

**Retail Lending Terms and Conditions**
**8. Financing Limit Secured by Real Estate (Equity Loan)**

Purpose	Purpose	Getting loans, lines of credits and/or overdrafts within the limit secured by real estate, without creditworthiness assessment
Client's personal details	Eligible age	In accordance with the conditions of the loan to be issued under the limit
	Residency	Citizens of Armenia and other countries who are resident in Armenia
Conditions	Currency	Armenian drams, US dollars, Euros
	Minimum and maximum limit	<b>If the borrower's creditworthiness is not assessed:</b> AMD 20,000,000 or its equivalent in another currency <b>If the borrower's creditworthiness is assessed:</b> AMD 50,000,000 or its equivalent in another currency
	Limit validity period	The limit will be effective for 12 months after approval. The limit will be automatically renewed/reissued for another term of 12 months (w/o further re-approval) if the LTV ratio requirement estimated on the basis of the credit history and property appraisal has been met.
	Maximum term set for the loan facility to be issued under the limit	60 months or such shorter term as may be set for the loan facility to be issued under the limit
	Annual interest rate	<b>If the borrower's creditworthiness is not assessed:</b> interest rate applicable to the loan facility to be issued under the limit +1% <b>If the borrower's creditworthiness is assessed:</b> interest rate applicable to the loan facility to be issued under the limit <b>If the borrower's creditworthiness is assessed:</b> if the LTV ratio is above 60% for the property located in Yerevan and above 50% for the property outside Yerevan, the applicable interest rate is +0.5%.
Repayment form	Loan repayment form	In accordance with the conditions of the loan to be issued under the limit
Security	Eligible security	An apartment owned by the borrower or the latter's family member which should be satisfactory to the Bank
	LTV (loan to value) ratio	<b>If the borrower's creditworthiness is not assessed:</b> <ul style="list-style-type: none"> <li>• 30% of the property's liquidation value if such property is in Yerevan</li> <li>• 20% of the property's liquidation value if such property is located in other regions of Armenia satisfactory to the Bank</li> </ul> <b>If the borrower's creditworthiness is assessed:</b> <ul style="list-style-type: none"> <li>• 70% of the property's liquidation value if such property is in Yerevan</li> <li>• 60% of the property's liquidation value if such property is located in other regions of Armenia satisfactory to the Bank</li> </ul>
	Location of the real estate to be pledged	Capital cities and regional centers in Armenia and Nagorno Karabakh, as well as Abovyan, Etchmiadzin, Jrvezh, Arinj, Dzoraghbyur, Tsaghkadzor, Dilijan and Qajaran
	Collateral appraisal	The pledged real estate shall be appraised by a company cooperating with the Bank.
	Additional security	The Bank may request warranty by individuals and/or companies as additional security.
Insurance of pledged property	Insurance of pledged property	The insurance of real estate is maintained annually throughout the term of the limit: 1. By the client to the extent of the limit 2. By the Bank to the extent of the limit (in which case the applicable interest rate will be +0.2% to the effective rate)
	Reappraisal of property to be pledged	Once per 12 months during the validity period of the limit (for re-issuance of non-utilized limit in whole or in part) If a revolving line of credit/overdraft has been issued under the limit, the property will be subject to re-appraisal once in 3 years unless the LTV ratio does not exceed 15%.

Credit history	Satisfactory credit history	Total number of past due days during the previous 2 years should not exceed 30, where the number of successive past due days on a case by case basis should not exceed 10. The number of past due days on guarantees being past due at the moment of application will be also included in calculation of the total number of past due days.
Loan service fees****	Modification of the loan terms	AMD 15,000
	Change of pledged property (for real estate; including change of the owner of the pledged property)	AMD 10,000
	Change of pledged property (for vehicles; including change of the owner of the pledged property)	AMD 5,000
	Provision of pledge-related consents, permissions and references	AMD 5,000 (VAT included)
	Change of the loan repayment date	AMD 5,000
Required documents	Required documents	<b>Documents to be filed at application</b>
		• <i>Application form</i>
		• <i>ID [original]</i>
		• <i>Certificate of ownership of the real estate to be pledged [copy]</i>
		<b>Documents required after initial approval</b>
		• <i>Proof of employment and/or other income (in case the creditworthiness is assessed)</i>
		• <i>Marriage (divorce, spouse death), birth certificate [original]</i>
		• <i>Certificate of title to the real estate to be pledged [original]</i>
		• <i>Geodetic measurement of the land plot</i>
		• <i>Initial real estate appraisal report</i>
		<b>Documents required after loan approval</b>
		• <i>Copies of bases of title to real estate (to be submitted upon request)</i>
		• <i>Copy of the marriage (divorce, spouse death) certificate of the owners of the property to be pledged</i>
		• <i>Statement from the State Committee of the Real Estate Cadastre on encumbrance of the real estate (unified statement)</i>
		• <i>Real estate appraisal report (final)</i>
• <i>Real estate insurance agreement</i>		
• <i>Other documents as the Bank's specialist may request</i>		
Other fees	Other fees payable by the client	• <i>Fee for the joint statement from the State Committee of the Real Estate Cadaster adjunct to the RA Government</i> • <i>Fee for notarization and state registration of the bank's security under the real estate pledge agreement</i>

\*\*\*\*The fee is charged if the modification is requested by the client. If several fees should be charged for one and the same modification, the higher of the applicable fees will be charged only once. Such fees are not applicable in case of loans secured by pledge of cash, bonds and metal accounts. If the modification implies adding new pledge or a new guarantor, the fee is not charged.