

The terms mentioned in the bulletin may have been amended.

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If you are looking through the bulletin in a paper form, please visit the Bank's website at idbank.am for detailed information (paying attention to the action date of the bulletin), apply to any branch of the Bank or contact the Bank's Call center: 010 593333 or 060 273333.

Information bulletin of a mortgage loan provided within the framework of the state support program for housing affordability for families from certain regions of the Republic of Artsakh			
1.	General terms and conditions		
1.1	Program	HY	NMC
1.2	Purpose	<i>Acquisition of residential real estate in RA within the framework of the state support program for providing housing affordability for displaced families from certain regions of the Republic of Artsakh</i>	
1.3	Loan currency	Armenian dram	
1.4	Minimum term of the loan	Not specified	
1.5	Maximum loan amount	22,500,000	Up to 35,000,000 ¹
1.6	Maximum loan amount fully subsidized by the state	8,000,000 AMD To purchase residential real estate in Yerevan with a mortgage loan	
		10,000,000 AMD To purchase residential real estate in RA regions with a mortgage loan	
		12,000,000 AMD To purchase residential real estate in a separate rural RA regions with a mortgage loan	

¹ For purchase of energy-efficient real estate the maximum loan amount is 45 000 000 AMD

		14,000,000 AMD To purchase residential real estate in RA border districts with a mortgage loan	
1.7	Maturity	120 months	
1.8	Annual nominal interest rate	Fixed interest rate for the entire period	
		10%	10%-13% ²
1.9	Effective annual interest rate³	10.53%-10.66%	10.53%-14.01%
1.10	Minimum prepayment	10% To purchase residential real estate with a mortgage loan in Yerevan city	
		2.5% To purchase residential real estate with a mortgage loan in RA regions	
		1% To purchase residential real estate with a mortgage loan in RA border districts or if the beneficiary of the program has at least 4 minor children or all family members included in the certificate are over 65 years old	
1.11	Security (collateral)⁴	Real estate to be purchased ⁵	
1.12	Maximum credit/collateral ratio	90% – in Yerevan 97.5% – in RA regions 99% – in RA border districts or if the beneficiary of the program has at least 4 minor children or all family members included in the certificate are over 65 years old	
1.13	Loan disbursement method	lump sum cashless through current account	

² For the purchase of residential real estate with a mortgage loan in Yerevan and regions of the RA - 10%, for the purchase of residential real estate with a mortgage loan in the separate rurale regions of the RA - 12%, for the purchase of residential real estate with a mortgage loan in the border areas of the RA - 13%

³ **LOAN INTEREST AMOUNTS ARE CALCULATED BASED ON THE NOMINAL INTEREST RATE. LOAN INTEREST AMOUNT IS CALCULATED TOWARDS THE ACTUAL LOAN BALANCE, AND THE EFFECTIVE ANNUAL INTEREST RATE INDICATES HOW MUCH THE LOAN WOULD COST THE CLIENT GIVEN ALL THE INTEREST AND OTHER PAYMENTS ARE MADE IN DEFINED TERMS AND AMOUNTS.**

The calculation of the effective interest rate is based also on refinancing terms.

⁴ other properties may be required depending on the customer's creditworthiness

⁵ There are no restrictions on the valuation and purchase values of real estate to be purchased. Real estate acquired after September 27, 2020 must not be owned by any member of the beneficiary family, including in the form of shared ownership

1.14	Loan and interest repayment method	Annuity: equal monthly repayments of the sum of the loan principal and interest amounts
1.15	Loan application processing fee	Not specified
1.16	One-time loan disbursement fee	Not specified
1.17	Opening a bank account	According to the tariffs applicable by the Bank
1.18	Fees for registration of collateral	Borne by the client
1.19	Insurance	is carried out by the Bank in the amount of the remaining amount of the loan, which does not include the amount subsidized by the state
1.20	Creditworthiness assessment	OTI-45% ⁶
1.21	Commission for cashing out loan amount and prepayment	Not specified
1.22	Pledger	<ul style="list-style-type: none"> • the borrower and/or co-borrower for the real estate to be purchased, • any individual or legal entity for other immovable property (other collateral)
1.23	Borrower/co-borrower	Beneficiary of the state support program for housing affordability for families displaced from individual regions of the Republic of Artsakh or any adult member of the latter's family. ⁷
1.24	Other terms and conditions	<p>The following limitations of the "Affordable housing for young families" program do not apply to the amount of support provided by the state:</p> <ul style="list-style-type: none"> • The sum of the ages of spouses exceeds 70, or a young single parent with a child whose age exceeds 35 (inclusive) • The total monthly net income of the borrower and co-borrower exceeds AMD 800,000 • Either spouse owns other residential real estate • Spouses are not going to move in the apartment or house to be purchased for permanent residence • The total number of days in arrears of the borrower and co-borrower for all active and repaid loans over the last 12 months exceeds 30 calendar days

