



## Earnings Report 1Q19

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### EARNINGS CONFERENCE CALL

**Date:** May 2, 2019

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

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*Toll Free:* 1-855-327-6837

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**Conference ID:** 10006588

**WebCast:**

<http://public.viavid.com/index.php?id=134111>

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

## FHipo reaches an Earnings per Share (“EPS”) of Ps. \$0.539 per CBFi

Mexico City, Mexico, April 30<sup>th</sup>, 2019 - Banco Invex, S.A., Institución de Banca Múltiple, Grupo Financiero Invex or Fideicomiso Hipotecario (“FHipo”) (BMV: FHIPO), announces the first quarter results concluding March 31<sup>st</sup>, 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 1<sup>st</sup> quarter of 2019

- **Net income** per CBFi (“EPS”) reached Ps. \$0.539 in the first quarter of 2019 (“1Q19”), compared to the Ps. \$0.551 reported in the first quarter of 2018 (“1Q18”), a 2.2% decrease, largely as a result of declining inflation and the increase in interest rates versus 2018.
- During 1Q19, FHipo issued a public offering of Short-Term *Certificados Bursátiles Fiduciarios* (CBFi) for a total amount of Ps. \$200 million with ticker symbol “FHIPO 00119”, which was issued at TIEE<sub>28</sub> plus a 75 basis point (bps) spread.
- FHipo reached a **ROE** of 8.4% at the end of 1Q19, a fall of 60 bps compared to the 9.0% reported in 1Q18, due to a decrease in inflation during the first quarter of the year and the increase in interest rates, compared to that reported in 1Q18.
- As of 1Q19 FHipo registered an **outstanding portfolio loan balance** of Ps. \$31,342.9 million, considering our securitized portfolio and collection rights (“Consolidated Portfolio”), an increase of 4.4% compared to the Ps. \$30,009.8 million reported in 1Q18.
- **The distribution**<sup>1</sup>, subject to our current Distribution Policy, (at 95% of net income), per CBFi during 1Q19 is Ps. \$0.512, considering 392.4 million **CBFi outstanding** as of the end of the 1Q19.
- As of 1Q19<sup>2</sup>, FHipo maintained a **consolidated debt-to-equity ratio** of 2.3x, an increase of 0.4x versus the ratio reported during the 1Q18, mainly as a result of the growth of our Mortgage Portfolio during the last quarters.
- As of March 31<sup>st</sup>, 2019, our **non-performing loan** (“NPLs”) ratio represented only 1.68% of FHipo’s Consolidated Portfolio, continuing to be one of the lowest in the sector. As of quarter’s end, we maintain a **coverage on expected losses** of 2.0x.

<sup>1</sup> The distribution to be paid may be adjusted by buybacks of FHIPO CBFi, and will be announced through the press release regarding FHipo’s 1Q19 distribution. FHipo’s Distribution Policy was updated on July 26<sup>th</sup>, 2018 by FHipo’s Technical Committee.

<sup>2</sup> 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).

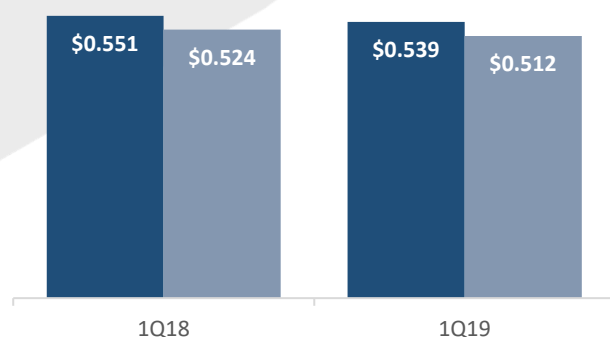
## Financial Summary

Financial Summary		
Figures are presented according to each metric (% , \$)		
	1Q19	1Q18
<b>Financial Metrics</b>		
Net interest income (M)	\$658,660	\$573,448
Valuation of Receivable Benefits in Securitization (M)	\$108,488	\$100,526
Net Income (M)	\$211,521	\$233,893
Net Income Margin (%)	32.1%	40.8%
Adjusted Financial Margin <sup>(1)</sup> (%)	34.6%	44.7%
Net Interest Margin (NIM, %)	5.0%	6.0%
Earnings per CBFI (EPS, \$)	\$0.539	\$0.551
<b>Portfolio Ratios</b>		
Total Number of Loans	110,363	110,017
Total Balance (mm)	\$31,343	\$30,010
Non-performing Loans / Net Portfolio (%)	1.68%	1.26%
<b>Financial Ratios</b>		
Total Expenses / Gross Income	16.3%	18.3%
NPLs Portfolio Coverage (consolidated, times)	1.0x	1.2x
Expected Loss Coverage (consolidated, times)	2.0x	2.4x
Leverage Ratio (Total Assets / Capital Shares)	2.9x	2.4x
Debt / Equity (on balance, times)	1.7x	1.3x
DSC <sup>(2)</sup> (times)	1.9x	4.9x
Return on Assets (ROA, %)	3.1%	3.9%
Return on Equity (ROE, %)	8.4%	9.0%

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

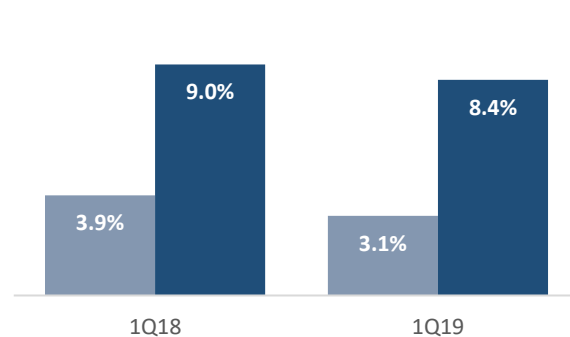
(2) Debt Service Coverage Ratio as of the end of the quarter.

### Net Income Distribution per CBFI



■ Earnings per Share  
■ Distribution per CBFI, subject to our current Distribution Policy

### Main Financial Ratios



■ ROA      ■ ROE

### Message from the Chief Executive Officer

Dear Investors,

FHipo reported first quarter 2019 results in line with expectations. In an environment of high interest rates and signs of an economic downturn, we managed to keep our business model intact, maintaining a controlled non-performing loan ratio and stable earnings per share. During the quarter we focused our efforts on minimizing our exposure to operational and market risks.

In the first quarter of 2019, we completed our most recent origination contract with Infonavit, within the Infonavit Mas Credito Program, after reaching our origination goal of Ps. \$6,000 million. With this achievement, we will continue to originate mortgages gradually, in accordance with our short-term objective: to maintain and preserve the healthy performance of our portfolio and only originate mortgage loans if the yield of the portfolio is profitable for FHipo. For 2019 we will continue originating mortgage loans under the Smart Lending modality, which has continued growing since its launch in 2018, and we will seek to originate mortgage loans with Infonavit, Fovissste or other originating institutions as long as they improve FHipo's long term returns.

During the first quarter of the year, our CBFi price increased by 18.7%, underlining the CBFi holders' confidence in our management team, and our commitment to mitigate risks, solve outstanding problems and work in the interests of our investors. We will continue to focus on aligning our management team's incentives with the interests of our shareholders.

Regarding our mortgage balance, our Consolidated Portfolio rose 4.4% year-over-year, growing from Ps. \$30,010 million to Ps. \$31,343 million, reaching a consolidated leverage ratio of 1.7x debt-to-equity. Our mortgage portfolio maintained stable growth, and posted a solid non-performing loan ratio of just 1.68%. In terms of profitability, our earnings per share reached Ps. \$0.539 cents and our return on equity 8.4% which, in real terms, is equivalent to the figure reported in 2018, with the first quarter numbers impacted by a lower inflationary cycle for 2019 than that of 2018 and higher interest rates.

Finally, in the face of a challenging economic environment, we expect to proactively execute various initiatives during the year, such as maintaining a solid balance sheet structure, acquiring quality assets and diligently executing the collection of our current mortgage portfolio.

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 CBFi)	Quarter to Quarter				Year to date	
	1Q19	1Q18	Variation	% Var	1Q19	1Q18
<b>REVENUES</b>						
Total net interest income <sup>(1)</sup>	\$658,660	\$573,448	\$85,212	14.9%	\$658,660	\$573,448
Financing interest expenses	(\$407,394)	(\$314,648)	(\$92,746)	29.5%	(\$407,394)	(\$314,648)
(-) Allowance for loan losses	(\$23,303)	(\$2,256)	(\$21,047)	932.9%	(\$23,303)	(\$2,256)
Financial margin adjusted by credit risks	\$227,963	\$256,544	(\$28,581)	(11.1%)	\$227,963	\$256,544
Valuation of receivable benefits in secur. transactions	108,488	100,526	7,962	7.9%	108,488	100,526
<b>TOTAL REVENUES, NET</b>	<b>336,451</b>	<b>357,070</b>	<b>(20,619)</b>	<b>(5.8%)</b>	<b>336,451</b>	<b>357,070</b>
<b>TOTAL EXPENSES</b>	<b>(124,930)</b>	<b>(123,177)</b>	<b>(1,753)</b>	<b>1.4%</b>	<b>(124,930)</b>	<b>(123,177)</b>
<b>NET INCOME</b>	<b>\$211,521</b>	<b>\$233,893</b>	<b>(\$22,372)</b>	<b>(9.6%)</b>	<b>\$211,521</b>	<b>\$233,893</b>
<b>NET INCOME PER CBFi</b>	<b>\$0.539</b>	<b>\$0.551</b>	<b>(\$0.012)</b>	<b>(2.2%)</b>	<b>\$0.539</b>	<b>\$0.551</b>

<sup>1</sup>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.

