

Approved by
Resolution N146/01-01.08.2024
of The Executive Board of ARMECONOMBANK
Dated 05 August 2024
Chairman of the Executive Board
A. Arakelyan

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The conditions mentioned in the bulletin may be changed
For more information please apply to the Bank*



INFORMATION BULLETIN OF MORTGAGE LOANS

HOUSING TO YOUNG FAMILIES

Loan type	Mortgage loan with the aim of real estate acquisition provided 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		Secondary market	Primary market
	Loan to pledge value ratio (the market value of the property to be acquired or the minimum of the acquisition values and the market value of the additional property/if any/ 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, except for the rural settlements of RA, the loan to pledge value of which is defined maximum 70%	7.3%	
Annual actual interest rate	Primary market- 8.24 - 9.98% Secondary market- 3.28-5.97%		
Subsidized interest rate	Within the framework of the state target program "Affordable housing to young families", the government will provide subsidies only in case of acquiring an apartment / dwelling from the secondary market. <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 payment 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 (also other residential real estate if necessary, 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 values of residential property to be acquired, if another residential real estate is pledged by the borrower in addition to residential property or apartment pledged, moreover in case of collateral of the residential real estate to be acquired and an additional real estate, the amount of the loan can not exceed 80% of the total market value of pledged real estates 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 acquisition of apartment from the primary market -80%) is available . 		
Grant way	Cashless		
Loan application study fee	AMD 5000 which is subject to proportional reduction only in case of loan provision and repayment ahead of schedule.		
Pre-approval application study fee	AMD 10,000 which is subject to proportional reduction only in case of loan provision and early repayment of the loan.		

Loan arrangement is realized	By ARMECONOMBANK OJSC head office and branches with the exception of Silachi, Nairi MC, Rossia-1 and Araratyan branches. The loan is presented to the discussion of the competent body if the applicant (borrower/co-borrower) credited minimum 80% of the difference of assessed market value of the real estate to be acquired (if the acquisition value is less, then the acquisition value) and the difference of the loan amount to be provided to his/her 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.
Decision and provision 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, minimum by calculating the loan balance. 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 for 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. • 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 also signs or renews insurance certificates with SIL Insurance ICJSC on the insurance of the real estate to be acquired and for accidents of the Borrower/ Co-borrowers, otherwise 2% tariff will be defined), which is not subject to reduction in case of early repayment of the loan.
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 latter - AMD 20.000. Is not subject to reduction in case of early repayment of the loan.
Expenses related to the collateral arrangement	The borrower shall bear all collateral arrangement expenses (notarization, registration of the real estate in territorial subdivisions of Real Estate Cadastre) <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 collateral - AMD 27.000-75.000 Is not subject to reduction in case of early repayment of the loan.
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) in the Republic of Armenia should not exceed AMD 30mn for the primary market and AMD 25mn for the secondary market, and at the same time the estimated value should not exceed AMD 31mn and AMD 26mn 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 with 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 statement	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. Statement/s/ 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/ apartment to be acquired (copy of the document serving as a basis of provision of certificate, if necessary), 8. Statement claiming that the present apartment is not under barrage (the original and 1 copy) to be presented after the confirmation of the loan, 9. Passport copy of the vendor (proprietors), 10. 3rd form of the acquired apartment (from the Passport Division), 11. Statement from the cadastre information center about the applicant's and husband's (wife) real estate within RA territory 12. Other documents, if necessary

Attention: No fee should be charged at the time of signing the transfer deed.

*To get acquainted with the tariffs of the Bank, please visit the link - <https://www.aeb.am/en/sakagner/>

Attention. In case of a rejection or termination of refunding when providing refunded mortgage loans within the framework of this decision, the loan interest rate is defined 14% per year, except for the loans of energy-efficient renovation works of apartments and properties within RA, in case of which there is no interest change.

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

Attention. Early loan repayment is allowed for which no fines and penalties are applied.

At the customer's choice, the Bank

- reduces the size of monthly payments in proportion to early repaid 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 for 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 applicable 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 Informant" 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/hipotekayin-varker>

Attention!

