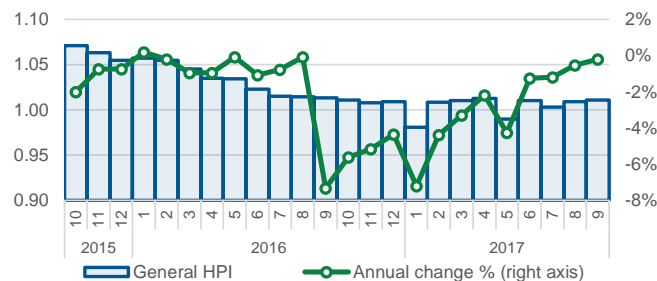


Real Estate Market Indicators - 2017.III quarter

The House Price Index is estimated by the Hedonics regression method, as of September 2017, it reached 1,010 units that is 0.2% lower than last year. New house price index rose 1.1 percent to 1,156 while the old house price index dropped 2 percent to 0.911.

Graphic: House Price Index



The average price of a new apartment per square meter is 2.16 million MNT, its square meter price depends upon the class is from 1.6 to 7.4 million MNT. The average price of old 2 bedroom apartment per square meter is 1.75 million MNT.

The average office per square meter is 3.53 million MNT, per square meter of single-family house and multi-family town house is 2.15 million MNT and detached house is 39.3 million MNT.

From the beginning of the year, a total of 11,592 apartment units was sold, of which 72.3% were new apartments and 27.7% were old apartments. Sales activity of the apartment has increased by 12.6% compared to the previous year.

In the market, construction projects of the 81,000 household apartments are carried out, thus the project of 34,000 household apartments is receiving orders, the project of 20,000 household apartments is commissioned and remaining project of 14,000 household apartments has not yet been commissioned. 83.6% of these apartments are standard and middle class and 16.4% are business and high class.

The number apartments with receiving order decreased by 7.2% from the previous year and 73.5% out of 958 apartments with receiving order is multi-family and 89.4% is single-family house. 84.2% or 807 apartments with receiving order is in use.

The most demanded rental apartment in the real estate market is a 2 bedroom apartment and average rental price increased by 7.8% from last year to MNT 571,000.

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	2016-09	2017-09
House price index (2013.1 base)		
General index	1.013	1.011
New apartment	1.1439	1.157
Old apartment	0.9299	0.912
Apartment price (1m2 million ₮)		
New apartment	2.04	2.16
High grade	6.57	7.38
Business grade	3.51	3.37
Average grade	2.14	2.19
Standart grade	1.62	1.61
Old apartment (2 room)	1.78	1.76
Other real estate price (1m2 million ₮)		
Average office price	3.42	3.54
Average price house price	1.85	2.15
Detached housing price	39.10	39.25

Source: Bank of Mongolia, Tenkhleg Zuuch LLC

Apartment sale		
Sale, from the beginning of the year (household)		
New apartment	7,807.0	8,386.0
Old apartment	2,492.0	3,206.0
Detached house	21,424.0	21,356.0
Order status (household)		
Under construction in total	87,881	81,203
Order did not start	37,558	37,432
Order stopped	8,210	10,205
Receiving order	42,113	33,566
Commission time (household)		
Receiving order	42,113	33,566
Commissioned	28,448	19,565
This year to be commissioned	10,917	8,819
Next year to be commissioned	2,652	5,017
Second year to be commissioned	96	165
Class (household)		
Receiving order	42,113	33,566
High class	754	841
Business class	3,967	4,661
Middle class	23,500	16,437
Standart class	13,892	11,627

Source: Tenkhleg Zuuch LLC

House sale	2016-09	2017-09
Order status (household)		
Under construction in total	5,143	4,645
Receiving order	1,032	958
Order stopped	4,111	3,687
Order did not start	0	0
Order type (household)		
Townhouse (multi-family)	703	704
House (single-family)	369	856
Commission date (household)		
Commissioned	553	807
This year to be commissioned	210	475
Next year to be commissioned	309	278

Source: Tenkhleg Zuuch LLC

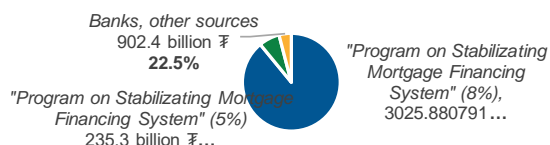
Rent	2016-09	2017-09
Apartment rental price (thousand ₮)		
1 room apartment	414.8	440.7
2 bedroom apartment	529.4	570.7
3 bedroom apartment	679.5	685.7
4 bedroom apartment	857.6	861.4
Office rental price (1m2 thousand ₮)		
Average rental price	22.7	22.3