**Interest Income** grew by 14.9% in 1Q19, reaching Ps. \$658.7 million, compared to the Ps. \$573.4 million reported in 1Q18; driven primarily by growth in our mortgage portfolio during the last quarters.

**Interest Expense** in 1Q19 was Ps. \$407.4 million, a 29.5% increase in comparison with the Ps. \$314.6 million registered in 1Q18, mainly due to our leverage strategy and higher interest rates.

**Allowance for Loan Losses** reported in the income statement reached Ps. \$23.3 million in 1Q19, a Ps. \$21.0 million increase compared to the Ps. \$2.3 million reported in 1Q18. FHipo estimates its allowance for loan losses based on expected loss methodology. The allowance for loan losses registered in the Balance Sheet as of March 31<sup>st</sup>, 2019 is Ps. \$358.1 million, representing 1.57% of our on-balance portfolio.

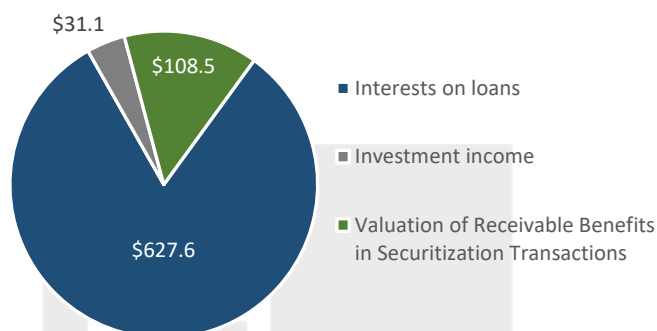
**Financial Margin** adjusted by credit risk reached Ps. \$227.9 million in 1Q19, an 11.1% decrease when compared to the Ps. \$256.5 million reached in 1Q18, driven by an increase in our allowance for loan losses and higher interest rates from Banxico.

**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. \$108.5 million during 1Q19, an increase of 7.9% vs 1Q18. Currently we maintain four fiduciary equity residuals: CDVITOT 13U, CDVITOT 14U, CDVITOT 15U and FHipo 17U.

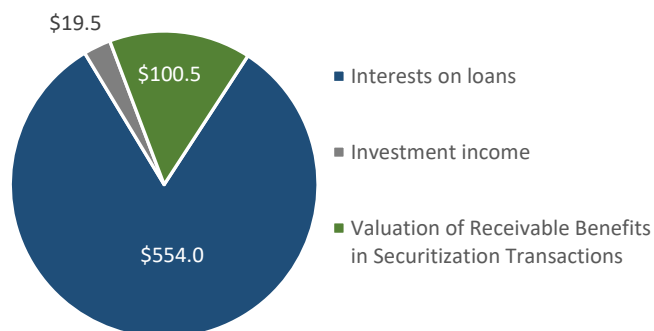
**Total revenues** grew 13.8% from Ps. \$674.0 million in 1Q18 to Ps. \$767.2 million during 1Q19.

Total Revenue 1Q19	Total Revenue 1Q18
Ps. \$767.2 million	Ps. \$674.0 million

Revenue Breakdown 1Q19



Revenue Breakdown 1Q18

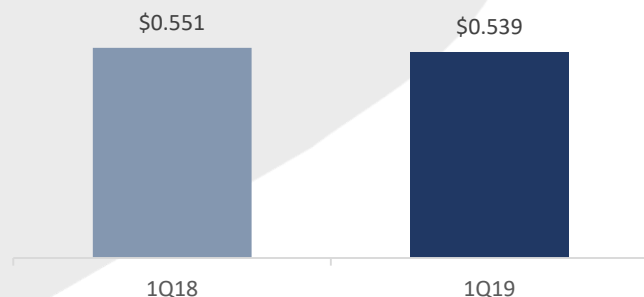


**Advisory, Administration, and Servicing Expenses** reached Ps. \$124.9 million during 1Q19, a 1.4% increase in comparison with the Ps. \$123.2 million registered in 1Q18. Administration fees are determined based on portfolio balance, thus, the historic increase is directly proportional to our portfolio growth. These expenses represent the advisory, administration and collection services received from our Advisor and Manager during the quarter.

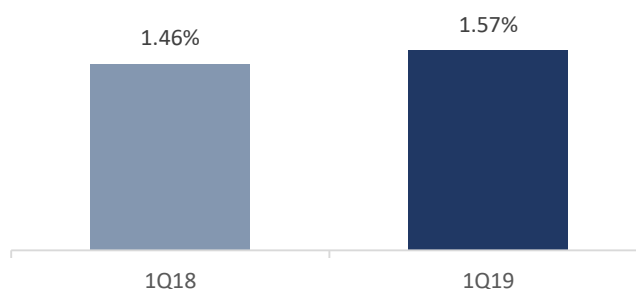
**Net Income** reached Ps. \$211.5 million in 1Q19, a decrease of 9.6% compared with Ps. \$233.9 million in 1Q18. Moreover, our earnings per share reached Ps. \$0.539 vs Ps. \$0.551 registered in 1Q18, a 2.2% decrease, as a result of a lower inflationary cycle than that reported in 2018 and an increase of 64 bps in the local reference rate during the past 12 months.

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.

Earnings per Share



Allowance for Loan Losses / Total Mortgage Portfolio (on balance)



## Balance Sheet

(In Thousands of Mexican Pesos)	1Q19	1Q18	Variation	% Var
<b>ASSETS</b>				
Cash equivalents and debt securities	\$2,436,925	\$1,480,521	\$956,404	64.6%
Loans, net	22,457,730	20,283,366	2,174,364	10.7%
Collection Rights, net	105,652	112,107	(6,455)	(5.8%)
Receivable benefits in securitization transactions	2,985,211	3,202,846	(217,635)	(6.8%)
Derivative financial instruments	42,998	92,283	(49,285)	(53.4%)
Accounts receivables and other assets	640,504	581,475	59,029	10.2%
<b>TOTAL ASSETS</b>	<b>\$28,669,020</b>	<b>\$25,752,598</b>	<b>\$2,916,422</b>	<b>11.3%</b>
<b>LIABILITIES AND EQUITY</b>				
TOTAL LIABILITIES	\$18,176,140	\$14,808,950	\$3,367,190	22.7%
TOTAL EQUITY	10,492,880	10,943,648	(450,768)	(4.1%)
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$28,669,020</b>	<b>\$25,752,598</b>	<b>\$2,916,422</b>	<b>11.3%</b>

**Total Assets** as of March 31<sup>st</sup>, 2019 reached Ps. \$28,669.0 million, an increase of 11.3% vs 1Q18. Total assets are mainly composed of: i) Ps. \$2,436.9 million, or 8.5% of the total assets, in cash equivalents, ; ii) net loan portfolio of Ps. \$22,457.7 million, 78.3% of our total assets; and iii) the receivable benefits in securitization transactions which reached Ps. \$2,985.2 million and 10.4% of FHipo's total assets.

**Loan Portfolio** on-balance as of 1Q19 is composed by 62,466 loans, with an outstanding principal balance of Ps. \$22,457.7 million, growing 10.7% if compared to the Ps. \$20,283.4 million reported in 1Q18.

During 1Q19, FHipo acquired mortgage loans for a total of Ps. \$73.8 million and received principal amortizations of Ps. \$391.7 million, reaching a net outstanding balance of Ps. \$22,326.1 million. Furthermore, as of the end of 1Q19, the accrued interest receivable grew to Ps. \$481.4 million. By including the indexation of Times Minimum Wage ("VSM") denominated loans for 1Q19 and reducing the allowance for loan losses, the net mortgage portfolio for 1Q19 is worth Ps. \$22,457.7million.

**Collection Rights on Fovissste's portfolio** reached Ps. \$105.7 million as of 1Q19, net of allowance for loan losses, a decrease of 5.8% in comparison with Ps. \$112.1 reported in 1Q18. This is mainly due to the natural amortization process of the assets.

**Receivable Benefits in Securitization Transactions** of the equity residuals, as of 1Q19, fell to Ps. \$2,985.2 million, a decrease of 6.8% with respect to the Ps. \$3,202.8 million registered in 1Q18, due to the natural amortization process of these structures and the collection of the residuals. In accordance with the IFRS, the fiduciary records are valued at fair value.

