The terms in the print version of the information bulletin may have been modified. In case of differences between the terms in the print bulletin and the effective terms published on the website, it is recommended to turn to a branch or be guided by the version available online. Full information about the terms can be accessed by following the link ardshinbank.am

MORTGAGE LOAN – RENOVATION

Loan currency	AMD	AMD
Place for submission of application and documents	Bank branches/Head office	
Loan financing source	“National Mortgage Company” RCO CJSC	ARDSHINBANK OJSC
Loan purpose	Renovation/reconstruction of a residential real estate (modernization of a residential real estate)	1. Renovation/reconstruction of a residential real estate (modernization of a residential real estate)
Minimum loan amount	1. AMD 5mln for energy efficient loans 2. AMD 275,000 for other loans	Not defined
Maximum loan amount	AMD 35,000,000	AMD 100,000,000
Type of percentage rate	Fixed	1. Fixed (adjustable)[1] 2. Floating[2]
Annual percentage rate fixed/fixed (adjustable)[1]	(pursuant to Table 1)	1. 12.7% for loans up to AMD 35mln (inclusive) 2. 13.2% for loans from AMD 35.1mln to AMD 200 mln (inclusive)
Annual percentage rate (floating)[2]	-	1. SR+3.7% for loans up to AMD 35mln (inclusive) 2. SR+4.2% for loans from AMD 35.1mln to AMD 100 mln (inclusive)
Annual effective percentage rate	14.57-16.06%	12.9-15.68%
Minimum term	120 months	
Maximum term	240 months	
Loan and interest repayment	Monthly installments (annuity)	
Loan application screening fee	AMD 5,000	
One-time loan issuance fee[4]	Not defined	
Pledge registration fee[4]	AMD 27,100	
Monthly service fee	Not defined	
Other property registration fees	The Borrower shall pay for: 1) property appraisal; 2) receipt of the unified certificate on property restrictions and notarization of pledge contracts	
Bank account opening	Subject to the Bank’s terms and conditions for opening and service of bank accounts	
Provision of statements	Free for statements covering records of up to 1 month Free at least four times per annum; for any period of time upon the borrower’s request AMD 1,000 - 5,000 for statements and references for any other time period (see Bank Account)	
Insurance	under the Bank's resources	Not required

Maximum LTV ratio	70% of the real estate price	70%
Maximum real estate value as per maximum LTV ratio	Assessed market value of the real estate	
Loan issuance procedure	Loans shall be issued in 2 tranches: Tranche 1: in the amount of 80% as per submited cost estimate for renovation/reconstruction Tranche 2: in the amount of 20% as per submited cost estimate for renovation/reconstruction	One-time
Loan issuance method	Non-cash, via transfer to the bank account	
Fee for withdrawal of loan and down payment total sum by the seller	Not defined	
Application screening free for a change in co-borrowers or additional collateral	AMD 20,000	
REQUIREMENTS FOR THE BORROWER		
Borrower's status	Individual RA citizens with the main source of income in the RA	Individual RA residents (including individual citizens of the Republic of Artsakh with residency in RA)
Co-borrower requirements	Individual RA citizens aged 21 and over provided s/he is: - a member of the borrower's family* and - aged no more than 60 (up to 61) upon loan issuance. The requirement shall not apply to a co-borrower with zero participation in loan approval with either income or liabilities.	Individuals aged 18 and over but no more than 60 (up to 61) upon loan issuance. The requirement shall not apply to a co-borrower with zero participation in loan approval with either income or liabilities.
Borrower's age	Individuals aged 21 and over but no more than 65 (up to 66) upon loan maturity	Individuals aged 18 and over but no more than 70 (up to 71) upon loan maturity
Other requirements for the borrower/co-borrower	Available phone number and email	
COLLATERAL TERMS AND CONDITIONS		
Collateral	Residential real estate under renovation/reconstruction	
PENALTIES/FINES		
For non-fulfilment of the borrower's liabilities	24% per annum accrued to the overdue loan amount	
Penalty for overdue interest	48% per annum	
Penalty for early loan repayment	Not defined	

DECISION-MAKING TERMS AND FACTORS	
Decision-making term	4-7 days
Decision notification term	1 day
Issuance term	1 business day after notarization of the pledge contract and cadastral registration of the collateral
Loan approval factors	Compliance with the lending terms and due submission of the required documents
Loan rejection factors	Borrower's/Co-Borrower's negative credit history, incomplete documents, the poor credit score of the client

**Registration of pledge rights shall be made only for a standard time period (not subject to an expedited procedure).*
***In the event of a failure to meet the conditions set by "National Mortgage Company" RCO CJSC, the loan application shall be considered within the terms set by the Banks' own resources. The Bank is entitled to change the annual interest rate in the amount of the changed refinancing interest rate by the National Mortgage Company RCO CJSC. In the event of non-financing or termination of financing by the National Mortgage Company RCO CJSC, the contractual interest rate shall change to a floating interest rate, and the new interest rate shall be established in the amount of the Settlement Rate (SR)+4.5%, provided that SR value shall equal the Bank's effective SR value as of the moment of change in the interest rate (except for cases stipulated by the Bank's internal legal acts).*
[1] The interest rates of loans issued at a fixed (adjustable) rate shall be reviewed starting from the 36th month of the effective period of the loan contract – on February 1 and August 1 of each year - in the amount of change in the Settlement Rate (SR). The settlement rate effective as of the moment of the first and consecutive changes of the interest rate upon expiry of the 36-month period, shall be compared to SR effective as of the moment of signing the Contract. The first change in the interest rate is performed on February 1 or August 1 following the 36-month period.
[2] The settlement rate of loans issued at a floating rate shall equal the SR effective at the Bank upon the loan approval.
The settlement rate shall be published on the Bank's website (www.ardshinbank.am) and reviewed by the Bank annually on February 1 and August 1. The interest rates with respect to the acting contracts shall be reviewed a month after the change in SR (unless a longer date is indicated in the notice). The interest rates shall change (increase or decrease) in the amount of the change in SR.
The interest rate cannot increase or decrease by more than 2.5 percentage points throughout the effective period of the loan contract as compareded to the interest rate at the time of loan issuance.