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

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: https://www.aeb.am/uploads/varkayin_sakagneri_havelvac_eng.pdf

**MORTGAGE LOAN REFUNDED BY NATIONAL
MORTGAGE COMPANY (ACQUISITION)**

Loan type	Mortgage loan	
Loan purpose	Residential real estate acquisition <ul style="list-style-type: none"> In case of loans in AMD provided within the framework of cooperation with "National Mortgage Company" RCO CJSC 	
Loan amount	Loan/pledge ratio	Annual interest rate¹
AMD 1.000.000-AMD 35.000.000	Up to 70% inclusive	12.5%
	70-90% inclusive, except for the rural settlements of RA, the loan to pledge value of which is defined maximum 70%	12.75%
AMD 35.000.001- AMD 60.000.000	Up to 70% inclusive	15%
	70-90% inclusive, except for the rural settlements of RA, the loan to pledge value of which is defined maximum 70%	15.25%
Energy-efficient loans in the amount of AMD 3.000.001-AMD 45.000.000³	Up to 70% inclusive	12%
	70-90% inclusive, except for the rural settlements of RA, the loan to pledge value of which is defined maximum 70%	12.25%
Effective annual interest rate	15.46-19.76%	
Frequency of repayments	Monthly	
Loan redemption procedure	Monthly equally (annuitant) or non-equally /differential/	
Security	Real estate to be acquired (also other residential real estate if necessary which must be the property of the co-borrower's property)	
Prepayment	<p>In case of lending under program resources (AMD)- 30% 10%</p> <p>a) If another residential real estate is being pledged besides the collateral of the residential real estate to be purchased, moreover, the loan amount cannot exceed the 70% of the total market price of the pledged real estates, or b) There is an unpaid advance insurance for amount exceeding 70% of the loan/collateral ratio.</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 values 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 in case of acquired and other residential real estates, or a prepayment insurance in the amount exceeding 70% is available.
Grant way	Cashless
Loan application study fee	AMD 5000 <i>which is subject to proportional reduction only in case of loan provision and repayment ahead of time.</i>
Loan arrangement is carried out	By ARMECONOMBANK OJSC head office and branches, with the exception of Silachi, Nairi MC, Rossia-1 and Araratyan branches.
	<p>The loan is presented to the competent body for discussion if the applicant (borrower, co-borrower) 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.</p> <p>The credited amount is kept in the account until the competent body makes a decision on the loan provision or rejection.</p>
Decision and provision 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
	<ul style="list-style-type: none"> • Registered and living in the Republic of Armenia
	<ul style="list-style-type: none"> • Has a constant income source acceptable by the Bank
	<ul style="list-style-type: none"> • The borrowers'/ co-borrowers' age cannot exceed 65 years as of the set deadline of the loan to be granted • An exception may be made for those applications where, if the income of the borrower or co-borrower who is over 65 years old as of the loan repayment deadline is not taken into account, the sum of net income will be greater than or equal to the sum of payments for the obligations of the borrower and co-borrowers.
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.
	<ul style="list-style-type: none"> • Accident insurance of the Borrower and Co-borrowers is carried out 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.

	<ul style="list-style-type: none"> The annual insurance premium of the advance payment is calculated in the amount of 2% of the insurance premium (the tariff applies if insurance certificates will be signed with Sil Insurance ICJSC by the client on insurances from acquired real estate and on accident insurance of the borrower/co-borrower, otherwise the tariff is set at 2.7%). Is not subject to reduction in case of early repayment of the loan.
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 latter (AMD 20.000).
	Is not subject to reduction in case of early repayment of the loan.
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
	Notary fee - AMD 15.000-25.000
	<ul style="list-style-type: none"> joint reference (on restrictions against real estate) - AMD 10.000
	<ul style="list-style-type: none"> Certificate on the registration of right to real estate- AMD 27.000-75.000
	Is not subject to reduction in case of early repayment of the loan.
Withdrawal fee	In case of encashment of the loan amount, a withdrawal 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).
Real estate to be acquired	Residential real estate (apartment, residential house located in the territory of RA)
Positive decision grounds	<ul style="list-style-type: none"> Positive loan history (if any)
	<ul style="list-style-type: none"> Credibility of the presented documents
	<ul style="list-style-type: none"> Stable source of income
	<ul style="list-style-type: none"> Sufficient collateral available
Negative decision grounds	<ul style="list-style-type: none"> Negative assessment of customers' financial state
	<ul style="list-style-type: none"> Non-credibility of the presented documents
	<ul style="list-style-type: none"> Negative credit history of the customer
	<ul style="list-style-type: none"> Other reasons that will hamper the loan repayments according to the Bank assessment.
Provision of statement	Free of charge
Documents to be presented by individuals	1. Passport copies, as well as those of the family members
	2. Marriage certificate copy (if any) 3. Statement from the workplace (if necessary, information about the paid net salary, income tax, 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), to be presented after loan confirmation
	7. Passport copy of the vendor (proprietors),
	8. 3 rd form of the acquired apartment /from the Passport Division/
	9. Other documents, if necessary.