FHipo's Consolidated Portafolio as of 1Q19, considering the securitized portfolio and the collection rights, consists of 110,363 loans for a total value of Ps. \$31,342.9 million, considering the outstanding portfolio balance, excluding accrued interest and indexation on loans denominated in times minimum wage ("VSM"), and shows a 4.4% increase in comparison with Ps. \$30,009.8 million registered as of 1Q18.



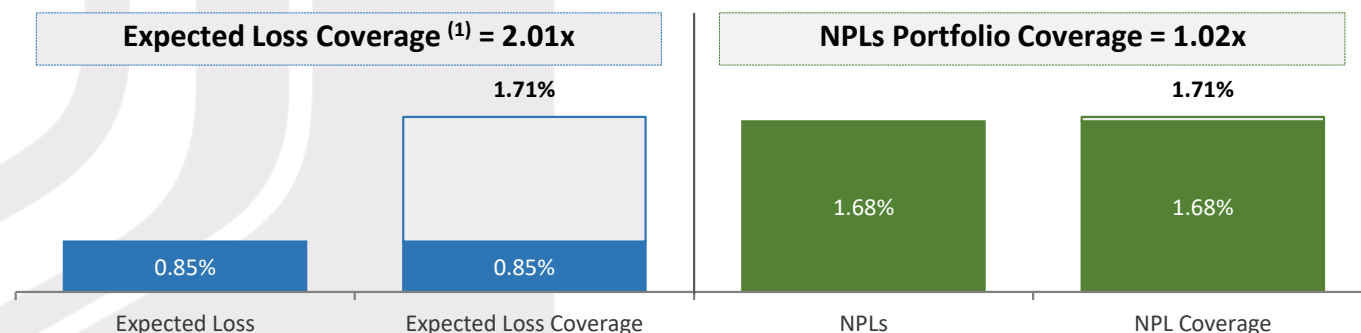
## Summary – Consolidated Mortgage Portfolio<sup>3</sup>

Portfolio Value (millions)	No. of Loans	Infonavit Total Pesos	Infonavit Total VSM	Infonavit Más Crédito	Fovissste VSM	Smart Lending	Non-Current Portfolio
Ps. \$30,342.9	110,363	12.0%	9.51% (real)	10.84%	5.37% (real)	APR = 13.11% <sup>4</sup>	1.68%

**Non-Current Portfolio** in consolidated terms represents only 1.68% of the Consolidated Portfolio, remaining below our long-term estimated loss; this is a result of our well designed diversification strategy and mortgage origination. At a balance sheet level, FHipo's non-performing loans, including overdue interest, represent 1.63% of the Consolidated Portfolio or Ps. \$367.0 million, compared to 1.13% or Ps. \$229.7 million reported in 1Q18.

**Allowance for Loan Losses<sup>5</sup>** reached Ps. \$358.1 million, an increase of Ps. \$57.0 million vs 1Q18, mainly due to the acknowledging of expected losses over investments made in new loans during the quarter, and to the defaulted portfolio; the allowance corresponds to the expected loss for the remaining life of each loan. The accumulated expected loss coverage was 2.0x (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. \$525.8 million.

**Other Receivables** as of 1Q19 rose to Ps. \$640.5 million, growth of Ps. \$59.0 million compared to 1Q18. Other receivables registered up to March 31<sup>st</sup>, 2019 mainly consist of the successful collections from Infonavit which have not yet been reimbursed to FHipo.

**Total Liabilities** as of 1Q19 were Ps. \$18,176.1 million, an increase of 22.7% vs 1Q18, due to the execution of our leverage strategy.

<sup>3</sup> 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.

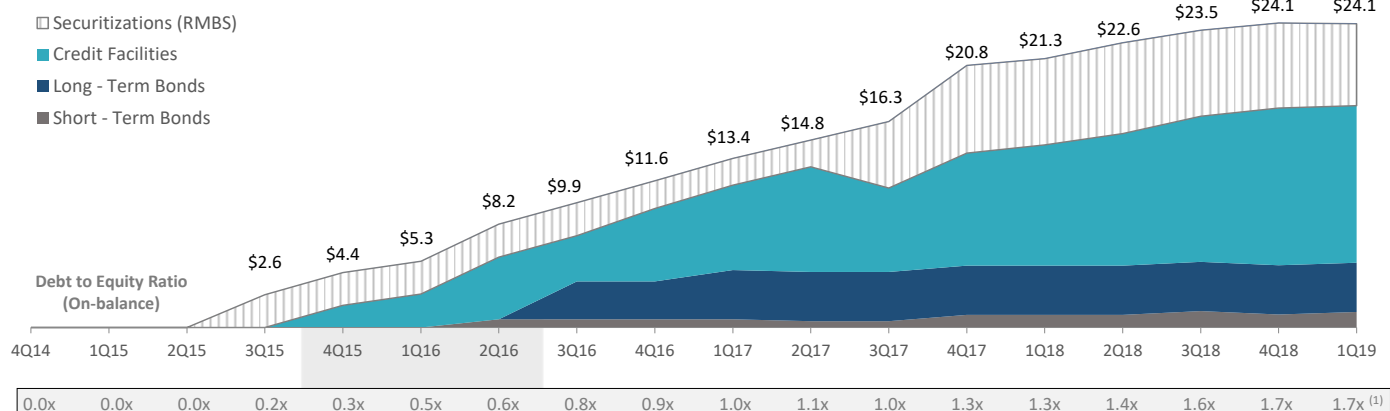
<sup>4</sup> APR before incurring in expenses such as insurance/accessories, origination fee and administration fee, which are covered by SL.

<sup>5</sup> Determined by the estimated loss methodology in accordance with IFRS.



## Development of our on-balance Leverage Strategy

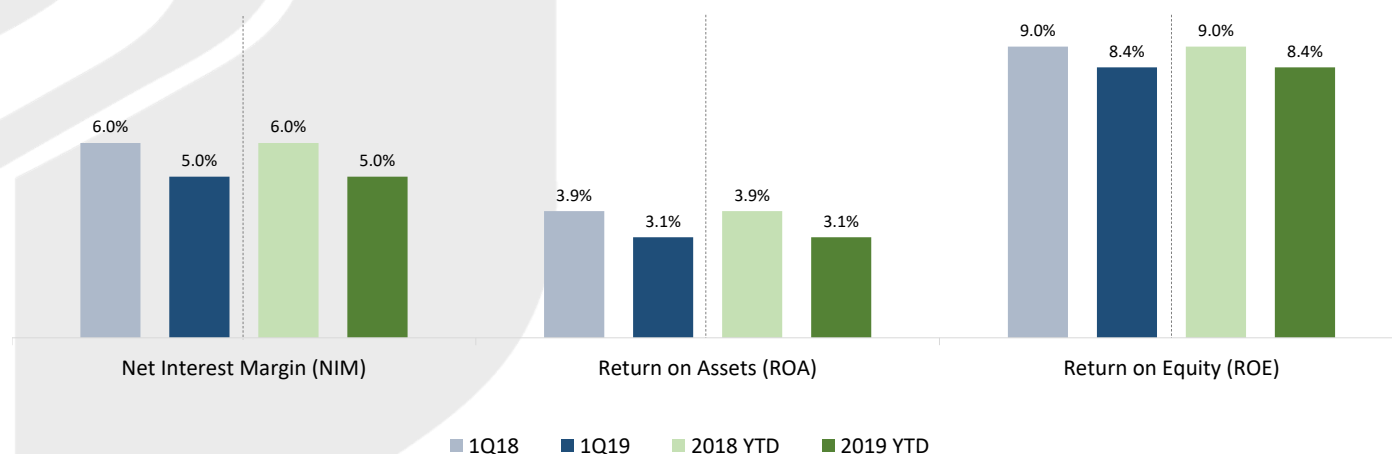
(consolidated debt, figures in billions of pesos)



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

**Total Equity** reached Ps. \$1,492.9 million, a 4.1% decrease in comparison with the same period of the previous year, mainly 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 March 31<sup>st</sup>, 2019.

