



Earnings Report 2Q19

INVESTOR RELATIONS

Ignacio Gutiérrez / CFO

ig@fhipo.com

Xavier Martínez / IRO

xm@fhipo.com

María Cristina Tolosa / IR

ct@fhipo.com

Ph: +52 (55) 4744-1100

www.fhipo.com

investorrelations@fhipo.com

EARNINGS CONFERENCE CALL

Date: July 26, 2019

Time: 8:00 a.m. CDMX time (9:00 a.m. EST)

Telephone:

Toll Free: 1-877-407-0789

Toll/International: 1-201-689-8562

Conference ID: 13692265

WebCast:

<http://public.viavid.com/index.php?id=135175>

[ENGLISH TRANSLATION FOR INFORMATION PURPOSES ONLY, IN THE EVENT OF ANY CONFLICT, THE SPANISH TEXT SHALL PREVAIL]

FHipo Announces an Earnings per Share (“EPS”) of Ps. 0.426 per CBFi and participation in the IMC Program Auction

Mexico City, Mexico, July 25th, 2019 - Banco Invex, S.A., Institución de Banca Múltiple, Grupo Financiero Invex or Fideicomiso Hipotecario (“FHipo”) (BMV: FHIPO), announces the second quarter results concluding June 30th, 2019. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and published on the Mexican Stock Exchange (“BMV”).

Highlights of the 2nd quarter of 2019

- The Extraordinary Holders Assembly of Real Estate Trust Certificates (CBFIs), approved the **Internalization of FHipo’s Advisor and Manager**, with the objective of optimizing its return on equity and further aligning the management’s interests with those of its investors.
- During the first six months of the year, **FHipo’s CBFIs increased 18.5%**, reaching Ps. 17.37 per share.
- During the quarter, FHipo successfully participated in the **“Infonavit Más Crédito - 2019” Program Auction**, in which FHipo was allocated Ps. 2.00 billion, for the co-participation of mortgage loans under the IMC program, at an annual nominal interest rate of 11.9%, 100 bps above the nominal interest rate of the last auction of the IMC Program that took place in 2017.
- During the second quarter of 2019 (“2Q19”), FHipo issued two **Public Offerings of Short-Term Certificados Bursátiles Fiduciarios** (CBFs) for a total amount of Ps. 200.0 million each, with ticker symbols “FHIPO 00219” and “FHIPO 00319”, placed at TIIE₂₈ plus a 70 and 75 basis points (bps) spread, respectively.
- **Net income** per CBFi¹ (“EPS”) reached Ps. 0.426 in 2Q19, a 21.0% decrease compared to the Ps. 0.539 reported in 1Q19, and 27.0% vs 2Q18. Net income was mainly impacted by, i) the decrease in our mortgage loans portfolio, derived from the natural amortization process of the portfolio and the absence of loan originations through Infonavit programs due to setbacks in auction dates, generating “negative carry”, ii) an increase in our portfolio’s allowance for loan losses and iii) non-recurring expenses from fairness opinions related to the internalization process of FHipo’s Advisor and Manager.
- **The distribution**², subject to our current Distribution Policy (at 95% of net income), per CBFi during 2Q19 resulted in Ps. 0.405, considering 388.5 million **CBFIs outstanding** as of the date of this reports release.
- As of 2Q19, FHipo maintained an on balance **debt-to-equity ratio**³ of 1.6x, 0.1x below the ratio reported during 1Q19, mainly as a result of our portfolio’s natural amortization and the absence of loan originations through the Infonavit programs.

¹ Considers the first repurchase of CBFIs of the year, reaching a free float of 388,460,259 CBFIs.

² The distribution to be paid may be adjusted by buy-backs of FHipo CBFIs, and will be announced through the press release regarding FHipo’s 2Q19 distribution. FHipo’s Distribution Policy was updated on July 26th, 2018 by FHipo’s Technical Committee.

³ Considers on and off balance debt (“Consolidated Debt”), including our equity residuals from our securitization transactions (CDVITOT 13U, CDVITOT 14U, CDVITOT 15U and FHIPOCB 17U).

- As of 2Q19, FHipo maintained an **outstanding loan portfolio balance** of Ps. 30,793.7 million, considering securitized portfolio and collection rights (“Consolidated Portfolio”), continuing its positive trend when considering the Ps. 30,695.7 million reported in 2Q18.
- As of June 30th, 2019, our **consolidated non-performing loan** (“NPLs”) ratio represented only 2.18% of FHipo’s Consolidated Portfolio, below our expectations and continuing to be one of the lowest in the sector. As of the end of 2Q19, we maintain a **coverage on expected losses** of 1.72x.
- FHipo’s accumulated **ROE** for the first half of the year reached 7.4%.

Financial Summary

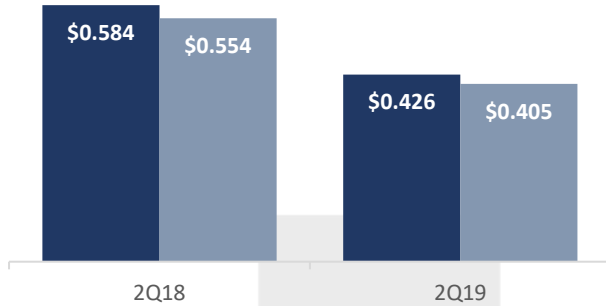
<i>Financial Summary</i>			
<i>Figures are presented according to each metric (% , \$)</i>	<i>2Q19</i>	<i>2Q18</i>	<i>Var.</i>
Financial Metrics			
Net interest income (M)	\$644,108	\$594,314	8.4%
Valuation of Receivable Benefits in Securitizations (M)	\$95,262	\$128,351	(25.8%)
Net Income (M)	\$165,525	\$247,210	(33.0%)
Net Income Margin (% , bps)	25.7%	41.6%	(15.9%)
Adjusted Financial Margin ⁽¹⁾ (% , bps)	31.7%	40.3%	(8.6%)
Net Interest Margin (NIM, % , bps)	4.4%	5.9%	(1.5%)
Earnings per CBFi ⁽²⁾ (EPS, \$)	\$0.426	\$0.584	(\$0.16)
Portfolio Ratios			
Total Number of Loans	108,771	110,787	(1.8%)
Total Balance (mm)	\$30,794	\$30,695	0.3%
Non-performing Loans / Net Portfolio (%)	2.18%	1.29%	0.9%
Financial Ratios			
Total Expenses / Gross Income (% , bps)	18.08%	16.70%	1.4%
NPLs Portfolio Coverage (consolidated, times)	0.88x	1.72x	-0.8x
Expected Loss Coverage (consolidated, times)	1.72x	2.30x	-0.6x
Leverage Ratio (Total Assets / Capital Shares)	2.86x	2.50x	0.4x
Debt / Equity (on balance, times)	1.64x	1.43x	0.2x
DSCR ⁽³⁾ (times)	3.40x	3.37x	0.0x
Return on Assets (ROA, % , bps)	2.42%	3.95%	(1.5%)
Return on Equity (ROE, % , bps)	6.50%	9.51%	(3.0%)

(1) Adjusted Financial Margin by Allowance for Loan Losses.

(2) For 2Q19, it considers the outstanding CBFIs as of the date of this report.

(3) Debt Service Coverage Ratio as of the end of the quarter.

EPS and Distribution per share

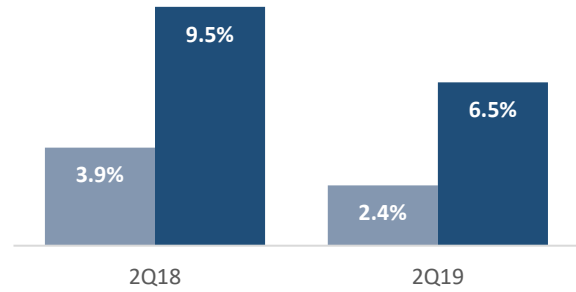


■ Earnings per Share *

■ Distribution per CBF, subject to our current Distribution Policy *

* Considering outstanding CBFs as of the date of this report.

Main Financial Ratios



■ ROA ■ ROE

Message from the Chief Executive Officer

Dear Investors,

In the second quarter of 2019 FHipo continued to execute its business plan, generating business opportunities by implementing innovative and efficient strategies.

Considering our country's macroeconomic conditions, we chose to follow a conservative path: focusing on maintaining the quality of our mortgage portfolio, using our resources efficiently through cost savings and aligning our management team's interests with those of our shareholders.

With this in mind, we achieved the allocation of a new origination line through the most recent auction of the "Infonavit Más Crédito" Program, obtaining the future origination of Ps. 2.00 billion during the next 18 months, at a nominal interest rate of 11.9%, 100 bps above the nominal interest rate of the past auction. We continued originating mortgage loans under the *Smart Lending* platform, which has demonstrated favorable performance and an upward origination rate. Furthermore, looking to satisfy our shareholders' interests, with the objective of optimizing FHipo's return on equity and aligning our management team's interests with those of our investors, we are pleased to inform the approval of FHipo's Advisor and Manager Internalization Proposal.

The process was reviewed by two renowned independent advisors (*Duff & Phelps and Delos Advisors*). Both fairness opinions were favorable and agreed that the internalization will have a positive effect on the Company's profitability as of its implementation. The internalization is still subject to certain corporate conditions in order to implement the process during the fourth quarter of the year. In this way, we will begin 2020 under this new scheme of higher profitability, efficiency and alignment of interests with our shareholders.

