

Number: 2010/45

December 31, 2010

Press Release Concerning the Collateral Ratios

As is known, by the Board Resolution dated December 16, 2010 number 3980, published in the Official Gazette dated December 18, 2010 number 27789, as of the date of January 1st, 2011, it was decided that in credits to be extended by banks to customers for housing and in consumer credits to be extended under housing collaterals, the amount of the credit shall be limited to 75% of the value of the real estate subject to collateral and in installment commercial loans to be extended for commercial real estate purchase, the amount of the credit shall be limited to 50% of the value of the real estate subject to collateral; the value of these real estates subject to collaterals shall be determined by valuation companies authorized by the Banking Regulation and Supervision Agency or the Capital Markets Board (CMB) and these values shall be used during the determination of the limits.

To enlighten the problems submitted to the Agency relating the application of this Board Resolution, pursuant to the Banking Regulation and Supervision Agency Resolution dated December 30, 2010 number 4005, it was decided that;

1- Loans extended by taking houses within the unfinished projects as collaterals and loans extended to natural persons and legal entities to purchase houses for investment purposes other than professional and commercial ones and by taking the house purchased as collaterals and all loans to be extended for purchases of commercial real estates and real estates such as factory building and/or premises, shops, malls, hotels, fields, premises, lands are taken as collaterals are within the scope of the Board Resolution dated December 16, 2010 number 3980,

2- In case the loans collateralized with houses provided or extended before the date of January 1st, 2011 are re-financed by the bank extended the loans, these loans shall not be evaluated within the scope of Board Resolution dated December 16, 2010 number 3980,

3- Within the scope of Board Resolution dated December 16, 2010 number 3980, in cases where more than one real estates are taken as collateral, to calculate the rate of amount of the loans to the value of the real estate collateralized, total collateral value shall be taken into consideration,

4- Companies which will provide valuation services pursuant to the Board Resolution dated December 16, 2010 number 3980 shall be made obliged to take out a professional responsibility insurance pursuant to the article 36 of the Banking Law number 5411,

5- In loan extensions by collateralizing the off plan properties (by establishing a direct lien, putting lien on appurtenances or by arranging a real estate preliminary sales contract) pursuant to the Board Resolution dated December 16, 2010 number 3980, to calculate the rate of loan amount to the value of real estate taken as collateral, the sale price of the real estate shall be taken as a basis,

6- No additional time will be granted concerning the application of Board Resolution dated December 16, 2010 number 3980.