FHipo - Consolidated Portfolio	1Q19	1Q18
<b>Total Balance (FHipo's Participation)</b>	<b>\$31,343 million <sup>(1)</sup></b>	<b>\$30,010 million <sup>(1)</sup></b>
<b>Total Number of Loans</b>	<b>110,363</b>	<b>110,017</b>
Average co-participated loan balance by Mortgage Loan	\$283,999	\$272,774
Loan-to-Value at Origination (LTV) <sup>(2)</sup>	77.27%	77.11%
Payment-to-Income (PTI) <sup>(2)</sup>	24.15%	24.22%
<b>Current Portfolio</b>	<b>98.32% (NPL = 1.68%)</b>	<b>98.74% (NPL = 1.26%)</b>
<b>By Origination Program</b>		
<b><u>Infonavit Total (IT)</u></b>		
<b>Portfolio Balance IT (VSM <sup>(3)</sup> and Pesos)</b>	<b>\$13,786 million</b>	<b>\$14,889 million</b>
Portfolio Balance - IT VSM <sup>(3)</sup>	\$7,150 million	\$7,910 million
Average Interest Rate - IT VSM <sup>(2) (3)</sup>	9.51% in VSM	9.52% in VSM
Portfolio Balance - IT Pesos	\$6,636 million	\$6,979 million
Average Interest Rate - IT Pesos	12.00% (Nominal)	12.00% (Nominal)
<b><u>Infonavit Más Crédito (IMC)</u></b>		
Portfolio Balance IMC	\$14,572 million	\$12,199 million
Average Interest Rate IMC <sup>(2)</sup>	10.84% (Nominal)	10.82% (Nominal)
<b><u>Fovissste</u></b>		
Portfolio Balance Fovissste <sup>(3)</sup>	\$2,851 million	\$2,922 million
Average Interest Rate <sup>(2)(3)</sup>	5.37% in VSM	5.37% in VSM
<b><u>Smart Lending</u></b>		
Portfolio Balance Smart Lending	\$134 million	NA
Average Interest Rate <sup>(2)(4)</sup>	13.11%	NA

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 March 31<sup>st</sup>, 2019, FHipo co-participants 63% (weighted average) of each mortgage loan.

(2) Weighted average by "Total Balance".

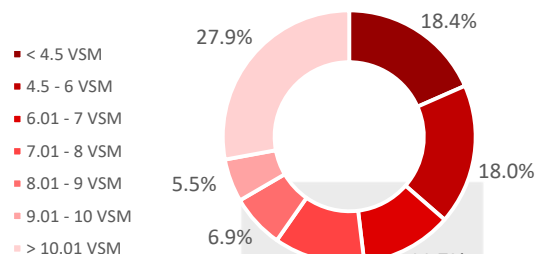
(3) VSM denominated loans are indexed to the lower between the increase in the minimum wage and the increase in the UMA.

(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)

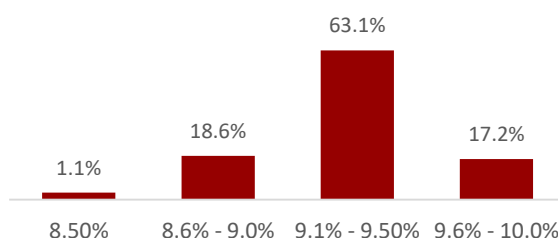
### Distribution by borrower's salary in VSM at loan origination date

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



### Distribution by interest rate in VSM <sup>(1)</sup>

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

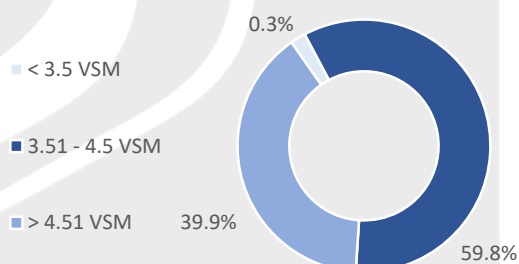


Infonavit Total Pesos – 12.0% nominal  
Infonavit Más Crédito – 10.9% nominal <sup>(2)</sup>

## Fovissste's Portfolio characteristics

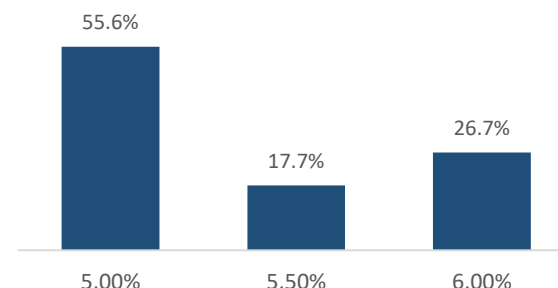
### Distribution by borrower's salary in VSM at loan origination date

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



### Distribution by interest rate in VSM <sup>(1)</sup>

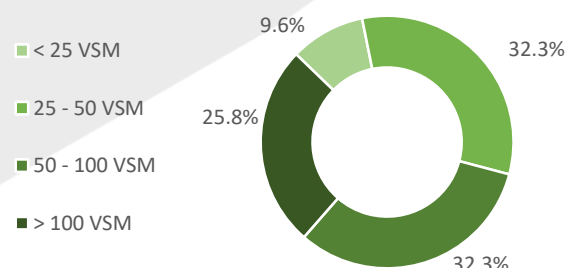
(as % of total loans within Fovissste's portfolio)



## Smart Lending's Portfolio characteristics

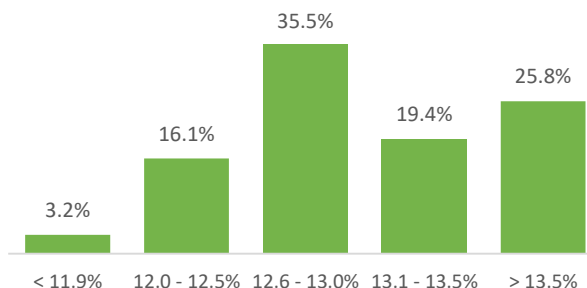
### Distribution by borrower's salary at loan origination date on mortgage guarantee

(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)



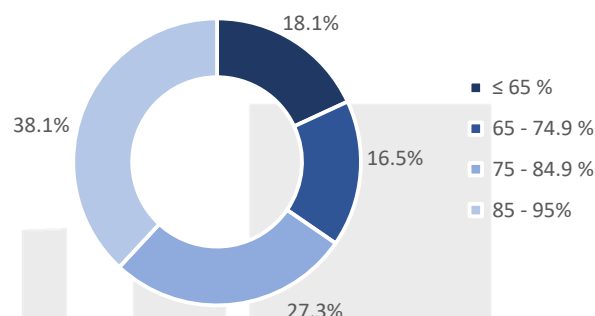
(1) VSM denominated loans are indexed to the lower between the increase in the minimum wage and the increase in the UMA.

(2) Current origination rate, referring to the auction of the "Infonavit Más Crédito" program held on May 17, 2017.

## Consolidated Portfolio Characteristics

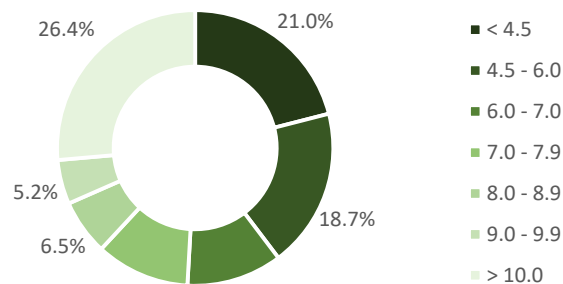
### Distribution by Loan-to-Value (LTV) at loan origination date

(as % of total loans within consolidated portfolio)



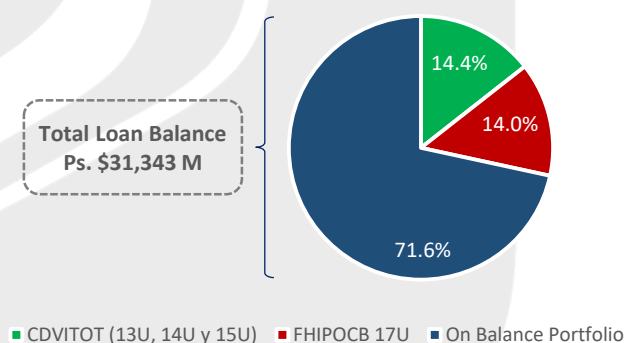
### Distribution by borrower's salary in VSM at loan origination date

(as % of total loans within consolidated portfolio)



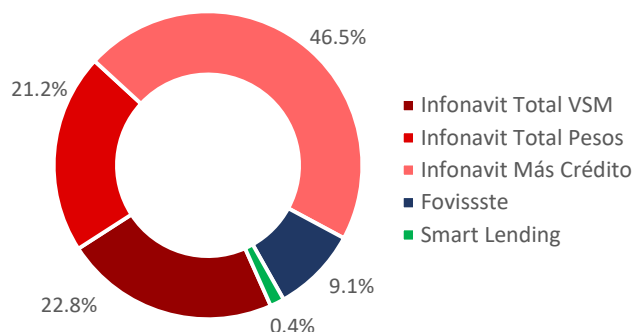
### Distribution by Total Balance on and off balance

(as % of total consolidated portfolio loan balance)



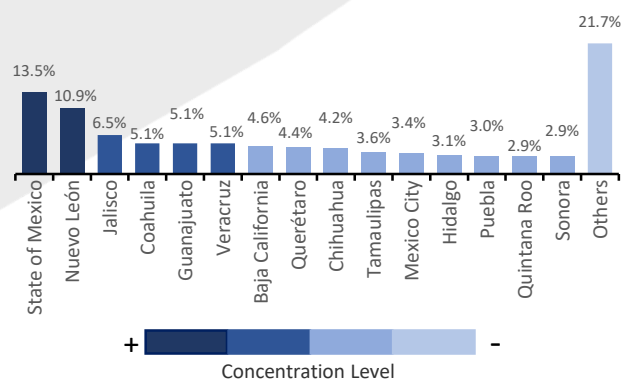
### Distribution by origination program

(as % of total consolidated portfolio loan balance)



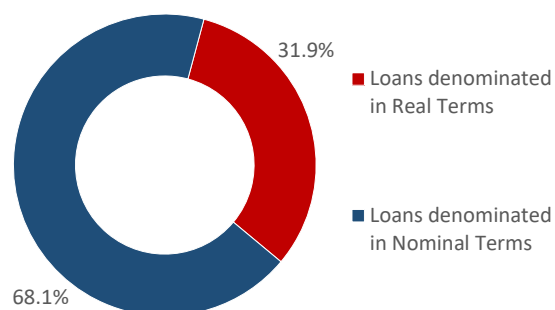
### Geographic distribution of the portfolio

(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 March 25<sup>th</sup>, 2019, FHipo distributed 35.6% of the net income obtained during 4Q18, amounting to Ps. \$0.241 per CBFI.