*To get acquainted with the bank's tariffs, please visit the link- <https://www.aeb.am/en/sakagner/>

1. These interest rates apply to residential real estate and purchase right loans.

2. Energy efficiency of loans is determined by:

- Filling in the pre-estimate (the tool for evaluating energy efficiency) posted on the website of National Mortgage Company RCO CJSC (nmc.am) in case of renovation and construction loans,
- The list of energy- efficient buildings available in the website of National Mortgage Company RCO CJSC (nmc.am) for loans for the purchase of real estate from multi-apartment buildings.

Attention. In case of a rejection or termination of refunding when providing mortgage loans within the framework of this decision, the loan interest rate is defined 14% per year, except for the loans from the state support program for energy-efficient renovation of apartments and individual residential houses in the territory of RA, in which case the interest rate does not change.

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

Attention. Early repayment of the loan is allowed for which no fines and penalties are applied.

At the customer's choice the Bank

- reduces the size of monthly payments in proportion of early repaid amount leaving the loan repayment date unchanged or
- 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 30 days.

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.

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

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

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

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/uploads/varkayin_sakagneri_havelvac_eng.pdf

**MORTGAGE LOAN REFUNDED BY NATIONAL MORTGAGE
HOUSING TO YOUNG FAMILIES HOUSING TO YOUNG F COMPANY (RENOVATION,
CONSTRUCTION)**

Loan type	Mortgage loan	
Loan purpose	<ul style="list-style-type: none"> Residential real estate renovation or construction <p>In case of AMD loans provided within the framework of “National Mortgage Company RCO CJSC</p>	
Loan sum	In case of loans provided with the aim of construction of residential houses, the maximum amount of loan should not exceed the 80% of the pre-estimate amount for the construction works presented.	
Loan amount	Loan/ pledge ratio	Annual interest rate*
AMD 1.000.000-AMD 35.000.000	Up to 70% inclusive	12.75%
In the amount of AMD 35.000.001-AMD 60.000.000	Up to 70% inclusive	15.25%
Energy-efficient loans in the amount of AMD 3.000.001-AMD 45.000.000 ¹	Up to 70% inclusive	12.25%
Annual actual interest rate	15.63-19.39%	
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 a residential real estate maximum 70% of the liquidation value of the pledged real estate <p>In stages Cashless</p> <ul style="list-style-type: none"> In case of loans granted for renovation of a residential real estate, maximum 40 calendar days are defined for the use of the amount of each stage. In case of loans granted for the construction of residential real estate maximum 150 calendar days are defined for the use of the amount of each stage. 	
Grant way	Cashless	
Loan application study fee	AMD 5000 which is subject to proportional reduction only in case of loan provision and early repayment of the loan.	
Pre-approval application study fee	AMD 10,000 which is subject to proportional reduction only in case of loan provision and early repayment of the loan.	
Loan arrangement is realized	<p>By ARMECONOMBANK OJSC head office and branches, with the exception Silachi, Nairi MC, Rossia-1 and Araratyan branches.</p> <p>The loan is presented to the competent body for discussion if the applicant (borrower/co-borrower) credited minimum 80% of the difference of the amount of assessed market value of the real estate (if the acquisition value is less, then the acquisition value) to be acquired and the loan amount to be provided to the account opened with ARMECONOMBANK OJSC.</p> <p>The credited amount is kept in the account until the competent body makes a decision on the loan provision or rejection.</p>	
Decision and provision 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 borrower's /co-borrower/s/ age cannot exceed 65 years as of the set 	