Our mortgage portfolio amounted to Ps. 30.8 billion as of 2Q19, in line with the Ps. 30.7 billion reported during 2Q18. The non-performing loan ratio reached 2.18%, increasing 89 bps compared to 2Q18, which is partially explained by the learning curve derived from recent changes in the management of government agencies in the housing sector, the seasoning maturation of our portfolio and a lower mortgage origination. Nevertheless, this level is below our expectations given our portfolio's maturity.

In line with our profitability approach, during the quarter we continued with our share buy-back program, cancelling such CBFIs and thus increasing our shares book value.

Finally, I would like to emphasize that in FHipo, even within a hawkish interest rates cycle, which resulted in a compression of our financial margin, we have strived to take advantage and generate value in different areas of our business. Through debt restructuring, quality mortgage origination, strategic portfolio collection and administrative efficiencies, we have maintained a constant and attractive return during the life of the trust.

We plan to effectively continue executing several initiatives and strategies, in order to face the challenging macroeconomic environment in the country. I am convinced that FHipo will continue to demonstrate its ability to generate attractive returns for its investors in the medium and long term.

Daniel Braatz | CEO

Operation Results

(In Thousands of Mexican Pesos, except Net Income per CBF)	Quarter to Quarter				Year to date		
	2Q19	2Q18	Variation	% Var	Jan - Jun	Jan - Jun	% Var
REVENUES							
Total net interest income ⁽¹⁾	\$644,108	\$594,314	\$49,794	8.4%	\$1,302,768	\$1,167,762	11.6%
Financing interest expenses	(\$405,592)	(\$344,887)	(\$60,705)	17.6%	(\$812,986)	(\$659,535)	23.3%
(-) Allowance for loan losses	(\$34,539)	(\$9,890)	(\$24,649)	249.2%	(\$57,842)	(\$12,146)	376.2%
Financial margin adjusted by credit risks	\$203,977	\$239,537	(\$35,560)	(14.8%)	\$431,940	\$496,081	(12.9%)
Valuation of receivable benefits in secur. transactions	95,262	128,351	(33,089)	(25.8%)	203,750	228,877	(11.0%)
TOTAL REVENUES, NET	299,239	367,888	(68,649)	(18.7%)	635,690	724,958	(12.3%)
TOTAL EXPENSES	(133,714)	(120,678)	(13,036)	10.8%	(258,644)	(243,855)	6.1%
NET INCOME	\$165,525	\$247,210	(\$81,685)	(33.0%)	\$377,046	\$481,103	(21.6%)
NET INCOME PER CBF	\$0.426 ⁽²⁾	\$0.583	(\$0.157)	(26.9%)	\$0.889	\$1.025	(13.3%)

¹ The revenues consider the accrued interest of our on-balance portfolio, the indexation on the outstanding balance of our mortgage portfolio denominated in VSM, the interests of the collection rights on Fovissste's portfolio and the returns obtained from our liquid investments.

² Considers the number of CBFs in float as of to date.

Interest Income increased by 8.4% in 2Q19, amounting to Ps. 644.1 million, compared to Ps. 594.3 million reported in 2Q18; this increase was primarily driven by the growth in our mortgage portfolio during the last quarters of 2018, mainly from our mortgage origination through *Smart Lending* (tech platform), which continues to grow at rates well above the market.

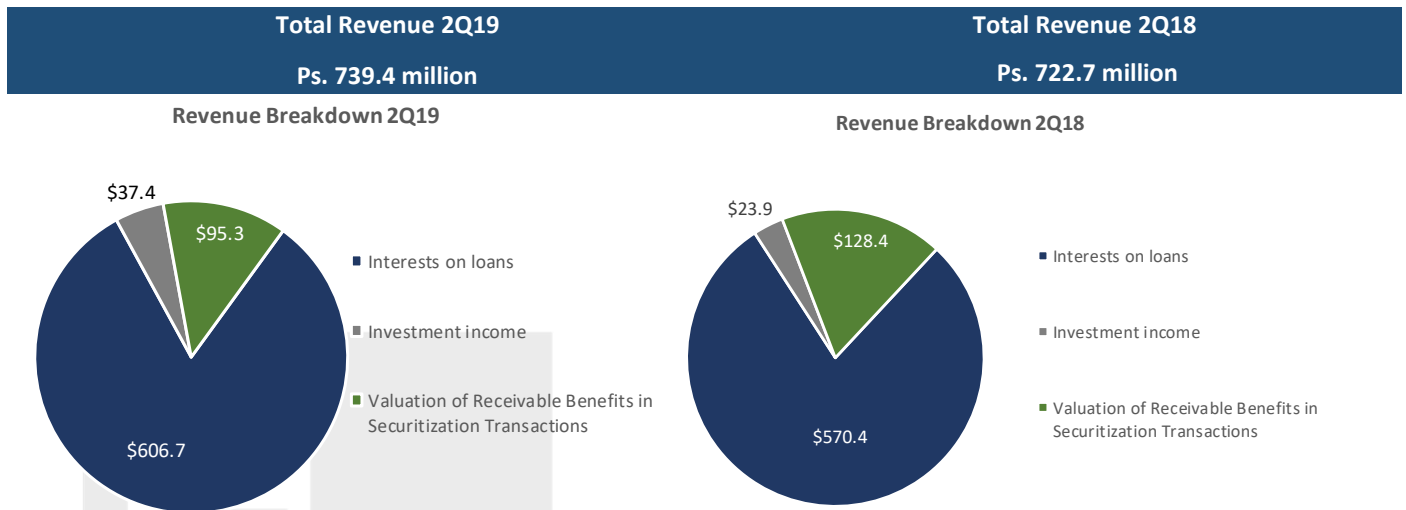
Interest Expense in 2Q19 was Ps. 405.6 million, a 17.6% increase in comparison with 2Q18, mainly due to our leverage strategy during the last quarters of 2018 and to the increase of 50+ bps in the interest rate (TIIE₂₈) during the period.

Allowance for Loan Losses reported in the income statement reached Ps. 34.5 million in 2Q19, a Ps. 11.2 million increase compared to Ps. 23.3 million reported in 1Q19, this increase is mainly due to the increase in non-performing loans in our portfolio, driven in part by the learning curve from recent changes within Infonavit's management, the seasoning of our portfolio and lower origination. FHipo estimates its allowance for loan losses based on expected loss methodology. The allowance for loan losses registered in the Balance Sheet as of June 30, 2019, is Ps. 389.5 million, which represents 1.71% of our on-balance portfolio.

Financial Margin adjusted by credit risk reached Ps. 204.0 million in 2Q19, a 10.5% decrease when compared to Ps. 228.0 million reached in 1Q19, driven by the natural amortization process of our portfolio and the growth in our allowance for loan losses.

Valuation of Receivable Benefits in Securitization Transactions is determined based on the fair value of the equity residuals of our securitizations, which are calculated based on an income approach; generating a profit of Ps. 95.3 million during 2Q19. As of today, we maintain four fiduciary equity residuals: CDVITOT 13U, CDVITOT 14U, CDVITOT 15U and FHIPO 17U.

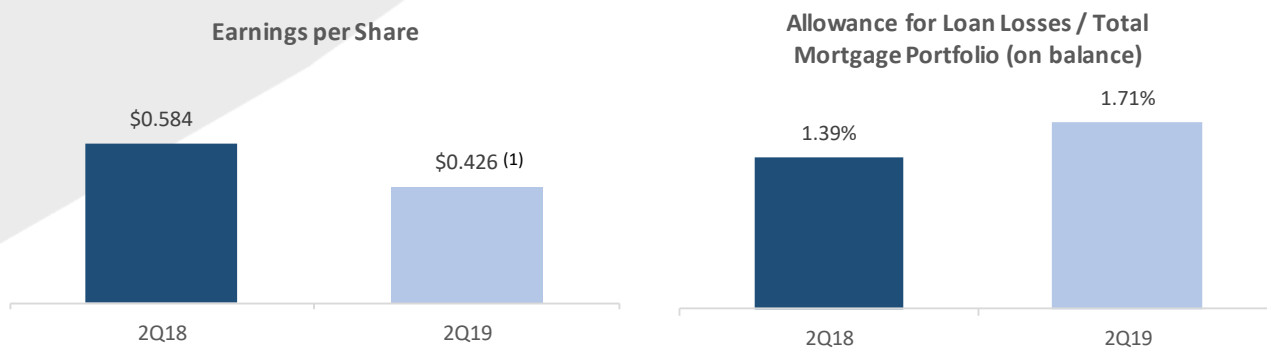
Total revenues grew Ps. 16.9 million, going from Ps. 722.7 million in 2Q18 to Ps. 739.4 million during 2Q19.



Advisory, Administration, and Servicing Expenses reached Ps. 133.7 million during 2Q19, a 7.0% increase in comparison with the Ps. 124.9 million registered in 1Q19 and 10.8% vs 2Q18, this increase is mainly driven by the non-recurring expense related to the advisory services from two renown M&A companies (*Delos Advisors and Duff & Phelps*), for FHipo’s management internalization process. Administration fees are determined based on portfolio balance, thus, the historic increase is directly proportional to our portfolio growth. These expenses represent the advisory, administration and collection services received from our Advisor and Manager during the quarter. Infonavit’s administration fees are determined based on portfolio balances, which is why the historical increase has a direct relationship with the increase of our portfolio.

