1.2. Loan for purchase of residential real estate from secondary market

Purpose	Purpose	(i) Purchase of residential property for residential, lease or investment purposes, or (ii) transfer of a loan for purchase of property for residential, lease or investment purposes from another bank/credit organization to Ameriabank CJSC				
	For loans under National Mortgage Company cooperation program	Purchase of residential property for residential purposes				
Client's personal details	Eligible age of client/co-borrower/guarantor	18-65 years old, provided that the borrower's age at the time of expiry of loan agreement will not have exceeded 65, otherwise a co-borrower or guarantor is required. The eligible age of co-borrower or guarantor is 18-65 provided that at the time of expiry of agreement it will not have exceeded 65. If involvement of a co-borrower or guarantor is a required condition under loan terms (except where co-borrowers or guarantors possess at least 70% of income included in OTI calculation), the eligible age is 18-65 provided that at the time of expiry of agreement it will not have exceeded 65.				
	Residency	Citizens and non-citizens of Armenia who are resident in Armenia				
	For loans under National Mortgage Company cooperation program	Citizens of Armenia who are resident in Armenia				
Terms of loan	Currency	AMD	USD		EUR	
	For loans under National Mortgage Company cooperation program	AMD				
	Minimum and maximum loan limit	AMD 3,000,000 - AMD 150,000,000	USD 5,000 - USD 300,000		EUR 5,000 - EUR 300,000	
	For loans under National Mortgage Company cooperation program	AMD 1,000,000 - AMD 25,000,000				
	For loans under National Mortgage Company cooperation program	120				
	Term (months)	36-60				
	Standard annual interest rate[1]	Fixed	Fixed		Fixed	
		13.0%	10.0%		8%	
	Annual percentage rate	Fixed	Fixed		Fixed	
		11.8%-14.22%	9.52%-12.59%		7.96%-10.42%	
	Term (months)	61-120				
	Standard annual interest rate[1]	Adjustable (rate can be changed starting from the 37th month)	Adjustable (rate can be changed starting from the 37th month)	Fixed	Adjustable (rate can be changed starting from the 37th month)	Fixed
		Fixed component 4.75% + variable component (base rate)	Fixed component 7.75% + variable component (base rate)	10.25%	Fixed component 6.75% + variable component (base rate)	8.25%
	Annual percentage rate	Adjustable (rate can be changed starting from the 37th month)	Adjustable (rate can be changed starting from the 37th month)	Fixed	Adjustable (rate can be changed starting from the 37th month)	Fixed
		11.95%-13.3%	10.85%-12.52%	9.26%-10.88%	9.2%-10.56%	8.12%-9.55%
	Term (months)	121-240				
	Standard annual interest rate[1]	Adjustable (rate can be changed starting from the 37th month)	Adjustable (rate can be changed starting from the 37th month)		Adjustable (rate can be changed starting from the 37th month)	
		Fixed component 5.0% + variable component (base rate)	Fixed component 8.0% + variable component (base rate)		Fixed component 7.0% + variable component (base rate)	
	Annual percentage rate	Adjustable (rate can be changed starting from the 37th month)	Adjustable (rate can be changed starting from the 37th month)		Adjustable (rate can be changed starting from the 37th month)	
		12.17%-13.02%	9.97%-10.55%		8.34%-9.11%	

