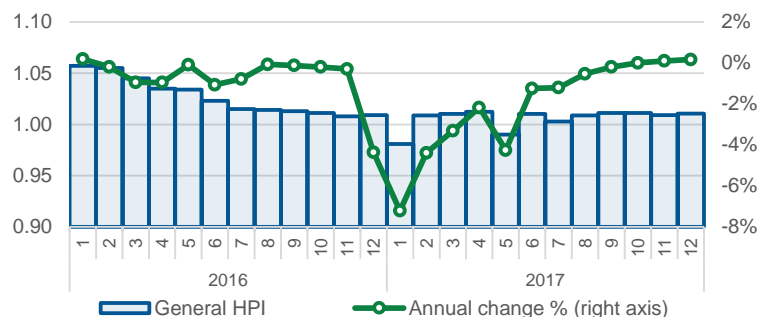


Real Estate Market Indicators – 2017.IV quarter

The House Price Index is estimated by the Hedonics regression method, as of December 2017, it reached 1.010 units that is 0.2 percent lower than previous year. New house price index rose 0.4 percent to 1,160 while the old house price index dropped 0.9 percent to 0.914.

Graphic: House Price Index



The average price of the new apartment per square meter is 2.20 million MNT, its square meter price depends upon class is from 1.6 to 7.1 million MNT. The average price of 2 bedroom apartment per square meter is 1.76 million MNT.

The average office per square meter is 3.52 million MNT, per square meter of single family house and multi-family town house is 2.00 million MNT and detached house price is 38.1 million MNT.

In the first half of this year, a total of 16,765 apartments were sold, of which 72.1% were new apartments and 27.9% were old apartments. Sales activity of the apartment has increased by 22.3% compared to the previous year.

In the market, construction projects of the 82,000 household apartments carried out, thus the project of 34,000 household apartments is receiving orders, the project of 22,000 household apartments is commissioned and remaining project of 12,000 household apartments has not yet been commissioned. 83.3% of these apartments are standard and middle class and 16.7% are business and high class.

The number of receiving order decreased by 5.3% from the previous year and 75.6% out of 958 receiving order apartment is multi-family and 90.9% is single family house. 97.9% or 938 of receiving order apartments has been in use.

The most demanded rental apartment in the real estate market is a two-bedroom apartment and average rental rate increased by 2.9 percent 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 the Sukhbaatar district.

Real estate price	2016-12	2017-12
House price index (2013.1 base)		
General index	1.009	1.011
New apartment	1.155	1.160
Old apartment	0.923	0.915
Apartment price (1m2 million ₮)		
New apartment	2.05	2.20
High grade	7.18	7.12
Business grade	3.38	3.36
Average grade	2.14	2.17
Standart grade	1.67	1.62
Old apartment (2 room)	1.78	1.77
Other real estate price (1m2 million ₮)		
Average office price	3.52	3.53
Average price house price	1.99	2.00
Detached housing price	39.04	38.09

эх сурвалж: Монголбанк, Тэхлэг зууч ХХК

Apartment sale		
Sale, from the beginning of the year (household)		
New apartment	10,275.0	12,082.0
Old apartment	3,432.0	4,683.0
Detached house	27,407.0	29,343.0
Order status (household)		
Under construction in total	85,242	82,355
Order did not start	34,031	37,432
Order stopped	8,760	11,041
Receiving order	42,451	33,882
Commission time (household)		
Receiving order	42,451	33,882
Commissioned	28,323	21,768
This year to be commissione	0	5,827
Next year to be commissione	13,912	5,878
Second year to be commissio	216	409
Class (household)		
Receiving order	42,451	33,882
High class	754	874
Business class	3,609	4,777
Middle class	22,804	17,144
Standart class	15,284	11,087

эх сурвалж: Тэхлэг зууч ХХК

House sale		
Order status (household)		
Under construction in total	4,661	4,645
Receiving order	1,012	958
Order stopped	3,649	3,687
Order did not start	0	0
Order type (household)		
Townhouse (multi-family)	750	724
House (single-family)	451	871
Commission date (household)		
Commissioned	681	938
This year to be commissione	0	379
Next year to be commissione	520	278

эх сурвалж: Тэхлэг зууч ХХК

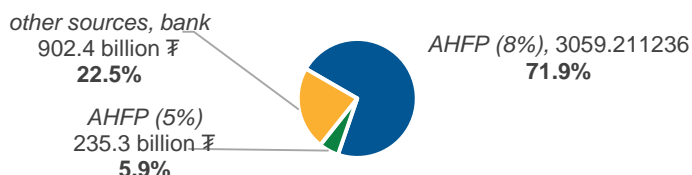
Rent		
Apartment rental price (thousand ₮)		
1 room apartment	422.7	432.7
2 bedroom apartment	554.2	570.5
3 bedroom apartment	702.4	686.2
4 bedroom apartment	870.7	857.3
Office rental price (1m2 thousand ₮)		
Average rental price	22.4	22.7