Net Income reached Ps. 165.5 million in 2Q19, mainly impacted by i) the decrease in our mortgage loan portfolio, derived from the portfolio’s natural amortization process, and the absence of loan originations through the Infonavit programs, due to setbacks in auction dates, generating “negative carry”, ii) the increase in our portfolio’s allowance for loan losses and iii) the non-recurring expenses from value opinions related to the internalization process of FHipo’s Advisor and Manager. Moreover, our earnings per share reached Ps. 0.426.

The following charts show the variation of our EPS quarter over quarter, as well as the development of the allowance for loan losses compared to our on-balance mortgage portfolio.



(1) Considers the outstanding balance of CBFIs as of the date of this report.

Balance Sheet

<i>(In Thousands of Mexican Pesos)</i>	2Q19	2Q18	Variation	% Var
ASSETS				
Cash equivalents and debt securities	\$2,500,636	\$1,587,393	\$913,243	57.5%
Loans, net	22,344,840	21,409,707	935,133	4.4%
Collection Rights, net	105,186	112,649	(7,463)	(6.6%)
Receivable benefits in securitization transactions	2,875,288	3,127,763	(252,475)	(8.1%)
Derivative financial instruments	21,741	94,835	(73,094)	(77.1%)
Accounts receivables and other assets	217,482	141,471	76,011	53.7%
TOTAL ASSETS	\$28,065,173	\$26,473,818	\$1,591,355	6.0%
LIABILITIES AND EQUITY				
TOTAL LIABILITIES	\$17,663,318	\$15,728,743	\$1,934,575	12.3%
TOTAL EQUITY	10,401,855	10,745,075	(343,220)	(3.2%)
TOTAL LIABILITIES AND EQUITY	\$28,065,173	\$26,473,818	\$1,591,355	6.0%

Total Assets as of June 30, 2019 reached Ps. 28.1 billion, an increase of 6.0% vs 2Q18, this increase is related to the execution of our leverage strategy, and the growth of our portfolio during 2018.

On-balance Loan Portfolio as of 2Q19 is composed by 61,767 loans, with an outstanding principal balance of Ps. 22.34 billion, an increase of 4.4% compared to Ps. 21.41 billion reported in 2Q18.

During 2Q19, FHipo acquired mortgage loans for a total of Ps. 95.3 million and received principal amortizations of Ps. 301.7 million, reaching a net outstanding balance of Ps. 22.1 billion. Furthermore, as of the end of 2Q19, the accrued interest receivable grew to Ps. 650.5 million. By including the indexation of Times Minimum Wage ("VSM") denominated loans for 2Q19 and reducing the allowance for loan losses, the net mortgage portfolio for 2Q19 is worth Ps. 22.3 billion.

Collection Rights on Fovissste's portfolio reached Ps. 105.2 million as of 2Q19, net of allowance for loan losses, a 6.6% decrease in comparison with Ps. 112.6 reported in 2Q18. This is mainly due to the assets' natural amortization process.

Receivable Benefits in Securitization Transactions of the equity residuals, as of 2Q19 amounted to Ps. 2.88 billion, a decrease of 8.1% as compared to the Ps. 3.13 billion registered in 2Q18, due to the natural amortization process of these structures and the collection of the residuals. In accordance with the IFRS, the fiduciary rights are valued at fair value.

Financial Derivatives as of 2Q19, amounted to Ps. 21.7 million, a decrease of 77.1% vs Ps. 94.8 million in 2Q18, this contraction is primarily driven by the term of our derivatives and by the movement in the local interest rate curve during the quarter. The derivatives are valued at fair value as of the end of each quarter.

FHipo's Consolidated Portafolio as of 2Q19, considering both the portfolio and the collection rights securitized, consist of 108,771 loans for a total value of Ps. 30.8 billion, considering its outstanding portfolio balance, excluding accrued interest and indexation on loans denominated in times minimum wage ("VSM"), and shows a 0.3% increase in comparison with Ps. 30.70 billion registered as of 2Q18.

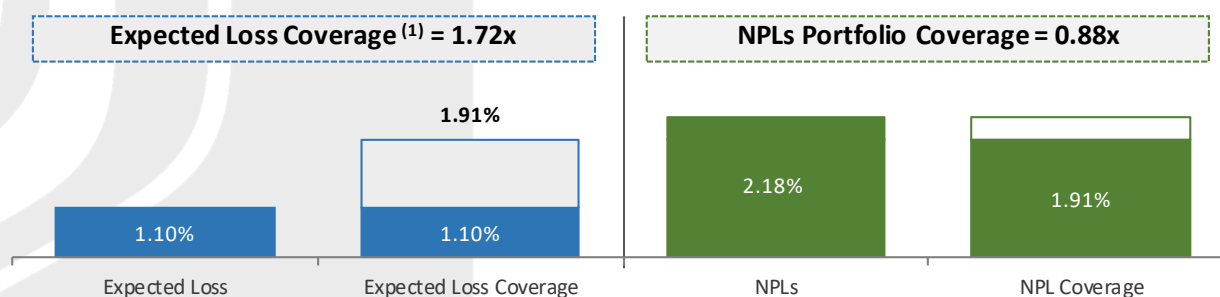
Summary – Consolidated Mortgage Portfolio⁴

Portfolio Value (millions)	No. of Loans	Infonavit Total Pesos	Infonavit Total VSM	Infonavit Más Crédito	Fovissste VSM	Smart Lending	Non-Current Portfolio
Ps. 30,794	108,771	12.00%	9.50% (real)	10.84%	5.37% (real)	12.97% ⁵	2.18%

Non-Current Portfolio in consolidated terms represents 2.18% of the Consolidated Portfolio, remaining in line with our long-term estimated loss; this increase is mainly driven by two factors, i) the learning curve of Infonavit's recently appointed internal management, directly impacting our portfolio performance and, ii) the seasoning of our portfolio, coupled with the absence of origination of mortgage loans under Infonavit programs, as previously mentioned. At a balance sheet level, FHipo's non-performing loans, including overdue interest, represent 2.10% of the Consolidated Portfolio or Ps. 469.7 million, compared to 1.10% or Ps. 235.8 million reported in 2Q18. This indicator remains below our expected levels and market comps.

Allowance for Loan Losses⁶ reached Ps. 389.5 million, an increase of Ps. 87.7 million vs 2Q18, mainly due to portfolio that has fallen into non-performing status, for which the allowance created corresponds to the expected loss during the remaining life of each loan. The accumulated expected loss coverage was 1.72x (times).

Stable Levels of NPLs with Conservative Allowance for Loan Losses



(1) Considers weighed severity of FHipo's consolidated portfolio of 50.8%, consolidated NPL's of Ps. \$670.8 million.

Other Receivables as of 2Q19 rose to Ps. 217.5 million, a growth of Ps. 76.0 million compared to 2Q18. Other receivables registered up to June 30, 2019 mainly consist of the effective collections made by Infonavit which have not yet been transferred to FHipo.

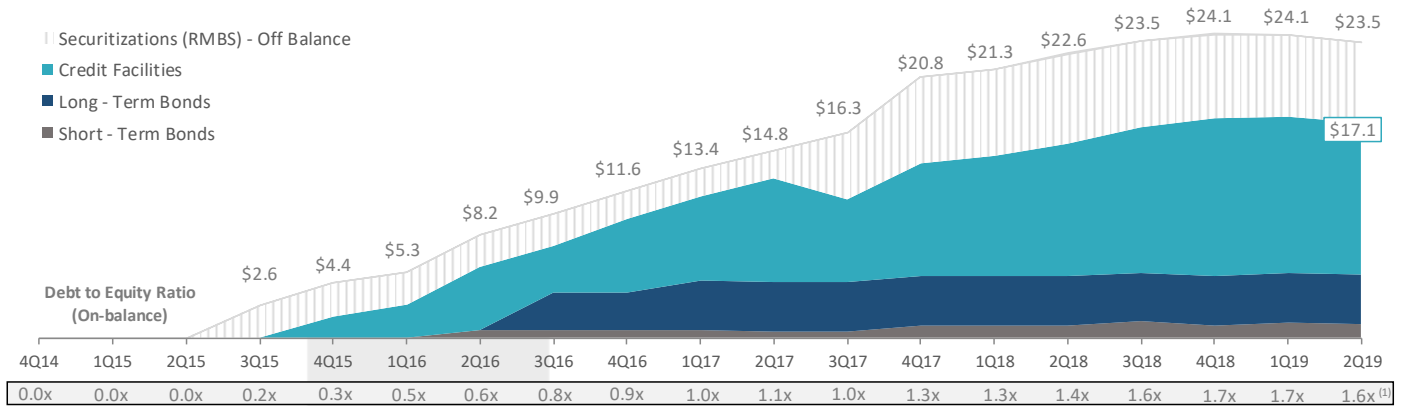
Total Liabilities as of 2Q19 were Ps. 17.66 billion, an increase of Ps. 1.9 million vs 2Q18, due to the execution of our leverage strategy.

⁴ Consolidated figure considers Infonavit's portfolio and the collection rights on Fovissste's portfolio on and off balance. Refers to FHipo's outstanding portfolio balance, excluding accrued interest and indexation on loans denominated in times minimum wage (VSM). The consolidated figures are shown for informative purposes only.

⁵ APR before incurring in expenses such as insurance/accessories, origination fee and administration fee, which are covered by SL.

⁶ Determined by the estimated loss methodology in accordance with IFRS.

