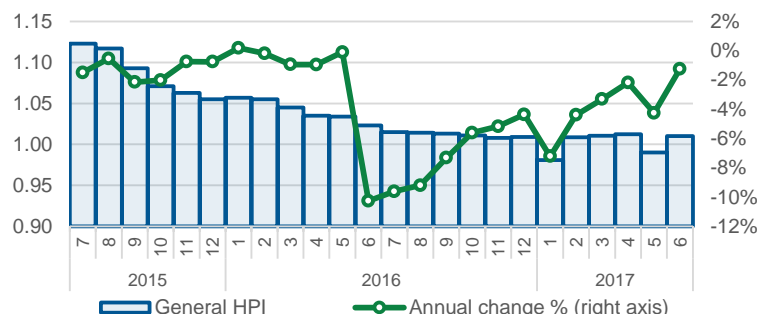


Real Estate Market Indicators – 2017.II quarter

The House Price Index is estimated by Hedonics regression method, as of June 2017, it reached 1.010 units that is 1.2% lower than last year. New house price index decreased by 0.1 percent to 1,153, while the old house index decreased by 2.3 percent to 0.919.

Graph: House price index



The average price of a new apartment per square meter is 2.03 million MNT, its square meter price depends upon class is 1.7 to 7 million MNT. The average price of old 2 bedroom apartment per square meter is 1.76 million MNT.

The average office per square meter space is 3.53 million MNT, per square meter of single family house and multi-family town house is 2.14 million MNT and detached house is 38.6 million MNT.

From the beginning of the year, a total of 7,182 apartment units was sold, of which 74.4% were new apartments and 25.6% were old apartments. Sales activity of the apartment has increased by 9.7% compared to the previous year.

In the market, construction projects of the 85,000 household apartment are carried out, thus the project of 34,000 household apartment is receiving orders, the project of 26,000 household apartment is commissioned and the remaining project of 13,000 household apartments has not yet been commissioned. 88% of these apartments are standard and middle class and 12% are business and high class.

The number of receiving order increased by 2.7% from last year and 55.9% out of 993 receiving order apartment is multi-family and 64.8% is single-family house. 73.7% or 732 of receiving order apartment have been in use.

The most demanded rental apartment in the real estate market is a 2 bedroom apartment and average rental price increased by 3.9 percent to 539,000 from last year.

Office rental price per square meter is between 15,000 and 29,000 MNT depending on the district and the highest average price of rental office is in Sukhbaatar district.

Real estate price	2016-06	2017-06
House price index (2013.1 base)		
General index	1.023	1.010
New apartment	1.155	1.154
Old apartment	0.941	0.920
Apartment price (1m2 million ₮)		
New apartment	2.04	2.04
High grade	5.94	6.99
Business grade	3.52	3.27
Average grade	2.15	2.17
Standart grade	1.67	1.68
Old apartment (2 room)	1.84	1.77
Other real estate price (1m2 million ₮)		
Average office price	3.34	3.53
Average price house price	1.85	2.15
Detached housing price	39.30	38.60

Source: Bank of Mongolia, Tenkhleg Zuuch LLC

Apartment sale		
Sale, from the beginning of the year (household)		
New apartment	4,935.0	5,346.0
Old apartment	1,612.0	1,836.0
Detached house	14,159.0	14,300.0
Order status (household)		
Under construction in total	91,931	84,867
Order did not start	40,182	36,361
Order stopped	7,858	10,028
Receiving order	43,891	38,478
Commission time (household)		
Receiving order	43,891	38,478
Commissioned	29,013	25,704
This year to be commissioner	13,558	10,747
Next year to be commissioner	1,320	2,027
Second year to be commissior	0	0
Class (household)		
Receiving order	43,891	38,478
High class	804	812
Business class	4,103	3,793
Middle class	22,571	19,433
Standart class	16,413	14,440

Source: Tenkhleh zuuch LLC

House sale	2016-06	2017-06
Order status (household)		
Under construction in total	5,078	4,709
Receiving order	967	993
Order stopped	4,111	3,716
Order did not start	0	0
Order type (household)		
Townhouse (multi-family)	828	555
House (single-family)	358	643
Commission date (household)		
Commissioned	380	732
This year to be commissioner	778	460
Next year to be commissioner	28	6

Source: Tenkhleh zuuch LLC

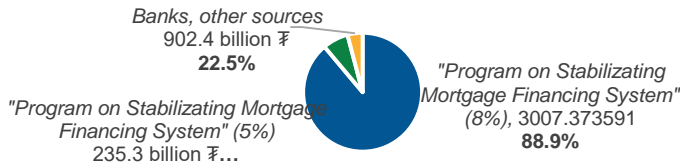
Rent	2016-06	2017-06
Apartment rental price (thousand ₮)		
1 room apartment	408.1	414.1
2 bedroom apartment	519.0	539.1
3 bedroom apartment	675.1	676.7
4 bedroom apartment	849.3	861.4
Office rental price (1m2 thousand ₮)		
Average rental price	22.4	22.0

