financial condition, including court orders, outflow of assets, deterioration or termination of business, company re-organization.*
- *The borrower undergoes dissolution, or is subject to ongoing or pending bankruptcy proceedings.*
- *The borrower interferes with monitoring.*
- *For other objective reasons.*

13. The Bank may accept as collateral:

- *Real estate: land, houses, buildings, apartments;*
- *Fixed assets;*
- *Circulating assets;*
- *Motor vehicles;*
- *Precious metals;*
- *Treasury bills, foreign currency, stocks;*
- *Property to be purchased and ownership right;*
- *Cash.*

14. The Bank shall not accept the following items as a collateral

- *Non-circulating assets;*
- *Separate parts of indivisible property*
- *Leasing right;*
- *Property owned by urban, rural, and local communities;*

15. The appraisal value of pledged personal and real estate is based on market value indicated in appraisal statement.

16. The loan or a part thereof, as well as the accrued interest is deemed overdue if not repaid within periods specified in the Agreement.

- In case of non-repayment of the amounts (the loan, interests other payments) within the term(s) set by the Agreement, Borrower shall pay a penalty in the amount of 0.13% (zero point thirteen percent) of the overdue amount for each day of default. The total amount of the unpaid interests calculated in accordance with this paragraph shall not exceed the current debt balance.
- In case of non-repayment of the loan or a part thereof within the term(s) set by the Agreement, the Borrower is obliged to pay interests to the Bank in the amount of double of the settlement rates set by the Central Bank of Armenia. The total amount of the unpaid interests calculated in accordance with this paragraph shall not exceed the current debt balance.
- Starting from the 91st day of overdue days, 24% annual interest rate is applied to the balance of non-overdue loan (term loan). After the full repayment of outstanding amounts, penalties and interests accrued, the interest rate set by the Loan Agreement is recovered.

1. To settle the claim of CREDITOR-PLEDGEE, the pledged property may be confiscated in extrajudicial manner pursuant to paragraphs 2-4 of these Rules in case of non-fulfillment or improper fulfillment of the obligations by PLEDGER under Collateral Agreement and by BORROWER under Loan Agreement.
2. The property confiscated in extrajudicial manner may be sold if under Pledge Agreement PLEDGER has authorized CREDITOR-PLEDGEE to sell the pledged property upon emergence of the grounds for confiscation as stipulated in paragraph 1 of these Rules without seeking court intervention and so fully recover the claim covered by the collateral and has also agreed to transfer without seeking court intervention the ownership of the pledged property against the respective part of main liability to CREDITOR-PLEDGEE or any person designated by the latter in the manner provided by RA legislation.
3. Upon emergence of the grounds for confiscation as stipulated in paragraph 1 of these Rules, CREDITOR-PLEDGEE shall duly notify PLEDGER in writing of confiscation of the pledged property (confiscation notice). In two months following the date

of delivery of confiscation notice to PLEDGER, CREDITOR-PLEDGEE shall have the right, pursuant to Article 195 of RA Civil Code, to sell the pledged property directly or through public auction pursuant to RA Law on Public Bidding.

4. PLEDGER undertakes to transfer the pledged property to CREDITOR-PLEDGEE within two months following the date of delivery of confiscation notice to PLEDGER.

5. The duration of process of sale of pledged property may not become a ground for cessation of growth of BORROWER's liabilities to CREDITOR-PLEDGEE. Moreover, the proceeds from sale of collateral shall be utilized to fully cover CREDITOR-PLEDGEE's claims to BORROWER existing as of the date of sale of collateral and, should the claim not be covered on the account of the collateral, the outstanding amounts may be confiscated from other property of BORROWER.

6. Confiscation of the property pledged to cover CREDITOR-PLEDGEE's claims by court order may be executed in the manner provided by RA legislation.

17. You can get acquainted with the tariffs on each service by following the link: <https://www.aeb.am/hy/sakagner/>

18. You can get acquainted with the remote services, terms and conditions by visiting the link: https://www.aeb.am/hy/mobile_banking/

THE BANK IS CONTROLLED BY THE CENTRAL BANK OF ARMENIA