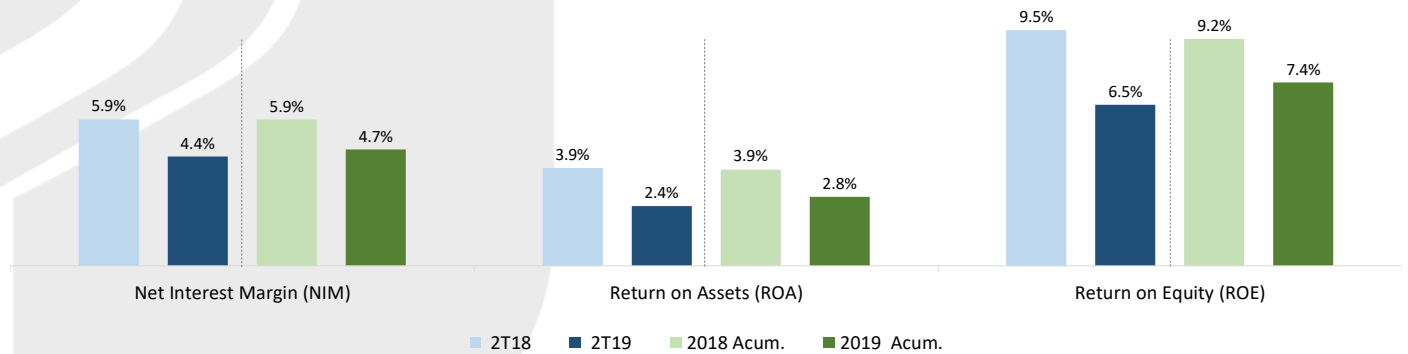
Development of our on-balance Leverage Strategy



(1) Debt/Equity of 2.3x considering off-balance leverage.

Total Equity reached Ps. 10.4 billion, a 3.2% decrease in comparison with the same period of the previous year, due to the acquisition of FHIPO 14 CBFIs during the last twelve months. Total Equity consists of the amount obtained from our Global Equity Offerings, net of issuance costs and accumulated earnings, and other comprehensive income, minus acquisitions of CBFIs and distributions paid to investors.

Performance of our Key Financial Ratios



Consolidated Portfolio Composition

The following table details FHipo's Consolidated Portfolio as of June 30, 2019.

FHipo - Consolidated Portfolio	2Q19	2Q18
Total Balance (FHipo's Participation)	\$30,794 million ⁽¹⁾	\$30,696 million ⁽¹⁾
Total Number of Loans	108,771	110,787
Average co-participated loan balance by Mortgage Loan	\$283,106	\$277,070
Loan-to-Value at Origination (LTV) ⁽²⁾	77.33%	77.13%
Payment-to-Income (PTI) ⁽²⁾	24.18%	24.18%
Current Portfolio	97.82% (NPL = 2.18%)	98.71% (NPL = 1.29%)
By Origination Program		
<u>Infonavit Total (IT)</u>		
Portfolio Balance IT (VSM ⁽³⁾ and Pesos)	\$13,413 million	\$14,611 million
Portfolio Balance - IT VSM ⁽³⁾	\$6,880 million	\$7,695 million
Average Interest Rate - IT VSM ^{(2) (3)}	9.50% in VSM	9.52% in VSM
Portfolio Balance - IT Pesos	\$6,533 million	\$6,916 million
Average Interest Rate - IT Pesos	12.00% (Nominal)	12.00% (Nominal)
<u>Infonavit Más Crédito (IMC)</u>		
Portfolio Balance IMC	\$14,361 million	\$13,199 million
Average Interest Rate IMC ⁽²⁾	10.84% (Nominal)	10.83% (Nominal)
<u>Fovissste</u>		
Portfolio Balance Fovissste ⁽³⁾	\$2,802 million	\$2,872 million
Average Interest Rate ⁽²⁾⁽³⁾	5.37% in VSM	5.37% in VSM
<u>Smart Lending</u>		
Portfolio Balance Smart Lending	\$218 million	\$14 million
Average Interest Rate ⁽²⁾⁽⁴⁾	12.97%	13.12%

Note: Consolidated figures consider Infonavit's portfolio and Fovissste's and Smart Lending's collection rights portfolio (on and off balance).

(1) Refers to FHipo's outstanding portfolio balance, excluding accrued interest and indexation on loans denominated in times minimum wage (VSM). As of June 30th, 2019, FHipo co-participants ~63% (weighted average) of each mortgage loan.

(2) Weighted average by "Total Balance".

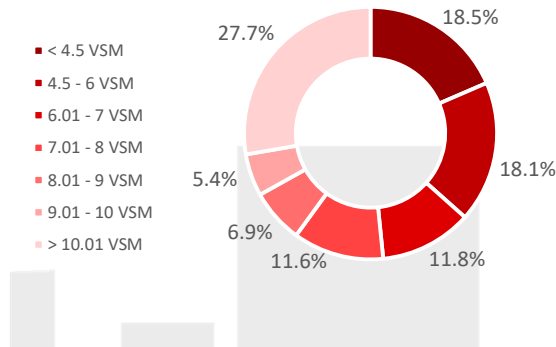
(3) VSM denominated loans are indexed to the lower between the increase in the minimum wage and the increase in the UMA.

(4) APR before incurring in expenses such as insurance/accessories, origination fee and administration fee, which are covered by SL.

Infonavit's Portfolio Characteristics (Infonavit Total and Infonavit Más Crédito)

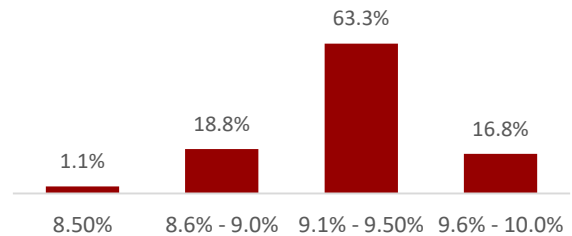
Distribution by borrower's salary in VSM at loan origination date

(as % of total loans within Infonavit's portfolio)



Distribution by interest rate in VSM ⁽¹⁾

(as % of total loans within Infonavit's VSM portfolio)



Infonavit Total Pesos = 12.00% nominal

Infonavit Más Crédito:

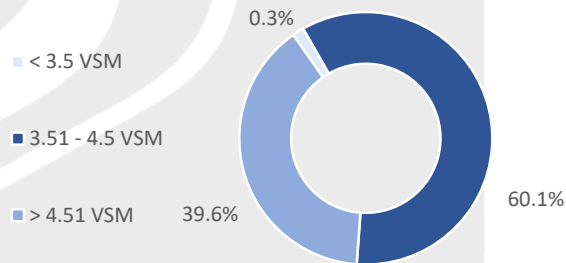
Average Rate = 10.84% nominal

Current Origination Rate = 11.90% nominal ⁽²⁾

Fovissste's Portfolio characteristics

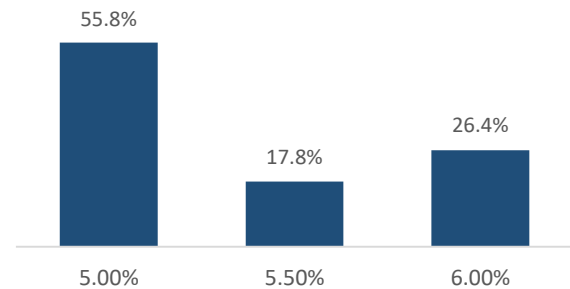
Distribution by borrower's salary in VSM at loan origination date

(as % of total loans within Fovissste's portfolio)



Distribution by interest rate in VSM ⁽¹⁾

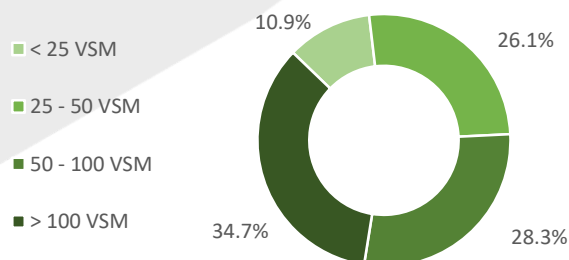
(as % of total loans within Fovissste's portfolio)



Smart Lending's Portfolio characteristics

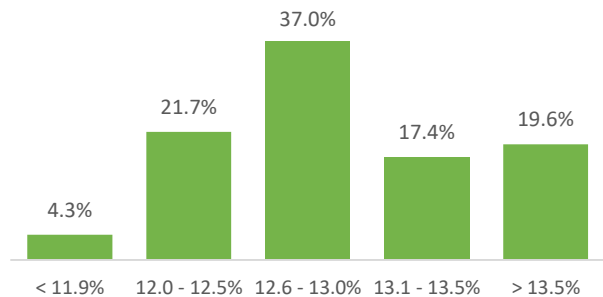
Distribution by borrower's salary at loan origination date on mortgage guarantee

(as % of total loans within Smart Lending's portfolio)



Distribution by APR of the mortgage guarantee

(as % of total loans within Smart Lending's portfolio)



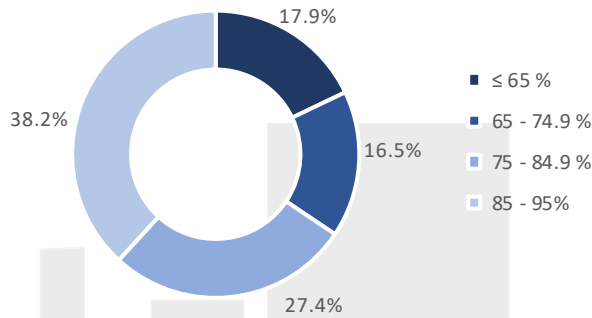
(1) VSM denominated loans are indexed to the lower between the increase in the minimum wage and the increase in the UMA.

