July 24, 2017

H.E. Dr. Sahar Nasr
Minister of Investment and
International Cooperation
Ministry of Investment and
International Cooperation
8 Adly Street
Cairo
Arab Republic of Egypt

Arab Republic of Egypt: Inclusive Housing Finance Program
(LOAN NUMBER 8498-EG)

Amendment to the Loan Agreement

Excellency:

We refer to the Loan Agreement dated June 10, 2015 ("Loan Agreement"), between the Arab Republic of Egypt (the "Borrower") and the International Bank for Reconstruction and Development (the "Bank") for the Inclusive Housing Finance Program ("Program"), and the letter dated May 5 2017 from the Borrower requesting certain amendments to the Loan Agreement.

We are pleased to inform you that the Bank accedes to your request. Accordingly, the Loan Agreement is amended as follows:

1. Part B of the Project description in Schedule 1 of the Loan Agreement is deleted in its entirety and replaced with the following:

   "Part B: Demand-side Housing Subsidy Support"

   1. **Affordable Mortgage Program (AMP):** Financing of demand-side subsidies provided to households with income of up to LE 3000 per month, as such amount may be adjusted periodically, to complement a mortgage loan and a down-payment for the purchase of a new or existing housing unit.

   2. **Public Rental Subsidy Program for Tenants:** Provision of a demand-side subsidy provided to households with income of up to LE 1500 per month, as such amount may be adjusted periodically, to rent a publically owned housing unit.

   3. **Private Rental Subsidy Programs for Investors:** Provision of financial incentive packages to private investors in rental housing for moderate income households who commit to rent their units to households with income of up to LE 3000 per month, as such amount may be adjusted periodically, for a given period of time.

   4. **Private Rental Subsidy Programs for Tenants.** Provision of a demand-side subsidy to enable households with an income to be specified by the SHF to rent a privately owned housing unit."
2. The following new paragraph (7) is added to Paragraph C of Section I of Schedule 2 to the Loan Agreement:

"7. For the purposes of Parts B.1, B.2 and B.3 of the Project, the amounts of income level provided therein may be adjusted periodically by the Borrower up to such levels acceptable to the Bank, determined in accordance with methodology and procedures and factors satisfactory to the Bank, including but not limited to inflation of local currency."

Please confirm your agreement with the foregoing, on behalf of the Borrower, by signing and dating two original of this amendment letter and returning one original to the Bank. This amendment letter shall become effective as of the date of this letter upon receipt by the Bank of the countersigned copy of this letter.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Asad Alam
Country Director
Egypt, Yemen and Djibouti

AGREED AND CONFIRMED:

ARAB REPUBLIC OF EGYPT

By:
Authorized Representative
Name: Saba Ahmed Naur
Title: Minister of Investment and International Cooperation
Date: July 25, 2017