	<p>deadline of the loan to be granted</p> <p>An exception may be made for those applications where, if the total net income of the borrower or co-borrower who is over 65 years old as of the loan repayment deadline is not taken into account, the sum of net income will be greater than or equal to the sum of payments on considered obligations of the borrower and co-borrowers.</p>
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 by calculating the loan balance. 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 in the amount of the loan balance. The tariffs vary from 0.16% to 0.18% of the loan balance. • The annual insurance premium of the advance payment is calculated in the amount of 2% of the insurance premium (the tariff applies if insurance certificates will be signed or renewed with Sil Insurance ICJSC by the client on insurances from acquired real estate and on accident insurance of the borrower/co-borrower, otherwise the tariff is set at 2.7%). <p><i>Is not subject to reduction in case of early repayment of the loan.</i></p>
Real estate appraisal	<p>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).</p> <p><i>Is not subject to reduction in case of early repayment of the loan.</i></p>
Collateral arrangement expenses	<p>All the expenses related to collateral arrangement (notarization, registration of the real estate in territorial subdivisions of the Real Estate Cadastre) shall be borne by the borrower.</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 to real estate- AMD 27.000-75.000 <p><i>Is not subject to reduction in case of early repayment of the loan.</i></p>
Withdrawal fee	<p>In case of withdrawal of the loan amount, a withdrawal fee is charged per the tariffs set by the Bank*.</p>
Penalties	<p>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).</p>
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 statement	<p>Free of charge</p>
Documents to be presented by individuals	<ol style="list-style-type: none"> 1. Passport copies, as well as those of the family members (2 copies) 2. Marriage certificate copy (if any) 3. Statement from the residence 4. Statement from the workplace (if necessary, information about the net salary, income, size of social payments paid during the last 12 months, and copies of work books) 5. Document containing public services number 6. Copy of property certificate (of the acquired apartment) if necessary, copy of the document serving as a basis for certificate provision 7. Estimate of renovation (construction) expenses (expenses per articles) 8. 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. Other documents, if necessary
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Attention: No fee should be charged at the time of signing the transfer deed.

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1. Energy efficiency of loans is determined by:

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- The list of energy- efficient buildings available in the website of National Mortgage Company RCO CJSC (nmc.am) for loans for the purchase of real estate from multi-apartment buildings.

Attention. In case of a rejection or termination of refunding when providing refunded mortgage loans within the framework of this decision, the loan interest rate is defined 14% per year, except for the loans from the state support program for energy-efficient renovation of apartments and individual residential houses in the territory of RA, in which case the interest rate does not change.

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 fines 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 monthly 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.

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AFFORDABLE HOUSING TO SERVICEMEN

Loan type	Mortgage loan granted for the acquisition of a real estate within the framework of "Affordable housing for a serviceman" national target program
Loan purpose	Exclusively for the purpose of acquiring real estate/purchase rights from the primary market in the RA territory
Loan currency	AMD
Loan amount	1.000.000-25.650.000
Annual interest rate	11%
Annual actual interest rate	6.59-8.14%
State-subsidized interest	5%**
Loan term	120-240
Frequency of redemptions	Monthly
Loan redemption procedure	Monthly, equally (annuitant)
Requirements to property	The basis for the loan/collateral ratio is the minimum of the acquisition and appraisal values of the residential real estate.
Loan/pledge maximum ratio	90%
Grant way	Lump sum, cashless
Loan application study fee	0
Loan arrangement is realized	By ARMECONOMBANK OJSC Head Office and branches. Except for Silachi , Nairi MC, Rosia-1 and Araratyan branches.
Period of decision and provision	Up to 20 working days (in case of a collateral is provided within 5 business days following the receipt of collateral registration right)
Expenses related to the collateral arrangement	The borrower shall bear all collateral arrangement expenses (notarization, registration of the real estate in territorial subdivisions of Cadastre Committee)
	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
	Is not subject to reduction in case of early repayment of the loan.
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, and 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).