(2) Current origination rate, referring to the auction of the "Infonavit Más Crédito" program held on June 11th, 2019.

Consolidated Portfolio Characteristics

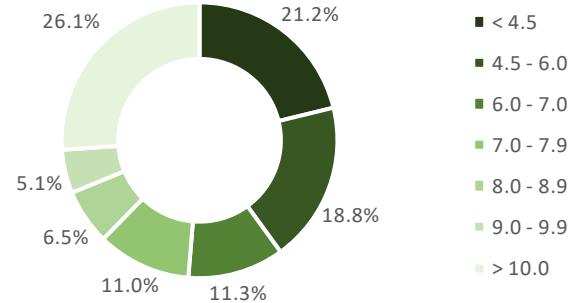
Distribution by Loan-to-Value (LTV) at loan origination date

(as % of total loans within consolidated portfolio)



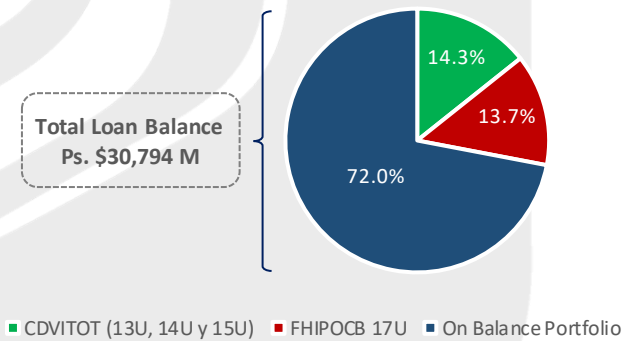
Distribution by borrower's salary in VSM at loan origination date

(as % of total loans within consolidated portfolio)



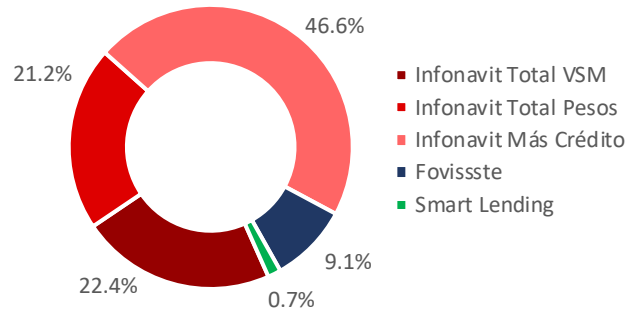
Distribution by Total Balance on and off balance

(as % of total consolidated portfolio loan balance)



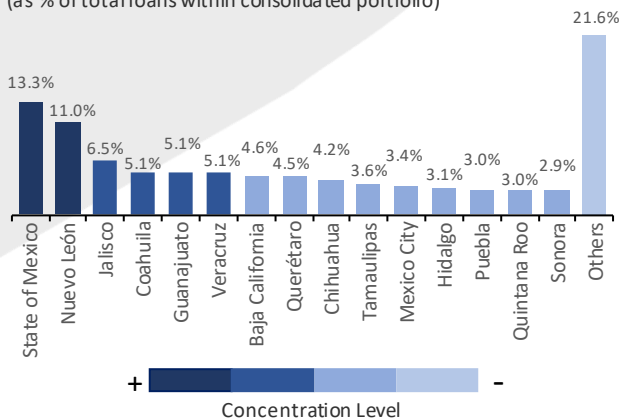
Distribution by origination program

(as % of total consolidated portfolio loan balance)



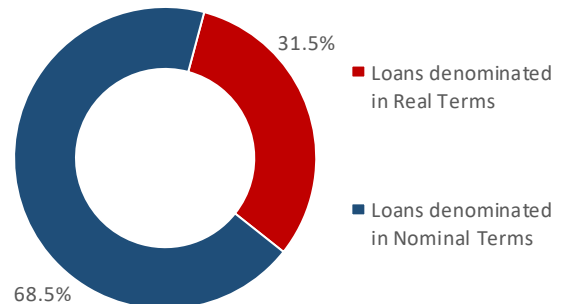
Geographic distribution of the portfolio

(as % of total loans within consolidated portfolio)



Distribution by Interest Rate (Real vs. Nominal)

(as % of total consolidated portfolio loan balance)

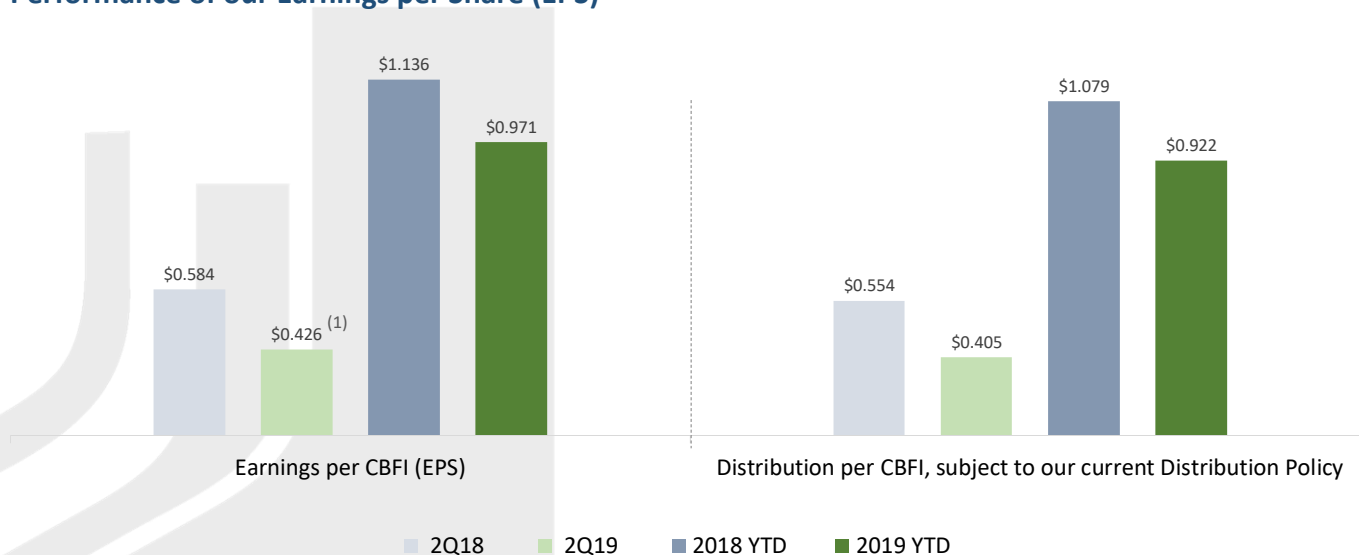


Estimated Distribution to Holders

As a result of the updated Distribution Policy, on May 24, 2019, FHipo distributed 95.0% of the net income obtained during 1Q19, amounting to Ps. 0.512 per CBFI.

95% of the Net Income for 2Q19 represents Ps. 165.5 million, divided by the outstanding CBFI as of July 25, 2019 (this report's release date) results in a distribution, subject to FHipo's current Distribution Policy, of Ps. 0.405 per CBFI or Ps. 157.2 million.

Performance of our Earnings per Share (EPS)



(1) Considers the outstanding balance of CBFI as of the date of this report.

Leverage

Funding Structures

Below are the main details of all our funding structures that we maintain as of June 30, 2019 (figures in millions of pesos):

Sources of Funding	Type of Funding	Benchmark Rate	Margin	Maximum amount	Amount Withdrawn	Legal Maturity
FHIPOCB 17U	Securitization	UDIBONO 2025 (3.11%)	+102 bps	-	\$3,037 ⁽¹⁾	2025
CDVITOT 15U		UDIBONO 2019 (1.80%)	+111 bps	-	\$1,643 ⁽¹⁾	2022
CDVITOT 14U		UDIBONO 2018 (1.30%)	+119 bps	-	\$742 ⁽¹⁾	2021
CDVITOT 13U		UDIBONO 2017 (1.54%)	+192 bps	-	\$994 ⁽¹⁾	2020
Short Term - FHIPO 00319	Unsecured Bond	TIE ₂₈	+75 bps	-	\$200	Jun 2020
Short Term - FHIPO 00219			+70 bps	-	\$200	May 2020
Short Term - FHIPO 00119			+75 bps	-	\$200	March 2020
Short Term - FHIPO 00318			+75 bps	-	\$230	November 2019
Short Term - FHIPO 00218			+50 bps	-	\$300	August 2019
IFC	Warehousing Line	TIE ₂₈	+135 bps	\$2,600	\$2,300	2025
HSBC No. 2			+143 bps	\$2,000	\$375	2050
HSBC No. 1			+150 bps	\$5,000	\$5,000	2050
IDB			+150 bps	\$1,397	\$1,397	2023
NAFIN			+165 bps	\$5,000	\$2,980	2050
Banorte			+205 bps	\$7,000	\$0	2025
Long Term - FHIPO 16	Covered Bond	Fixed Rate = 7.00%	-	-	\$3,000	2021
Long Term - FHIPO 17		Fixed Rate = 8.78%	-	-	\$900	2022

(1) Outstanding Balance.

