

Our partner is a mortgage broker, primarily for Romanians resident in Romania and the rest of the EU but also for non-Romanian nationals. Based in Bucharest, our partner offers mortgages for individuals from 12 banks and, on a case by case basis, undertakes projects for debt finance for property development or land/property acquisition for corporate investors.

INDICATIVE MORTGAGE TERMS FOR NON-RESIDENTS

	Lender 1	Lender 2	Lender 3	Lender 4
Income notes	Takes into consideration 80% from net income (100% salary, 70% dividends, 80% rent)	Each case is analyzed separately, there are no standard rules. They only accept 50% from dividends, 50% from rent	Only for non-residents obtaining their income from Romanian sources	Only for non-residents, having a relative in Romania or life partner willing to act as co-guarantor
Staged payments	No. Only completed properties	No. Only completed properties	No. Only completed properties	No. Only completed properties
Currency	Euro/CHF	Euro	Euro/CHF	Euro
Interest rate	9.6%/6.2%	5.95%	6.9%/4.9%	7.8% (Euribor 6M + 3.8%)
Loan to Value	75% of the lower of valuation or purchase price	Max. 75% of the lower of valuation or purchase price	Max. 75% of the lower of valuation or purchase price/ 65% if net >50% income comes from dividends	75% of the lower of valuation or purchase price
Term	Max 30 years	Max. 25 years	Max. 25 years	1-30 years
Minimum Amount	5000 euro	10000 euro	5000 euro	5000 euro
Loan Security	First rank mortgage on financed property in Romania	First rank mortgage on financed property in Romania	First rank mortgage on financed property in Romania	First rank mortgage on financed property in Romania
Borrowers	Romanian residents/nonresidents, over 21 years old and below 65 at maturity of the loan	Romanian residents/nonresidents, over 21 years old and below 65 at maturity of the loan for men/60 for women	Romanian residents/nonresidents, over 21 years old and below 65 at maturity of the loan for men/62 for women	Romanian residents/nonresidents, over 21 years old and below 65 at maturity of the loan
Early Redemption Charges	2% from the outstanding balance of the loan	2% from the outstanding balance of the loan in the first 5 years/ Zero afterwards	3% from the outstanding balance of the loan	2.5% from the outstanding balance of the loan

Bank Arrangement fee	2.00%	2.30%	0	1.90%
Building Insurance	Included in mortgage	Required – fire, flood, earthquake	Required – fire, flood, earthquake	Required – fire, flood, earthquake
Life insurance	Included in mortgage	Typically not required	Not required	May be required
Other Bank fees	0.03% from asset's value, payable monthly	0.2% montly, from the outstanding balance	0.9% every 12 months, from the outstanding balance	
Other Fees/Costs	The borrower will also be subject to legal fees and costs, as well as administration and valuation fees	The borrower will also be subject to legal fees and costs, as well as administration and valuation fees	The borrower will also be subject to legal fees and costs, as well as administration and valuation fees	The borrower will also be subject to legal fees and costs, as well as administration and valuation fees
Broker fee	Until 31 March 2007 - Zero	Until 31 March 2007 - Zero	Until 31 March 2007 - Zero	Until 31 March 2007 - Zero

OTHER NOTES

General: Information is correct at time of going to press (21 January 2007) but may be subject to change. The Romanian mortgage market is evolving rapidly both in terms of range of offers and pricing, and improved offers are anticipated throughout 2007

Processing time may be as much as 12 weeks or more depending on the lender

35% restriction: under Romanian National Bank regulations, an applicant's total mortgage and other financial payments on a monthly basis may not exceed 35% of total monthly income after tax - this may have significant repercussions on applicants with existing mortgages.

Age restriction: for applicants over 35 years of age, the term of the maximum term of a loan may be reduced to ensure the loan schedule completes by age 65 - this will increase the monthly payment to be taken into account

Future income: future income such as anticipated future rental income from the property to be purchased is not taken into account