Positive decision grounds	Positive credit history (if any)
	Credibility of the presented documents
	Stable source of income
	Availability of acceptable collateral
	Conformity with "Affordable housing to serviceman" state purpose project criterion.
Negative decision grounds	Negative assessment of customers financial state
	Non-credibility of the presented documents
	Inadequacy of the "Affordable housing to a serviceman" state purpose project criterion.
	• Customer's negative loan history
	Other reasons that will hamper the loan repayment according to the Bank assessment.
Provision of statement	Free of charge
Documents presented by individuals	1. Passport copies /of family members/
	2. Copies of Borrower's and husband's(wife) birth certificates
	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. A Reference claiming that the present apartment is not under barrage (the original and 1 copy) to be presented after the confirmation of the loan.
	9. Passport copy of the vendor (proprietors)
	10. 3rd form of the apartment to be acquired /from the Passport Division/
	11 . Other documents if necessary

1. There is no mandatory requirement for the borrower to be married.
2. "Affordable housing for servicemen" mortgage loans do not apply to the following provisions approved by "Housing for youth" RCO CJSC:
 - The sum of the total monthly income of the borrower and possible co-borrowers exceeds AMD 800.000,
 - There is no age limit,
 - One of the spouses owns other residential real estate /apartment, house/, except if the area of the given apartment/house is less than 18.0 square meters per person,
 - The spouses do not plan to live permanently in the acquired apartment or house /plan to rent before residing, live not all year round use it as a summer house and etc/.
 - There are no restrictions on the maximum values of the real estate appraisal and acquisition.
 - There is no unpaid down payment insurance claim.

* To get acquainted with the current tariffs at the bank please visit : <https://www.aeb.am/en/sakagner/>

**The borrower/co-borrower can benefit from the income tax refund law to the extent of the difference between the loan interest rate and the subsidized amount.

Attention. The real estate to be pledged, the borrower and the co-borrower are subject to insurance.

Attention. In case of acquiring a real estate right/purchase right from the primary market, there is state support for the down payment in the amount of AMD 2.500.000, regardless of the price of the apartment.

Attention. In case of acquisition of an apartment or a residential house under construction, the transferred credit funds are frozen in the amount of 100% to the special account of the constructor until the registration of ownership rights to the real estate to be acquired, after which the real estate becomes a pledge.

Attention. Within the framework of the given loan type in case of a refusal of refinancing or termination of refinancing when providing refinanced mortgage loans, the interest rate of the loan is defined 14% annually, except for the loans from the state support program for energy-efficient renovation of apartments and individual residential houses in the territory of RA, in which case the interest rate does not change.

Attention. A Co-borrower can be one or several of the 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. Interests are 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 Informant" 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/hipotekayin-varker>

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

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: https://www.aeb.am/uploads/varkayin_sakagneri_havelvac_eng.pdf

MORTGAGE LOANS PROVIDED WITHIN OWN RESOURCES OF
THE BANK

		at fixed interest rate			at fixed adjustable interest rate***			
		AMD	USD	EUR	AMD		USD	EUR
Primary market (with the availability of documents certifying the income of the borrower)	Loan/pledge*	90	70	70	Up to 70% inclusive	70-90% inclusive	70	70
	Annual interest rate (%)	14.5	12	11	13	13.5	10.5	10
	Loan term (month)	120	120	120	120-240	120-240	120-240	120-240
	Loan amount	1.000.000-100.000.000	2.000-250.000	2.000-250.000	1.000.000-100.000.000	1.000.000-100.000.000	2.000-250.000	2.000-250.000
Loans for real estate renovation, construction and acquisition of real estate from the secondary market (with the availability of documents certifying the borrower's income)	Loan/pledge*	90	70	70	Up to 70% inclusive	70-90% inclusive**	70	70
	Annual interest rate (%)	14.5	12	11	13	13.5	10.5	10
	Loan term (month)	120	120	120	120-240	120-240	120-240	120-240
	Loan amount	1.000.000-100.000.000	2.000-250.000	2.000-250.000	1.000.000-100.000.000	1.000.000-100.000.000	2.000-250.000	2.000-250.000
Primary and secondary market (with the absence of documents certifying the borrower's income)¹	Loan/pledge*	50		50	50		50	50
	Annual interest rate (%)	17		13	15		12	11
	Loan term (month)	120	120	120		120-240	120-240	
	Loan amount	1-25mn	2.000-100.000	1-25mn		2.000-100.000	2.000-100.000	