Leverage Ratio and Debt Service Coverage Ratio ⁽¹⁾

FHipo's leverage and debt to equity ratio as of June 30, 2019 was the following (in millions of pesos):

Leverage * ≤ 5	Results as of 2Q19	→	2.89 x ⁽²⁾	✓
Debt / Equity ≤ 2.5	Results as of 2Q19	→	1.64 x ⁽²⁾	✓
DSC_t ⁽³⁾ ≥ 1	Results as of 2Q19	→	3.40 x ⁽²⁾	✓

* Leverage = (Total Assets / Equity Securities). In which Total Assets refers to the sum of all accounts within the company's balance sheet statement and Equity Securities to book value of the company's outstanding shares, calculated at quarters end.

- (1) Calculation methodology based on the CNBV, Annex AA from the Consolidated Letter of Securities Issuers (CUE). For further detail refer to "Leverage Report".
- (2) Calculated with financial information as of 2Q19.
- (3) Debt Service Coverage Ratio as of the end of the quarter.

Our leverage ratio (Total Assets/Equity Securities) was of 2.89x. Furthermore, as of the end of the 2Q19, our debt service coverage ratio was of 1.64x, within the regulatory limit. Our risk team constantly assesses the limits and guidelines with which we must comply in accordance with the CNBV.

Relevant Events during the 2Q19

FHipo announces movements in its Technical Committee (April 12th, de 2019)

- FHipo announces that the resignation of David Proman as an independent member of FHipo's Technical Committee was received through FHipo's Technical Committee Secretary. This was in order to suit his interests and was made effective as of April 11th, 2019.

FHipo announces the Termination of Market Maker agreement (April 15th, 2019)

- FHipo announces the termination of the Market Maker Agreement held with Casa de Bolsa Santander, S.A. de C.V., Grupo Financiero Santander México, which provides market maker services to FHipo's outstanding Real Estate Trust Certificates FHIPO 14 ("CBFIs"), effective as of today.

FHipo announces the distribution corresponding to 1Q19 (May 15th, 2019)

- FHipo informs that on May 24th, 2019 the distribution of Ps. 0.5121146765630921 pesos per CBFi corresponding to the first quarter of 2019 will take place, that is, 95.0% of the net income per CBFi (Ps. 0.539 pesos per CBFi). The latter, in accordance with Section 12.1 of the Trust Agreement, as well as the Distribution Policy approved at the Eighteenth Session of the Technical Committee and was published on July 26th, 2018.

Distribution – 1Q19	Amount in Pesos	% of Net Income	Pesos per CBFi ⁶
Net Income of the Quarter	211,521,743.64	100.00%	0.539
Net income subject to Distribution	200,945,656.46	95.00%	0.512
Share buyback on account of Distribution	0.00	0.0%	0.000
Net Income to be Distributed	200,945,656.46	95.0%	0.512

FHipo announces a public offering of short-term Certificados Bursátiles Fiduciarios (May 23th, 2019)

- FHipo announces a public offering of Short-Term Certificados Bursátiles Fiduciarios (CBFs) for a total amount of Ps. 200 million (two hundred million pesos 00/100), with ticker symbol "FHIPO 00219". This offering corresponds to the ninth issuance of Short-Term CBFs issued by FHipo under a dual program approved by the National Banking and Securities Commission on March 31st, 2016. The certificates were placed at a 364 day term and at an interest rate equivalent to the Interbank Equilibrium Interest Rate (or TIEE₂₈) plus a 70 basis point spread. Casa de Bolsa Banorte Ixe, S.A. de C.V., Grupo Financiero Banorte, HSBC Casa de Bolsa, S.A. de C.V., Grupo Financiero HSBC and Actinver Casa de Bolsa, S.A. de C.V., Grupo Financiero Actinver acted as bookrunners of the offering.

FHipo announces movement to the management team of its Advisor and Manager (May 31st, 2019)

- FHipo announces that the duties that correspond to the Chief Legal Officer of the Advisor and Manager, performed until May 31st, 2019 by Diego Armando Gutiérrez Herrera will be performed, as of June 3rd, 2019, again by Lic. Patricia Montiel Font.

FHipo called for an Extraordinary Holders Assembly, through a second call, with the purpose of discussing and approving the Internalization of FHipo's Advisor and Manager (June 7th, 2019)

Derived from the first call to the Extraordinary Holders Assembly of CBFIs identified with ticker symbol "FHIPO 14", held on April 11, 2019, for the proposal, discussion and, if applicable, approval of the Internalization of FHipo's Advisor and Manager. An Extraordinary Holders Assembly was convened for a second time due to the lack of quorum required for its initial celebration.

⁶ Considers 392,384,100 CBFIs FHIPO 14 outstanding.

- The second Call for the Extraordinary Holders Assembly for FHipo's CBFi holders, identified with ticker symbol "FHipo 14" was published, in which, the items submitted for approval in the agenda include *"the internalization of FHipo's Advisor and Manager to optimize return on equity and acts related to such internalization (the" Internalization ")*, including without limitation: (i) *the conclusion of all types of agreements, contracts, amendments, documents, titles or instruments including the Trust and other documents of the issuance that may be susceptible;* (ii) *the issuance of up to 50,000,000 CBFIs to be subscribed and paid by the Selling Shareholders due to the internalization of the Advisor and Manager; ... "* The foregoing, in terms of the same informative document, which was not modified, published on the first call, which is attached for reference. The foregoing is made known, in compliance with the provisions of articles 50, section VIII, subsection (d) and 7, section VII, subsection (a), subparagraph 1 of the General Provisions Applicable to Issuers of Securities. Furthermore, a second fairness opinion is attached. [For additional information click here.](#)

FHipo announces that through the auction of the "Infonavit Más Crédito" program , it achieved the future allocation of Ps. 2,000 million (June 12th, 2019)

- FHipo announces its participation in the "Infonavit Más Crédito - 2019" Auction, mortgage origination program that grants loans for a second time to beneficiaries of INFONAVIT. The auction was for a total amount of up to Ps. 18,000 million, in which 6 entities participated, including FHipo. In this regard, on June 11th 2019, INFONAVIT assigned 94.4% of the amount convened at a fixed nominal interest rate in pesos of 11.9%. FHipo was allocated 11.8% of the amount assigned, which is Ps. 2,000 million.

FHipo announces the approval of the Internalization of FHipo's Advisor and Manager (June 23rd, 2019)

- FHipo announces that, by second call at Extraordinary Holders Assembly of Real Estate Trust Certificates (CBFIs) identified with ticker symbol "FHipo 14", the internalization of FHipo's Advisor and Manager was approved, with the objective to optimize its return on equity.

FHipo announces a public offering of Short-Term Certificados Bursátiles Fiduciarios for a total amount of Ps. 200 million (June 27th, 2019)

- FHipo announces a public offering of Short-Term Certificados Bursátiles Fiduciarios (CBFs) for a total amount of Ps. 200 million (two hundred million pesos 00/100), with ticker symbol "FHipo 00319". The certificates were placed at a 364 day term and at an interest rate equivalent to the Interbank Equilibrium Interest Rate (or TIEE28) plus a 75 basis point spread. Casa de Bolsa Banorte Ixe, S.A. de C.V., Grupo Financiero Banorte, HSBC Casa de Bolsa, S.A. de C.V., Grupo Financiero HSBC and Actinver Casa de Bolsa, S.A. de C.V., Grupo Financiero Actinver acted as bookrunners of the offering.

Analysts Coverage

As of the end of the 2Q19, the Coverage Analysis of FHipo is given by the following institutions:

Institution	Equity Research Analyst
Nau-Securities	Iñigo Vega
Santander	Cecilia Jimenez
Actinver	Enrique Mendoza

About FHipo

FHipo is the first real estate investment trust established to acquire, originate, co-participate, and manage mainly mortgage portfolios, that allows the general public to invest in residential mortgage portfolios, providing capital gains linked to mortgage returns and contributing to the financing and development of the housing sector in Mexico. Our portfolio is composed by residential mortgages in Mexico with an attractive risk-reward ratio. The current portfolio uses Infonavit's origination and servicing platform, allowing access for collection through payroll deduction, serving as a primary servicer of mortgage portfolios, in addition CH Asset Management has developed together with Concord Servicing a proprietary technological platform. Through FHipo, investors can access the residential mortgage market in Mexico and benefit from the liquidity of an instrument listed on the BMV.