95% of the Net Income for 1Q19 represents Ps. \$211.5 million, divided by the outstanding CBFIs as of April 30<sup>th</sup>, 2019 (this report's publication date) results in a distribution, subject to FHipo's current Distribution Policy, of Ps. \$0.512 per CBFI or Ps. \$200.9 million.

### Estimated distribution<sup>(1)</sup> and yield on the issuance price of the CBFI at 1Q19

FHipo's estimated Distribution and Yield   1Q19	
EPS (Ps./CBFI) <sup>(2)</sup>	\$0.539
Issuance Price - IPO (Ps.)	\$25.00
Number of Outstanding CBFIs as of 1Q19	392,384,100
Distribution <sup>(1)</sup> (Net Income at 95%)	Ps. \$200.9 million

Distribution <sup>(1)</sup> per CBFI as of 1Q19, subject to the current Distribution Policy

**Ps. \$0.512**

Yield at 1Q19 on price of CBFI @ IPO Price

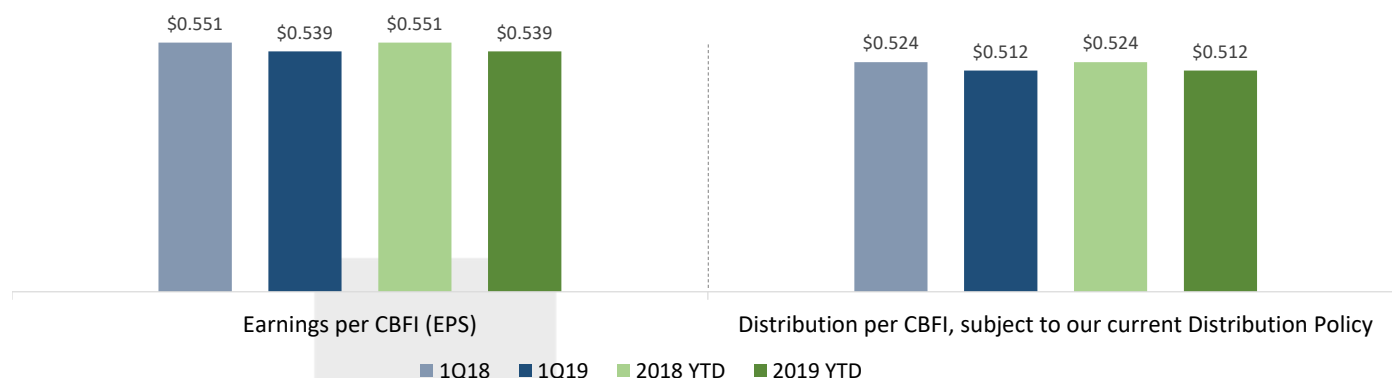
**8.57% <sup>(3)</sup>**

(1) The distribution is based on the current Distribution Policy, modified by the Technical Committee on July 26<sup>th</sup>, 2018. The final distribution to be paid, adjusted, if so, by any share buyback, will be announced through FHipo's 1Q19 Distribution press release.

(2) Net Income / Number of CBFIs outstanding.

(3) Annualized return, considering 90 operation effective days during the 1Q19.

## Performance of our Earnings per Share (EPS)



## Leverage

### Funding Structures

Below are the main characteristics of all our funding structures that we maintain as of March 31<sup>st</sup>, 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	-	\$3,038 <sup>(1)</sup>	2025
CDVITOT 15U		UDIBONO 2019 (1.80%)	+110 bps	-	\$1,634 <sup>(1)</sup>	2022
CDVITOT 14U		UDIBONO 2018 (1.30%)	+119 bps	-	\$742 <sup>(1)</sup>	2021
CDVITOT 13U		UDIBONO 2017 (1.54%)	+192 bps	-	\$1,065 <sup>(1)</sup>	2020
Short Term - FHIPO 00119	Unsecured Bond	TIE <sub>28</sub>	+75 bps	-	\$200	March 2020
Short Term - FHIPO 00318			+75 bps	-	\$230	November 2019
Short Term - FHIPO 00218			+50 bps	-	\$300	August 2019
Short Term - FHIPO 00118			+60 bps	-	\$500	May 2019
IFC	Warehousing Line	TIE <sub>28</sub>	+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	\$3,380	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 <sup>(1)</sup>

FHipo's leverage and debt to equity ratio as of March 31<sup>st</sup>, 2019 was the following (in millions of pesos):

<b><i>Leverage</i> * <math>\leq 5</math></b>	Results as of 1T19	<b>2.92 x <sup>(2)</sup></b>	✓
<b><i>Debt / Equity</i> <math>\leq 2.5</math></b>	Results as of 1T19	<b>1.68 x <sup>(2)</sup></b>	✓
<b><i>DSC<sub>t</sub></i> <sup>(3)</sup> <math>\geq 1</math></b>	Results as of 1T19	<b>1.91 x <sup>(2)</sup></b>	✓

\* 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 1Q19.

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

Our leverage ratio (Total Assets/Equity Securities) was of 2.92x. Furthermore, as of the end of the 1Q19, our debt service coverage ratio was of 1.91x, 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 1Q19

### FHipo announces movements in its Technical Committee (February 8<sup>th</sup>, de 2019)

- FHipo announces that the resignation of Margarita de la Cabada Betancourt as an independent member of FHipo's Technical Committee was received through FHipo's Technical Committee Secretary, in order to suit her interests and made effective as of February 8<sup>th</sup>, 2019, given that she is currently in negotiations to collaborate with the National Banking and Securities Commission (or CNBV).

### FHipo announces the Distribution corresponding to the fourth quarter of 2018 (March 13<sup>th</sup>, 2019)

FHipo informs that on March 25nd, 2019 the distribution of \$0.2405687006940393 pesos per CBFi corresponding to the fourth quarter of 2018 will take place, that is, 35.6% of the net income per CBFi (\$0.676 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 published on July 26th, 2018.

Distribution – 4Q18	Amount in Pesos	% of Net Income	Pesos per CBFi <sup>6</sup>
Net Income of the Quarter	265,123,116.43	100.00%	0.676
Net income subject to Distribution	251,866,960.61	95.00%	0.642
Share buyback on account of Distribution	157,471,627.50	59.4%	0.401
<b>Net Income to be Distributed</b>	<b>94,395,333.11</b>	<b>35.6%</b>	<b>0.241</b>

### FHipo announces a public offering of short-term Certificados Bursátiles Fiduciarios (March 28<sup>th</sup>, 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 00119". This offering corresponds to the eighth issuance of Short-Term CBFs issued by FHipo under a dual program approved by the National Banking and Securities Commission on March 31<sup>st</sup>, 2016. The certificates were placed at a 364 day term and at an interest rate equivalent to the Interbank Equilibrium Interest Rate (or TIIE<sub>28</sub>) plus a 75 basis point spread. Casa de Bolsa Banorte Ixe, S.A. de C.V., Grupo Financiero Banorte and HSBC Casa de Bolsa, S.A. de C.V., Grupo Financiero HSBC acted as bookrunners of the offering.

### FHipo announces an Extraordinary Holders Assembly with the purpose of approving the Internalization of FHipo's Advisor and Manager (March 29<sup>th</sup>, 2019)

- The Call for the Extraordinary Holders Assembly for FHipo's CBFi holders, identified with ticker symbol "FHIPO 14" was published, in which, within the agenda, a point subject to approval is "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 with the attached documentation. 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. [For additional information click here.](#)

<sup>6</sup> Considers 392,384,100 CBFis FHIPO 14 outstanding.