Source: Tenkhleg Zuuch LLC

Mortgage loan performance – 2017.III quarter

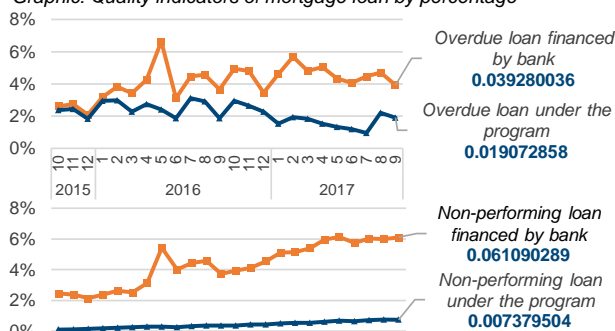
Total mortgage loan accounts reached 72,357 and loan outstanding reached MNT 4.2 trillion, which indicates an increase of 6.7 percent from the previous year. 77.5% of the mortgage loan outstanding is issued under "Program on Stabilizing Mortgage Financing System" and 73.6% of which was purchased by MIK.

Graphic: Mortgage loan by outstanding, interest



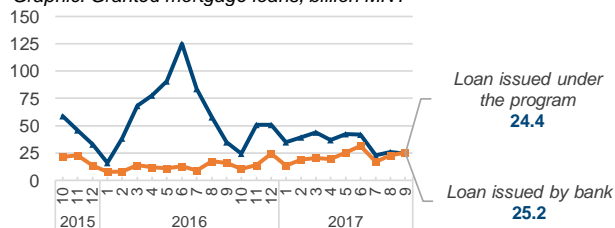
As of September, loan with violation more than 0 day was 4.30% of total mortgage loan and this figure was 3.39% in the previous year. The overdue loan rate reached 2.36% and increased by 4.1% from the same period of last year, while nonperforming loans reached 1.94% and increased by 73.4%.

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 16.7 years and 12.5% interest rate. As of the end of September, the average mortgage loan outstanding is MNT 58.1 million.

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

Loan outstanding		2016-09	2017-09
Amount (billion ₮)			
Total mortgage loan		3,943.0	4,206.8
Loan of "Program on Stabilizing Mortgage Financing System"		3,047.6	3,260.0
Not sold to MIK		875.8	861.2
8% interest		662.7	647.8
5% interest		213.1	213.4
Sold to MIK		2,171.8	2,398.9
Banks, other sources		134.2	137.9

Account number (account)			
Total mortgage loan		67,635	72,357
Loan of "Program on Stabilizing Mortgage Financing System"		64,081	68,464
Banks, other source		3,554	3,893

Source: Bank of Mongolia

Loan quality			
Overdue loan rate (%)			
Total mortgage loan		2.27%	2.36%
Loan of "Program on Stabilizing Mortgage Financing System"		1.87%	1.91%
Banks, other sources		3.64%	3.93%
Non-performing loan (%)			
Total mortgage loan		1.12%	1.95%
Loan of "Program on Stabilizing Mortgage Financing System"		0.36%	0.74%
Banks, other source		3.72%	6.11%

Source: Bank of Mongolia

Granted loan			
Amount, from the beginning of the year (billion ₮)			
Total mortgage loan		701.6	507.2
Loan of "Program on Stabilizing Mortgage Financing System"		592.9	312.4
8% interest		438.2	303.7
5% interest		154.7	8.8
Banks, other source		108.7	194.4
Tugrug loan		107.9	194.4
Foreign currency loan		0.8	0.0

Account number, from the beginning of the year (account)			
Total mortgage loan		11,796	8,152
Loan of "Program on Stabilizing Mortgage Financing System"		9,649	4,784
Banks, other source		2,150	3,368

Source: Bank of Mongolia

Other loan indicators		2016-09	2017-09
Weighted average time (year)			
Total mortgage loan		197.5	17.9
Loan granted in that month		236.4	16.7
Weighted average interest (%)			
Loan granted in that month		8.68%	12.50%
"Program on Stabilizing Mortgage Financing System"		6.70%	8.00%
Banks, other source		19.48%	19.77%

Average loan outstanding (million ₮)			
Total mortgage loan		58.30	58.14
Loan of "Program on Stabilizing Mortgage Financing System"		47.56	47.62
Banks, other source		37.75	35.42

Source: Bank of Mongolia

Aggregate loan portfolio indicators			
Weighted average indicators on outstanding			
LTV (%)		63.8%	64.1%
DTI (%)		32.9%	33.2%
Monthly payment (₮)		490,813	504,372
Loan aging (year)		2.7	3.3
Borrower age (year)		37.4	37.8
Remaining period (year)		14.3	14.1
Loan term (year)		16.8	17.2

Source: Characteristic report of aggregate loan portfolio