	Other terms related to interest rate	If repayment schedule is differentiated or mixed, the applicable interest rate is increased by 0.5%.
		If loan-to-value ratio differs from approved standard, the applicable interest rate is increased by 0.5%.
		Depending on credit history, the applicable interest rate can be increased by 0.5%.
		If the client prefers a lending scheme without early repayment fee, the applicable interest rate is increased by 0.5% (not applicable to loans secured by cash or bonds).
		Where insurance is obtained by client, the interest rate is decreased by 0.05%.
	For loans under National Mortgage Company cooperation program	12% fixed. The bank is entitled to review annual interest rate once in 3 years and change it in line with changes of refinancing rate of National Mortgage Company UCO CJSC.
	Loan disbursement upfront fee	0.5% of the loan principal or AMD 50,000, whichever is greater
	Cashing of loan amount by the borrower or seller	Free
	Minimum advance payment	At least 5% of appraised market value of property
	For loans under National Mortgage Company cooperation program	At least 10% of the lower of the two: appraised market value of property or purchase price of property
Forms of loan repayment	Repayment	Annuity (equal monthly installments consisting of a portion of loan and a portion of interest)
		Differentiated (monthly repayment of equal portions of principal amount while interest accrues to outstanding loan and decreases each month)
		Mixed (client may choose an individual repayment schedule based on seasonality of cash flows, provided that at least 5% of contractual loan amount is repaid each year; interest payable on monthly basis)
	For loans under National Mortgage Company cooperation program	Annuity (equal monthly installments consisting of a portion of loan and a portion of interest)
		Differentiated (monthly repayment of equal portions of principal amount while interest accrues to outstanding loan and decreases each month)
Security	Eligible security	1. The loan is secured by the property being purchased. The bank may consider as additional security pledge of other real estate to the reasonable satisfaction of the bank, as well as cash in Ameriabank or bonds issued by Ameriabank. 2. If the borrower wishes to purchase property under construction without registered certificate of title, the loan will be secured by other Armenia-based real estate to the reasonable satisfaction of the bank. 3. If the borrower wishes to purchase property abroad, the loan will be secured by Armenia-based real estate to the reasonable satisfaction of the bank.
	For loans under National Mortgage Company cooperation program	1. The loan is secured by the property being purchased. The bank may consider as additional security pledge of other residential real estate to the reasonable satisfaction of the bank. 2. If the borrower takes a loan to build a house, along with pledging the land under the new house the borrower will be required to pledge other existing residential property. 3. Loans for purchase of residential property (apartment in residential building) under construction are secured by pledge of residential property under construction or other existing residential property.
	Loan-to-value (LTV) ratio	Maximum loan amount is 100%[1] of the lower of the two: appraised liquidation value or purchase price of pledged property; or 100% of pledged cash in Ameriabank or bonds issued by Ameriabank.
	For loans under National Mortgage Company cooperation program	Maximum loan amount is 80% of liquidation value of pledged property, if in Yerevan, or 70% if outside Yerevan.
	Location of real estate to be pledged	Capital cities and regional centers of Armenia and Artsakh, as well as the towns of Abovyan, Etchmiadzin, Jrvezh, Arinj, Dzoraghbyur, Tsaghkadzor, Dilijan, Qajaran and Jermuk
	For loans under National Mortgage Company cooperation program	Yerevan and regional centers of Armenia, as well as the towns of Abovyan, Etchmiadzin, Jrvezh, Arinj, Dzoraghbyur, Tsaghkadzor, Dilijan, Qajaran and Jermuk
	Appraisal of pledge	Pledged property to be appraised by an appraising partner of the bank.
	Additional security	The bank may request guarantee of individuals and/or companies as additional security.
Insurance of pledged property	Insurance of pledged property	Insurance for pledged real estate to be obtained on an annual basis throughout loan term: - By the bank to the extent of outstanding loan - By the client at least to the extent of outstanding loan
	For loans under National Mortgage Company cooperation program	Insurance for pledged real estate to be obtained by borrower on an annual basis throughout loan term to the extent of appraised market value of property.
		Accident-induced death insurance to be obtained by the borrower at least to the extent of outstanding loan. Where there are co-borrowers, insurance is distributed proportionally to the share of the borrower and co-borrowers in the loan.

Required documents	Required documents	**Required documents filed together with loan application**
		• Loan application
		• ID [original]
		• Certificate of ownership of property to be purchased/pledged [copy]
		Documents required after initial approval
		• Proof of employment and/or other income
		• Marriage (divorce, spouse death), birth certificate [original]
		• Certificate of title to real estate to be pledged [original]
		• Geodetic measurement report of land plot to be pledged**
		• Initial real estate appraisal report
		Documents required after loan approval
		• Copies of bases of title to real estate (to be submitted upon request)
		• IDs of owners of property to be purchased/pledged [originals]
		• Copies of marriage (divorce, spouse death) certificates of owners of property to be pledged
		• Statement from the State Committee of Real Estate Cadaster on encumbrance of real estate (unified statement)
		• Real estate appraisal report (final)
		• Other documents as the bank's specialist may request
	Early repayment fee	At any time during a contractual year the borrower can make an early repayment to the extent of outstanding principal amount of loan for that contractual year. A contractual year is each period of 12 months following the date of execution of credit agreement. Where the amount of early repayment exceeds the specified limit, the following fees are charged: • Max 0.6% of early repayment, if made during the first year of agreement • Max 0.4% of early repayment, if made during the second year of agreement • Max 0.2% of early repayment, if made during the third year of agreement
	Late payment fines and penalties	The interest rate specified in the loan agreement shall continue to be applied to overdue loans. Fine in the amount of 0.13 % of overdue loan/interest for each day beyond terms
Other fees	Other fees payable by client	• Fee for unified statement from the State Committee of Real Estate Cadaster of the Government of the Republic of Armenia • Fees for notarization of pledge (real estate) and filing of the bank's security interest under pledge agreement

1. Depending on the creditworthiness of the borrower, term of loan and LTV ratio, a higher or lower interest rate can be applied in accordance with the annex forming an integral part of these terms.