IMPORTANT TO KNOW

THE BORROWER SHALL HAVE THE RIGHT TO PERFORM (REDEEM), IN FULL OR IN PART, THE LIABILITIES UNDER THE AGREEMENT AHEAD OF SCHEDULE, IN WHICH CASE THE PRINCIPAL SUM OF THE CREDIT SHALL BE REDUCED IN THE AMOUNT OF THE SUM BEING PAID; THE TOTAL COST FOR CREDITING THE BORROWER SHALL BE REDUCED PROPORTIONALLY. IN THAT CASE THE INTEREST BEING ASSIGNED TO THE BALANCE OF THE PRINCIPAL SUM OF THE CREDIT AND THE MAINTENANCE FEE ASSIGNED TO THE BALANCE OF THE PRINCIPAL SUM OF THE CREDIT SHALL BE SUBJECT TO DEDUCTION FROM THE TOTAL EXPENDITURE OF THE CREDITING. MEANTIME IN THE EVENT OF EXERCISING ITS RIGHT STIPULATED HEREIN THE BANK MAY NOT IMPOSE LIABILITY MEASURES.

In the event of non-performance or improper performance of his/her liabilities under the loan contract, the Borrower may be deprived of his/her rights to the property being purchased and pledged.
In the event of a full non-performance of the credit liabilities at the expense of the pledge the liabilities shall be fully redeemed at the expense of other means owned by the borrower and the pledgers.

Repayment of overdue liabilities shall be made in the following sequence: expenses made by the Bank with respect to collection of the duly pledged property and other receivables by the Bank on the part of the Borrower and/or the Co-Borrower (generated as part of loan contracts); the penalty settled for (accrued to) the overdue liabilities; interest settled for (accrued to) the overdue Loan, settled (accrued) yet unpaid overdue interest; overdue Loan; Loan service fee; term interest settled (accrued) for using the Loan; the Loan amount.
The sequence for performance of monetary liabilities may change at the Bank's discretion without advance notice to the Borrower and/or the Co-Borrower.

The Bank undertakes to provide the contract offer to the client seven days in advance and grant a seven-day reflection period.
The Bank's MOBILE BANKING application enables features such as money transfers, loan repayments, review account balances and transactions, payments and numerous other transactions that can be accessed by following the link here.
The loans shall be issued under the Bank's standard-form agreements. The collateral contract (contracts) is (are) subject to notarization.
The information on independent appraisers shall be published on the Bank's official website www.ardshinbank.am.
ATTENTION: The loan interests shall be settled based on the nominal percentage rate. And the actual annual percentage rate reveals the loan value in the event of payment of interest and other fees within the specified timeframes and in the specified amounts. For information on the settlement of the actual annual percentage rate, you are requested to visit the Bank's official website (www.ardshinbank.am).

The settlement rate table is available here.
The list of independent appraisers is available here.

Tablle 1

Financing source		Annual percentage rate of loans covered by "National Mortgage Company" RCO CJSC	
LTV ratio	**Loan subtype[1]**	**Energy Efficient Loan**	**Other Loan**
up to 49.99%		13.5%	14.1 %
50%-70%		13.9%	14.5 %

[1]Energy efficient loans are considered as loans issued for improving house/apartment energy efficiency provided its amount does not exceed AMD 35mln.

Energy efficiency (EE) improvement activities include the replacement of old energy-producing devices with new ones, as well as the purchase of equipment (refrigerator, washing machine [including for dishes], boiler, air conditioning) complying with the high standards of energy saving.

ATTENTION:

YOUR PROPERTY MAY BE CONFISCATED IN A MANNER PRESCRIBED BY LAW IN CASE OF FAILURE TO REPAY THE INTEREST AND LOAN AMOUNT IN DUE TIME.

IN CASE OF NON-PERFORMANCE OR INCOMPLETE PERFORMANCE OF YOUR LIABILITIES, THE CREDITOR SHALL, AFTER 3 BUSINESS DAYS, SEND THE INFORMATION TO THE CREDIT BUREAU WHERE YOUR CREDIT REPORT IS CREATED. YOU ARE ENTITLED TO RECEIVE THE FREE COPY OF YOUR CREDIT REPORT FROM THE CREDIT BUREAU ONCE EVERY YEAR.

A POOR CREDIT HISTORY MAY LIMIT YOUR ACCESS TO FUTURE LOANS.

FINANCIAL ORGANIZATIONS IN THE REPUBLIC OF ARMENIA ARE SUPERVISED BY THE CENTRAL BANK OF ARMENIA.