Source: Tenkhleh zuuch LLC

Mortgage loan performance – 2017.II quarter

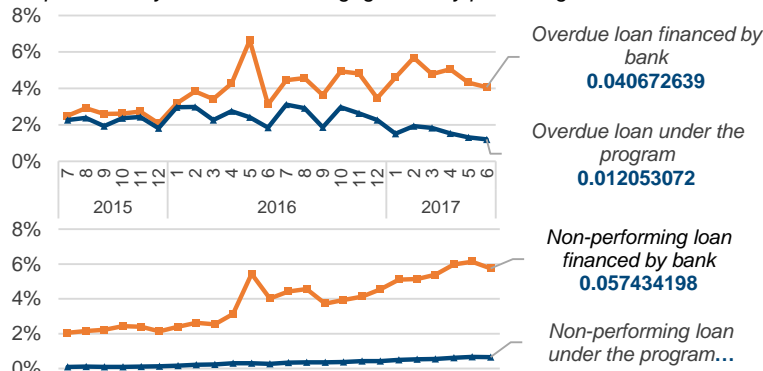
Total mortgage loan accounts reached 71,798 and loan outstanding reached MNT 4.2 trillion, which indicates an increase of 10.1 percent from the previous year. 77.7% of the mortgage loan outstanding is issued under "Program on Stabilizing Mortgage Financing System" and 75.6% of which was purchased by MIK.

Graphic: Mortgage loan by outstanding, interest



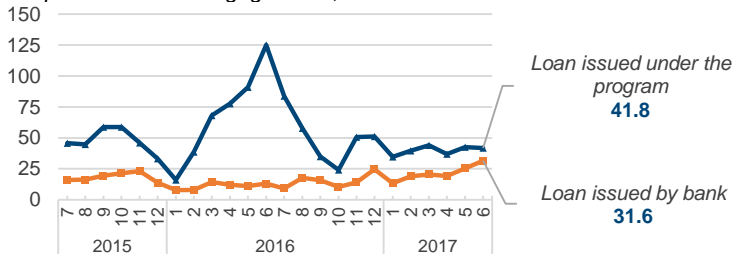
As of June, loan with violation more than 0 day was 3.63% of total mortgage loan and this figure was 3.26% in the previous year. The overdue loan rate reached 1.84% and decreased by 13.9% from the same period of last year, while nonperforming loans reached 1.79% and increased by 60.1%.

Graphic: Quality indicators of mortgage loan by percentage



Mortgage grant has increased by 12.2% from the beginning of the year and of which loan grant of "Program on Stabilizing Mortgage Financing System" decreased by 3.6% to MNT 118.4 billion, and loan grant by banks and other sources increased by 77.2% to MNT 52.9 billion.

Graphic: Granted mortgage loans, billion MNT



Weighted average term of granted mortgage loan in that month is 18 years and 11.4% interest rate. As of June, the average mortgage loan outstanding is MNT 58.2 million.

The general characteristics of the MIK's purchased loan portfolio are shown in the "Indicators of Aggregate loan portfolio".

Loan outstanding	2016-06	2017-06
Amount (billion ₮)	0	0
Total mortgage loan	3,792.3	4,177.2
Loan of "Program on Stabilizat	2,929.4	3,244.8
Not sold to MIK	709.9	793.1
8% interest	569.6	576.7
5% interest	140.4	216.4
Sold to MIK	2,219.4	2,451.7
Banks, other sources	96.5	138.6

Account number (account)	2016-06	2017-06
Total mortgage loan	64,307	71,798
Loan of "Program on Stabilizat	62,080	67,894
Banks, other source	2,227	3,904

Source: Bank of Mongolia

Loan quality	2016-06	2017-06
Overdue loan rate (%)		
Total mortgage loan	2.14%	1.84%
Loan of "Program on Stabilizat	1.85%	1.21%
Banks, other sources	3.13%	4.07%

Non-performing loan (%)	2016-06	2017-06
Total mortgage loan	1.12%	1.79%
Loan of "Program on Stabilizat	0.27%	0.66%
Banks, other source	4.01%	5.74%

Source: Bank of Mongolia

Granted loan	2016-06	2017-06
Amount, from the beginning of the year (billion ₮)		
Total mortgage loan	482.4	368.6
Loan of "Program on Stabilizat	416.3	239.5
8% interest	321.5	230.8
5% interest	94.8	8.7
Banks, other source	66.1	129.1
Tugrug loan	65.4	129.1
Foreign currency loan	0.7	0.0

Account number, from the beginning of the year	2016-06	2017-06
Total mortgage loan	8,055	5,856
Loan of "Program on Stabilizat	6,757	3,645
Banks, other source	1,300	2,211

Source: Bank of Mongolia

Other loan indicators	2016-06	2017-06
Weighted average time (year)		
Total mortgage loan	229.1	16.6
Loan granted in that month	194.7	18.0

Weighted average interest (%)	2016-06	2017-06
Loan granted in that month	7.74%	11.40%
"Program on Stabilizing Mort	6.94%	7.99%
Banks, other source	12.75%	17.72%

Average loan outstanding (million ₮)	2016-06	2017-06
Total mortgage loan	58.97	58.18
Loan of "Program on Stabilizat	47.19	47.79
Banks, other source	43.32	35.51

Source: Bank of Mongolia

Aggregate loan portfolio indicators	2016-06	2017-06
Weighted average indicators on outstanding		
LTV (%)	63.7%	64.1%
DTI (%)	32.9%	33.1%
Monthly payment (₮)	490,109	503,604
Loan aging (year)	2.4	3.1
Borrower age (year)	37.2	37.6
Remaining period (year)	14.5	14.3
Loan term (year)	16.7	17.2

Source: Characteristic report of Aggregate loan portfolio