## Analysts Coverage

As of the end of the 1Q19, the Coverage Analysis of FHipo is given by the following institutions:

Institution	Equity Research Analyst
Morgan Stanley	Nikolaj Lippman
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

### FIDEICOMISO F/2061 FHipo

### Statements of Financial Position

(In Thousands of Mexican Pesos)



	1Q19	1Q18	Variation	% Var
<b>ASSETS</b>				
Cash and cash equivalents	\$2,436,747	\$1,480,500	\$956,247	64.6%
Debt securities	178	21	157	747.6%
Current loans	21,974,953	19,969,178	2,005,775	10.0%
Past due loans	351,173	219,815	131,358	59.8%
Accrued interest	481,404	386,336	95,068	24.6%
Indexation on mortgage loans	8,317	9,150	(833)	(9.1%)
Allowance for loan losses	(358,117)	(301,113)	(57,004)	18.9%
Loans, net	22,457,730	20,283,366	2,174,364	10.7%
Collection rights, net	105,652	112,107	(6,455)	(5.8%)
Receivable benefits in securitization transactions	2,985,211	3,202,846	(217,635)	(6.8%)
Derivative financial instruments	42,998	92,283	(49,285)	(53.4%)
Accounts receivables and other assets	640,504	581,475	59,029	10.2%
<b>TOTAL ASSETS</b>	<b>\$28,669,020</b>	<b>\$25,752,598</b>	<b>\$2,916,422</b>	<b>11.3%</b>
<b>LIABILITIES</b>				
Accounts payables and accrued expenses	\$221,428	\$305,392	(\$83,964)	(27.5%)
Notes/securities payable	5,153,418	4,905,277	248,141	5.1%
Borrowings	12,611,001	9,598,281	3,012,720	31.4%
Derivative financial instruments	190,293	0	190,293	N/A
<b>TOTAL LIABILITIES</b>	<b>\$18,176,140</b>	<b>\$14,808,950</b>	<b>\$3,367,190</b>	<b>22.7%</b>
<b>EQUITY</b>				
Common stock, net	\$9,786,934	\$10,272,952	(\$486,018)	(4.7%)
Other comprehensive income	(\$147,288)	\$92,283	(\$239,571)	(259.6%)
Retained earnings	853,234	578,413	274,821	47.5%
<b>TOTAL EQUITY</b>	<b>\$10,492,880</b>	<b>\$10,943,648</b>	<b>(\$450,768)</b>	<b>(4.1%)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$28,669,020</b>	<b>\$25,752,598</b>	<b>\$2,916,422</b>	<b>11.3%</b>

## Appendix – Income Statement

FIDEICOMISO F/2061 FHipo

### Income Statements

(In Thousands of Mexican Pesos, except Net Income per CBFi)



	Quarter to Quarter				Year to date	
	1Q19	1Q18	Variation	% Var	1Q19	1Q18
<b>REVENUES</b>						
Interests on mortgage loans	\$627,580	\$553,986	\$73,594	13.3%	\$627,580	\$553,986
Investment income	31,080	19,462	11,618	59.7%	31,080	19,462
Total net interest income	658,660	573,448	85,212	14.9%	658,660	573,448
Financing interest expenses	(407,394)	(314,648)	(92,746)	29.5%	(407,394)	(314,648)
Financial margin	251,266	258,800	(7,534)	(2.9%)	251,266	258,800
(-) Allowance for loan losses	(23,303)	(2,256)	(21,047)	932.9%	(23,303)	(2,256)
Financial margin adjusted for credit risks	227,963	256,544	(28,581)	(11.1%)	227,963	256,544
Valuation of receivable benefits in securitization transactions	108,488	100,526	7,962	7.9%	108,488	100,526
<b>TOTAL REVENUES, NET</b>	<b>\$336,451</b>	<b>\$357,070</b>	<b>(\$20,619)</b>	<b>(5.8%)</b>	<b>\$336,451</b>	<b>\$357,070</b>
<b>EXPENSES</b>						
Management and collection fees	(102,395)	(99,531)	(2,864)	2.9%	(102,395)	(99,531)
Other administrative expenses	(22,535)	(23,646)	1,111	(4.7%)	(22,535)	(23,646)
<b>TOTAL EXPENSES</b>	<b>(124,930)</b>	<b>(123,177)</b>	<b>(1,753)</b>	<b>1.4%</b>	<b>(124,930)</b>	<b>(123,177)</b>
<b>NET INCOME</b>	<b>\$211,521</b>	<b>\$233,893</b>	<b>(\$22,372)</b>	<b>(9.6%)</b>	<b>\$211,521</b>	<b>\$233,893</b>
<b>NET INCOME PER CBFi</b>	<b>\$0.539</b>	<b>\$0.551</b>	<b>(\$0.012)</b>	<b>(2.2%)</b>	<b>\$0.539</b>	<b>\$0.551</b>
<b>COMPREHENSIVE INCOME</b>						
Net income	\$211,521	\$233,893	(\$22,372)	(9.6%)	\$211,521	\$233,893
Other comprehensive income	(190,375)	(27,766)	(162,609)	585.6%	(190,375)	(27,766)
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>\$21,146</b>	<b>\$206,127</b>	<b>(\$184,981)</b>	<b>(89.7%)</b>	<b>\$21,146</b>	<b>\$206,127</b>

## Appendix – Stratification Analysis of Infonavit's Portfolio

Below we present a stratification analysis of Infonavit's on and off balance portfolio as of March 31<sup>st</sup>, 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%	44,513	43.09%	\$ 7,150,039,752	25.21%	2,783,741	25.21%
Infonavit Total Pesos	12.00%	30,092	29.13%	\$ 6,635,458,670	23.40%	2,583,398	23.40%
Infonavit Mas Credito Pesos	10.84%	28,703	27.78%	\$ 14,572,122,811	51.39%	5,673,398	51.39%
<b>Total</b>		<b>103,308</b>	<b>100.00%</b>	<b>\$ 28,357,621,232</b>	<b>100.00%</b>	<b>11,040,538</b>	<b>100.00%</b>

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		19,005	18.40%	\$ 3,350,973,071	11.82%	1,304,642	11.82%
5.01 - 6 VSM		18,637	18.04%	\$ 3,360,009,847	11.85%	1,308,160	11.85%
6.01 - 7 VSM		12,111	11.72%	\$ 1,879,932,090	6.63%	731,918	6.63%
7.01 - 8 VSM		11,985	11.60%	\$ 2,032,436,395	7.17%	791,293	7.17%
8.01 - 9 VSM		7,126	6.90%	\$ 1,607,076,742	5.67%	625,687	5.67%
9.01 - 10 VSM		5,638	5.46%	\$ 1,459,359,020	5.15%	568,176	5.15%
> 10.01 VSM		28,806	27.88%	\$ 14,667,834,067	51.72%	5,710,662	51.72%
<b>Total</b>		<b>103,308</b>	<b>100.00%</b>	<b>\$ 28,357,621,232</b>	<b>100.00%</b>	<b>11,040,538</b>	<b>100.00%</b>

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%		477	1.07%	\$ 76,289,179	1.07%	29,702	1.07%
8.6% - 9.0%		8,283	18.61%	\$ 1,228,917,993	17.19%	478,457	17.19%
9.1% - 9.50%		28,108	63.15%	\$ 4,017,638,656	56.19%	1,564,196	56.19%
9.6% - 10.0%		7,645	17.17%	\$ 1,827,193,924	25.56%	711,386	25.56%
<b>Total</b>		<b>44,513</b>	<b>100.00%</b>	<b>\$ 7,150,039,752</b>	<b>100.00%</b>	<b>2,783,741</b>	<b>100.00%</b>

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		95,737	92.67%	\$ 26,343,765,511	92.90%	10,256,479	92.90%
< 91 days		5,578	5.40%	\$ 1,515,988,662	5.35%	590,223	5.35%
≥ 91 days (W/out CDVITOT 13U y 14U)		1,307	1.27%	\$ 381,683,925	1.35%	148,602	1.35%
≥ 91 days (CDVITOT 13U y 14U)		686	0.66%	\$ 116,183,134	0.41%	45,234	0.41%
<b>Total</b>		<b>103,308</b>	<b>100.00%</b>	<b>\$ 28,357,621,232</b>	<b>100.00%</b>	<b>11,040,538</b>	<b>100.00%</b>

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%		17,881	17.31%	\$ 4,185,503,899	14.76%	1,629,552	14.76%
65% - 74.9%		16,868	16.33%	\$ 4,087,354,288	14.41%	1,591,339	14.41%
75% - 84.9%		27,692	26.81%	\$ 7,268,240,171	25.63%	2,829,761	25.63%
85% - 95.0%		40,867	39.56%	\$ 12,816,522,875	45.20%	4,989,886	45.20%
<b>Total</b>		<b>103,308</b>	<b>100.00%</b>	<b>\$ 28,357,621,232</b>	<b>100.00%</b>	<b>11,040,538</b>	<b>100.00%</b>