Disclaimer

This press release may contain forward-looking statements based on the current expectations of FHipo. Actual future events or results could differ materially from these statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Appendix – Balance Sheet

	2Q19	2Q18	Variation	% Var
ASSETS				
Cash and cash equivalents	\$2,500,636	\$1,587,371	\$913,265	57.5%
Debt securities	0	22	(22)	(100.0%)
<i>Current loans</i>	21,619,422	20,897,139	722,283	3.5%
<i>Past due loans</i>	447,502	226,136	221,366	97.9%
<i>Accrued interest</i>	650,479	569,738	80,741	14.2%
<i>Indexation on mortgage loans</i>	16,913	18,447	(1,534)	(8.3%)
<i>Allowance for loan losses</i>	(389,476)	(301,753)	(87,723)	29.1%
Loans, net	22,344,840	21,409,707	935,133	4.4%
Collection rights, net	105,186	112,649	(7,463)	(6.6%)
Receivable benefits in securitization transactions	2,875,288	3,127,763	(252,475)	(8.1%)
Derivative financial instruments	21,741	94,835	(73,094)	(77.1%)
Accounts receivables and other assets	217,482	141,471	76,011	53.7%
TOTAL ASSETS	\$28,065,173	\$26,473,818	\$1,591,355	6.0%
LIABILITIES				
Accounts payables and accrued expenses	\$109,872	\$223,065	(\$113,193)	(50.7%)
Notes/securities payable	5,128,392	4,980,684	147,708	3.0%
Borrowings	12,200,420	10,524,994	1,675,426	15.9%
Derivative financial instruments	224,634	0	224,634	N/A
TOTAL LIABILITIES	\$17,663,318	\$15,728,743	\$1,934,575	12.3%
EQUITY				
Common stock, net	\$9,786,934	\$10,263,315	(\$476,381)	(4.6%)
Other comprehensive income	(\$202,892)	\$94,835	(\$297,727)	(313.9%)
Retained earnings	817,813	386,925	430,888	111.4%
TOTAL EQUITY	\$10,401,855	\$10,745,075	(\$343,220)	(3.2%)
TOTAL LIABILITIES AND EQUITY	\$28,065,173	\$26,473,818	\$1,591,355	6.0%

Appendix – Income Statement

	Quarter to Quarter				Year to date		
	2Q19	2Q18	Variation	% Var	Jan - Jun	Jan - Jun	% Var
REVENUES							
<i>Interests on mortgage loans</i>	\$606,697	\$570,387	\$36,310	6.4%	\$1,234,277	\$1,124,373	9.8%
<i>Investment income</i>	37,411	23,927	13,484	56.4%	68,491	43,389	57.9%
<i>Total net interest income</i>	644,108	594,314	49,794	8.4%	1,302,768	1,167,762	11.6%
<i>Financing interest expenses</i>	(405,592)	(344,887)	(60,705)	17.6%	(812,986)	(659,535)	23.3%
Financial margin	238,516	249,427	(10,911)	(4.4%)	489,782	508,227	(3.6%)
<i>(-) Allowance for loan losses</i>	(34,539)	(9,890)	(24,649)	249.2%	(57,842)	(12,146)	376.2%
Financial margin adjusted for credit risks	203,977	239,537	(35,560)	(14.8%)	431,940	496,081	(12.9%)
Valuation of receivable benefits in securitization transactions	95,262	128,351	(33,089)	(25.8%)	203,750	228,877	(11.0%)
TOTAL REVENUES, NET	\$299,239	\$367,888	(\$68,649)	(18.7%)	\$635,690	\$724,958	(12.3%)
EXPENSES							
Management and collection fees	(102,395)	(90,739)	(11,656)	12.8%	(204,790)	(190,270)	7.6%
Other administrative expenses	(31,319)	(29,939)	(1,380)	4.6%	(53,854)	(53,585)	0.5%
TOTAL EXPENSES	(133,714)	(120,678)	(13,036)	10.8%	(258,644)	(243,855)	6.1%
NET INCOME	\$165,525	\$247,210	(\$81,685)	(33.0%)	\$377,046	\$481,103	(21.6%)
NET INCOME PER CBF1 ⁽¹⁾	\$0.426	\$0.583	(\$0.157)	(26.9%)	\$0.889	\$1.025	(13.3%)
COMPREHENSIVE INCOME							
Net income	\$165,525	\$247,210	(\$81,685)	(33.0%)	\$377,046	\$481,103	(21.6%)
Other comprehensive income	(55,604)	2,552	(58,156)	(2,278.8%)	(245,979)	(25,214)	875.6%
TOTAL COMPREHENSIVE INCOME	\$109,921	\$249,762	(\$139,841)	(56.0%)	\$131,067	\$455,889	(71.3%)

(1): The 2Q19 EPS considers FHipo's outstanding CBFIs as of this report's publication date.

Appendix – Stratification Analysis of Infonavit’s Portfolio

Below we present a stratification analysis of Infonavit’s on and off balance portfolio as of June 30th, 2019.

By Loan Denomination							
Loan Denomination	Average Interest Rate	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Infonavi Total VSM (real rate)	9.51%	43,574	42.82%	\$ 6,879,672,280	24.77%	2,678,479	24.77%
Infonavit Total Pesos	12.00%	29,771	29.26%	\$ 6,533,302,337	23.52%	2,543,626	23.52%
Infonavit Mas Credito Pesos	10.84%	28,404	27.92%	\$ 14,361,289,856	51.71%	5,591,314	51.71%
Total		101,749	100.00%	\$ 27,774,264,474	100.00%	10,813,418	100.00%

By Worker's Salary							
Worker's Salary		Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
<=4.50 - 5 VSM		18,821	18.50%	\$ 3,312,674,484	11.93%	1,289,731	11.93%
5.01 - 6 VSM		18,463	18.15%	\$ 3,307,688,662	11.91%	1,287,790	11.91%
6.01 - 7 VSM		11,965	11.76%	\$ 1,837,376,759	6.62%	715,350	6.62%
7.01 - 8 VSM		11,803	11.60%	\$ 1,980,378,928	7.13%	771,025	7.13%
8.01 - 9 VSM		6,997	6.88%	\$ 1,568,493,667	5.65%	610,665	5.65%
9.01 - 10 VSM		5,522	5.43%	\$ 1,422,232,753	5.12%	553,721	5.12%
> 10.01 VSM		28,178	27.69%	\$ 14,345,419,222	51.65%	5,585,135	51.65%
Total		101,749	100.00%	\$ 27,774,264,474	100.00%	10,813,418	100.00%

By Interest Rate in VSM							
Interest Rate		Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
8.50%		474	1.09%	\$ 75,063,967	1.09%	29,225	1.09%
8.6% - 9.0%		8,196	18.81%	\$ 1,201,223,367	17.46%	467,675	17.46%
9.1% - 9.50%		27,598	63.34%	\$ 3,881,266,987	56.42%	1,511,103	56.42%
9.6% - 10.0%		7,306	16.77%	\$ 1,722,117,959	25.03%	670,476	25.03%
Total		43,574	100.00%	\$ 6,879,672,280	100.00%	2,678,479	100.00%

By Months Past Due							
Months Past Due		Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
0 months		93,787	92.17%	\$ 25,651,416,533	92.36%	9,986,925	92.36%
< 91 days		5,474	5.38%	\$ 1,486,718,394	5.35%	578,827	5.35%
≥ 91 days (W/out CDVITOT 13U y 14U)		1,716	1.69%	\$ 504,554,720	1.82%	196,439	1.82%
≥ 91 days (CDVITOT 13U y 14U)		772	0.76%	\$ 131,574,827	0.47%	51,226	0.47%
Total		101,749	100.00%	\$ 27,774,264,474	100.00%	10,813,418	100.00%

By Loan to Value (LTV)							
Loan to Value (LTV)		Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
<= 65%		17,478	17.18%	\$ 4,074,514,019	14.67%	1,586,340	14.67%
65% - 74.9%		16,626	16.34%	\$ 4,002,432,685	14.41%	1,558,276	14.41%
75% - 84.9%		27,319	26.85%	\$ 7,127,601,227	25.66%	2,775,005	25.66%
85% - 95.0%		40,326	39.63%	\$ 12,569,716,543	45.26%	4,893,797	45.26%
Total		101,749	100.00%	\$ 27,774,264,474	100.00%	10,813,418	100.00%

By Loan Regime							
Loan Regime		Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Ordinary Amortization Regime (ROA)		84,922	83.46%	\$ 23,376,746,396	84.17%	9,101,322	84.17%
Special Amortization Regime (REA)		14,003	13.76%	\$ 3,637,122,225	13.10%	1,416,049	13.10%
Extension		2,824	2.78%	\$ 760,395,853	2.74%	296,047	2.74%
Total		101,749	100.00%	\$ 27,774,264,474	100.00%	10,813,418	100.00%

By Total Current Balance Co-participated - VSM							
Total Current Balance		Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Less than or equal to 100 VSM		38,050	87.32%	\$ 4,880,091,346	70.93%	1,899,977	70.93%
100.01 - 200 VSM		4,886	11.21%	\$ 1,583,767,612	23.02%	616,612	23.02%
200.01 - 300 VSM		503	1.15%	\$ 296,629,528	4.31%	115,487	4.31%
300.01 - 400 VSM		119	0.27%	\$ 101,155,074	1.47%	39,383	1.47%
> 400 VSM		16	0.04%	\$ 18,028,719	0.26%	7,019	0.26%
Total		43,574	100.00%	\$ 6,879,672,280	100.00%	2,678,479	100.00%

By Total Current Balance Co-participated - Pesos						
Total Current Balance	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
< 200 thousand Ps.	24,431	42.00%	\$ 3,920,841,972	18.76%	1,526,510	18.76%
200.1 thousand Ps. – 400 thousand Ps.	15,960	27.43%	\$ 4,315,490,452	20.65%	1,680,160	20.65%
400.1 thousand Ps. – 600 thousand Ps.	7,847	13.49%	\$ 3,850,884,049	18.43%	1,499,274	18.43%
> 600.1 thousand Ps.	9,937	17.08%	\$ 8,807,375,721	42.15%	3,428,996	42.15%
Total	58,175	100.00%	\$ 20,894,592,194	100.00%	8,134,940	100.00%

By Worker's Age (years)						
Worker's Age	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Less than or equal to 25 years	8,486	8.34%	\$ 1,549,924,801	5.58%	603,436	5.58%
25.1 - 30 years	21,309	20.94%	\$ 4,126,557,078	14.86%	1,606,602	14.86%
30.1 - 35 years	19,090	18.76%	\$ 4,236,922,035	15.25%	1,649,571	15.25%
35.1 - 40 years	16,082	15.81%	\$ 4,645,078,285	16.72%	1,808,479	16.72%
40.1 - 45 years	14,196	13.95%	\$ 5,162,963,458	18.59%	2,010,108	18.59%
45.1 - 50 years	11,826	11.62%	\$ 4,423,465,231	15.93%	1,722,198	15.93%
50.1 - 55 years	7,509	7.38%	\$ 2,700,718,209	9.72%	1,051,477	9.72%
55.1 - 60 years	3,024	2.97%	\$ 884,514,050	3.18%	344,370	3.18%
60.1 - 65 years	227	0.22%	\$ 44,121,327	0.16%	17,178	0.16%
Total	101,749	100.00%	\$ 27,774,264,474	100.00%	10,813,418	100.00%

Appendix – Stratification Analysis of Fovissste's Portfolio

Below we present a stratification analysis of the collection rights on Fovissste's portfolio as of June 30th, 2019.