⁶ Applicable, provided that the amount of the loan and/or the interest amount of the loan exceeds the amount of support/subsidy/ provided by the state

⁷ Father, mother, spouse, spouse's parents, grandmother, grandfather, sister, brother, children, sibling's husband and children are considered family members. Within the framework of the program, the members of the family defined by this point can be members of the same or different beneficiary families. However, the same family member can be a member of only one beneficiary family:

1.25	<i>The relationship between the borrower/co-borrower and the real estate seller</i>	Real estate cannot be purchased from an individual who is a member of the borrower's/co-borrower's family, namely the borrower's/co-borrower's father, mother, spouse, spouse's parent, grandmother, grandfather, sister, brother, child, sibling's spouse and child
1.26	<i>Requirements for the credit history of the borrower/co-borrower</i>	<p>1. No credit history</p> <p>2. no overdue and existing classified obligations to the financial and banking system (on loan, credit line, overdraft, guarantee provided, etc.) as of the date of submission of the loan application</p> <p>3. the total of not more than 30 days overdue on loan principal and/or interest repayments for loans (credit line, overdraft, provided guarantee, etc.) received during the 12 months preceding the date of submission of the loan application⁸</p> <p>4. The customer must not be included in the list of unwanted customers of the Bank⁹</p>
1.27	<i>Other conditions</i>	according to the informational summary of "Mortgage Loans for the purchase of Real Estate".

⁸ Shall be applicable if the amount of the loan and/or the interest amount of the loan exceeds the amount of support/subsidy/ provided by the state

⁹ The legal relations regarding the bank's classification as an unwanted customer are regulated by the procedure "On setting the criteria for classifying a customer as unwanted by the bank and managing relations with them" - https://idbank.am/information/helpfull-information/Classification_procedure.pdf

1. Within the framework of the state support provided to families displaced from Artsakh, the client first submits an application to the Unified Social Service and in case of a positive decision on being a beneficiary of the program, receives a corresponding Certificate, which is necessary to submit when applying for a mortgage loan.
2. Family members can combine Certificates (maximum of 3 Certificates) in order to purchase a joint residential real estate, in which case the amount of support is determined according to the number of combined Certificates.
3. Support from the state is provided for the purchase of residential real estate with a mortgage loan and is directed exclusively to the repayment of monthly payments of the mortgage loan, principal and interest, within the support amount. The state also reimburses the customer for the expenses incurred by the latter for the registration of the ownership right.
4. Support for the purchase of residential real estate in Yerevan city is provided to those persons and their families only, who were registered in Yerevan before living in the Republic of Artsakh.
5. Support for the purchase of residential real estate in the regional/border districts of the RA is provided to those persons and their families only, who were not registered in the Republic of Artsakh before living in the Republic of Artsakh.
6. The ownership right to the purchased residential real estate is registered in the name of all the adult members of the client's /program beneficiary's/ family, who have RA citizenship and are included in the Certificate.
7. If the monthly payments for the mortgage loan (principal amount and interest amount) exceed the limits of the support (subsidy) amount provided by the state, then the difference between the monthly payments and the amount of the subsidy specified in the schedule of this mortgage loan is paid by the client.
9. Cases of termination/return of state support:
 - 1) In the case of full repayment of the mortgage loan, the payment of financial support terminates completely, the amounts of state support paid at that moment are not subject to return to the state.
 - 2) In the case the ownership of the residential real estate is registered in the name of other persons (except family members) during the term of the mortgage loan, the payment of financial support terminates completely, the amounts of state support paid as of that moment are not subject to return to the state.
 - 3) In the event of the borrower's death during the term of the mortgage loan, the payment of financial support terminates completely, if the heir of the borrower is not a member of the latter's family, the amounts of state support paid as of that moment are not subject to return to the state.
 - 4) In the case of overdue obligations for more than 90 days within the framework of the monthly payments made by the borrower/co-borrower (for the amount provided in excess of the amount provided by the state support), during the term of the mortgage loan, the payment of monetary support terminates completely, the amounts of state support paid as of that moment are not subject to return to the state.
 - 5) In the case of alienation of residential real estate during the term of the mortgage loan, the amounts of state support are subject to return to the state in a mutually agreed manner or by court order.