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)		86,778	84.00%	\$ 24,027,422,932	84.73%	9,354,652	84.73%
Special Amortization Regime (REA)		13,092	12.67%	\$ 3,429,696,511	12.09%	1,335,292	12.09%
Extension		3,438	3.33%	\$ 900,501,790	3.18%	350,594	3.18%
<b>Total</b>		<b>103,308</b>	<b>100.00%</b>	<b>\$ 28,357,621,232</b>	<b>100.00%</b>	<b>11,040,538</b>	<b>100.00%</b>

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		38,649	86.83%	\$ 5,025,039,811	70.28%	1,956,410	70.28%
100.01 - 200 VSM		5,186	11.65%	\$ 1,682,530,984	23.53%	655,064	23.53%
200.01 - 300 VSM		534	1.20%	\$ 315,698,674	4.42%	122,912	4.42%
300.01 - 400 VSM		127	0.29%	\$ 107,675,248	1.51%	41,921	1.51%
> 400 VSM		17	0.04%	\$ 19,095,036	0.27%	7,434	0.27%
<b>Total</b>		<b>44,513</b>	<b>100.00%</b>	<b>\$ 7,150,039,752</b>	<b>100.00%</b>	<b>2,783,741</b>	<b>100.00%</b>

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.	24,562	41.78%	\$ 3,946,572,974	18.61%	1,536,528	18.61%
200.1 thousand Ps. – 400 thousand Ps.	16,134	27.44%	\$ 4,356,370,192	20.54%	1,696,076	20.54%
400.1 thousand Ps. – 600 thousand Ps.	7,978	13.57%	\$ 3,915,734,215	18.46%	1,524,522	18.46%
> 600.1 thousand Ps.	10,121	17.21%	\$ 8,988,904,099	42.39%	3,499,671	42.39%
<b>Total</b>	<b>58,795</b>	<b>100.00%</b>	<b>\$ 21,207,581,480</b>	<b>100.00%</b>	<b>8,256,796</b>	<b>100.00%</b>

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	8,558	8.28%	\$ 1,573,645,527	5.55%	612,671	5.55%
25.1 - 30 years	21,622	20.93%	\$ 4,231,198,533	14.92%	1,647,342	14.92%
30.1 - 35 years	19,402	18.78%	\$ 4,351,108,063	15.34%	1,694,027	15.34%
35.1 - 40 years	16,328	15.81%	\$ 4,734,793,032	16.70%	1,843,408	16.70%
40.1 - 45 years	14,382	13.92%	\$ 5,241,793,071	18.48%	2,040,799	18.48%
45.1 - 50 years	12,001	11.62%	\$ 4,494,230,904	15.85%	1,749,749	15.85%
50.1 - 55 years	7,661	7.42%	\$ 2,758,629,861	9.73%	1,074,024	9.73%
55.1 - 60 years	3,116	3.02%	\$ 923,982,992	3.26%	359,736	3.26%
60.1 - 65 years	238	0.23%	\$ 48,239,249	0.17%	18,781	0.17%
<b>Total</b>	<b>103,308</b>	<b>100.00%</b>	<b>\$ 28,357,621,232</b>	<b>100.00%</b>	<b>11,040,538</b>	<b>100.00%</b>

## Appendix – Stratification Analysis of Fovissste's Portfolio

Below we present a stratification analysis of the collection rights on Fovissste's portfolio as of March 31<sup>st</sup>, 2019.

By Loan Denomination							
Loan Denomination	Average Interest Rate	Number of		Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
		Loans	% of Total Loans				
Fovissste VSM (real rate)	5.37%	7,024	100.00%	\$ 2,851,400,562	100.00%	1,110,142	100.00%
Total		7,024	100.00%	\$ 2,851,400,562	100.00%	1,110,142	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	19	0.27%	\$ 2,788,345	0.10%	1,086	0.10%
3.51 - 4.5 VSM	4,200	59.79%	\$ 1,818,685,785	63.78%	708,073	63.78%
> 4.51 VSM	2,805	39.93%	\$ 1,029,926,432	36.12%	400,984	36.12%
<b>Total</b>	<b>7,024</b>	<b>100.00%</b>	<b>\$ 2,851,400,562</b>	<b>100.00%</b>	<b>1,110,142</b>	<b>100.00%</b>

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	3,906	55.61%	\$ 1,522,624,020	53.40%	592,807	53.40%
5.5% VSM	1,245	17.72%	\$ 561,561,417	19.69%	218,634	19.69%
6% VSM	1,873	26.67%	\$ 767,215,125	26.91%	298,702	26.91%
<b>Total</b>	<b>7,024</b>	<b>100.00%</b>	<b>\$ 2,851,400,562</b>	<b>100.00%</b>	<b>1,110,142</b>	<b>100.00%</b>

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	6,802	96.84%	\$ 2,753,563,732	96.57%	1,072,051	96.57%
< 91 days	159	2.26%	\$ 69,864,400	2.45%	27,200	2.45%
≥ 91 days	63	0.90%	\$ 27,972,430	0.98%	10,891	0.98%
<b>Total</b>	<b>7,024</b>	<b>100.00%</b>	<b>\$ 2,851,400,562</b>	<b>100.00%</b>	<b>1,110,142</b>	<b>100.00%</b>

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%	2,013	28.66%	\$ 536,471,472	18.81%	208,866	18.81%
65% - 74.9%	1,366	19.45%	\$ 575,108,018	20.17%	223,908	20.17%
75% - 84.9%	2,438	34.71%	\$ 1,143,290,828	40.10%	445,120	40.10%
85% - 95.0%	1,207	17.18%	\$ 596,530,244	20.92%	232,248	20.92%
<b>Total</b>	<b>7,024</b>	<b>100.00%</b>	<b>\$ 2,851,400,562</b>	<b>100.00%</b>	<b>1,110,142</b>	<b>100.00%</b>

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	6,886	98.04%	\$ 2,784,730,774	97.66%	1,084,186	97.66%
Out of Sector	138	1.96%	\$ 66,669,788	2.34%	25,957	2.34%
<b>Total</b>	<b>7,024</b>	<b>100.00%</b>	<b>\$ 2,851,400,562</b>	<b>100.00%</b>	<b>1,110,142</b>	<b>100.00%</b>

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	1,326	18.88%	\$ 203,428,615	7.13%	79,201	7.13%
100.01 - 200 VSM	4,317	61.46%	\$ 1,867,234,507	65.48%	726,975	65.48%
200.01 - 300 VSM	1,288	18.34%	\$ 702,205,668	24.63%	273,391	24.63%
300.01 - 400 VSM	93	1.32%	\$ 78,531,771	2.75%	30,575	2.75%
> 400 VSM	0	0.00%	\$ -	0.00%	0	0.00%
<b>Total</b>	<b>7,024</b>	<b>100.00%</b>	<b>\$ 2,851,400,562</b>	<b>100.00%</b>	<b>1,110,142</b>	<b>100.00%</b>

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	175	2.49%	\$ 69,927,084	2.45%	27,225	2.45%
25.1 - 30 years	1,131	16.10%	\$ 460,918,254	16.16%	179,450	16.16%
30.1 - 35 years	1,335	19.01%	\$ 550,536,170	19.31%	214,342	19.31%
35.1 - 40 years	1,320	18.79%	\$ 528,011,710	18.52%	205,572	18.52%
40.1 - 45 years	1,272	18.11%	\$ 494,166,624	17.33%	192,395	17.33%
45.1 - 50 years	1,047	14.91%	\$ 421,288,990	14.77%	164,021	14.77%
50.1 - 55 years	643	9.15%	\$ 275,852,794	9.67%	107,398	9.67%
55.1 - 60 years	101	1.44%	\$ 50,698,936	1.78%	19,739	1.78%
60.1 - 65 years	0	0.00%	\$ -	0.00%	0	0.00%
<b>Total</b>	<b>7,024</b>	<b>100.00%</b>	<b>\$ 2,851,400,562</b>	<b>100.00%</b>	<b>1,110,142</b>	<b>100.00%</b>

## 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 March 31<sup>st</sup>, 2019.

By Loan Denomination (mortgage guarantee)							
Loan Denomination	Average Interest Rate	Number of		Balance in Pesos	% of Total Balance in Pesos	Balance in VSM	% of Total Balance in VSM
		Loans	% of Total Loans				
Smart Lending (TAC)	13.11%	31	100.00%	\$ 133,935,720	100.00%	52,146	100.00%
Smart Lending (FHipo Loan)	10.68%	31	100.00%	\$ 133,935,720	100.00%	52,146	100.00%
Total		31	100.00%	\$ 133,935,720	100.00%	52,146	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	1	3.23%	\$ 7,110,000	5.31%	2,768	5.31%
5.5% VSM	5	16.13%	\$ 18,267,647	13.64%	7,112	13.64%
6% VSM	11	35.48%	\$ 47,927,667	35.78%	18,660	35.78%
5.5% VSM	6	19.35%	\$ 16,086,434	12.01%	6,263	12.01%
5% VSM	8	25.81%	\$ 44,543,972	33.26%	17,342	33.26%
<b>Total</b>	<b>31</b>	<b>100.00%</b>	<b>\$ 133,935,720</b>	<b>100.00%</b>	<b>52,146</b>	<b>100.00%</b>