*The market price of additional property and the minimum of the values of the market price of the property to be acquired or the the minimum of the acquisition values and the market price of additional property/if available/ should be taken as a basis of the value of collateral

** If the loan/collateral ratio exceeds 70%, additional property pledge or unpaid down payment insurance in the amount exceeding 70% is required.

*** The interest rate remains unchanged for the first 36 months. 36 months later the interest rate is changed in accordance with the below-mentioned calculation:

$$R_a = R_f + R_v$$

where R^a is the Fixed Adjustable Interest Rate,
 R_f – Fixed component
 R_v – Variable component

Attention: No fee should be charged at the time of signing the transfer deed.

1. **The loan is submitted for consideration by the competent authority** if the applicant (borrower/co-borrower) has credited at least 95% of the difference between the estimated market value of the real estate to be purchased (if the purchase price is less, then the purchase price) and the intended loan amount to the account opened with ARMECONOMBANK OJSC. The credited amount is kept in the account until the competent authority makes a decision on granting or rejecting the loan.

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
"ESTATE" LLC	49 Tigran Mets avenue, Yerevan	041-77-41-00
RA CCI "ARMEPERTIZA" 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,
RVM consult LLC	Nalbandyan St., 48/1 Building, 2nd Floor, Yerevan, RA	(010) 54 64 90, (098) 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 Hanrapetutyán 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 contracts, agreements, cooperation, membership signed by financial institutions, which may have a direct impact on the consumers (e.g. Foreign account tax compliance act (FATCA)).

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 guaranty of another person / persons.

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. BAD CREDIT HISTORY MAY PREVENT YOU^a FROM RECEIVING THE LOAN IN THE FUTURE.

Attention. LOAN INTEREST RATES ARE CALCULATED BASED ON NOMINAL INTEREST RATE. THE ANNUAL INTEREST RATE SHOWS HOW MUCH THE LOAN AND OTHER PAYMENTS WILL COST FOR YOU WITHIN A LIMITED PERIOD. YOU CAN GET ACQUAINTED WITH THE ANNUAL ACTUAL INTEREST CALCULATION PROCEDURE THIS LINK: <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), IS 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)/CO-BORROWER(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 interest 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. The Bank applies no limits to loan amount; it will be conditioned by and related to:

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

8. 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 brought to the bank;
- Volume of transfers;
- Size of deposits with the Bank;
- Being a significant borrower;
- Social considerations (educational institutions, medical organizations etc.);
- Being the head of such organization;
- Other objective conditions.

9. The borrower pays interest to the bank for using the loan amount. The interest is calculated on the loan balance for the actually used calendar days 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.

10. Repayment of Loans

- Loans are repaid within the dates indicated in Loan Agreement.
- Loans are repaid in the currency in which they were given.

11. 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.
- It turns out that any presentation, warranty, document, or information submitted by the borrower 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.

12. The Bank may accept as collateral:

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

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

- Non-circulating assets;
- Separate parts of indivisible property
- Leasing right
- Property already pledged under another contract to urban, rural, and local communities;

14. The appraisal value of pledged real estate is based on market value indicated in appraisal statement.

15. 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 penalties 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, 21.5% annual interest rate is applied to the balance of non-overdue loan (term loan). The interest rate specified in the Credit Agreement is recovered to the term loan from the day after the overdue amounts and the penalties calculated for them are paid in full.
1. To settle the claims 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 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 without seeking court intervention.
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 by the contract. 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 in full, 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.
7. You can get acquainted with the tariffs on each service by following the link: <https://www.aeb.am/en/sakagner/>
8. You can get acquainted with the remote services, terms and conditions by visiting the link: https://www.aeb.am/en/mobile_banking/