GENERAL PROVISIONS

1. Prior to conclusion of a loan agreement the Bank shall provide the client with the individual sheet of essential conditions of the loan which contains the individual conditions of the loan to be provided to the client.
2. The Bank is obliged to provide the client with the mortgage loan offer seven days prior to the agreement signing date and provide the client with the opportunity to think over before making a final decision.
3. The borrower has the right to completely or partially perform his/her contractual obligations ahead of time, paying a penalty if provided.
4. In case of early repayment, the payments, generating the Bank's income, included in the total cost of crediting the borrower, shall be proportionally reduced.
5. The client is entitled to fulfil (repay) his/her contractual obligations ahead of time irrespective of the fact of such right being prescribed by the loan agreement or not.
6. The real estate mortgage agreement must be notarized. The property ownership right, mortgage right and other property rights are subject to state registration.
7. Loan interest amounts shall be calculated based on the nominal interest rate. Loan interest amount shall be calculated against effective loan balance.
8. The effective annual interest rate indicates the cost of the loan for the client given all the interest amounts and fees are repaid in the defined terms and amounts.
9. The order of calculation of effective annual interest rate is presented at the following link: [Guideline on effective annual interest rate calculation](#).
10. In case of foreign currency loans the effective interest rate calculation is based on the exchange rate published on the official website of the RA Central Bank at the moment of provision of loan. The effective interest rate can change depending on the change of the exchange rate published on the official website of the RA Central Bank.
11. In case of foreign currency loans the interest amounts calculated towards the principal loan amount can also be paid in the loan currency upon the client's request.
12. In case of foreign currency loans the changes of foreign currency exchange rates can impact the loan repayments.
13. In case of failure to perform interest and loan repayments on time the pledged property and/or monetary funds can be confiscated in an order prescribed by law, and the Bank shall send the information on the client to the credit bureau within a maximum of three business days, where the client's credit history is being shaped. The client has the right to receive his/her credit history free of charge once a year from the credit bureau.
14. A bad credit history can prevent a client from receiving loans in the future.
15. The borrower may be deprived of his/her rights towards the property (apartment or a private house) if he/she does not fulfill or improperly fulfills his/her obligations under the loan agreement.
16. In case if the collateral is not sufficient to fulfil a client's obligations at the expense of the collateral in the event of failure to fulfil obligations by the clients, the obligations can be repaid at the expense of other property of the client.

17. While performing overdue obligations, the repayments shall be implemented in the following order: cost of confiscation, including litigation expenses (if applicable), interest penalty, penalty for principal loan amount, interest, service fee and commissions (if applicable) and principal loan amount. The Lender is entitled to unilaterally change the order of repayments mentioned in this provision at any time.
18. Disputes arising between the parties can be settled in a court proceeding or by the Financial system mediator (in the order prescribed by the RA law on “Financial system mediator”), located at 0010, Yerevan, 15 M. Khorenatsi St, “Elite Plaza” business center, 7th floor, e-mail - info@fsm.am, telephone - (+37460) 70-11-11, fax -(+37410) 58-24-21. Moreover, if the property claim does not exceed 250 000 (two hundred fifty thousand) AMD or equivalent in foreign currency, the decisions of the Financial System Mediator cannot be challenged by the Bank.
19. For the purpose of proper study of the client as defined by RA law on “Anti money laundering and counter terrorism financing”, the Bank may require additional documents or information based on “Know Your Customer” principle.
20. According to the agreement with the USA, based on the Foreign Account Tax Compliance Act (FATCA) the Bank may collect additional information for the purpose of identification of the fact of the client being a US taxpayer.
21. The Client has the right to communicate with the Bank through a preferred means of communication: e-mail or regular post. The electronic means of communication is the most comfortable. It is available 24/7 and is free of the risk of losing information in paper as well as ensures confidentiality.
22. The conditions of providing statements, their copies, references during the validity of the loan agreement can be found at the following link: [Tariffs](#).
23. The list of branches and ATMs of the Bank, information on their locations and working hours can be found at the following link: [Branches and ATMs](#).
24. Remote servicing by the Bank is provided through the [IDBanking.am](#) online system. The order and tariffs on rendering remote services are presented in “[Public terms on rendering remote banking services](#)”.

ATTENTION: THE BANK IS CONTROLLED BY THE RA CENTRAL BANK