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	8	25.81%	\$ 29,735,168	22.20%	11,577	22.20%
5.5% VSM	12	38.71%	\$ 61,418,954	45.86%	23,912	45.86%
6% VSM	4	12.90%	\$ 15,075,936	11.26%	5,870	11.26%
5.5% VSM	4	12.90%	\$ 9,243,070	6.90%	3,599	6.90%
5% VSM	3	9.68%	\$ 18,462,592	13.78%	7,188	13.78%
<b>Total</b>	<b>31</b>	<b>100.00%</b>	<b>\$ 133,935,720</b>	<b>100.00%</b>	<b>52,146</b>	<b>100.00%</b>

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	3	9.68%	\$ 2,807,473	2.10%	1,093	2.10%
25 - 50 VSM	10	32.26%	\$ 29,109,306	21.73%	11,333	21.73%
50 - 100 VSM	10	32.26%	\$ 34,603,195	25.84%	13,472	25.84%
> 100 VSM	8	25.81%	\$ 67,415,746	50.33%	26,247	50.33%
<b>Total</b>	<b>31</b>	<b>100.00%</b>	<b>\$ 133,935,720</b>	<b>100.00%</b>	<b>52,146</b>	<b>100.00%</b>



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	22	70.97%	\$ 108,819,358	81.25%	42,367	100.00%
< 91 days	0	0.00%	\$ -	0.00%	0	0.00%
≥ 91 days	0	0.00%	\$ -	0.00%	0	0.00%
<b>Total</b>	<b>31</b>	<b>70.97%</b>	<b>\$ 133,935,720</b>	<b>81.25%</b>	<b>42,367</b>	<b>100.00%</b>

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%	12	38.71%	\$ 59,094,112	44.12%	23,007	44.12%
65% - 74.9%	8	25.81%	\$ 30,631,544	22.87%	11,926	22.87%
75% - 84.9%	9	29.03%	\$ 34,490,065	25.75%	13,428	25.75%
85% - 95.0%	2	6.45%	\$ 9,720,000	7.26%	3,784	7.26%
<b>Total</b>	<b>31</b>	<b>100.00%</b>	<b>\$ 133,935,720</b>	<b>100.00%</b>	<b>52,146</b>	<b>100.00%</b>

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	9	29.03%	\$ 12,530,913	9.36%	4,879	9.36%
100.01 - 200 VSM	13	41.94%	\$ 42,307,861	31.59%	16,472	31.59%
200.01 - 300 VSM	4	12.90%	\$ 23,516,884	17.56%	9,156	17.56%
300.01 - 400 VSM	2	6.45%	\$ 18,940,859	14.14%	7,374	14.14%
400.01 - 500 VSM	2	6.45%	\$ 24,141,584	18.02%	9,399	18.02%
> 500 VSM	1	3.23%	\$ 12,497,619	9.33%	4,866	9.33%
<b>Total</b>	<b>31</b>	<b>100.00%</b>	<b>\$ 133,935,720</b>	<b>100.00%</b>	<b>52,146</b>	<b>100.00%</b>

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	5	16.13%	\$ 13,532,232	10.10%	5,269	10.10%
30.1 - 35 years	11	35.48%	\$ 57,215,131	42.72%	22,276	42.72%
35.1 - 40 years	6	19.35%	\$ 23,644,883	17.65%	9,206	17.65%
40.1 - 45 years	4	12.90%	\$ 21,929,170	16.37%	8,538	16.37%
45.1 - 50 years	2	6.45%	\$ 11,056,937	8.26%	4,305	8.26%
50.1 - 55 years	2	6.45%	\$ 4,565,002	3.41%	1,777	3.41%
55.1 - 60 years	1	3.23%	\$ 1,992,365	1.49%	776	1.49%
60.1 - 65 years	0	0.00%	\$ -	0.00%	0	0.00%
<b>Total</b>	<b>31</b>	<b>100.00%</b>	<b>\$ 133,935,720</b>	<b>100.00%</b>	<b>52,146</b>	<b>100.00%</b>

## Our participation with Infonavit

On August 13, 2014, FHipo celebrated an "Initial Assignment Agreement" with the *Instituto del Fondo Nacional de la Vivienda para los Trabajadores* or "Infonavit", a social service agency of the Mexican government dedicated, among other activities, to mortgage financing. Infonavit is the leading mortgage underwriter in Mexico and one of the largest mortgage providers in Latin America, with a balance of more than ten million mortgage loans.

Infonavit operations are financed mainly by payments, made by workers, of the principal and interest of the mortgage loans granted through the payroll discounts that the employer carries out for Infonavit, as well as the mandatory contributions that the employers make to the National Housing Fund, for an amount currently equivalent to 5% of the salary of each worker in service.

Currently FHipo participates in two Infonavit Programs; "*Infonavit Total*" and "*Infonavit Más Crédito*", in which FHipo acquires a percentage of each mortgage originated by Infonavit under both programs. The Infonavit Total Program exists in Mexico since 2008, in which there are currently 6 financial institutions participating, and the Infonavit Más Crédito Program exists since 2012, in which currently there are 5 financial institutions participating.

As in the Infonavit Total Program, within the Infonavit Más Crédito Program, FHipo acquires a percentage of each mortgage loan, all loans offered through this program are originated in co-participation with private entities. Before the mortgage origination initiates, there is a bidding process based on amount and interest rate. Through the bidding process, Infonavit assigns the future co-participation of each originated loan to the participating entities, until the total projected loan origination for a certain period is allocated. Generally, the private institutions assume a higher participation percentage on each loan than Infonavit. Once the auction concludes the daily mortgage origination begins.

Through FHipo, Infonavit continues to materialize the objectives set by the public housing policy, which establishes in its strategies the responsible reduction of housing arrears through the improvement and expansion of existing housing, the promotion of acquisition of new housing, and the participation of private capital in the granting of mortgage loans.

Finally the participation of FHipo in collaboration with the Infonavit, will continue improving the development of the mortgage industry in Mexico, offering greater dynamism by creating new products, increasing the liquidity of the secondary mortgage market as well as financing unattended sectors through the participation of different institutions.

## Our participation with Fovissste

Fovissste is a social service agency dedicated, among other activities to mortgage financing, and is currently the second largest mortgage originator with collection through payroll deduction mechanisms in Mexico, after the Infonavit. Fovissste's operations are mainly financed by principal and interest payments on mortgage loans granted to workers at the service of State, with direct payroll discount, which in turn the government dependency must remit to Fovissste through the Federal Treasury, including the mandatory contributions that the State dependencies must entail to the Fund.

Fovissste originates approximately 11.0%<sup>9</sup> of the mortgage loans in the country, and has a credit management capacity that is amongst the most efficient worldwide. Without doubt, its credit rating of AAFC2+(MEX) assigned by Fitch as mortgage loan administrator and its AAA (Triple A) rating assigned by Fitch and S&P for their debt issuances (TFOVI), are proof of its capacity as an administrator and credit risk mitigator.

On June 3<sup>rd</sup> 2016, FHipo and Fovissste started a strategic alliance, through which Fovissste granted FHipo trustee rights to 7,144 mortgage credits administered by the trust F/2803. In exchange for these rights, FHipo paid a counter-loan of Ps. \$2.999.6 million, equivalent to the balance of the transferred fiduciary rights.

Through this acquisition, FHipo established a long-term relationship with Fovissste, which will continue to strengthen over time, resulting in higher mortgage supply in Mexico while enhancing the liquidity of the mortgage market. The foregoing, leading FHipo to continue developing a growth strategy focused on generating long term value for its investors.

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<sup>9</sup> By number of loans (Sociedad Hipotecaria Federal Report, 2017)

## Our participation with Smart Lending

Smart Lending Tech, S.A.P.I. de C.V. ("Smart Lending") is a newly created technological platform, whose only activity is to penetrate the mortgage market in Mexico through the origination of loans with a mortgage guarantee through a fully automated, dynamic and accurate experience. Smart Lending plans to grant mortgage loans to the formal high-income Mexican sector, which differs from the sector's targeted by Infonavit and Fovissste, this with the objective of participating in a new income segment while at the same time maintaining limited credit risk.

As part of our growth strategy, on March 1<sup>st</sup>, 2018, FHipo and Smart Lending initiated a strategic alliance, through which Smart Lending will transfer the collection rights on mortgage loans originated by Smart Lending to FHipo. FHipo, in return for the collection rights of the loans, will provide resources for the funding of the mortgages, provided that they comply with FHipo's Investment Guidelines, the funding will be allocated from time to time, for up to Ps. \$1,500.0 million.

Derived from this strategic alliance, FHipo will benefit from expanding its origination pipeline and diversifying its mortgage offer. This will allow FHipo to diversify risk, access new market opportunities and continue contributing to the growth of the Mexican mortgage market.