



**Corporate Announcement**

**Date: October 19, 2018**

**Subject: Developer Loans**

Dear Sirs,

This is in reference to some media coverage on developer loans of Housing Finance Companies. We would like to highlight the following points on developer loan portfolio of Indiabulls Housing Finance Limited:

1. The portfolio comprises of leading developers only in the metro cities of the National Capital Region [NCR], Mumbai Metropolitan Region [MMR], Chennai, Bangalore, Pune and Hyderabad
2. Every developer in the portfolio has multiple lending relationships with leading banks, private equity partners and financial institutions. Not a single developer in our portfolio has had Indiabulls Housing Finance Ltd. as its sole lender
3. Majority of the portfolio is backed by lease rental discounting assets with leading multinational companies and Indian corporates as the tenants of the building. Such leased rental assets are cross-collateralized with construction-linked loans of the developers.
4. The average Loan-to-Value [LTV] in the developer portfolio is 43%
5. The collateral of leased buildings, ready apartments and under-construction apartments are mortgaged with Indiabulls Housing Finance Ltd. on exclusive basis. Indiabulls Housing Finance Ltd. does not give any loans on pari passu charge with any other lenders.
6. Indiabulls Housing Finance Ltd. originates these loans directly and neither does it buy developer loans from other lenders nor does it sell its developer loans to other lenders
7. Every loan in the developer portfolio has dedicated escrow accounts with exclusive charge of Indiabulls Housing Finance Ltd. into which cash flows are directly deposited by either tenants occupying the buildings, or home buyers in the construction-linked loans.
8. The developer has no control whatsoever on the cash flows being received in the escrow account with Indiabulls Housing Finance Ltd. directly from the tenants of the building or from the home buyers in an under-construction project till such time the Indiabulls Housing Finance Ltd.'s loan is paid back in full

Kindly take the above information on record.

Thank You,  
Yours faithfully,

**For Indiabulls Housing Finance Limited**