By Loan Denomination							
Loan Denomination	Average Interest Rate	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Fovissste VSM (real rate)	5.37%	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%
Total		6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

By Worker's Salary						
Worker's Salary	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
< 3.5 VSM	18	0.26%	\$ 2,680,001	0.10%	1,043	0.10%
3.51 - 4.5 VSM	4,194	60.12%	\$ 1,796,416,624	64.12%	699,403	64.12%
> 4.51 VSM	2,764	39.62%	\$ 1,002,350,550	35.78%	390,247	35.78%
Total	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

By Interest Rate in VSM						
Interest Rate	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
5% VSM	3,891	55.78%	\$ 1,500,067,579	53.55%	584,025	53.55%
5.5% VSM	1,243	17.82%	\$ 554,230,935	19.78%	215,780	19.78%
6% VSM	1,842	26.40%	\$ 747,148,662	26.67%	290,889	26.67%
Total	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

By Months Past Due						
Months Past Due	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
0 months	6,820	97.76%	\$ 2,732,727,502	97.55%	1,063,939	97.55%
< 91 days	78	1.12%	\$ 34,098,873	1.22%	13,276	1.22%
≥ 91 days	78	1.12%	\$ 34,620,800	1.24%	13,479	1.24%
Total	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

By Loan to Value (LTV)						
Loan to Value (LTV)	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
≤ 65%	1,969	28.23%	\$ 517,061,944	18.46%	201,309	18.46%
65% - 74.9%	1,363	19.54%	\$ 564,617,269	20.15%	219,824	20.15%
75% - 84.9%	2,437	34.93%	\$ 1,128,981,633	40.30%	439,549	40.30%
85% - 95.0%	1,207	17.30%	\$ 590,786,329	21.09%	230,012	21.09%
Total	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

Employment Status						
Total Current Balance	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Active + Pensioner	6,810	97.62%	\$ 2,723,027,986	97.20%	1,060,163	97.20%
Out of Sector	166	2.38%	\$ 78,419,189	2.80%	30,531	2.80%
Total	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

By Total Current Balance - VSM						
Total Current Balance	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Less than or equal to 100 VSM	1,347	19.31%	\$ 203,790,358	7.27%	79,342	7.27%
100.01 - 200 VSM	4,392	62.96%	\$ 1,895,563,604	67.66%	738,004	67.66%
200.01 - 300 VSM	1,146	16.43%	\$ 625,614,822	22.33%	243,572	22.33%
300.01 - 400 VSM	91	1.30%	\$ 76,478,392	2.73%	29,776	2.73%
> 400 VSM	0	0.00%	\$ -	0.00%	0	0.00%
Total	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

By Worker's Age (years)						
Worker's Age	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Less than or equal to 25 years	174	2.49%	\$ 68,586,056	2.45%	26,703	2.45%
25.1 - 30 years	1,122	16.08%	\$ 453,090,199	16.17%	176,403	16.17%
30.1 - 35 years	1,330	19.07%	\$ 541,379,422	19.32%	210,776	19.32%
35.1 - 40 years	1,315	18.85%	\$ 518,749,546	18.52%	201,966	18.52%
40.1 - 45 years	1,257	18.02%	\$ 484,987,229	17.31%	188,821	17.31%
45.1 - 50 years	1,037	14.87%	\$ 413,133,137	14.75%	160,846	14.75%
50.1 - 55 years	640	9.17%	\$ 271,349,255	9.69%	105,645	9.69%
55.1 - 60 years	101	1.45%	\$ 50,172,332	1.79%	19,534	1.79%
60.1 - 65 years	0	0.00%	\$ -	0.00%	0	0.00%
Total	6,976	100.00%	\$ 2,801,447,175	100.00%	1,090,694	100.00%

Appendix – Stratification Analysis of Smart Lending's Portfolio

Below we present a stratification analysis of the collection rights on Smart Lending's portfolio as of June 30th, 2019.

By Loan Denomination (mortgage guarantee)							
Loan Denomination	Average Interest Rate	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Smart Lending (TAC)	12.97%	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%
Smart Lending (FHipo Loan)	10.59%	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%
Total		46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%

By Total Annual Cost (mortgage guarantee)						
Interest Rate	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
5% VSM	2	4.35%	\$ 15,607,491	7.16%	6,077	7.16%
5.5% VSM	10	21.74%	\$ 51,165,662	23.47%	19,920	23.47%
6% VSM	17	36.96%	\$ 68,042,969	31.21%	26,491	31.21%
5.5% VSM	8	17.39%	\$ 18,924,819	8.68%	7,368	8.68%
5% VSM	9	19.57%	\$ 64,272,248	29.48%	25,023	29.48%
Total	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%

By Interest Rate - FHipo (net of expenses)						
Interest Rate	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
5% VSM	21	45.65%	\$ 84,579,060	38.80%	32,929	38.80%
5.5% VSM	12	26.09%	\$ 61,101,177	28.03%	23,789	28.03%
6% VSM	4	8.70%	\$ 15,051,390	6.90%	5,860	6.90%
5.5% VSM	4	8.70%	\$ 9,062,998	4.16%	3,529	4.16%
5% VSM	5	10.87%	\$ 48,218,564	22.12%	18,773	22.12%
Total	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%

By Worker's Salary (mortgage guarantee)						
Worker's Salary	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
< 25 VSM	5	10.87%	\$ 5,746,163	2.64%	2,237	2.64%
25 - 50 VSM	12	26.09%	\$ 38,913,264	17.85%	15,150	17.85%
50 - 100 VSM	13	28.26%	\$ 42,935,890	19.69%	16,716	19.69%
> 100 VSM	16	34.78%	\$ 130,417,872	59.82%	50,776	59.82%
Total	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%

By Months Past Due (mortgage guarantee)						
Months Past Due	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
0 months	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%
< 91 days	0	0.00%	-	0.00%	0	0.00%
≥ 91 days	0	0.00%	-	0.00%	0	0.00%
Total	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%

By Loan to Value (LTV, mortgage guarantee)						
Loan to Value (LTV)	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
<= 65%	23	50.00%	\$ 117,511,086	53.90%	45,751	53.90%
65% - 74.9%	10	21.74%	\$ 46,427,598	21.30%	18,076	21.30%
75% - 84.9%	10	21.74%	\$ 42,560,811	19.52%	16,570	19.52%
85% - 95.0%	3	6.52%	\$ 11,513,693	5.28%	4,483	5.28%
Total	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%

By Total Current Balance (mortgage guarantee)						
Total Current Balance	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Less than or equal to 100 VSM	17	36.96%	\$ 26,906,001	12.34%	10,475	12.34%
100.01 - 200 VSM	15	32.61%	\$ 51,865,843	23.79%	20,193	23.79%
200.01 - 300 VSM	5	10.87%	\$ 30,435,481	13.96%	11,850	13.96%
300.01 - 400 VSM	3	6.52%	\$ 27,395,619	12.57%	10,666	12.57%
200.01 - 300 VSM	4	8.70%	\$ 46,410,245	21.29%	18,069	21.29%
> 400 VSM	2	4.35%	\$ 35,000,000	16.05%	13,627	16.05%
Total	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%

By Worker's Age (mortgage guarantee)						
Worker's Age	Number of Loans	% of Total Loans	Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
Less than or equal to 25 years	0	0.00%	\$ -	0.00%	0	0.00%
25.1 - 30 years	7	15.22%	\$ 16,058,263	7.37%	6,252	7.37%
30.1 - 35 years	17	36.96%	\$ 87,360,675	40.07%	34,012	40.07%
35.1 - 40 years	8	17.39%	\$ 41,947,323	19.24%	16,331	19.24%
40.1 - 45 years	5	10.87%	\$ 27,192,545	12.47%	10,587	12.47%
45.1 - 50 years	5	10.87%	\$ 37,209,005	17.07%	14,487	17.07%
50.1 - 55 years	3	6.52%	\$ 6,264,703	2.87%	2,439	2.87%
55.1 - 60 years	1	2.17%	\$ 1,980,675	0.91%	771	0.91%
60.1 - 65 years	0	0.00%	\$ -	0.00%	0	0.00%
Total	46	100.00%	\$ 218,013,188	100.00%	84,880	100.00%