эх сурвалж: Тэхлэг зууч ХХК

Mortgage loan performance – 2017.IV quarter

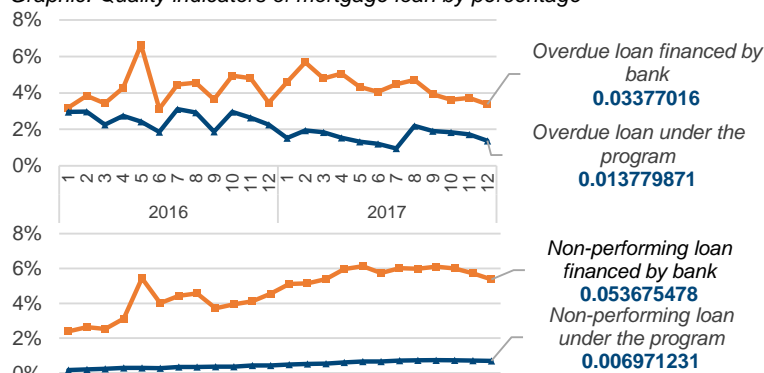
Total mortgage loan accounts reached 93,147 and loan outstanding reached MNT 4.3 trillion, which indicates an increase of 5.8 percent from the previous year. 77.4% of the mortgage loan outstanding is issued under "Program on Stabilizing Mortgage Financing System" and 76.5% of which was purchased by MIK.

Graphic: Mortgage loan by outstanding, interest



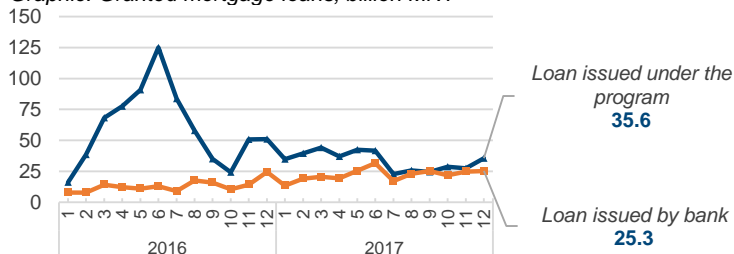
As of December, loan with violation more than 0 day was 3.58% of total mortgage loan and this figure was 3.88% in the previous year. The overdue loan rate reached 1.83% and decreased by 27.6% from the same period of last year, while nonperforming loans reached 1.75% and increased by 29.7%.

Graphic: Quality indicators of mortgage loan by percentage



Mortgage grant has increased by 23.5% from the beginning of the year and of which loan grant of "Program on Stabilizing Mortgage Financing System" decreased by 43.8% to MNT 404 billion, and loan grant by banks and other sources increased by 68.7% to MNT 266.1 billion.

Graphic: Granted mortgage loans, billion MNT



Weighted average term of granted mortgage loan in that month is 17.9 years and 10.7% interest rate. As of the end of September, the average mortgage loan outstanding is MNT 45.7 million.

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

Loan outstanding	2016-12	2017-12
Amount (billion ₮)		
Total mortgage loan	4,018.3	4,253.2
Loan of "Program on Stabilizat	3,115.9	3,290.1
Not sold to MIK	992.9	772.0
8% interest	757.6	575.6
5% interest	235.3	196.4
Sold to MIK	2,123.0	2,518.1
Banks, other sources	902.4	963.1
Account number (account)		
Total mortgage loan	89,156	93,147
Loan of "Program on Stabilizat	65,412	68,970
Banks, other source	23,744	24,177

Source: Bank of Mongolia

Loan quality	2016-12	2017-12
Overdue loan rate (%)		
Total mortgage loan	2.53%	1.83%
Loan of "Program on Stabilizat	2.26%	1.38%
Banks, other sources	3.46%	3.38%
Non-performing loan (%)		
Total mortgage loan	1.35%	1.75%
Loan of "Program on Stabilizat	0.43%	0.70%
Banks, other source	4.55%	5.37%

Source: Bank of Mongolia

Granted loan	2016-12	2017-12
Amount, from the beginning of the year (billion ₮)		
Total mortgage loan	876.6	670.6
Loan of "Program on Stabilizat	718.8	404.0
8% interest	539.4	394.9
5% interest	179.4	9.1
Banks, other source	157.8	266.1
Tugrug loan	156.8	265.7
Foreign currency loan	0.9	0.4

Account number, from the beginning of the year (a)	2016-12	2017-12
Total mortgage loan	14,764	10,499
Loan of "Program on Stabilizat	11,610	6,026
Banks, other source	3,157	4,473

Source: Bank of Mongolia

Other loan indicators	2016-12	2017-12
Weighted average time (year)		
Total mortgage loan	201.8	17.3
Loan granted in that month	223.4	17.9
Weighted average interest (%)		
Loan granted in that month	10.31%	10.70%
"Program on Stabilizing Mort	7.92%	7.99%
Banks, other source	21.24%	14.84%

Average loan outstanding (million ₮)	2016-12	2017-12
Total mortgage loan	45.07	45.66
Loan of "Program on Stabilizat	47.64	47.70
Banks, other source	38.00	39.84

Source: Bank of Mongolia

Aggregate loan portfolio indicators	2016-12	2017-12
Weighted average indicators on outstanding		
LTV (%)	63.8%	64.3%
DTI (%)	32.9%	33.3%
Monthly payment (₮)	491,435	507,873
Loan aging (year)	2.9	3.4
Borrower age (year)	37.6	37.9
Remaining period (year)	14.1	14.3
Loan term (year)	16.8	17.5

Source: Characteristic report of Aggregate loan portfolio